

Information folder

compiled from www.eon.com on 01/25/2010

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OneHR - The E.ON People Strategy

Building our Future with the Energy of our People

E.ON's corporate goal is to be the world's leading power and gas company. This poses a challenge for each and every one of our employees. To enable E.ON's employees and leaders to achieve this goal, the E.ON AG board decided to implement the People Strategy OneHR. This strategy was developed in cooperation with all the Market Units and the persons responsible for corporate strategy. As a result, the People Strategy is closely aligned with the corporate strategy and its goals, and takes account of external challenges for human resources work in the future.

We want to show farsighted leadership and deliver value

- by supplying the organization with the best people possible;
- by attracting, developing and retaining the right leaders;
- and by establishing an energizing environment for our employees.



The People Strategy is based on these three strong pillars. In addition, in everything we do we strive for cost-efficient, professional, and competitive operational excellence.

Eleven specific fields of action were derived from the three overriding pillars of the People Strategy. In these areas we expect to be able to deliver the greatest value to E.ON.

To make the strategic fields of action concrete and practicable, we defined and launched

initiatives for each field of action. Our People Strategy initiatives are detailed action plans for the near future, with measurable goals and concrete milestones. Each of the initiatives is led by a Market Unit HR Director who is responsible for promoting the initiative. Moreover, each initiative is monitored and reviewed annually to make sure that it will succeed.

Since the People Strategy focuses on our employees, employee representatives of the E.ON Group will be involved in the process of implementing the strategy, as well as its fields of action and initiatives.

In the following, we would like to present our eleven People Strategy initiatives in detail.



Highly motivated staff

Developing our employees' strengths to prepare them for the future is a top priority for us. From expertise development programs to the sustainable employability of our staff aged 50 and over- we want to maintain our position as a top employer and in doing so provide plenty of good reasons to work for us. After all, our staff are the most valuable asset for our future.



Strategic Employee Planning

Proactive for the future

E.ON will identify and respond to current and upcoming demographic challenges by implementing a demographics and workforce planning initiative. On the one hand, we have to respond to the general aging of our employees. On the other hand, since E.ON is constantly growing and since resource bottlenecks are looming due to decreasing birth rates, we need employees who are able to fill new positions. In view of our current and expected future situation regarding demographic risks, we want to define key job groups at E.ON by organizing a demographics expert colloquium. Subsequently, we intend to develop a strategic workforce planning tool that will help us identify our workforce shortages.

We will set up a Group-wide demographics risk management and strategic workforce planning system that will support us, for instance, in estimating the skill mix and headcount needed for specific business lines. This will enable us to recognize specific risks early on, to develop concrete and adequate measures to control those risks and, most importantly, to match our workforce supply with E.ON's corporate growth strategy.



Expertise Management

Knowledge giving us a head start

The initiative's objective is to regularly benchmark E.ON's job families (functional skill segments) against competition, and trigger targeted professional development programs as well as recruiting drives to secure a sustainable competitive advantage in our skills portfolio, diversity, and demographics.

Based on the E.ON job families and sub-families across E.ON the dedicated Functional Academies will be implemented as professional learning centers to close diagnosed skill gaps vis-à-vis ambitious group standards. The E.ON Trading Academy, Project Academy, IT Academy and Procurement Academy are meanwhile operational and considered as a benchmark in the corporate learning world. They will be complemented by the E.ON Sales & Marketing Academy, the E.ON Finance and Controlling Academy and the HR Academy. The curricula of each Functional Academy are tailored to the specific needs of the respective business function likewise.

Competence Management will simultaneously facilitate OneE.ON and the integration of new E.ON units - through an aligning of development programs within job families to match E.ON's high professional standards and through consistent corporate learning support of our strategic objectives.



Employer Branding

Sights set on being top employer

We will actively promote and optimize our employer brand so that E.ON will become the employer of choice for the best people. Our Employer Branding initiative will position us among the top employers in all the E.ON countries and we will communicate this within E.ON and outside.

We will continue to implement our employer branding guidelines internationally, launch image and communication campaigns and optimize our applicant management process. Until the final implementation of the initiative, we will introduce employer branding guidelines and monitor compliance with their consistent application across the E.ON Group, further improve E.ON's standing in employer rankings, increase the number of qualified and international applicants, and introduce systematic "talent relationship management" as an innovative recruitment and retention tool. As a motivating experience for our initiative, we were very pleased to find that we ranked among the top 10 companies in the "Great Place to Work" competition 2009. We are very confident that we will be able to build on this great success and further improve our ranking in the future.



Diversity

Equal opportunities as a strategy

We want to provide a working environment that will drive the performance of all our employees and that will improve equal opportunities, regardless of an individual's nationality, gender or personal background. What matters to us is an individual's competence and commitment. In addition, we want to benefit from mixed teams and ensure a close match of employees and customers that will help us better understand our customers' needs and increase customer satisfaction.

We will therefore create a culture at E.ON that will allow all our employees to reach their full potential and raise awareness of diversity as a competitive advantage. That's why the top objectives were identified as follows: implementing the requirements formulated in the guidelines on equal opportunities and promoting diversity; zero tolerance for discrimination, disadvantaging behavior and harassment; active communications, education and training for employees in an effort to establish appreciation and support for a culture which practices diversity; achieving and maintaining a mixed workforce.

In addition, the results of our activities are to be communicated both internally and externally. In 2008, there was a greater emphasis on communicating the initial results, such as an extensive diversity intranet portal having been set up, diversity being integrated into recruiting and training being conducted on diversity and intercultural skills.



Employability

Supporting the exchange of knowledge

E.ON wants to ensure best-practice knowledge transfer and an environment in which all employees can easily release their productive energy. In our employability initiative, we will- among other things- also address the age group of the over-50-year-olds.

We will achieve our goals first of all by screening the current experience with employability measures and challenges across all E.ON Market Units. As a second step, we will then define, develop and implement suitable measures in response to major employability challenges within E.ON. At first we will focus on all the topics related to knowledge transfer.



Ideal working environment

We strive to create an environment which offers our employees the best possible conditions for efficient work. After all, only satisfied employees are motivated. Important fields of action in this respect include health care, the right life balance as well as change management, which supports employees through times of changing external market conditions such as acquisitions.



Change Management

Using change efficiently

At a global company like E.ON, change is a constant. We form new market units, restructure parts of our company, and deploy new technologies. These situations create significant challenges for our people. Our change management programs are designed to enable our managers and employees to deal positively and actively with these challenges and to view change as an opportunity.

E.ON has a uniform groupwide change management model in place. The model is based on our E.ON values and behaviors and includes: a uniform definition of change management; a process model showing how changes are best managed; and practical, easy-to-apply methods and tools.

This approach makes it faster and easier for our employees to accept and cultivate the attitudes and behaviors we expect of them and to ensure effective implementation. Special change workshops are conducted to sensitize senior management to the topic of "changes" and support them in their managerial duties. This above all else involves personal and substantive examination of changes and the process steps involved with them. Practical support, such as for individual change projects, will also be provided to senior executives through the network of change management partners- internal E.ON experts from various market units who are already fully equipped to address the topic of change. When our employees are confronted with new situations, we also help them to acquire the knowledge and skills they need to understand and successfully cope with changes in technology, processes, and culture.

