RWE AG

RWE AG's rating reflects its solid business profile as a large power generation group in Germany, with considerable exposure to developed markets in western Europe and the US. The rating also considers adequate and improving earnings from long-term contracts with good cash flow visibility, and the group's gradually improving generation mix by technology.

The Stable Outlook underscores Fitch Ratings' expectations that RWE's nuclear-adjusted funds from operations (FFO) net leverage will remain within its rating sensitivities in 2026-2028, despite expected negative free cash flow (FCF). The negative FCF is mainly driven by the group's capex plan (net cash investments in power generation, excluding Amprion, of EUR35 billion for 2026-2031) and increasing dividends. We believe that RWE has the necessary levers to manage its leverage profile adequately if needed.

Key Rating Drivers

Amprion Stake Increase Credit-Neutral: RWE announced in June 2026 that it will acquire the stakes of five shareholders of M31 Beteiligungsgesellschaft GmbH, increasing its indirect ownership in Amprion GmbH (BBB+/Stable) to 55%. RWE owns 80% of RWE Alkaios Senior Holding GmbH (Alkaios), a joint venture between RWE and Apollo Global Management, which owns 25.1% of Amprion, while the remaining 35% of Amprion will be owned through M31. The acquisition of the additional stake is fully funded by a capital increase of almost EUR4 billion and is expected to be closed in 3Q26.

We will continue to treat the Amprion stake as equity investment, with minimal impact on RWE's leverage. We estimate that RWE will receive, on a net basis, about 40% of Amprion dividends during 2026-2029, as Apollo is entitled to higher than pro-rata dividends through Alkaios. In addition to the acquisition price of EUR3.6 billion for the recent transaction, RWE will inject about EUR6.5 billion equity into Amprion by 2031 to fund the latter's planned capex. Alkaios will use funding from Apollo for its EUR2.5 billion share of the capex. The remaining EUR4 billion will be partly financed by using part of the capital increase and dividends received from the additional Amprion stake.

Robust Business Profile: The Amprion stake increase and the gradually higher contribution of quasi-regulated businesses are supportive of RWE's business profile. We expect 60% of adjusted EBITDA in 2026-2028 to be generated from regulated and quasi-regulated businesses, after considering the expected dividends from Amprion (which we assume at 4%-5% of adjusted EBITDA). RWE derives about 70% of earnings related to wind and solar under contracted support schemes with a weighted average tenor of 12 years. RWE also benefits from capacity payments in the UK gas segment, which represent about 25% of the FlexGen division's earnings.

In addition, RWE's business profile is supported by its scale, and leading position in developed markets with strong regulatory frameworks. We also expect asset quality to keep improving with almost 10.3GW renewables capacity under construction as of March 2026, all of which is already contracted. These are partly offset by supply and trading activities that can add volatility to EBITDA and some exposure to commodity prices. The overall stronger business profile, however, lead us to relax the debt capacity by 0.2x to 3.0x at 'BBB+'.

Net Cash Investment Target 2031: RWE confirmed its net cash investments of EUR35 billion in 2026-2031. We expect net cash investments to be deployed in existing markets with almost 49% allocated to the US, 26% to flexible generation (mostly Germany), 20% to European solar and power projects, and 5% to offshore winds. While RWE confirmed its net cash investment target, it maintains flexibility in managing its net cash investments over the medium term, while remaining committed to its investment criteria requirements and financial leverage target of net debt/ company-defined EBITDA of 3.0x-3.5x.

Negative FCF Affects Leverage: We expect RWE to generate cumulatively negative FCF in 2026-2028 of EUR21 billion, driven by large total capex of EUR26 billion. It will lead to an increase in nuclear-adjusted FFO net leverage to 2.7x in 2028 from 1.5x in 2025, with moderate headroom against the revised negative rating sensitivity of 3.0x. We expect the group to fund negative FCF through an increase in debt and hybrid issuances. Fitch understands from management that RWE plans to maintain a permanent layer of hybrid debt in its capital structure, supporting financial flexibility.

