

15 March 2022

FY 2021 Results

Markus Krebber, CEO

Michael Müller, CFO

Susanne Lange, Head of Institutional Investors

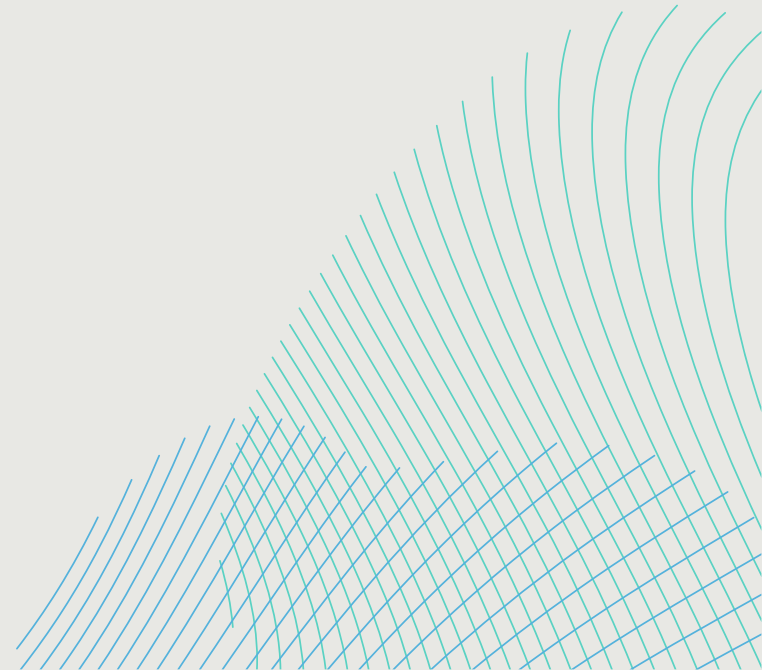


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Strategic update

Markus Krebber, CEO

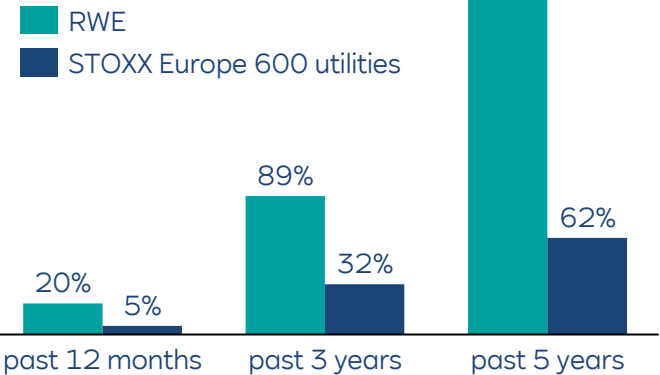


Review 2021: strong financial and strategic performance drives continuous shareholder value creation

- **Financial targets exceeded:** adj. EBITDA €3.65bn and adj. Net income €1.57bn
- **Transformational growth is forging ahead**
 - **1.3 GW of green capacity added**
 - currently **5.6 GW under construction**
 - **5 GW offshore wind pipeline expansion in 2021** (UK, Poland, Germany, Denmark)
- **Moody's and Fitch upgraded our rating** – acknowledging our **strategic and financial strength**
- **ESG credentials: industry mover award** from **S&P Global** in their **2021 Corporate Sustainability Assessment**

Continuous shareholder value creation

Total Shareholder Return



Note: Total Shareholder Return as of 10 Mar 2022.