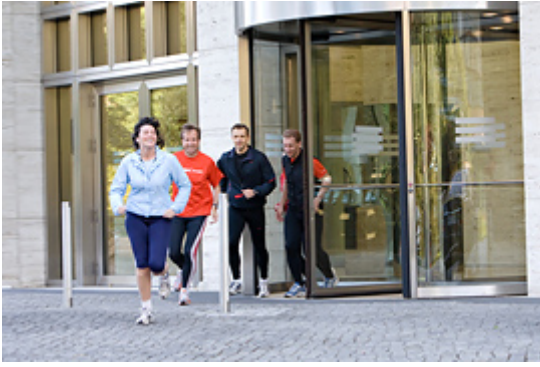


Life Balance

Aimed at individual employees

E.ON respects and welcomes the individuality of each employee. We want Life Balance at E.ON to be a personalized and customized approach since Life Balance evokes varying associations and views in different people. We want to find an approach that will enable us to reach out to all E.ON employees. This will directly improve our position as an employer of choice, especially for younger people.

We will start our initiative by assessing current perceptions of Life Balance at E.ON and by preparing a common definition of Life Balance within the Group. Aside from dealing with the topic internally, we will also analyze the environment in which we operate, and as a result of both, we will identify best-practice approaches to Life Balance. On this basis, we will regularly offer Life Balance activities throughout our Market and Business Units and include the topic in leadership training programs. Finally, we will implement a pilot initiative in one MU this year, and we will monitor the impact of our initiative in future employee opinion surveys until the final implementation in 2010.



Health Management

Well-being as a building block for success

To achieve great results, employees have to be in good physical and mental shape, which is why our employees' physical and mental well-being is a core mission for us. The Health Management initiative is aimed at creating and promoting opportunities for our employees to improve their own health, and hence their performance.

To this end, we will develop a health management tool kit with more than 50 measures, which will provide a Group-wide platform for health-promoting activities. This systematic approach will also help to assess the effectiveness of measures and to examine their usefulness in terms of both actual improvements of employee health and a rational cost/benefit analysis. In addition, we will try to increase the health consciousness of E.ON employees across our Market and Business Units by developing an impressive information campaign. By 2010, we will roll out a pilot initiative to implement the health management tool kit and the information campaign as the two major achievements of our initiative.



Recognize Potential - Promote Development

Even the best specialists never stop learning. As a committed energy company, we value ongoing training and continuing education for our employees. And we act on this commitment. We have offered approximately 270,000 days of continuing education events to our employees. Supporting the professional and personal development of our employees through customized programs is important to us. Our development plans are defined by regular feedback interviews and standardized personnel development processes, which are implemented by E.ON and through external programs from competent providers. The E.ON Academy is one example.

Well-trained junior staff is also extremely important to us. Numerous training programs and initiatives provide young people with a solid foundation to launch their career.

More Knowledge. Greater Success.

As a corporate university, the E.ON Academy offers a large range of groupwide education programs. Current and aspiring managers can strengthen and develop their management skills while using this platform for intensive dialog between international partners in E.ON group.

Learning Abroad

Project involvement or temporary work terms in other departments and divisions allow employees to gain new perspectives and obtain knowledge. An extended period abroad under the terms of our expat guideline represents a special development step. Ongoing internationalization and the resulting increase in the number of foreign deployments for our employees represent another strategic objective of our People Strategy "OneHR".

Lifelong Learning

One of the objectives of our continuing education programs is to contribute to the development of a motivating company culture. The special "Lifelong Learning" award earned by E.ON Ruhrgas for its qualification and continuing education programs for all ages in the "Best German Employers 2007" ("Deutschlands Beste Arbeitgeber 2007") competition is proof that we are on the right track.



Further Education

In these times of constant change, lifelong learning is more important than ever. Training and continuing education programs for our employees are essential for the success of the company. This is why we invested about EUR78 million in continuing education programs throughout the group in 2007. We offer our employees a wide variety of continuing education options, including topics such as safety, health and environmental protection.

High Level of Interest among Employees

Our employees completed approximately 270,000 days of training in 2007. Courses offered by the E.ON Academy Program are a key management training organization and account for a large share of this total. Our employees are also increasingly taking advantage of the blended learning approach with unscheduled eLearning modules: over the course of the past year, our "Academy Online" electronic learning platform was used a total of 85,000 times. Discussions regarding possible training and development measures for our staff are part of the annual employee appraisal interviews conducted between employees and managers.

Management Preparation

The purpose of the annual management review process is to evaluate and identify the performance and potential of managers and junior managers and to discuss participation in various continuing education programs. This allows us to support junior and potential managers according to their individual needs.

In July 2007, we revised the Senior Management Potential (SMP) concept. This initiative offers junior managers a variety of individual education and development options in order to prepare them for the step to senior management on both the professional and personal level. Global placement supports SMPs by giving them preference in regards to job openings throughout the group. We implemented the uniform groupwide Global AC (Global Assessment Center) in order to identify the development potential of promising junior managers early on. The objective is to optimize development planning and to accurately assess potential for senior management responsibilities. "globaltalent@E.ON", the HR development database implemented in 2006, also serves to support groupwide HR planning processes.

Intercultural Training

With our transformation into an international energy supplier, the number of employees with a variety of cultural backgrounds has increased significantly. In order to take advantage of this diversity, our employees have to understand different cultures. Intercultural training is a fixed part of the orientation process for new employees and is also covered by programs offered through the E.ON Academy.

International HR Management

At the end of 2007, 225 employees throughout the group were working abroad. Under the strategic field "internationalization" of our HR strategy, this number is to be increased to one percent of the workforce by 2012. In 2007, numerous initiatives started to achieve this goal. For example, a detailed analysis of international assignments was started to design and adapt the framework of international HR management.

With the international holiday exchange program "Making Friends" we also offer our employees' children the opportunity to explore countries where E.ON is represented around the world.

More information about this topic on other E.ON websites:



Training and development at E.ON UK

E.ON UK supports employees with a range of programs.

→ **E.ON UK - Training and development**



Learn for tomorrow's business

Our corporate vision to make E.ON the leading integrated power and gas company in the world means that our knowledge and skills are at the center of company development. This is the maxim of the E.ON Academy- the Corporate University of the E.ON Group. Meeting our own high standards and those of the global market day after day requires an innovative personnel and management development system.

The stated goal of the E.ON Academy is to provide long-term support for our managers and future managers by developing their skills, updating their standard of knowledge, and continuously learning from the best. In tailor-made Academy programs, approximately 2,000 students are finding out that learning can go hand in hand with working. In fact, learning promotes personal productivity and makes cooperation more enjoyable.



Recognizing Excellent Performance

Our daily success as a company is built squarely on motivated and talented employees: their valuable work is the main driver of our company's results! Demographic change is one of the key factors in our effort to remain an attractive employer. Therefore, to enthruse talented and performance-oriented people to accept a position with E.ON and to bind our employees to us over the long term, we do all we can to offer a highly motivating and inspiring work environment. We see fair compensation and matching additional benefits linked with opportunities to further improve professional skills as essential ways to ensure this.

81 Percent of Employees are Proud to Work at E.ON

Over the last eight years we have successfully developed a company culture with which the great majority of our employees can identify, as confirmed by the results of a random employee survey in 2008. 85 percent of employees surveyed stated that they worked actively on implementing OneE.ON's values and our company's Code of Conduct. The most recent comprehensive survey confirmed that 81 percent of our employees are proud to work at E.ON. Our common understanding as laid out in our OneE.ON program, our Company Values and our Behaviors are certainly major positive contributing factors to this result- as is our corporate responsibility engagement, which we are continually expanding and driving forward.

