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Chief Executive Officer, RWE AG
Annual General Meeting

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Check against delivery

Shareholders,
Ladies and Gentlemen,

Welcome to the Annual General Meeting of your RWE,
also on behalf of my Board colleagues Nanna Seeger
and Michael Müller.

I am delighted to speak to you for the first time today in
my role as CEO.

Our last AGM took place exactly one year ago.

Nobody could have imagined back then what has
happened since.

A war at the heart of Europe.

What's happening to the people of Ukraine is
horrendous. The suffering, people's fear for their own
lives and that of their children, parents, relatives and
friends. It's an outrage that the Kremlin started this
dreadful war.

It's a crime to rob 44 million people of their livelihoods,
their homes and their lives. It's abhorrent and inhumane.

Millions of people are fleeing.



At RWE, we are trying to help these people by any means we have at our disposal.

In Poland, for example, where we provide financial aid to humanitarian organisations who help refugees. Poland remains their main place of refuge, in particular for women and children.

Many war refugees have also arrived in Germany. Here, we are helping too. For example, we are providing accommodation in collaboration with local authorities in areas where we operate.

And we are offering job vacancies on the online job portal for Ukrainian refugees.

Ladies and Gentlemen,

In the face of this unimaginable suffering, it is difficult to talk about other challenges that affect our business.

- The coronavirus pandemic continues to impact our daily work and operational processes. However, we are dealing with this more routinely now than 12 months ago.
- Extreme weather events in Texas and in the west of Germany left their marks.

Despite these challenging conditions, we had a very successful financial year 2021.

- Our business performance clearly exceeded our expectations at the start of the year.



- We successfully bid at auctions, started construction projects and commissioned new plants.
- We entered into new collaborations with strong industry partners.
- And with our new “Growing Green” strategy we are rigorously gearing RWE towards the new green energy world. This means that RWE will become greener, bigger and more valuable.

Ladies and Gentlemen,

I would never have imagined that much of my speech today would be taken up by the war in Europe and the far-reaching implications it also has for our industry.

This war will change our world considerably. Especially Europe.

Strategic re-evaluation has already started. That means:

- the re-evaluation of our foreign and security policy,
- the re-evaluation of our economic ties with critical countries,
- and the re-evaluation of our energy policy.

Weakening the Russian leadership by imposing far-reaching sanctions is the order of the day. We in Europe, in Germany, must do everything we can to become independent of Russian energy and fuel supplies as soon as possible.



The effects of the extensive sanctions imposed by the West can already be clearly felt. The Russian economy is on the verge of collapse.

But I can also understand everyone who calls for a further maximum extension of the sanctions imposed to support Ukraine. However, we must also face the reality that we have made ourselves highly dependent on Russian fuel supplies in Europe, and in particular in Germany.

In all our decisions, there is one question we must consider rationally: Can we bear the sanctions ourselves?

Or do they weaken us more than the Kremlin?

It is good that western governments are acting in a very focused and objective manner.

We need to free ourselves of our dependency on Russian energy as quickly as possible. With regard to coal for electricity and steel production this will already start happening in August. An oil embargo is currently being discussed.

However, stopping the pipeline-bound gas supply at this time would have dramatic consequences. Here, it is not possible to find a substitute that quickly.

We would have to reckon with massive constraints to household heat supply.



Many industrial corporations and medium-sized companies in the energy-intensive primary sector would no longer be able to operate their plants.

The production facilities would be damaged if supply was interrupted for a prolonged period of time. It is doubtful whether they would ever be reinstated.

So what needs to be done now?

In the short term, security of supply for the coming winter and the following years must be strengthened. At the same time, independence from Russian energy supplies must be achieved as quickly as possible. This needs to be the clear priority for Europe, and Germany in particular.

We will support governments in achieving these goals wherever we can. Where RWE is needed, we are there.

We are involved, for example, in the process of chartering LNG ships by order and on behalf of the German government. These can convert liquid gas back into gas directly on board the vessel and feed it straight into the pipeline grid. This will make it possible to substitute some of the Russian gas as early as next year.

Furthermore, we are part of the consortium building an LNG terminal in Brunsbüttel near Hamburg.

And we are working on long-term supply contracts for liquid gas to Germany – mainly with partners from the US and Qatar.



In all our activities we never lose sight of the green energy world of the future. Our particular focus with the LNG terminal in Brunsbüttel is on its subsequent conversion to enable the processing of green hydrogen or ammonia.

The faster green molecules can be imported, the better.

We are thus planning to build an import terminal for green ammonia right next to the LNG terminal. From 2026, around 300,000 tonnes are to be landed here and distributed on to customers annually. Further down the line, this volume is to be expanded to two million tonnes per year.

The terminal thus marks the beginning of a green import infrastructure. An industry with climate-friendly production processes will be the end-result.