Improving Asset Quality: We expect RWE's installed capacity to increase to 58.6GW in 2028 from 48.9GW in 2025, with wind and solar representing 46% of total capacity in 2028. Renewables offer good cash flow visibility, as RWE derives about 70% of these earnings under secured support schemes. In early 2026, RWE was awarded 6.9GW out of the total 8.4GW contracts for difference (CfD) under the latest auction for offshore wind in the UK, providing a 20-year CfD. We also expect RWE to participate in the German's hydrogen-ready gas power plants auctions in September and December 2026.

Commitment to Strong Investment Grade: RWE's leverage target is at the lower end of 3.0x-3.5x, based on group-defined net debt/adjusted EBITDA, which we believe is consistent with our negative rating sensitivity. RWE is committed to a solid investment-grade rating and has different tools to manage leverage, including the reduction of uncommitted capex, additional asset rotation, reduction of dividends and hybrid bond issuance.

Rating Sensitivities

Factors That Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Deterioration of the business profile, for example, due to delays in investments in renewables, lower-than-expected profitability of new assets or persistently depressed electricity prices
- Nuclear-adjusted FFO net leverage above 3.0x on a sustained basis

Factors That Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- We do not anticipate an upgrade to the 'A' category. Upside is limited by RWE's business profile as an electricity generation utility with limited networks and its large thermal exposure. However, signs of a quicker shift to renewables, for example, with over 75% EBITDA contribution from quasi-regulated activities, while keeping leverage low, could lead to positive rating action

Issuer Profile

RWE is a power generation and trading company. It is one of the largest utilities in Germany with operations in several other European markets and worldwide.

Financial Summary

(EUR millions)	2023	2024	2025	2026F	2027F	2028F
EBITDA	7,554	5,007	4,231	4,349	4,885	5,288
FFO	7,190	3,106	2,466	4,820	4,468	4,708
FCF after acquisitions and divestitures	-5,719	-5,337	-6,812	-10,838	-3,911	-6,223
FFO interest coverage (x)	7.7	4.9	2.7	5.8	5.3	5.2
FFO net leverage (x)	-0.3	0.7	0.4	1.1	1.5	2.3
Nuclear-adjusted FFO net leverage (x)	0.5	2.0	1.5	1.7	2.0	2.7

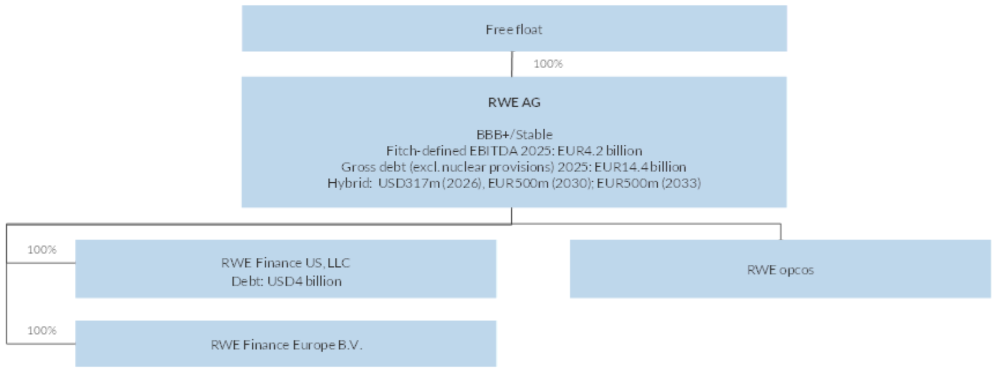
Source: Fitch Ratings, Fitch Solutions

Corporate Rating Tool Inputs and Scores

Fitch scored the issuer as follows, using its Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

- Business and financial profile factors (assessment, relative importance): management ('bbb', lower), sector characteristics ('bbb', moderate), market and competitive positioning ('a-', higher), diversification and asset quality ('bbb', moderate), company operational characteristics ('bbb', moderate), profitability ('bb+', moderate), financial structure ('bbb', higher), and financial flexibility ('a', moderate).
- The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.
- Assessments of the quantitative financial subfactors also include bespoke calculations.
- The governance assessment of 'good' has no impact.
- The operating environment assessment of 'aa-' has no impact.
- The SCP is 'bbb+'.