Living our Company Culture

In order to reinforce the shared culture of the Group and to foster team spirit, E.ON holds a groupwide OneE.ON Day with different themes every year. Besides light-hearted sporting competitions and the opportunity to have fun together, the day provides the opportunity for employees to exchange opinions and to strengthen their identification with our company.

Regular Exchange of Views

The open dialog with our employees across all levels of hierarchy is of the highest importance to us. Letters and e-mails from E.ON's top management and videocasts from Board members help our employees stay up-to-date with the very latest company developments. Besides these there are regular opportunities for a personal exchange of views, for instance in small groups at a monthly lunch with our Chief Executive Officer Wulf Bernotat or with Board members of other market units, such as at E.ON Nordic's monthly "Employee Breakfast". There are also larger meetings which regularly take place at other locations, such as the E.ON Ruhrgas Forum in Germany which is open to participants' questions and where senior managers regularly engage in discussion on key company and sector topics.

Rewarding Outperformance

Just how strongly do our employees identify with E.ON? How satisfied are they with their work and working environment? What are their goals and interests? All these questions are crucial to us as an employer - because we want to ensure that the people who contribute to our success with their performance are happy working at E.ON. To bind our employees to us over the long term we aim to offer them the most attractive employment conditions possible.

Performance-related Compensation

A key part of this is fair pay as well as performance-related compensation. After all, employees who deliver outstanding performance should receive due compensation for this. The compensation of the majority of our employees is linked to collective wage agreements. In addition to this, many of our employees receive performance-related compensation and can share in our company's success in this way.

High Responsibility and Compensation to Match



Those employees who bear particularly high responsibility should naturally receive compensation in recognition for this. Around 250 top managers across the Group receive corporate responsibility-relevant, performance-related compensation as a part of their variable compensation package. For instance, this is paid when they achieve specific environmental protection targets, maintain occupational safety standards and thereby help to reduce the number of work-related incidents. These targets are individually agreed with managers and reassessed each year within the framework of a structured performance assessment process.

Providing for Later Life

A company pension plan oriented towards applicable national framework conditions is part of the overall compensation that E.ON pays its employees. We offer our people a comprehensive range of measures to help ensure their financial security in later life, above and beyond the requirements of relevant local statutes. In Germany, company pension plans and options are a well-established part of overall employee compensation. Besides an attractive company-financed pension scheme, E.ON also offers its employees in Germany the possibility of topping this up further with the employee's own contributions. In line with their own needs and possibilities, employees in Germany can choose from different pension scheme models (e.g. direct insurance, "Riester" pensions and/or deferred compensation) - or even combine these.

Employee Stock Purchase Plan

Within the E.ON Investment Plan, employees additionally have the opportunity to participate in our company's financial success by acquiring employee stock under especially favorable conditions.

Learning Together, Growing Together

In these times of constant change and especially in the workplace, expert knowledge and lifelong learning are more important than ever. At E.ON we know that professional training and continuing education programs for our employees are essential to the success of our company. This is why we invested around EUR88 million in continuing education programs throughout the Group in 2008. We offer our employees a wide variety of further education options, also outside their own specialist professional area.

And we're happy to say that our employees eagerly accept and use these development offers! In 2008 E.ON employees completed some 321,000 training days. Along with the programs offered by the E.ON Academy for managers, every E.ON employee can make use of the whole E.ON-wide "Academy Online" eLearning platform which includes our entire training and further education offering from over 70 E.ON internal training providers.

In addition to this, thousands of items of self-teach content such as book abstracts, eLearning programs and articles are available for free to E.ON employees. They actively make use of these and the offer's proving very popular: in 2008 we logged a total of 212,000 visits to our self-teach offerings. Thanks to the latest access options, all E.ON employees can conveniently develop their own knowledge at home and make use of the full range of offerings.

Following up on Progress, Improving our Further Education Offering



Naturally we also want to know whether our learning and training offers really meet our employees' needs, whether they are already seeing progress - and whether our offers may need to be expanded. For this reason, shared successes and possible development measures form part of the annual employee performance review discussions that take place at all market units between employee supervisors and their staff. This enables

us to work out together where there may be further development opportunities or other relevant areas for further training.

Further Education and Training - Ensuring our Competitive Edge Today and Tomorrow

We're already meeting the future's challenges today with targeted development measures: one example is E.ON Nordic's strategic competency management tool "Strategic Skill Management". In workshops involving both employees and supervisors, strategic challenges for the business are linked to our employees' future competence needs. Here, the organization's general competence requirements are examined and detailed discussion of these is encouraged between the employees and supervisors involved. In conjunction with the outcomes of the employee performance review discussions this enables us to develop tailored further education and training plans.

Besides this, in 2008 E.ON Nordic created the "Partner Mentoring" program in cooperation with the companies Alfa Laval, Awapatent, Ericsson, Sony Ericsson und Tetra Pak. This program provides young managers with a management-proven mentor from another company to guide and advise them. Of the 70 people participating in this program, twelve are from E.ON. Both the mentor and the young manager benefit from the other's

perspectives, through which years of experience can be exchanged for a fresh way of looking at things. They also each gain an insight into the varying ways in which different organizations approach daily work situations and problems.

Groupwide Employee Exchanges

As an internationally active company we offer our employees various opportunities to gather new and enriching experiences at our companies and facilities worldwide. At the end of 2008, 400 employees groupwide were employed at Group companies abroad. Within our people strategy OneHR's "Internationalization" initiative we plan to increase this figure by 2012, as our employees' feedback on this initiative has been thoroughly positive so far!

Further Offers at E.ON

Learning doesn't always concern deepening our professional competence. There are numerous further education programs available across the Group that are also aimed at helping our employees in their own personal development- and through this, naturally also at benefiting E.ON as their employer. For instance, these include offers on improving employees' life balance and personal health care. Besides this, E.ON supports its employees in volunteering in their working time for community benefit projects. Through our international vacation exchange program "Making Friends" we also offer our employees' children the possibility to get to know countries in which E.ON is active as a company.

Additional information about this topic on other E.ON websites:



Studying for a Successful Future

E.ON UK offers its employees numerous further training programs.

→ **E.ON UK - Development**

Excellent Conditions

Favor high Work Performance

Our success as a company is built squarely on the daily performance of our employees and is driven by their motivation, talent and expertise. Demographic change means that the availability of well-qualified employees is declining, however. This why it is becoming increasingly important for us to remain attractive as an employer. To enthruse talented and performance-oriented people to accept a position with E.ON and to bind our employees to us over the long term, we do all we can to offer a highly motivating and inspiring work environment.

Performance-related Compensation

To motivate our employees to outperform we aim to provide fair compensation as well as attractive additional benefits. What's more, we feel that employees who outperform should be correspondingly rewarded for this. The compensation of the majority of our employees is linked to collective wage agreements; however, the compensation of many of our employees also includes a performance-related component, thus helping them share in our company's success.