Russian invasion of Ukraine makes energy security top priority – even stronger push for green transition expected

Short term focus: ensure energy security

Preparation to bring back/extend coal capacity

- up to 3.5 GW from RWE
- any measure only at request of European/German government

Ensure high levels in gas storage facilities by beginning of winter

Secure fuel supply for biomass and hard coal

- physical fuel supply for RWE's Biomass/Coal plants already secured until late summer

Medium/long-term focus: sustainable and secure energy supply

Further acceleration of energy transition in Europe: renewable build out, H2 economy, storage solutions

- RWE set to deliver its Growing Green strategy

Diversification of European gas supply

- RWE strong partner to develop first German LNG terminal in Brunsbüttel

Faster build out of green energy import infrastructure

- RWE exploring all options for green energy imports and import infrastructure

Flexible generation as backup to be powered by green fuels

- RWE reviews flexible generation new build options – question mark over natural gas bridging fuel

Active risk management: immediate measures taken to increase company resilience

Commodity exposure with Russian counterparties:

Gas: 15 TWh by 2023, 50% within the next 12 months

Hard coal: 12m tonnes by 2025, of which 2m tonnes within the next 12 months

Active position management and exposure reduction

Business with **Russian counterparties**

No new energy supply contracts with Russian counterparties

Ending all non-energy supply business with Russian counterparties with immediate effect

Fuel supply for our **generation assets** and **customers**

Alternative fuel sourcing, driven by our global supply & trading business

Volatility in **commodity markets**

Available liquidity increased with additional credit lines

Counterparty risks

Strict monitoring and **limit management**

Our Growing Green strategy is set – Execution continues as planned – Acceleration to be explored

GROWING GREEN

Our long-term strategy is set

- **€50bn gross cash investments** in our core business until 2030
- **50 GW installed green net capacity** by 2030
- **€5bn EBITDA** ambition in 2030

EXECUTION

continues as planned

- **5.6 GW** of green capacity under construction
- **US offshore market entry – 3GW lease award** at NY Bight auction¹
- Strategic partnership with **Tata Power** Renewable Energy to develop **offshore business in India**

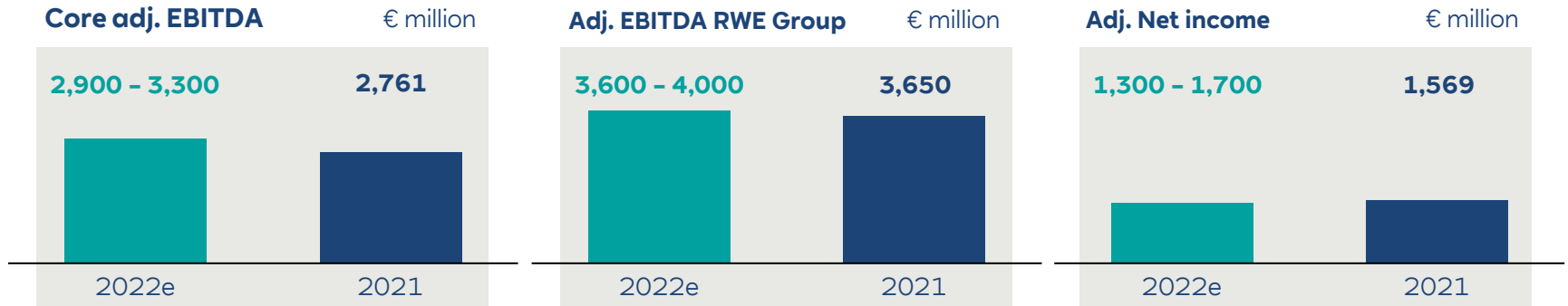
¹ JV with National Grid Ventures. RWE share 73%.

ACCELERATION

all options will be explored

- Utilising **strong push for green transformation – ramping up our origination activities** further
- Review of **new build strategy for flexible assets** – going **straight to green fuels** likely
- Faster and rigorous **buildout of green import infrastructure** creates **additional opportunities**

Decisive year 2022 – Financial targets confirmed



- We confirm our financial targets for 2022
- We are rigorously executing our Growing Green strategy
- We will support short-term energy security at request of European and German governments

FY2021- Financial highlights

Michael Müller, CFO

Financial highlights

FY 2021

Very strong business performance with earnings exceeding outlook:
EBITDA of €3.65bn and adj. net income of €1.57bn