Simplified Group Structure Diagram

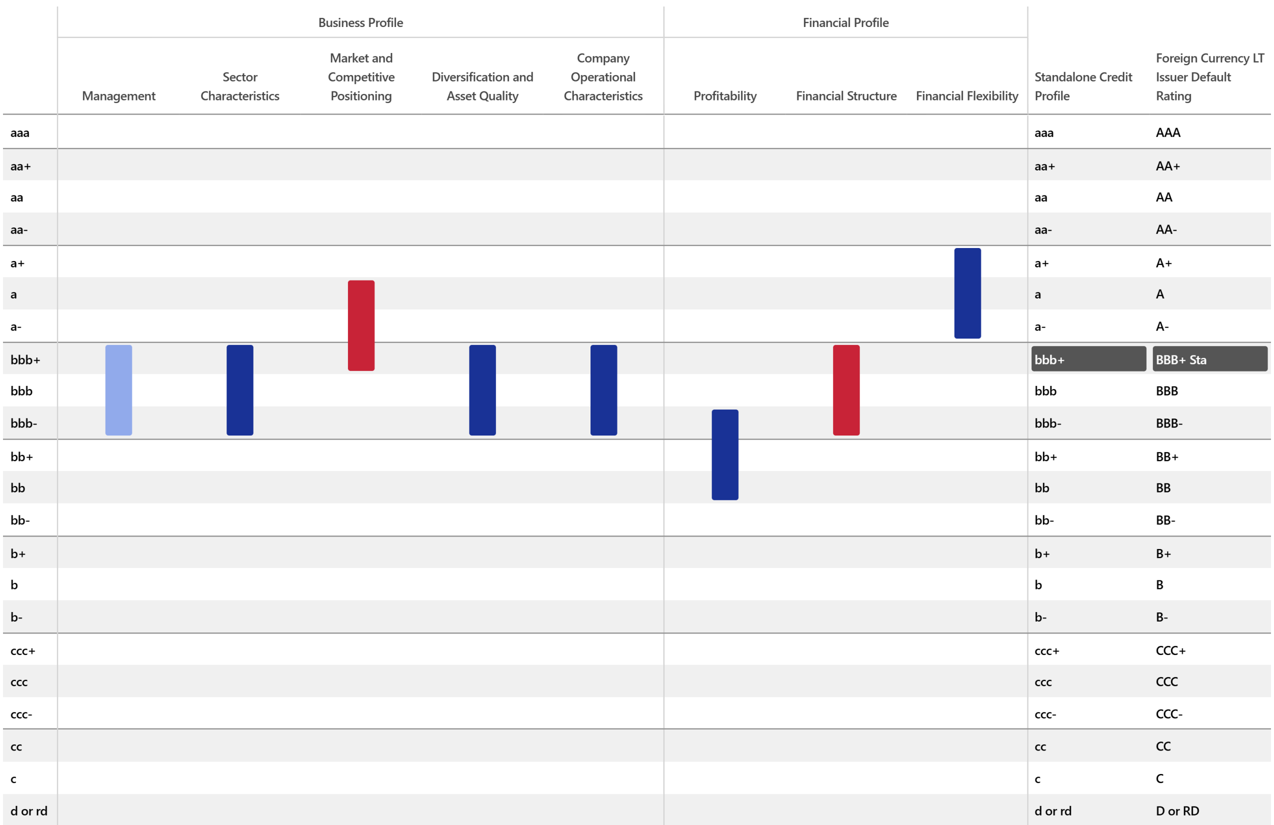


Note: For hybrids the first call date is presented. Bonds issued by RWE Finance US, LLC and RWE Finance Europe B.V. are guaranteed by RWE AG