Percentage of Employees with Contracts Based on Collective Wage Agreements with Trade Unions			
in %	2008	2007	2006
Central Europe	88.6	89.0	90.2
Pan-European Gas	83.9	86.3	88.0
U.K.	93.9	89.7	94.4
Nordic	99.3	99.2	99.2
U.S. Midwest	26.7	27.1	27.1
Energy Trading	48.6	n/a	n/a
New markets ¹	85.5	90.4	n/a

¹Reduction due to the growth of E.ON Climate & Renewables which employs a smaller percentage of employees with wage agreement-based contracts.

Rewarding Responsibility

Those employees who bear particularly high responsibility should naturally receive commensurate compensation. This also applies to our management's engagement for CR: for instance, specific environmental protection targets and occupational safety standards have been agreed with our managers and explicitly integrated in their performance-related compensation package.

Employees as Shareholders

Within the E.ON Investment Plan, employees additionally have the opportunity to participate in our company's financial success by acquiring employee stock under especially favorable conditions. While all our market units offer their employees such a program, these vary greatly. In 2008 22,392 employees in Germany acquired 1,138,050 E.ON shares, with 58 percent of employees participating.

Excellent Pension Plans

A company pension plan oriented towards applicable national framework conditions is part of the overall compensation that E.ON pays its employees. We offer our people a comprehensive range of measures to help ensure their own financial security in later life, above and beyond the requirements of relevant local statutes.

Innovative, high-quality Training and Further Education Offers

Constant change in today's world applies to the workplace too and demands job-specific expertise and a lifelong learning approach. That's why in 2008 we invested some EUR88 million across the Group in our training and further education offer. This provides our employees with a wide range of opportunities to develop their skills and knowledge, also beyond the boundaries of their own specialist working area. And our people are eager to accept these opportunities! In 2008 E.ON employees completed around 321,000 training days. The majority of these were in E.ON Academy training and further education programs for our management group. Our employees are making increasing use of the schedule-independent eLearning modules offered on our Academy Online platform. And they're proving to be very popular- in 2008 we logged a total of 212,000 visits to individual eLearning modules.

Reviewed 2008 ✓

Diese Angaben wurden einer betriebswirtschaftlichen Prüfung unterzogen.



Taking our Employees' Concerns Seriously

A decisive factor in E.ON's success is the motivation and commitment of our employees. Identifying with the company's goals is of great importance in this case. This is why we allow our employees to participate in the success of the company directly through the Employee Share Program. In addition, we ask our employees about their concerns and level of satisfaction in our annual employee survey.

Promoting Communication and Transparency

Maintaining close contact and open communication with our employees is important to us- across all levels of the organization. Letters and emails from E.ON management as well as video messages from managers keep E.ON employees up to date on current developments within the group. There are also many opportunities for personal interaction, such as regular dinners with CEO Dr. Wulf Bernotat, and corporate lunches. Here, employees get informed about topics of interest over a meal with E.ON managers and executives.

OneE.ON Day

The annual groupwide OneE.ON Day offers another opportunity for the exchange of information. In 2008, it included panel discussions between employees and managers as well as workshops which allowed employees from different levels of the organization to form small groups and develop solutions to problems together.

Inclusion of our Employees through Workers' Representation

Other ways employees can have an influence in the company's development are the Groups Works Council, the European Works Council and the local works councils.



Employee Shareholding

In 2007, E.ON increased its adjusted EBIT by ten percent to EUR9.2 billion. E.ON shares rose significantly in 2007. It is our intention to allow employees to share in this success. That is why we not only offer them fair pay which takes performance into account, but also give them the chance to acquire shares in the company.

Employee Share Program in High Demand

As part of the Employee Stock Purchase Plan, employees in Germany can acquire packages of ten, 20 or more E.ON shares at a preferential price. The stocks are subsidized by markdowns. The E.ON Employee Share Program once again got great feedback in 2007: in 2007 22,184 E.ON employees acquired 373,905 shares in total. At 59 percent, the participation rate once again increased compared to the previous year (54 percent).

The Employee Stock Purchase Plan is part of the E.ON Investment Plan. It is a means of building up savings and making provisions for retirement. To let employees participate more in the company success a groups works agreement to adjust the "Groups Works Agreement on the Realignment of the E.ON Investment Plan" was concluded in 2007.

Share Incentive Plan for Employees in the UK

Under Share Incentive Plans employees in the UK can also purchase stock out of their pre-tax-salary. As of December 31, 2007, 5,565 employees were participating in the plans. In 2007, participants purchased 70,867 partnership shares and received 86,199 matching shares under the plans.



Employee Survey

How strongly do E.ON employees identify with the company? How satisfied are they with their place of work? How is the cooperation with other teams? These are just some of the questions we ask in our yearly employee survey, which is either conducted with all or a random sample of our employees. The survey is important for dialogue between employees and management as well as a key management tool in the group.

85 Percent of Employees Identify with E.ON

After conducting a random sample survey in 2006, we conducted the third comprehensive groupwide survey in 2007. The questionnaire was supplied in eleven languages in order to involve as many employees from around the world as possible. The results show that we are heading in the right direction. In comparison to the last survey of all of our employees in 2005, employee identification with E.ON has risen slightly to 85 percent (2005: 83 percent). On top of that, even more employees are now proud to work for E.ON: the number is now 81 percent (2005: 75 percent). 76 percent agree with E.ON values and codes of conduct. Sustained good results regarding diversity and equal opportunities are especially encouraging: 85 percent of our employees believe that all colleagues are treated equally and fairly in their work environment.

Identifying the Need for Corrective Action

The employee survey also helps us identify areas where corrective action is required. For example, one of our objectives was to increase the number of employees who view E.ON as a socially responsible company to 80 percent. In spite of an increase of several percentage points, we failed to reach this goal. In September 2007, 72 percent of employees fully agreed with this point of view. This means we need to expand and intensify our CR activities throughout the group. The survey also revealed that two out of three employees would like to see simpler rules and workflows that are easier to follow. Every third respondent indicated that access to essential information is not simple enough. These results caused the Board of Management to make the improvement of workflows a priority for the entire group.

Results of Employee Survey (2007)	
	Percentage of Employees which answered "yes"
I am satisfied with my conditions in the workplace.	80%
I am satisfied with how I am kept informed.	67%
I can easily find information that I need to perform well at work.	65%
I know the strategy/can explain it.	60%
My team is working well together.	85%
I get involved in the implementation of E.ON values/behaviors.	76%
I am proud to work at E.ON.	81%



Workers' Representation

A good and open relationship to trade unions and workers' representatives is important to us. This is because putting labor and management relations on a partnership footing as well as promoting close cooperation is an integral part of our day-to-day business and corporate culture.

The Groups Works Council

The Groups Works Council plays a key role in this context. It represents the interests of E.ON employees in Germany. It currently consists of 26 members who are delegated from E.ON's German companies. There are also general workers' councils in the German market units and regional workers' councils in the business units.

The Groups Works Council based in Düsseldorf is responsible for dealing with matters which concern the group or several group companies. However, the council represents a link between employer and employees. In this respect it is an information source available to employees who need help and advice on the rapid processes of change taking place within the group. In 2006 Hans Prüfer was elected as chairman of the Groups Works Council.

Positive Opinion of CR Activities

Representatives of the Groups Works Council are part of all the major bodies of our CR structure, like our CR Council for example. In 2006 the Groups Works Council made a detailed statement on the group's CR activities. It welcomed E.ON's activities and promised constructive cooperation in this area.