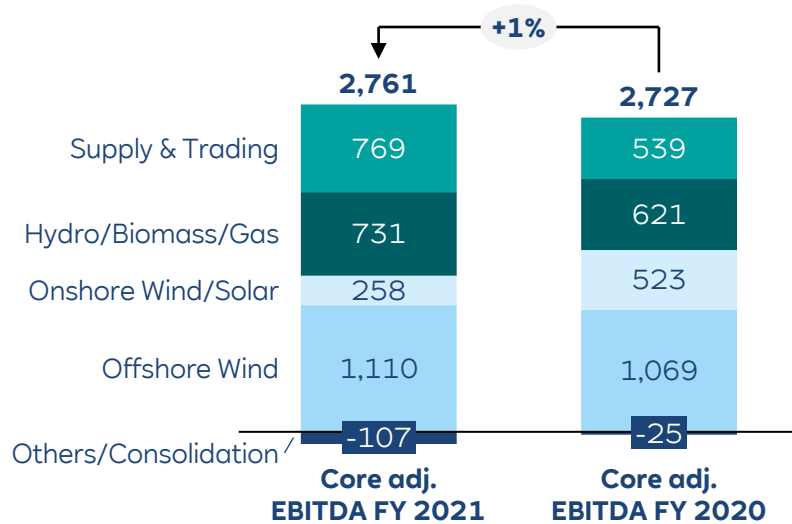
€3.7bn gross cash investments into green growth – currently **5.6 GW** of green generation **capacity under construction**

Almost 90% of capex complies with the proposed green investment criteria of the **EU taxonomy**

Successful issuance of 1.85bn EUR green bonds in 2021 and ESG linked syndicated credit line underlines RWE's commitment to sustainable financing

Very good business performance in 2021

Core adj. EBITDA FY 2021 vs. FY 2020, € million



- **Offshore Wind** earnings up on the back of a consolidation effect from Rampion and pre-commissioning income from Triton Knoll, despite earnings shortfalls caused by lower than normal wind speeds
- **Onshore Wind/Solar** earnings are marked by one-off effects, but also lower wind yields. Partly compensating were higher margins and capacity additions
- **Hydro/Biomass/Gas** earnings increased due to short-term asset optimisation and higher availability of the Eemshaven power plant
- **Supply & Trading** put in an outstanding trading performance, closing the year above 2020, above last year, which was already very strong

Adj. EBITDA for RWE Group, incl. Coal/Nuclear amounts to €3,650 million (vs prev. year +11%)

Note: restated adj. EBITDA for 2020 according to change in the accounting for tax benefits as of 1 Jan 2021.

Strong adj. net income due to good operational performance

Adj. net income, € million

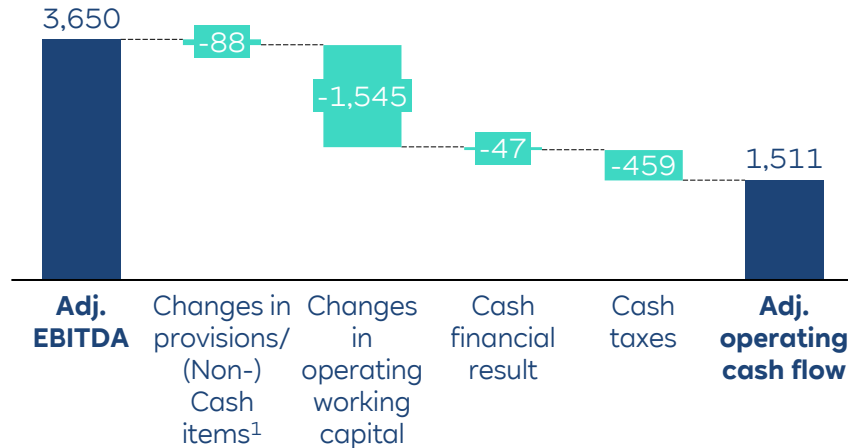
FY 2020	FY 2021		
3,286	Adj. EBITDA FY 2021		3,650
-1,463	Adj. depreciation		-1,465
1,823	Adj. EBIT		2,185
-315	Adj. financial result		-209
-226	Adj. tax		-296
-25	Adj. minority interest		-111
1,257	Adj. net income FY 2021		1,569