Source: Fitch Ratings, Fitch Solutions, RWE AG as at December 2025

Ratings Navigator

Global Electricity Generation



Factor Outlook
Stable | Evolving | Positive | Negative

Relative Importance
Lower | Moderate | Higher

Additional Adjustments to the Standalone Credit Profile

	Assessment	Impact

Weakest link considerations	Not applied	0
Additional sector considerations	Not applied	0
B+ to CC considerations	Not applied	0
Governance	Good	0
Operating environment	aa-	0
Other risk elements	Not applied	0
Calibration	Not applied	0
Standalone Credit Profile		**bbb+**
Parent subsidiary linkage	Not applied	—
Government related entities	Not applied	—
Other criteria considerations	Not applied	0
Country Ceiling considerations	Not applied	0

Management

Factor / Subfactor	Score / Outlook / Importance	Description
Management	bbb / stable / lower	
Risk tolerance	bbb / moderate	Management committed to conservative risk profile. Only modest/short-term deviations from strategy allowed.
Management strategy	bbb / moderate	Good track record of implementing coherent and stable strategy.
Management quality	bbb / moderate	Experienced management or proven track record. Management composition is broadly stable. No evidence of material risk management weaknesses.

Sector Characteristics

Factor / Subfactor	Score / Outlook / Importance	Description
Sector characteristics	bbb / stable / moderate	
Volatility of supply/demand	bbb / moderate	Moderately favorable outlook for prices. Balanced reserve margin with capacity addition pace matching demand growth. Supply/Demand balance aided by regulatory system mechanism.
System and capacity payments	bbb / moderate	Less transparent or shorter duration market pricing structures with some risk of political interference proving medium term price visibility for power generators.

Market and Competitive Positioning

Factor / Subfactor	Score / Outlook / Importance	Description
Market and competitive positioning	a- / stable / higher	
Competitive advantage	bbb / moderate	Efficient generation with recurrent merit dispatch.
Scale - operation	a+ / higher	Large scale operations with diverse generation asset base or company supplies more than 50% of electricity to the systems where it operates or strong competitive position in a localized market.
Merit order and cost pass-through	bbb- / moderate	Low generation costs or ability to largely pass cost changes to end users.

Diversification and Asset Quality

Factor / Subfactor	Score / Outlook / Importance	Description
Diversification and asset quality	bbb / stable / moderate	
Asset diversification	a / moderate	Large diversification by geography and/or generation source.
Asset quality	bbb+ / moderate	Average-quality assets or high-quality single asset.
Environmental exposure	bb / moderate	Significant exposure to environmental regulations. Energy production largely deriving from thermal sources; high carbon exposure.
Capex intensity	bbb / moderate	Moderate reinvestments requirements in established technologies.
Resource predictability	bbb / moderate	Stable and predictable capacity factor.

Company Operational Characteristics

Factor / Subfactor	Score / Outlook / Importance	Description
Company operational characteristics	bbb / stable / moderate	
Contracted structure	bbb- / moderate	Balanced position with medium remaining life of PPAs or incentives of 5 to 7 years. PPAs or incentives amount between 80% and 100% of firm generation capacity.
Contract management	bbb / moderate	Likely re-contracting prospects with similar to potentially moderately worse contractual terms.
Degree of integration	b / lower	Minimal supply integration. Significant long or short generation position.
Counterparty risk	bbb / moderate	Diversified, medium counterparty risk or weighted average credit quality of actual and potential off-takers is in line with 'BBB' rating. Single 'BBB' rated off-taker under well-structured PPA.
Hedging strategy	a / moderate	Strong portfolio/cash flow smoothing effects from extensive contractual hedge.