The European Works Council

As a national body, the Groups Works Council can only exercise its rights in Germany. This is where E.ON European Works Council comes in. It forges links between the workers' representatives in the other European countries in which we operate. The E.ON European Works Council has the right to be heard and kept informed. In this respect, we regularly inform the European Works Council of the group's development as well as its CR activities. The body meets twice a year. The composition of the European Works Council follows a formula in which all market units and countries are incorporated fairly. Every country where E.ON has a workforce of at least 500 may put forward one representative for the European Works Council. A maximum of three representatives per country is allowed. For the first time, a woman is head of the European Works Council. At the beginning of 2007, Gabriele Gratz from E.ON Ruhrgas was elected to be the new chair of the European Works Council.

Pulling Together: Comprehensive Works Council Conference in Berlin

In November 2007, the second Comprehensive Works Council Conference of the Groups Works Council of E.ON Energie was held in Berlin. The focus was on numerous groupwide changes. Members of the Board of Management explained the strategic significance of these improvements to approximately 900 works council members and numerous other employees from HR departments within the group. The key message of the event: employers and works councils have to pull together in order to meet the challenges facing the group.



Safety at Work is a Top Priority

As a responsible company, our most important principle is the health and safety of our employees in the workplace. As such, we work hard to provide a working environment at E.ON that ensures the health and safety of every single person associated with our business.

Wulf Bernotat clearly sums up this priority on behalf of our company's senior management: "As the Board of E.ON, we are fully committed to the principle of 'No Compromise'. Nothing we do is so important or urgent that our people should ever work unsafely."

Our Goal: To be a Leader in the Area of Health and Safety

Work-related illnesses, injuries and accidents are unacceptable to us as a business- and we tolerate no compromises here. Our aim is for E.ON to become the world's largest investor-owned power and gas companies and a key part of this goal is becoming the leader in the energy industry in the area of health and safety.

Mastering Regional Challenges

Establishing industry-leading safety standards is a challenge for any company. As an energy group, our field of business covers the entire value chain of power generation and distribution. This means that we face a particular challenge, as our work- and the work of our employees and partners- is to an extent unavoidably associated with risks and potential dangers. As a company that is expanding across the globe, we face additional challenges at our regional locations. While the ultimate requirements are the same, by which we mean eliminating accidents and ill health, the challenges we face in achieving this differ. Globally diverse cultural, financial and legal conditions are just some of the factors we need to take into account.

Adapting Safety Standards to Meet a Consistently High Level

At present, the safety standards at the various E.ON Group companies still vary. In some market units, a good health and safety structure and culture has been established over many years, such as at U.S. Midwest, which serves as a groupwide Good Practice model. We are also striving to adapt our new market units to our other Group companies' safety standard as quickly as possible. To achieve this we're investing in education and training programs, drawing upon the advice of external experts, continually improving the conditions at particularly high-risk facilities- and last but not least, also raising the safety awareness of our employees.

Fit and Ready to Perform in the Workplace

With offers to promote the health of our employees we additionally intend to motivate our employees to care for their own personal fitness and to live healthy lifestyles- because physical fitness is also a prerequisite for working well and safely!

Successes that Motivate

Two achievements in 2008 show that we were heading in the right direction. Firstly, E.ON was invited by the American Society of Safety Engineers to give a presentation to 6,000 attendees on the challenges facing the energy sector in implementing a safety culture. The feedback we received showed that we have already achieved a great deal within the eight years since our company was founded.

This was also confirmed by the results of a study carried out in 2008 by the British Safety Council (BSC), which is one of the world's largest non-governmental organizations promoting health, safety and environmental protection. In 2008, E.ON UK was invited by the organization as part of a study to present tools and programs for successfully implementing a safety culture.

Safety at Work Means No Compromises

When it comes to the safety of our employees, for us only one principle applies: "no compromises." In this regard, E.ON is on the right track - but that in itself is not good enough for us. As is one of the world's largest investor-owned power and gas companies, we also need to be a global leader in the area of health and safety.

Latest Developments Show we Need a groupwide Framework Covering the Topic of Occupational Safety

In summer 2008, a survey was launched on the topic of safety and was conducted among our 250 top-level managers (Top Executive Group- TEG) under the title of "safe.TEG". The project results made it clear that we need a uniform safety framework for all market and business units. Against this background and in view of the not acceptable fatalities that had occurred within the Group, a groupwide Corporate Safety Plan was approved in 2008, which is to be established in all market units by 2011.

The Corporate Safety Plan - Strengthening our Safety Culture



Instead of defining rigorous guidelines, the principle aim of our Corporate Safety Plan is to establish a living safety culture in our company - guided by the motto "Culture not Tools". Employees are to fully adopt E.ON's approach to the issue of occupational safety and contribute towards bringing this culture to life through their own conduct as well as

through developing a sound ability to judge safety. We are aware of the challenge facing us and know that this will take time, compared to the easier task of just issuing a set of rules of conduct. What's more, our people must energetically and proactively embrace our safety culture. For this reason, all managers in our company need to fulfill their responsibilities as role models by applying the top-down principle. All employees should see and feel that safety has top priority at all times for their superiors and therefore embrace this principle as their own.

Communication, Education and Training

In the sense of a constantly learning organization, three aspects play an essential role for E.ON when it comes to establishing our Corporate Safety Plan in the company: communication, education and training. Here, we will continually inform all employees about all developments and new offers in the area of occupational safety, which will allow them to develop their own distinct awareness for this essential area. By means of various programs and training courses, our employees are involved in the topic across all hierarchical levels; these include conduct training sessions, briefing discussions, safety audits as well as reporting and analyzing near-miss incidents. In relation to this, we established the "E.ON Health & Safety Academy", our training center for health and safety at the start of 2009 as part of our internal E.ON Academy. An additional aim of our Corporate Safety Plan is to extend the targeted safety culture to our contractors.

New Group Guidelines on Health and Safety Management

In September 2008, the E.ON Board of Management approved Group Policy 24 (KR24) Safety and Occupational Health Management - Minimum Standards as one element of our

Corporate Safety Plan: this defines the organizational framework for E.ONs health and safety management system. For instance, it stipulates that all market and business units must from now on establish certified safety management systems which meet international standards such as OHSAS 18001.

Learning from Each Other in groupwide Exchange

It is particularly important to us to further intensify groupwide exchange between our market and business units in the area of safety, as we have already achieved key successes through this approach. For example, hundreds of E.ON employees from across the world shared their experiences and learned from best practice models in 2005 at the "Sharing Best Practices Around the World" summit in the United States, and in 2007 at the "From Systems to Culture" conference in the UK. These regular safety conferences and the ongoing international exchange between colleagues provide important stimulus and momentum to our safety culture.



Healthy and Safe

Healthy employees are a key prerequisite to us being successful as a company. Those who are physically fit perform better, are more focused at work and pay greater attention to their own occupational safety. This is why promoting the physical and mental health of our employees is one of our core missions at E.ON - and why Health Management has been part of our groupwide people strategy "OneHR" since 2007.

Central Coordination for a Uniformly High Standard



As is already the case with our occupational safety standards, we also want our Corporate Center to exercise greater centralized coordination of health management and bring it to a uniformly high level. Our aim here is to support our employees and encourage them to care for their personal health. To achieve this we developed a central Health Management Toolkit in 2008 which includes more than 50 health-promoting measures. As the respective health system frameworks at our worldwide locations vary, market units are able to individually adapt these measures to satisfy local conditions and requirements.