- **Adj. EBITDA** excludes non-operating result
- **Adj. financial result** includes payment of E.ON dividend of €186 million. It is mainly adjusted for changes in discount rates for provisions as well as tax interests from tax refunds unrelated to the accounting period, among other things
- **Adjustments of tax** refer to a general tax rate of 15% at the RWE Group¹
- **Adj. minority interest** relates mainly to fully consolidated offshore wind projects

¹ General tax rate of 15% for the planning horizon is based on a blended calculation of local tax rates, the use of loss carry forwards and low taxed dividend income, e.g. from E.ON and Amprion.

Adj. operating cash flow marked by good operational result and effects in operating working capital

Reconciliation to adj. operating cash flow for FY 2021 € million

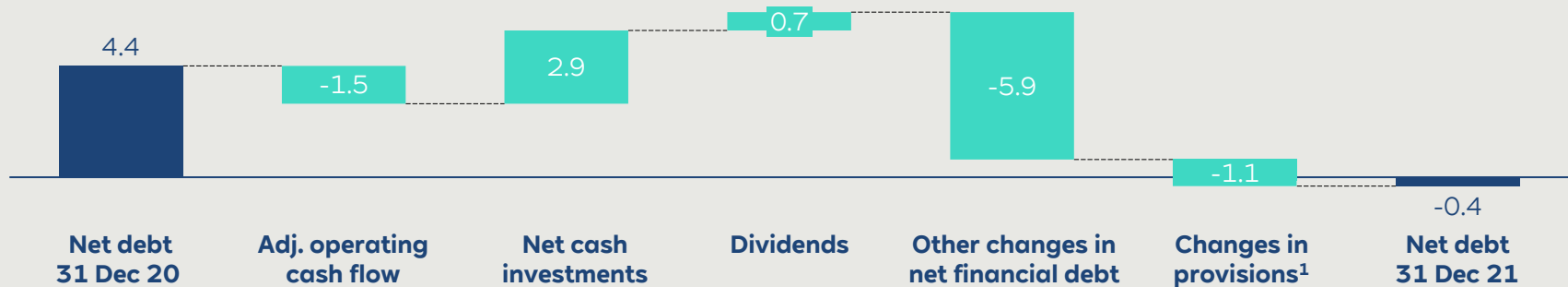


- **Changes in provisions/(Non-) Cash items** mainly driven by legacy and restructuring provisions as well as book gains from the farm-down of Texas wind farms. This is partly offset by the payment from the German hard coal auction in Q3 2021
- **Negative effects in operating working capital** as a result of high commodity prices at year-end leading to higher trade receivables
- **Cash financial result** mainly impacted by interest payments which is partly compensated by E.ON dividend payment in Q2 2021
- **Cash taxes** driven by income taxes in the UK including timing effects

¹ Excludes nuclear provisions since utilisation is not net debt effective and will be refinanced via financial debt.

Net debt decreased substantially as a result of timing effects from hedging and trading activities