Ladies and Gentlemen,

We need to realign our gas supply. And we must also strengthen security of supply for the coming winter.

First, we need to ensure that we go into next winter with our gas storage tanks full. Legal requirements have been introduced to this end for the first time – and that was the right thing to do.

In addition, it may become necessary to use more coal-fired power plants on a temporary basis in order to reduce gas consumption in the power sector.



Lignite-fired power plants would be particularly suitable here, since lignite is a fuel that is available domestically.

We know our responsibility as a company that is part of the critical infrastructure. If our plants that are currently earmarked for decommissioning are needed by the German government to ensure security of supply, we will keep them available longer than originally planned.

Ladies and Gentlemen,

I want to make it very clear, however, that we will not undermine the coal phase-out.

Should our coal-fired power plants be needed for a longer period than planned, this is not a step backwards, but at most, a step to the side for a limited period.

We are sticking to the agreed phase-out plan for coal. And, when the time is right, we will be prepared to discuss bringing the exit from coal forward to 2030.

We are also sticking to our schedule for reducing our carbon emissions as quickly as possible, in line with the Paris Agreement. We are making every effort to get onto the 1.5-degree path as soon as possible.

We will be climate neutral by 2040.

Ladies and Gentlemen,

The war in Ukraine is likely to trigger another considerable acceleration in the transition towards a green energy world.



The energy supply must become more independent, more sustainable and more affordable.

And a green, renewable energy supply would be exactly that: more independent, more sustainable and more affordable than today's fossil-fuelled energy supply.

Security of supply and climate protection are thus more closely linked than ever before.

It is essential now to harness this palpable momentum to expand the new, green energy world.

This includes

- the massive and fast expansion of renewables, grids and battery storage facilities.
- It also includes significantly accelerating the ramp-up of the hydrogen economy. The back-and-forth about European regulations has been going on for far too long. Moreover, they contain details that are more of a hindrance than a help. Urgent action is required here.
- In order to make the energy world greener it is also necessary to build an import infrastructure for green molecules such as hydrogen or ammonia.

A lot of this is nothing new. What's new is the speed required. And the decisiveness that's needed now in taking action.



In its “Easter package”, the German government decided on the following: expansion targets for wind power and solar plants were increased considerably, grid expansion will be accelerated and high value in society will be promoted with regard to renewables. These are steps in the right direction.

However, there is still a significant need for optimisation, in particular in the planned Offshore Wind Act. With the current proposals, a maximum of half of the green electricity would be available for industry. But this is exactly where it is needed most urgently.

Some details in the legislation also make the expansion unnecessarily expensive. And valuable experiences from our neighbouring countries in their successful expansion of offshore wind have not been taken into account.

If Germany is to achieve its climate goals, this needs to be rectified.

The Easter package is now entering parliamentary procedure. This presents a good opportunity to discuss some of its individual parts in more detail. We are happy to contribute constructively to these discussions.

Ladies and Gentlemen,

Last November, we presented our “Growing Green” strategy. This focuses us rigorously on the new, green energy world.

“Growing Green” provides the right answers to the challenges we are currently faced with.

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- We are investing EUR 50 billion gross worldwide in our green core business by 2030. That's EUR 50 billion for climate protection.
- We are massively expanding our capacity in offshore and onshore wind, solar, batteries, flexible backup generation and hydrogen. It will grow to 50 gigawatts by 2030 – almost doubling our current capacity.
- In this way, we are accelerating capacity additions considerably – by over 70%. Every year until 2030, capacity is to grow by an average of 2.5 gigawatts.
- In order to expand flexible electricity generation and enable a fast phase-out of coal, we want to add at least 2 gigawatts of flexible power plant capacity. This is necessary to ensure security of supply during times when the wind isn't blowing, and the sun isn't shining.

Against the backdrop of current developments, we will now do everything in our power to get the plants to operate with green hydrogen or ammonia as quickly as possible.

We are also working on a clear roadmap towards carbon-free operation for our existing gas-fired power plants.

- In the area of green hydrogen, we will build up at least 2 gigawatts of our own electrolyser capacity by the end of the decade.
- We want to significantly expand our Supply & Trading business with green energy sources. We offer our customers tailored solutions for procuring green energy.

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This includes building up an import infrastructure for green hydrogen and ammonia, similar to what we want to achieve with the import terminal in Brunsbüttel.

- For 2030, we are working towards an adjusted EBITDA of EUR 5 billion. This will come entirely from our core business in 2030.

With our “Growing Green” growth programme your RWE will become greener, bigger and more valuable.

That’s good for RWE and it is good for the energy transition. After all, the transformation towards climate neutrality needs drivers. It needs companies that tackle this Herculean task with their energy, their passion, as well as all of their experience and expertise. That’s exactly what we are doing.