Commitment to International Standards

E.ON AG also signed two policy documents at the European and international level for the entire group in 2009: the Luxembourg Declaration on Occupational Health Promotion in the EU as well as the Düsseldorf Statement of the Seoul Declaration on Safety and Health at Work. The company therefore commits itself to groupwide application of the policies and recognizes the declarations as a reference point.

Outstanding Health Management

Our engagement in the area of promoting health was recognized in 2008 when we received the special "Health Management" prize in the "Best Employer in Germany" competition run by the Great Place to Work® Institute Germany. We're proud of this - and it shows that our program to promote health has already achieved a high standard.


"Health on Tour" - Employees at E.ON UK are Paid a Site Visit

E.ON UK's "Health on Tour" initiative was a great success. From July to November 2008, our "Health on Tour" team, comprising health experts and physiotherapists, visited employees at over 30 of the largest E.ON sites in the UK. Here, instead of just passively offering initiatives to promote health, the aim was to surprise colleagues in their workplace with information and exercises on the topic of health and wellness as well as with snacks- whether on a facility construction site or in the office.

The feedback was resoundingly positive, and the Health Management Team at E.ON UK


has already successfully reduced the number of workdays lost due to sickness in the company through its forward-looking initiatives. Occupational Health Manager Louise Boston: "Measures to promote health make an important contribution towards the success of the company. With initiatives like "Health on Tour" we want to encourage our colleagues to pay even more attention to themselves and inspire them to think about exercising more or eating more healthily, for example."

More information about this topic on other E.ON websites:



Choose Well Be Well at E.ON U.S.
E.ON U.S. motivates and rewards the healthy lifestyle of its employees.
→ **E.ON U.S. - Wellness**

Wellbeing at E.ON UK
E.ON UK is helping its employees maintain a healthy lifestyle.
→ **E.ON UK - Wellbeing**





Managers Review the Occupational Safety Culture Status Quo

To develop further, you first need to know where you currently stand. As a result, we launched our "safe.TEG" project in October 2007 in cooperation with the consultancy firm DuPont Safety Resources. In summer 2008, all 250 of our top executive group (TEG) members from the Corporate Center (and those market and business units that were part of the Group at the start of the survey) were asked about all aspects of occupational safety in the company, in both an online survey as well as in personal interviews. The interviews provided us with important input and stimulus for action, as well as making those who were surveyed more actively aware of the topic's great importance.

Results of the Interviews and Surveys show huge Differences in Safety Knowledge

The results of the interviews and surveys allowed us to categorize each of our top executives' safety expertise. For instance, depending on the extent of their knowledge and their application of safety measures, "Drivers" with outstanding know-how were identified who already embrace the culture of safety in an exemplary way; similarly a few "Initiates" were identified, who only have a little knowledge and experience of occupational safety. As a result, huge variations were identified when classifying TEG participants. In addition, it became clear at which sites (e.g. country-specific) the need to increase safety awareness and train employees was greatest- and where the standard is already high. Comparing TEG members' level of knowledge with the accident rate at the respective Group company shows a clearly positive correlation and this considerably helps our efforts to drive forward the safety culture within the Group by means of a top-down approach.

Results Show Desire for more Training and a Structure for Safety Processes

The results of the survey were thoroughly reflected on and discussed with all participants, as well as analyzed by our Corporate Center. The results of the analyses form the basis of our Safety Excellence Framework, our guidelines for achieving top performance in the area of health and safety. They also provide the foundation for our training center for health and safety, the E.ON Health & Safety Academy. Both of the above are part of our groupwide Corporate Safety Plan to strengthen our safety culture.

Establishing the "E.ON Health & Safety Academy"



Project "safe.TEG" has shown us that we should provide more groupwide training sessions on the topic of occupational safety. To achieve this, we entered into cooperation with our internal E.ON Academy at the start of 2009 and established our "E.ON Health and Safety Academy". Here, TEG participants, senior managers and senior HS&E (Health, Safety & Environment) professionals are trained in a program specially developed for that

purpose. Overall, the training courses comprise nine modules which cover various topics including a behavioral audit. At the same time, methods are presented which enable the conduct of employees to be audited in relation to the topic of occupational safety. And theory is also put to the test in practice! Here, participants apply under guidance what they've learnt directly in the workplace at their own facilities. Additionally, the program also includes "Basics of Safety Principles" which again is not just about providing theoretical training on safety measures, but also about providing help in implementing them in the course of everyday business. At the start of 2009, our "E.ON Health & Safety Academy" entered the pilot phase at E.ON UK- and from March 2009 the program will be made accessible groupwide.

Developing a "Safety Excellence Framework"

The Safety Excellence Framework provides a structural outline of how certain processes are to be established within the Group. To achieve this, it defines the need for policies and standards for instance, the responsibilities between market or business units and the relevant Board of Management's responsibilities. Furthermore in defining the implementation of standards and guidelines, as well as processes to check their effectiveness. The central points here include Performance Management and establishing a Safety Professional network. All market units are to roll out the Safety Excellence Framework by 2011 where it will serve as a structural and organizational support for implementing the higher-level Corporate Safety Plan.

Expansion of our Project "safe.TEG" to Include new Market Units

Our "safe.TEG" project has proven its value. Consequently we plan to expand the project in 2009 to include our new market units in Russia, Italy and Spain. This is a challenge for E.ON, particularly in Russia, as each country's cultural background has a strong influence on the success of implementing groupwide safety standards- which calls for a great deal of flexibility and openness.



Maximum Requirement for Minimum Standards

"As the Board of E.ON, we are fully committed to the principle of 'No Compromise'. Nothing we do is so important or urgent that our people should ever work unsafely. Everyone working for our organization- including contractors- must take stock of what they are doing and ensure that their own and others' deviations from safe working methods and procedures are immediately eliminated," states Wulf Bernotat, E.ON Chief Executive Officer.

Decisive Action Taken after Twelve Fatalities in the Group



Despite the high priority we give to safety, we were deeply shocked by twelve fatalities groupwide at our market units and contractors in 2008. We took appropriate and rapid steps: firstly, the E.ON Board of Management wrote to our 250 top executives worldwide, urgently appealing for absolute compliance with safety precautions and calling for even more intensive employee training. In addition, among other measures our minimum safety standards were extended -and new ones added. Consequently our new Corporate Safety Standards include guidelines on reporting and investigating accidents and incidents of not just a fatal but also a serious nature, as well as guidelines on contractors' safety standards as well as on operating vehicles. Furthermore, safety information sheets for example on protective work wear have been developed. Further Corporate Safety standards will follow in 2009.

Learning from Others' Mistakes

To learn from serious incidents- and also from those at other companies- E.ON studied the Baker Report, an investigation into an accident in the American mineral oil industry, to see if there were any opportunities to transfer the lessons learned to raise process safety in our Group. Based on this analysis, an auditing process was launched in many of our market and business units including Sweden, the UK, Germany, Romania and the Czech Republic; we plan to enlarge and expand this process in 2009.

Groupwide Safety Framework as a Result of Events

The sum of these developments and results led E.ON in 2008 to agree a groupwide framework for uniform safety standards and courses of action- our Corporate Safety Plan, which comprises various elements and which will now be progressively implemented.