Profitability

Factor / Subfactor	Score / Outlook / Importance	Description
Profitability	bb+ / stable / moderate	
Free cash flow	bb / moderate	Structurally moderately negative FCF across the investment cycle.
Cash flow predictability	bbb / moderate	Stability and predictability cash flow in line with peers.

Financial Structure

Factor / Subfactor	Score / Outlook / Importance	Description
Financial structure	bbb / stable / higher	
EBITDA leverage (x)	bbb- / moderate	3.3
FFO leverage (x)	bbb- / moderate	3.5
FFO net leverage (x)	bbb+ / higher	3.0

Financial Flexibility

Factor / Subfactor	Score / Outlook / Importance	Description
Financial flexibility	a / stable / moderate	
Financial access	a+ / higher	Unequivocal access through the cycle to: Local financial markets with FMD of ‘a’ and above, or International financial markets with (primarily) FMD of ‘a’ and above. If the issuer is an infrequent/ untested issuer, the issuer must be very likely to be able to freely access these markets through the cycle.
Liquidity	a / moderate	No need for external funding beyond committed facilities in the next 12 months even under a severe stress scenario. Well-spread maturities. Diversified funding.
FFO interest coverage (x)	bbb+ / moderate	4.5
DSCR	N/A / n/a	Subfactor not relevant to the issuer.
FX exposure	bbb+ / moderate	Some FX exposure on profitability and/or debt/cash flow match. Effective hedging in place.

Governance

Factor / Subfactor	Score / Outlook / Importance	Description
Governance	Good / — / —	
Ownership and decision-making concentration	Good / moderate	No concentration in ownership and/or decision-making. Presence of effective checks and balances. Key person risk is immaterial. Decision-making is defensible from a governance perspective.
Group structure transparency and contagion risk	Good / moderate	Transparent group structure. No contagion risks.
Information quality/transparency	Good / moderate	Timely and good provision of financial and operational information, facilitating the analysis of the credit profile.

Fitch’s Key Rating-Case Assumptions

- Installed capacity to increase to 58.6GW in 2028, comprising 26.9GW from wind and solar, 24.3GW from flexible generation and 7.4GW from coal
- Fitch-defined EBITDA of EUR4.4 billion in 2026, rising to EUR5.3 billion in 2028
- Average tax payment of EUR250 million a year
- Average interest rate of 5.5%
- Average annual net capex of EUR8.7 billion over 2026-2028
- Average dividends to RWE shareholders of about EUR1 billion a year over 2026-2028

Liquidity and Debt Structure

At end-March 2026, RWE had about EUR13 billion cash and marketable securities. It has access to EUR10 billion revolving credit facilities, comprising EUR2 billion and EUR3 billion with five-year maturities extended to 2031 and EUR5 billion with a maturity in 2029. These lines are fully available. Total liquidity is sufficient to cover Fitch-expected negative FCF of EUR11 billion in 2026 and EUR3.9 billion in 2027 and short-term debt maturities of EUR3 billion in 2026.

In addition, RWE's 15% stake in E.ON is a source of financial flexibility if it decides to divest the stake in full or in part.

Liquidity and Debt Maturities

Liquidity Analysis

(EUR Millions)	2026F	2027F
Available liquidity		

Beginning cash balance	13,349	4,596
Rating case FCF after acquisitions and divestitures	-10,838	-3,911
Net equity proceeds	3,583	—
Bond issued in 2026	1,500	—
Total available liquidity (A)	**7,594**	**685**
Liquidity uses		
Debt maturities	-2,998	-362
Total liquidity uses (B)	**-2,998**	**-362**
Liquidity calculation		
Ending cash balance (A+B)	4,596	323
Revolver availability	10,000	10,000
Ending liquidity	**14,596**	**10,323**
Liquidity score (x)	4.2	29.5