Development of net debt in 2021, € billion

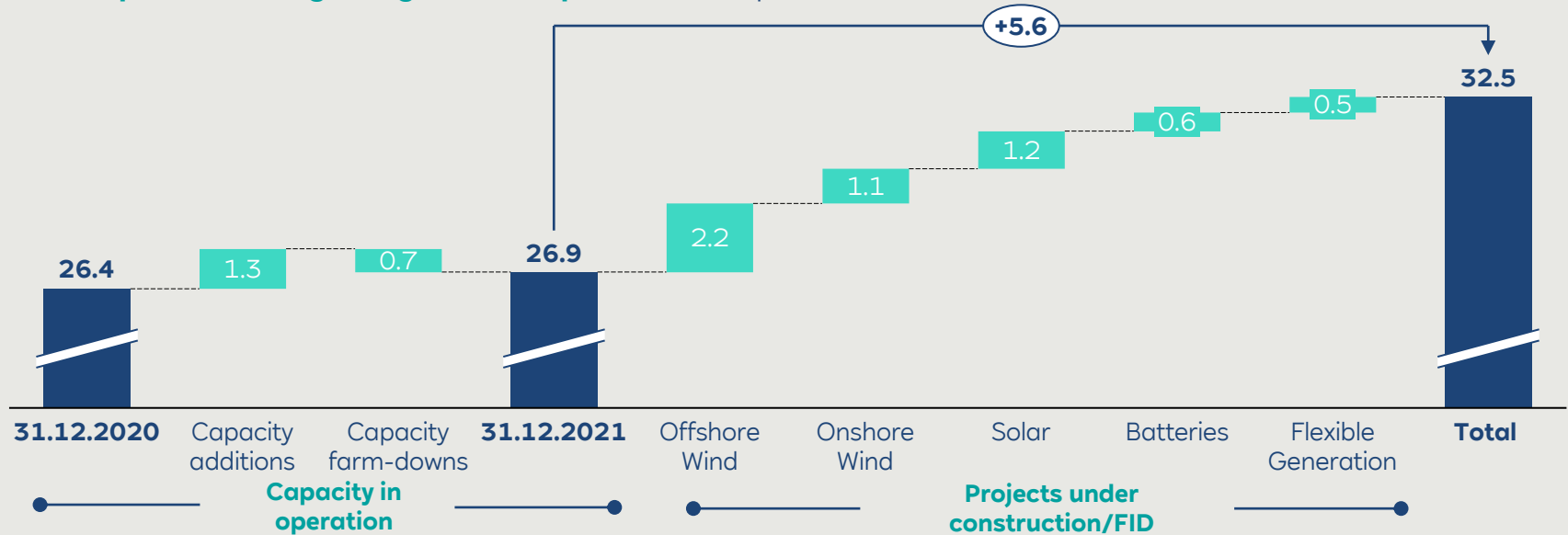


- **'Other changes in net financial debt'** include mainly timing effects - amongst others variation margins from hedging and trading activities - as well as receipt of nuclear compensation of €880m
- **'Changes in provisions'** driven by decrease of pension provisions due to higher discount rates and good performance of plan assets

¹ Includes pension and wind provisions but excludes nuclear provisions as they are not part of adj. operating cash flow. Furthermore, CTA allocation of €1.1bn has no effect on net debt. Payment is offset by the decrease in pension provisions. | Note: Rounding differences may occur.

Our green generation portfolio is growing with 5.6 GW currently under construction