Greater Safety, Fewer Incidents: Incidents down by more than 15 Percent on Average Compared to Last Year

Compared to our regional competitors, the majority of our market units are able to report substantially lower incident and accident rates. The Lost Time Injury Frequency Index (LTIF) illustrates our high level of success in this area: the LTIF indicates the frequency of

work-related accidents per million working hours -and in 2008 we reduced our average index value from 3.0 to 2.5.

Improved Accident Root Cause Analysis

Sustainable accident prevention requires learning from mistakes and reliably eliminating safety shortfalls. The LTIF does not reflect the overall safety situation in the company, however- it merely reports the frequency of injuries resulting in lost time. To achieve a better analysis, we introduced our Total Recordable Injury Frequency Index (TRIF), which shows the total number of all reported accidents in 2007. TRIF also records accidents that result in an employee's limited ability to work, or where they have needed medical attention for work-related reasons.

Our Contractors' and Business Partners' Responsibility

We don't distinguish between whether the accident was caused by E.ON employees or one of our contractual partner's employees, as we consider contractors to be partners of E.ON- partners that are responsible for around 50 percent of our business activities. Our "no compromises" philosophy applies here too and this is why we intend to make the safety standards we've established at E.ON also mandatory for our contractors. For example, "Anyone who doesn't work safely doesn't work for us" is the motto at E.ON U.S., where contractors undergo an extensive certification process before any contracts are awarded at all. Moreover, our contractual partners are involved in all our education and training programs as well as safety briefings, bringing them up to the same level of safety knowledge as E.ON employees. And this approach has already shown the first signs of success! Compared to other countries, E.ON's contractual partners in North America have the lowest accident rates. Nevertheless, we still have a lot to do: at 4.8 our contractual partners' average LTIF is currently around twice our Group LTIF average.

Safety Standards to Be the Basis of the Contract

Our objective is for all market units to know and audit the safety standards of contractors before signing any contracts with them. Based on a pre-qualification questionnaire, topics such as general safety standards, personal protective work wear and training programs for employees are to be examined. Furthermore, the certification scheme for contractors ("Safety Certificate Contractors") is already applied as a qualification requirement at several business units and is to serve in the future as the groupwide basic requirement for contractors in order for them to be able to submit an offer.

Additional information about this topic on other E.ON websites:



No compromises at E.ON U.S.

Occupational safety is embedded in the culture at E.ON U.S. and has priority in all business activities.

→ **E.ON U.S. - Staying Safe**

E.ON UK has an outstanding management system for occupational safety

Occupational safety has top priority at E.ON UK.

→ **E.ON UK - Occupational Safety**



"Rule One" at E.ON UK



Following the motto "No-one gets hurt", E.ON UK has launched the "Rule One" initiative.

→ **E.ON UK - "Rule One"**



Growing with our Responsibilities

Our gas and power experts are faced with numerous new challenges and complex processes during the course of their everyday work. They need to have extensive knowledge of facilities, network structures and the latest installation technologies. In the event of disruptions they must act quickly and professionally within statutory guidelines, yet in doing so they must not neglect our commitment to providing the best customer service and complying with all occupational safety provisions.

Knowledge Protects - E.ON Thüringer Energie is Increasing its Focus on Employee Training

To meet the complex challenges posed by our work processes we have a very high regard for thorough training and further education. "We are of the opinion that targeted qualification in the area of health, occupational and fire safety considerably reduces potential hazards," says Rainer Weißenborn, Head of the Erfurt-based Training Center of E.ON Thüringer Energie, Germany.

"Safety Training Course": Outdoor Training Facility for Working on Power Lines and Gas Pipelines



Covering almost 2,000 square meters, the Training Center's hands-on outdoor training facility is very well equipped to offer training on any eventuality that may arise during everyday business, whether in construction or maintenance of the power or gas network. Training ranges from detecting gas leaks or locating cables, through climbing exercises on pylons and hooking up gas connections, to laying pipelines and using joining techniques. Here, practical training is given both on the latest technologies as well as on work

processes under tough, real-life conditions. At the very heart of this is the safety of our employees, who are personally supported throughout their training modules by energy industry specialists and experts.

E.ON Thüringer Energie's safety training course is unique in the Group and a role model when it comes to practical training and further education in the area of occupational safety. The two or three-day seminar offering in the area of Health, Safety & Environment (HS&E) can also be booked online via E.ON's internal training platform, the [E.ON Academy](#).

Safety Training Courses in Sweden

A lack of knowledge, particularly when handling electricity, can have devastating consequences- a fact that was also clearly shown by an analysis of the accident rates at E.ON Nordic in 2006 and 2007. That's why a new safety training program was introduced in 2008 in accordance with the Swedish Electrical Safety Guidelines. The aim of this program is to close any gaps in knowledge and thus reduce the number of work-related

accidents. The training program was conducted together with the Swedish utilities Svenska Kraftnät, Vattenfall and Fortum. Between spring and fall 2008, 16 course attendees each completed training modules consisting of practical exercises and theory-based lessons at a joint training center.

Additional information about this topic on other E.ON websites:



E.ON Thüringer Energie's seminars are role models

E.ON Thüringer Energie has developed an extensive range of seminars in the area of electrical engineering and gas technology.

→ **E.ON Thüringer Energie - Training Center (German)**



Leveraging Global Diversity

E.ON is an international company and active in more than 30 countries around the globe. Groupwide, we employ people from over 80 countries, of all different ages, ethnicities, religions and convictions, as well as disabled and able-bodied people.

Many People - many Talents!

Promoting diversity, using it as an opportunity and tackling discrimination- these are central pillars of our culture at E.ON. The different experiences, talents and perspectives of all our employees should be put to best use: after all, diversity promotes creativity and innovation.

When choosing our employees, neither skin color nor sexual orientation nor ethnic origin play a role- what counts are each individual's ability and commitment. We fully intend to use the advantages of our employee mix, with the objective of ensuring that the diversity of our teams reflects the diversity of our respective target customer groups. This also helps us to understand the needs of our customers better and to increase customer satisfaction- after all, those who learn to manage differences in a more open way and to treat these as an advantage will have greater sensitivity to our customers' needs, too.

Programs to Promote Diversity

There are numerous groupwide programs and initiatives to promote the diversity of our employees. This includes the active integration of disabled employees whom we support in carrying out their work in a way that is as obstacle-free as possible. We have also set ourselves the aim of ensuring that 20 percent of all senior positions across the Group are held by women and have initiated corresponding programs to support women in the workplace. And through our "With Energy on Board" initiative we have supported over 550 young people at 29 locations in Germany over the last ten years, who were unable to find apprenticeships due to their low level of qualifications. After all, equal opportunity also means that everyone deserves a second chance.

Diversity brings Success

The issue of diversity has increased enormously in importance over the last decades, particularly in the USA where diversity management was recognized as a factor in successful company management around 20 years ago. Against the background of demographic change, the associated lack of management and specialist staff as well as changing employee structures, the active promotion of a diverse employee structure is also gaining in importance in Europe.

The Key Difference

For E.ON, programs promoting diversity are more than just our responsibility as an employer: we see the diversity of our employees as an opportunity. We aim to establish a culture at E.ON which doesn't just tolerate individual differences, but which actively promotes and treats them as being a positive value. "Mixed project teams are simply more creative and better-performing," is how Senior Vice President HR Andreas Gollan sums up the advantages.