- We supply energy from wind and sun for a society that needs more and more green energy.
- We deliver battery storage and flexible capacities to secure green energy supply.
- We are actively involved in forging ahead with the ramp-up of the hydrogen economy.
- We are pushing the import of green energies.
- And we are offering customised solutions for a secure and green energy supply to energy-intensive industry.

In short: RWE delivers what a world of green, reliable energy supply needs.



Ladies and Gentlemen,

Let's look back at the past financial year.

2021 was characterised by a challenging series of events: extreme weather conditions in Texas and the floods in the west of Germany in which we tragically lost a colleague.

The coronavirus pandemic continued to determine day-to-day operations, although it increasingly became part of the routine.

All the more reason to appreciate that we exceeded our targets for 2021, despite this difficult environment. And we exceeded them significantly, as the figures for the past year show.

- Adjusted EBITDA was EUR 3.65 billion, and therefore passed the upper end of the forecast range of EUR 2.65 billion to EUR 3.05 billion.
- For adjusted net income, we closed the year on EUR 1.57 billion. We had forecast between EUR 0.75 billion and EUR 1.1 billion at the start of the year.

It's also worth looking at the individual business segments.

- In the Offshore Wind segment, we achieved slightly higher earnings in 2021 than in the previous year, despite poorer wind conditions.

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- In the Onshore Wind/Solar segment, we achieved a respectable result, even with the extreme cold snap in Texas and lower wind speeds than in the previous year.
- In the Hydro/Biomass/Gas segment, adjusted EBITDA was much higher than in the previous year. Here, the successful optimisation of our power plant dispatch paid off in particular.
- Supply & Trading put in an exceptional performance once again, exceeding the forecast range by far.
- And the Coal/Nuclear segment performed considerably better than in the previous year due to long-term hedging of generation margins.

Our financial position and net worth continued to improve. By the end of 2021, our net debt had fallen to zero. This creates the necessary headroom for our growth programme.

In 2021, we mainly invested in green growth: EUR 3.7 billion gross, that's 12% more than in the previous year. Almost 90% of our total capex complies with the proposed green investment criteria of the EU taxonomy.

With our investments, we continued to make good progress on expanding our renewables portfolio in the last financial year.

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Our biggest construction project was the Triton Knoll offshore wind farm off the British coast – with a gross capacity of over 850 megawatts. It is now operational and can supply the equivalent of more than 800,000 households with green electricity.

In the UK, we are also pushing ahead with the Sofia offshore wind farm. With a gross capacity of 1.4 gigawatts, it will be one of the largest in the world.

Construction is progressing well at the 342-megawatt Kaskasi wind farm off the German coast. The substation – which is the heart of the wind farm – was successfully installed a few weeks ago; as were the first wind turbine foundations. Each one weighs up to 740 tonnes, roughly the equivalent of 600 small cars.

We were successful at various auctions, securing long-term growth in the offshore business.

- In Denmark, we won the bid for the 1,000-megawatt Thor wind farm. This is our northern neighbour's largest project to date.
- In the UK, we won the tender for new sites for offshore wind farm development. The total gross capacity is 3,000 megawatts.
- At the German auction, we secured sites for constructing more than 650 megawatts of additional gross capacity. Offshore wind is one of the cornerstones of the German energy transition. We are thus absolutely delighted with this success in our home market.
- Our success in the New York offshore wind auction marks our entry into the US offshore market.

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Together with our partner National Grid, we have the opportunity to implement a gross capacity of around 3 gigawatts there – enough to supply 1.1 million US households with electricity.

- And we are evaluating the potential for developing offshore projects in India in collaboration with Tata Power. With approximately 7,600 kilometres of coastline, a very attractive market for developing offshore wind farms could evolve there.

We also made significant gains in the Onshore Wind/Solar and Battery segment. New plants are currently being built or have already been commissioned in many locations: in the US, Spain, Italy, France, the UK, the Netherlands, Poland, Sweden, Germany and Australia.

And we are continuing to forge ahead on setting up the hydrogen economy:

- At the end of March we presented the national “H₂ercules” concept for building a hydrogen infrastructure together with Open Grid Europe. The idea is to link the electrolyzers as well as battery storage and import facilities for green hydrogen in the north of the country with the industrial end-consumers in the west and south of Germany. Germany’s first hydrogen highway is to become the backbone of a hydrogen infrastructure linking the North Sea coast with southern Germany. It could be implemented by 2030.