Development of our green generation portfolio, GW pro rata



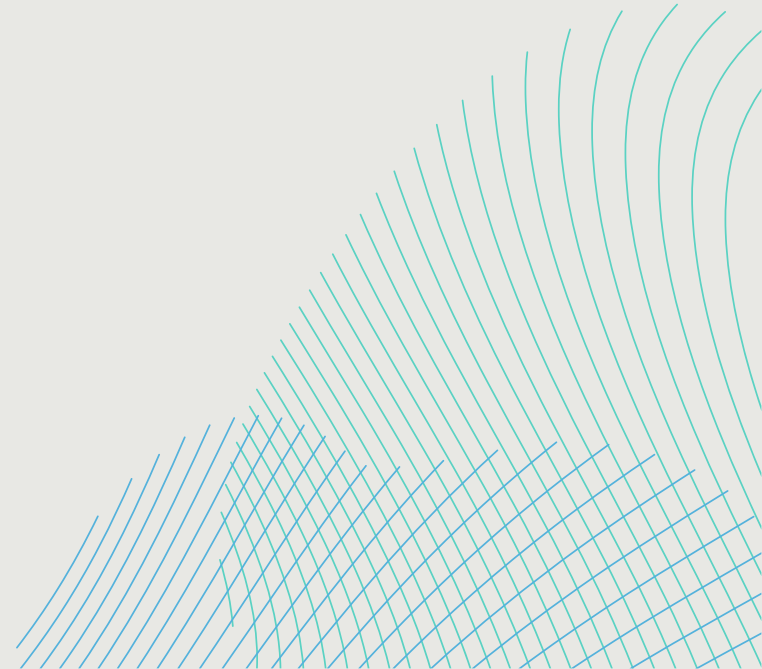
Outlook for FY 2022 confirmed

Group outlook FY 2022, € million		Actuals FY 2021, € million
Offshore Wind	1,350 – 1,600	1,110
Onshore Wind/Solar	650 – 800	258
Hydro/Biomass/Gas	700 – 900	731
Supply & Trading	150 – 350	769
Other/Consolidation	~-150	-107
Core adj. EBITDA	2,900 – 3,300	2,761
Coal/Nuclear	650 – 750	889
Adj. EBITDA RWE Group	3,600 – 4,000	3,650
Adj. Net income	1,300 – 1,700	1,569
Dividend target	€0.90 per share	€0.90 per share

Major value driver FY 2022 versus FY 2021

- **Offshore Wind:** Higher earnings expected mainly due to increase of wind yields and income from Triton Knoll
- **Onshore Wind/Solar:** Higher earnings expected mainly because of one-offs in 2021 as well as higher wind yields and capacity additions
- **Hydro/Biomass/Gas:** Earnings increase expected mainly on the back of higher hedged generation margins
- **Supply & Trading:** Return to normalised earnings expected after an outstanding trading performance in 2021
- **Coal/Nuclear:** Lower earnings expected due to capacity closures particularly in nuclear

Appendix



Outlook for FY 2022

Group outlook FY 2022, € million

	Outlook(Feb 2022)	Outlook (Nov 2021)
Core adj. EBITDA	2,900 – 3,300	2,750 – 3,050
Adj. EBITDA RWE Group	3,600 – 4,000	3,300 – 3,600
Depreciation	~-1,600	~-1,600
Adj. EBIT	2,000 – 2,400	1,700 – 2,000
Adj. Financial result	~-250	~-200
Adj. Tax	15%	15%
Adj. Minorities	~-200	~-200
Adj. Net income	1,300 – 1,700	1,100 – 1,400
Dividend target	€0.90 per share	-

Divisional outlook FY 2022- adj. EBITDA, € million

	Outlook (Feb 2022)	Outlook (Nov 2021)
Offshore Wind	1,350 – 1,600	1,350 – 1,550
Onshore Wind/Solar	650 – 800	650 – 750
Hydro/Biomass/Gas	700 – 900	550 – 650
Supply & Trading	150 – 350	150 – 350
Other/Consolidation	~-150	~-150
Coal/Nuclear	650 – 750	550 – 650

Key sensitivities to our planning assumptions for FY2022

Driver	Segment	Type	Sensitivity	Group impact ¹
Wind levels	Offshore Wind	P&L	+/- 10% production	+/- €200 million
	Onshore Wind/Solar	P&L	+/- 10% production	+/- €150 million
Main f/x (USD & GBP)	RWE Group	P&L	+/- 10%	+/- €180 million
CO ₂ prices	RWE Group	P&L	+/- €1/t	Hedged until 2030
Pension provisions	RWE Group Germany	B/S	+/- 0.1%	-€145/+€165 million ³
	RWE Group abroad	B/S	+/- 0.1%	-€95/+€105 million ³
Nuclear provisions	RWE Group	B/S	+/- 0.1% ²	-/+ €40 million
Mining provisions	RWE Group	B/S	+ 0.1% ² - 0.1% ²	- €130 million + €140 million

¹ All figures are rounded numbers. P&L figures refer to adjusted EBITDA. | ² Change in real discount rate (net effect from change in nominal discount rate and escalation rate). | ³ Gross effect of changes in present value of defined benefit obligations. No offsetting effect from development of plan assets included. | Note: as of end of Dec 2021.

