

Press release

RWE accelerates expansion of its green portfolio and enhances security of supply during energy crisis

- **Green portfolio expanded by 1.3 gigawatts in first nine months of 2022 – further 9.4 gigawatts in growth through build-outs and acquisitions**
- **Acquisition of Con Edison Clean Energy Businesses makes RWE one of leading renewable energy companies in US**
- **Earlier coal phase-out by 2030 creates basis for 1.5-degree target**
- **Strong earnings performance: €4.1 billion adjusted EBITDA, €2.1 billion adjusted net income – outlook and dividend target confirmed**

Essen, 10 November 2022

Michael Müller, CFO of RWE AG: “We are fast-tracking the expansion of renewables and are rigorously implementing our Growing Green strategy. With the purchase of Con Edison Clean Energy Businesses, we are strengthening our US portfolio and creating an excellent foundation for additional value-accretive growth. We are also investing massively in new green capacities in Europe. Two thirds of the turbines at our Kaskasi wind farm off Heligoland, for example, are already feeding electricity into the German grid. We are convinced that the faster the energy transition progresses, the sooner we will bring the energy crisis in Europe to an end. RWE is ready to continue investing heavily in an independent and climate-neutral energy system – more than €50 billion by 2030.”

RWE is actively forging ahead with the implementation of its Growing Green strategy. In the first nine months of 2022, the company expanded its green portfolio by 1.3 gigawatts (GW). Projects currently under construction and acquisitions already announced will expand the portfolio by a further 9.4 GW.

That includes the purchase of Con Edison Clean Energy Businesses, a leading operator and developer in the area of renewable energy in the US. With this acquisition, RWE is taking over renewables facilities with a capacity of about 3 GW. The transaction marks a milestone in RWE’s growth ambitions in the United States as, once completed, it will make RWE the number 4 renewables company there.

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RWE declared to be ready to fully exit from coal by as early as 2030. This creates the basis for the company to now be able to adjust its emission reduction plan to the 1.5-degree path.

Due to the energy crisis, RWE is now temporarily making an additional 2.1 GW of lignite capacity available to bolster security of supply: The company has already brought three plants from lignite reserve back online and will also defer the decommissioning of two further units, which had originally been planned for the end of this year; furthermore the Emsland nuclear power station will produce additional electricity beyond the end of this year until mid-April 2023.

Strong earnings performance in international green core business – decline in German coal and nuclear energy business

Adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) at Group level amounted to €4,127 million at the end of the first three quarters of 2022, substantially higher than in the previous year's period (Q1-Q3 2021: €2,397 million). Adjusted EBIT also improved to €2,965 million (Q1-Q3 2021: €1,339 million). Adjusted net income increased to €2,118 million (Q1-Q3 2021: €1,025 million).

Adjusted EBITDA in the company's international core business improved in the first nine months of 2022 to €3,494 million (prior-year period: €1,677 million); by contrast, the German coal and nuclear energy business declined.

The positive earnings trend in the company's core business was driven mainly by three factors: RWE is expanding its renewables portfolio and was thus able to produce 22% more green electricity from its own plants. At the same time, the combination of strong demand and concurrent scarcity of available European generation capacity led to high levels of deployment of RWE's generation fleet. This was accompanied by an unusually strong international trading performance. In addition, the prior-year result was burdened by a negative one-off effect.

RWE confirms the outlook for the current fiscal year published in July 2022 (see table below). The dividend target of €0.90 per share for fiscal 2022 remains unchanged.

Offshore Wind: Adjusted EBITDA in the Offshore Wind segment in the first nine months of 2022 was €859 million, compared to €656 million for the prior-year period. This increase in earnings was due to the commissioning of new capacities as well as higher wind levels compared to the previous year.

Onshore Wind/Solar: In the first three quarters of 2022, adjusted EBITDA in the Onshore Wind/Solar segment reached €649 million. Here, too, additional capacity and more favourable wind conditions had a positive impact. The prior-year result of €36 million took a substantial hit of approximately €400 million as a result of the extreme weather in Texas.

Hydro/Biomass/Gas: Adjusted EBITDA in the Hydro/Biomass/Gas segment increased considerably to €1,164 million (previous year: €430 million). This was mainly the result of higher earnings from short-term asset optimisation and higher international generation margins.

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Supply & Trading: At €942 million, earnings from Supply & Trading exceeded the previous year's already very strong result of €609 million. This result was achieved across almost all commodities and regions in a volatile market environment.

RWE earns less in German coal and nuclear energy business

Adjusted EBITDA in the Coal/Nuclear segment was €633 million, compared to €720 million for the same period in the previous year. The decrease in earnings was the result of declining production following power plant closures. RWE had also sold forward the electricity production from its German lignite and nuclear power stations before the onset of the current energy crisis.

Robust financial situation and strong investment activity

As at the reporting date of 30 September 2022, the Group's net debt amounted to €360 million (net assets as at 31 December 2021: €360 million). One of the main reasons for the increase in net debt was the company's strong investment activity. In the first nine months of 2022, RWE invested a total of €3.1 billion globally in its core business, with a focus on the expansion of renewables. This does not yet include the acquisition of Con Edison Clean Energy Businesses.

Key figures at a glance

€ million	Outlook 2022 (July 2022)	January- September 2022	January- September 2021
Adjusted EBITDA Offshore Wind	1,350 - 1,600	859	656
Adjusted EBITDA Onshore Wind/Solar	900 - 1,100	649	36
Adjusted EBITDA Hydro/Biomass/Gas	1,400 - 1,700	1,164	430
Adjusted EBITDA Supply & Trading	significantly above 350	942	609
Adjusted EBITDA Core business	4,300 - 4,800	3,494	1,677
Adjusted EBITDA Coal/Nuclear	650 - 750	633	720
Adjusted EBITDA Group	5,000 - 5,500	4,127	2,397
Adjusted EBIT	3,400 - 3,900	2,965	1,339
Adjusted net income	2,100 - 2,600	2,118	1,025

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RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to 50 gigawatts internationally by 2030. RWE is investing more than €50 billion gross for this



purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydrogen, batteries, biomass and gas. RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America and the Asia-Pacific region. The company is responsibly phasing out nuclear energy and coal. Government-mandated phaseout roadmaps have been defined for both of these energy sources. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company's purpose: Our energy for a sustainable life.

Forward-looking statements

This press release contains forward-looking statements. These statements reflect the current views, expectations and assumptions of management, and are based on information currently available to management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this press release.

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