Diversity as Part of our People Strategy



The more consciously we use and promote diversity in the Group, the better we can meet the many business requirements we face. That's why diversity is one of E.ON's 11 strategic fields of action within our groupwide people strategy "OneHR". The groupwide "Equal Opportunity and Diversity" framework approved by the E.ON Board of Management in 2006 forms the basis the work of the initiative.

In June 2008, E.ON also signed the Diversity Charter ("Charta der Vielfalt"), a joint initiative between the German Federal Government and business. Under the terms of the Charter, E.ON has a duty to recognize the diversity of society and to use its inherent potential. At the end of 2008, 500 German companies and public institutions had already signed up to the principles of the Charter.

Active Diversity in our Market Units

Our market units have initiated various programs to promote diversity. For instance, the lead companies E.ON U.S. and E.ON Nordic have launched their own project teams to promote this; in the USA, the Corporate Diversity Council has existed since 2006. In mid-2008 E.ON Nordic established a cross-functional Diversity Team that aims to develop a framework to promote diversity in a structured way in Sweden. As part of the framework, an action plan and guidelines will be developed to enable this approach to be implemented in the different business units. Another example is the implementation by E.ON Hungária of a new structure in 2007 to promote equal opportunities and diversity in the company, which, for example, includes guidelines on managing working relationships with colleagues as well as with customers.

The Corporate Center also intends to embed the topic of diversity further across the entire Group and to familiarize all employees with it. To do this we launched the online training program "eDiversity" in 2008, which uses practical examples to sensitize employees to the correct way to handle differences and diversity on a day-to-day basis and to avoid discrimination in the workplace.

Additional information about this topic on other E.ON websites:



Diversity Initiative at E.ON U.S.

When it comes to diversity, E.ON U.S. concentrates on three partners: employees, suppliers and regions.

→ **E.ON U.S. - The energy of many**



E.ON Empowers Women

In its study on "Women and Men in Decision-making 2007" the EU Commission found that just ten percent of board members across Europe today are women- and that's despite excellent degrees and good training. E.ON is no exception here: around 27 percent of all E.ON employees are female, but only around 11 percent of positions in senior management are filled by women. We want to change that, and double the number of women in leadership positions in the medium term. By 2010, women will fill 20 percent of new appointments to senior management posts in our Group.

Recognizing and Developing Women's Talents

We work to develop people with good potential across the whole company and all levels of hierarchy, and to bind them to us. This is the goal of our "Talent Management" initiative, one of the eleven fields of action in our "OneHR" people strategy. E.ON Ruhrgas, with the involvement of the Corporate Center and E.ON Energie, created the Women@Energy project in 2007 to promote women's potential even more intensively. As part of this, scientific research among E.ON senior management initially revealed the factors that influence women's careers critically; from this, we derived measures and tools to improve development opportunities for women and break away from stereotypes. The first results have already been put into practice: gender issues are now part of the leadership training program, and the Group's mentor program also includes relevant modules. Following the German market units, E.ON Nordic is now also taking part in the survey- and the next stage in 2009 will see E.ON UK taking part. At the same time, we have already achieved an improvement in the networking of groupwide projects and initiatives in 2008 and have strengthened the sharing of experiences, for example with the "IngE" network of female engineers.

Difficult Times for Female Engineers? Not at E.ON.



In 2008, just one year after creation, more than 100 female employees were involved in the groupwide "IngE" network for women in engineering jobs. Besides the excellent networking opportunity, the key objective is to work together to find ways and means to improve the chances and prospects for women in technical jobs. The program is supported by top company management, with E.ON's Chief HR Officer Christoph Dänzer-Vanotti as the project's patron. The

third "IngE" workshop took place in Potsdam, Germany in November 2008 and attracted 73 female participants.

Developing and supporting women in leadership positions is also the aim of the "Female Network" for women executives, founded in 2008 at E.ON Nordic: in six half-day seminars over the course of a year, female managers are given focused advice and intensive leadership training. This initiative supports E.ON Nordic's goal to have every fourth leadership position among the top 100 filled by a woman by 2010.

Another key cornerstone of our support for women at E.ON is our collaboration with Femtec GmbH, the Berlin-based career center for women in science and engineering.

No Fear of Technology

It's not just senior female managers that E.ON is working to develop: we also want to give young women and girls early insights into different areas of work. The most important thing here is to reduce their possible inhibitions towards technical jobs. For instance, in 2008 a total of 130 British female students between the ages of 14 and 16 took part in the first cycle of the "Women into Engineering" program at E.ON UK. Equally, the "Girls' Days" that take place annually across Germany, and in which many E.ON companies took part in 2008, are intended to inspire school-age students to take up careers that are not currently typical for women. Since 2001, girls between the ages of ten and 15 can experience a day's work in workshops, laboratories and offices.

Active Integration

In Germany, the process of integrating severely disabled employees is precisely defined thanks to legislation. Among other related provisions, this governs minimum levels of employment for people with disabilities. These requirements do not exist in the same form in other countries, where disabled people often only have the right to equal opportunities. That said, legislation and statutory employment levels are only one side of the coin: the other side involves structuring and actively ensuring the integration of disabled people in our daily work and lives. In this regard we also keep a close eye on our aims as a company: faced with an increasing shortage of specialists, at E.ON we're reliant on the support of well-qualified and talented employees. Here, people with disabilities are equally able to perform vital work which we cannot and do not want to do without as an employer.

Disability Need not be a Handicap

Some people are unable to climb stairs: no problem - they just take the elevator! We at E.ON believe that disability should not handicap a career. We want to be seen as an attractive employer for all employees and give everyone the same opportunities. That's why we actively support the integration of disabled people.

Fairness and Support instead of Distance



At E.ON, the interests of disabled employees are represented by the Group's Representative Body for Disabled Persons and the respective local bodies. These organizations offer help and advice to colleagues regarding the special challenges they face in their working lives at E.ON. For example, the representatives of severely disabled employees speak regularly with managers, are in touch with local authorities and offices, assist with completing

forms and provide help and advice when it comes to arranging workplaces to make these freely accessible. It goes without saying that we have binding guidelines at E.ON too, such as the Integration Pact of our German Group companies: this was developed with the Group's Representative Body for Disabled Persons to establish a common approach to in-company integration and support.

Employee Volunteering to Remove Social Barriers

We place a high regard on our disabled employees also being able to take part in the social side of life - that's why E.ON's workplaces and social facilities such as canteens and common rooms should also have disabled access. Here, our employees volunteer in additional initiatives to help integrate disabled people. For instance, our Group's Representative Body for Disabled Persons comprises 21 volunteer members, both with and without disabilities. To exchange information and discuss the latest issues and future developments - and therefore drive the topic forward in the Group - the Group's Representative Body for Disabled Persons has been meeting with German Group companies twice a year for the past seven years.

E.ON also promotes employee volunteering for disabled people outside the Group. For example, E.ON UK supported the E.ON "See the Ability Award" as part of 2008's "Changing Lives Awards". This prize recognizes individuals who have demonstrated a commitment to people with disabilities in the workplace. The award itself is intended to promote diversity and integration in the workplace.

Promotion finds Popularity

The numbers speak for themselves when it comes to the success of the various integration programs at E.ON: over the past few years, the proportion of severely disabled employees in our Group has grown constantly, while the share of severely disabled apprentices has also been increased. Supporting young people with disabilities is very important to E.ON and that's why we launched our initiative "Equal Opportunity for All" in 2005.