Offshore Wind: Earnings up mainly due to a consolidation effect and pre-commissioning income from Triton Knoll

Key financials FY 2021 – Offshore Wind

€ million	FY 2021	FY 2020	change
Adj. EBITDA	1,110	1,069	41
t/o non-recurring items	-	-	-
Depreciation	-474	-372	-102
Adj. EBIT	636	697	-61
t/o non-recurring items	-	-	-
Gross cash investments¹	-1,880	-1,289	-591
Gross cash divestments¹	+367	+826	-459

Adj. EBITDA FY 2021 vs. FY 2020

- + Higher earnings contribution from Rampion due to consolidation effect, RWE stake increased by 20% to 50.1% as of 1 Apr 2021
- + Pre-commissioning income from Triton Knoll
- Below normal wind speeds in FY 2021, while FY 2020 was above normal

Outlook 2021
€1,050m – €1,250m



Adj. EBITDA Outlook 2022 vs. FY 2021

- + Higher earnings from return to normalised weather conditions
- + Higher earnings from construction projects: Triton Knoll and Kaskasi
- + Consolidation effect from Rampion for a full year
- + Higher power prices, partly offset by lower ROC recycle value and start of drop in German compression model

Outlook 2022
€1,350m – €1,600m

¹ Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Onshore Wind/Solar: 2021 earnings slightly above guidance due to stronger than expected fourth quarter

Key financials

FY 2021 – Onshore Wind/Solar

€ million	FY 2021	FY 2020	change
Adj. EBITDA	258	523	-265
t/o non-recurring items	-274	-	-274
Depreciation	-403	-385	-18
Adj. EBIT	-145	138	-283
t/o non-recurring items	-	-	-
Gross cash investments¹	-1,475	-1,604	129
Gross cash divestments¹	+600	+55	+545

Adj. EBITDA FY 2021 vs. FY 2020

- Below normal wind speeds in FY 2021, while FY 2020 was above normal
 - + Higher power prices for unhedged volumes
 - + Increased capacity partly offset by Texas farm-down
- Adj. EBITDA significantly impacted by non-recurring items:**
- Negative one-off from Texas cold snap of ~-€400 million
 - + Book gain from 75% farm-down of wind farms in Texas portfolio²

Outlook 2021
€50m – €250m

Adj. EBITDA Outlook 2022 vs. FY 2021

- + No one-offs assumed
- + Earnings increase from capacity additions
- + Higher earnings from return to normalised weather conditions
- + Higher power prices for unhedged volumes
- Increased development expenses for mid-to-long-term growth

Outlook 2022
€650m – €800m

¹ Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | ² Book gain for four wind farms; Cranell, Stella, East Raymond, West Raymond. | Note: restated figures for 2020 due to change in the accounting for tax benefits as of 1 Jan 2021.

Hydro/Biomass/Gas: Very strong year-end performance pushed earnings above guidance

Key financials

FY 2021 – Hydro/Biomass/Gas

€ million	FY 2021	FY 2020	change
Adj. EBITDA	731	621	110
t/o non-recurring items	-	-	-
Depreciation	-313	-338	25
Adj. EBIT	418	283	135
t/o non-recurring items	-	-	-
Gross cash investments¹	-300	-269	-31

Adj. EBITDA FY 2021 vs. FY 2020

- + Higher earnings from short-term asset optimisation
- + Increase in earnings from Eemshaven power plant due to higher availability after unplanned outage in 2020

Outlook 2021
€500m – €600m

Adj. EBITDA Outlook 2022 vs. FY 2021

- + Higher hedged generation margins
- + One-off from sale of land at former GB generation asset
- Lower earnings contribution from short-term asset optimisation vs. high level in prev. year
- Lower income from GB capacity payments
- Lower earnings due to unplanned outage at Claus C

Outlook 2022
€700m – €900m

¹ Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | Note: including 37.9% stake in Kelag.