- Last December we pre-selected Linde as the technology provider for two electrolyser plants of 100 megawatts each for GET H2, our most advanced hydrogen project to date. Together with Linde we are pushing ahead with approval planning for our project in Lingen in Lower Saxony. This means that we would be able to start implementing the project as soon as state funding is approved. The first plant would then be commissioned in 2024 as planned.
- At the same site we are planning to install one of the first fully hydrogen-compatible gas turbines in the world together with Kawasaki. In this way, we want to create the basis for converting green gas such as hydrogen or ammonia back to electricity in the future when required. This plant is also due to be commissioned in 2024.

Ladies and Gentlemen shareholders,

RWE is making good progress. And we want you to benefit directly from this.

For 2021, the Executive Board and the Supervisory Board are proposing to you to increase the dividend once again: from 85 euro cents to 90 euro cents per share for fiscal 2021.

I ask for your approval of this.



Let's now look ahead at the current financial year. We are expecting our business performance to continue to develop positively.

- We expect adjusted EBITDA of between EUR 3.6 billion and EUR 4 billion in 2022.
- And for adjusted net income, our target is between EUR 1.3 billion and EUR 1.7 billion.

You will find details on the forecast and outlook in our Annual Report. Despite all the uncertainty about how the horrific war in Ukraine will play out, and about its consequences, I am optimistic that our earnings situation will be good again in 2022.

Ladies and Gentlemen,

RWE is transforming itself in giant steps. And this has also been acknowledged outside the company.

The agencies Moody's and Fitch each raised RWE's rating by one notch in spring 2021.

RWE also improved on key sustainability and ESG ratings.

We were even acknowledged as an "industry mover" by Standard & Poor's for showing the strongest improvement in sustainability in our industry worldwide in 2021.

To our shareholders today I'd like to say that our share prices have also developed very well.



Since 2016, RWE's market value has almost quadrupled. Our "Growing Green" growth programme has further bolstered this positive share price performance.

Our clear strategy forms the basis for cementing RWE's position as a global leader in green energy. This requires fast reactions, the necessary flexibility as well as a sure instinct when it comes to implementation.

However, that's exactly what ENKRAFT IMPACTIVE GmbH & Co. KG would take away from us with its motion. You can find it under the amended item 8 on the agenda.

The Executive Board and Supervisory Board thus recommend that you reject this motion.

Let me make it very clear: We share the investor's objective to increase the value of the company. To this end, we are pushing ahead with our sustainability- and growth-focused strategy as quickly as possible.

However, spinning off the lignite segment as proposed in the motion would not speed up the sustainability strategy at all. On the contrary, not a single tonne in CO₂ emissions would be saved by taking this approach. At the same time, it would create considerable uncertainties for the affected employees and regions.

Taking a sledgehammer approach without considering political and legal obstacles as well as social aspects is not good corporate governance. It would lead to incalculable risks for RWE and its shareholders.



Pre-determining a spin-off at the AGM would eliminate any other room for manoeuvre, for example through the “foundation model” set out in the German government’s coalition agreement.

Any change of plan concerning lignite can only be made in consensus with policy-makers – in particular in these times where we need to ensure security of supply.

Ladies and Gentlemen shareholders,

We are currently faced with challenges that no one could have foreseen. Now more than ever, we need calm and level-headed leadership to weigh up the facts carefully and objectively and arrive at the right decisions.

The pressure on all decision-makers is immense. It is therefore all the more important now to pull together, find the right solutions through dialogue and then work as one. That’s what we’re doing at RWE.

Wherever our energy, our knowledge and our experience can be of use, we’ll be there to provide support.

Ladies and Gentlemen,

No one can predict what will happen next in Ukraine. And no one can predict how far-reaching the consequences will be. These are very challenging times for all of us.

Leading RWE in these times is a big task. My Executive Board colleagues and I are putting all our energy into fulfilling it.



And we are doing so together with an exceptional RWE team. A team that is very diverse, made up of people from more than 40 countries, who work for the success of the company all over the world. A team that is aware of its special responsibility and proves this again and again every day.

Therefore, I'd like to express my great appreciation and thanks to all employees. They work tirelessly for a responsible and successful RWE.

I would also like to take this opportunity to thank our Supervisory Board for their constructive and trusting support.

And I want to thank you, our shareholders, who support RWE with your investment. I promise you that we remain fully dedicated to your company, RWE, in these exceptional times.

Forward-looking statements

This speech contains forward-looking statements. The statements reflect the current assessments, expectations and assumptions of the management and are based on the information available to the management at the current time. Forward-looking statements provide no assurance that future events or developments will occur and are subject to known and unknown risks and uncertainties. As a result of various factors, actual future events and developments may differ materially from the expectations and assumptions expressed in this publication. In particular, these factors include changes in the general economic environment and the competitive situation. Above and beyond this, developments on the financial markets, fluctuations in exchange rates, changes to national and international law, especially with regard to tax regulations, and other factors can influence the future results and performance of the Company. Neither the Company nor any of its associated companies undertake to update the statements contained in this speech.