Supply & Trading: Outstanding trading performance

Key financials FY 2021 – Supply & Trading

€ million	FY 2021	FY 2020	change
Adj. EBITDA	769	539	230
t/o non-recurring items	-	-	-
Depreciation	-48	-43	-5
Adj. EBIT	721	496	225
t/o non-recurring items	-	-	-
Gross cash investments¹	-67	-70	3

Adj. EBITDA FY 2021 vs. FY 2020

- + Outstanding trading performance and higher contribution from Gas & LNG business

Outlook 2021
Signif. +€350m



Adj. EBITDA Outlook 2022 vs. FY 2021

- Return to normalised earnings level after very high earnings contribution in 2021
 - Long-term average earnings of ~€250 million

Outlook 2022
€150m - €350m

¹ Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Coal/Nuclear: Solid earnings on back of higher realised hedged generation margins

Key financials FY 2021 – Coal/Nuclear

€ million	FY 2021	FY 2020	change
Adj. EBITDA	889	559	330
t/o non-recurring items	-	-	-
Depreciation	-228	-325	97
Adj. EBIT	661	234	427
t/o non-recurring items	-	-	-
Gross cash investments¹	-259	-184	-75

Adj. EBITDA FY 2021 vs. FY 2020

- + Higher realised hedged generation margins
- + Higher earnings from short-term asset optimisation
- Costs associated with the German coal phaseout

Outlook 2021
€800m – €900m



Adj. EBITDA Outlook 2022 vs. FY 2021

- Lower generation margin due to capacity closures in nuclear and lignite partly compensated by related cost savings and higher generation volumes

Outlook 2022
€650m – €750m

¹ Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Reconciliation to adj. net income

(€ million)	12M 2021		
	Reported	Adjustments	Adjusted
Adjusted EBITDA	3,650	-	3,650
Depreciation	-1,465	-	-1,465
Adjusted EBIT	2,185	-	2,185
Non-operating result	-650	650	-
Financial result	-13	-196	-209
Taxes on income	-690	394	-296
Income	832	848	1,680
of which			
Minority interest	111	-	111
Net income¹	721	848	1,569

¹ Income attributable to RWE AG shareholders. | Note: Rounding differences may occur.

Economic net debt

Net debt	31 Dec 2021	31 Dec 2020	+/-
(€ million)			
Cash and cash equivalents	5,825	4,774	1,051
Marketable securities	8,347	4,517	3,830
Other financial assets	12,403	2,507	9,896
Financial assets	26,575	11,798	14,777
Bonds, other notes payable, bank debt, commercial paper	-10,704	-2,160	-8,544
Hedging of bond currency risk	-9	-31	22
Other financial liabilities	-7,090	-3,038	-4,052
Financial liabilities	-17,803	-5,229	-12,574
Minus 50% of the hybrid capital recognised as debt	290	278	12
Net financial assets (including correction of hybrid capital)	9,062	6,847	2,215
Provisions for pensions and similar obligations	-1,934	-3,864	1,930
Surplus of plan assets over benefit obligations	459	172	287
Provisions for nuclear waste management	-6,029	-6,451	422
Provisions for dismantling wind farms	-1,198	-1,136	-62
Net debt	360	-4,432	4,792

Net debt definition

- Net debt does not contain mining provisions, which essentially cover our obligations to recultivate opencast mining areas
- Financial assets we currently use to cover these provisions are also not part of the net debt, i.e.
 - €2.6bn claim against the state for damages arising from the lignite phaseout
 - E.ON stake of 15%

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ADR programme available

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Financial Calendar

- **28 April 2022**
Virtual Annual General Meeting
- **03 May 2022**
Dividend payment
- **12 May 2022**
Interim statement on the first quarter of 2022
- **11 August 2022**
Interim report on the first half of 2022
- **10 November 2022**
Interim statement on the first three quarters of 2022

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