Source: Fitch Ratings, Fitch Solutions, RWE AG

Scheduled Debt Maturities

(EUR Millions)	31 Dec 25
2026	2,998
2027	362
2028	1,111
2029	861
2030	1,852
Thereafter	7,761
Total	**14,944**

Source: Fitch Ratings, Fitch Solutions, RWE AG

Financial Data

(EUR millions)	2023	2024	2025	2026F	2027F	2028F
Summary income statement						
Gross revenue	28,566	24,224	17,628	18,509	19,435	20,407
Revenue growth (%)	-25.5	-15.2	-27.2	5.0	5.0	5.0
EBITDA before income from associates	7,554	5,007	4,231	4,349	4,885	5,288
EBITDA margin (%)	26.4	20.7	24.0	23.5	25.1	25.9
EBITDA after associates and minorities	7,280	4,956	4,538	4,345	5,154	5,369
EBIT	7,642	4,472	3,025	2,164	2,471	2,671
EBIT margin (%)	26.8	18.5	17.2	11.7	12.7	13.1
Gross interest expense	-946	-760	-453	-871	-904	-971
Pretax income including associate income/loss	4,006	6,343	3,539	3,341	3,508	3,375
Summary balance sheet						
Readily available cash and equivalents	14,641	11,941	13,349	9,859	9,773	6,664
Debt	12,452	14,200	14,444	15,271	17,123	18,561
Net debt	-2,189	2,259	1,095	5,412	7,349	11,898

Summary cash flow statement						
EBITDA	7,554	5,007	4,231	4,349	4,885	5,288
Cash interest paid	-946	-664	-1,129	-871	-904	-971
Cash tax	-448	-755	-249	97	-420	-449
Dividends received less dividends paid to minorities (inflow/outflow)	-274	-51	307	-5	269	81
Other items before FFO	470	-937	-1,200	650	38	158
FFO	7,190	3,106	2,466	4,821	4,468	4,708
FFO margin (%)	25.2	12.8	14.0	26.0	23.0	23.1
Change in working capital	-1,209	959	1,691	-1,966	-1,508	909
CFO (Fitch-defined)	5,981	4,065	4,157	2,854	2,960	5,617
Total non-operating/nonrecurring cash flow	-2,214	2,068	-509	-912	-1,307	-1,139
Capex	-5,146	-9,377	-9,215	—	—	—
Capital intensity (capex/revenue) (%)	18.0	38.7	52.3	—	—	—
Common dividends	-669	-744	-809	—	—	—
FCF	-2,048	-3,988	-6,376	—	—	—
FCF margin (%)	-7.2	-16.5	-36.2	—	—	—
Net acquisitions and divestitures	-3,671	-1,349	-436	—	—	—
Other investing and financing cash flow items	6,262	1,587	1,622	—	—	—
Net debt proceeds	-576	1,670	3,773	827	2,352	1,938
Net equity proceeds	-38	452	4,370	3,583	—	—
Total change in cash	-71	-1,827	2,644	-3,490	-86	-3,110
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	-11,700	-9,402	-10,969	-13,693	-6,871	-11,839
FCF after acquisitions and divestitures	-5,719	-5,337	-6,812	-10,838	-3,911	-6,223
FCF margin after net acquisitions (%)	-20.0	-22.0	-38.6	-58.6	-20.1	-30.5
Gross leverage ratios (x)						
EBITDA leverage	1.7	2.9	3.2	3.5	3.3	3.5
FFO leverage	1.7	4.4	4.7	3.0	3.6	3.7
(CFO-capex)/debt (%)	6.7	-37.4	-35.0	-59.5	-9.2	-21.3
Net leverage ratios (x)						
EBITDA net leverage	-0.3	0.5	0.2	1.2	1.4	2.2
FFO net leverage	-0.3	0.7	0.4	1.1	1.5	2.3
(CFO-capex)/net debt (%)	-38.1	-235.2	-461.9	-167.8	-21.4	-33.2
Coverage ratios (x)						
EBITDA interest coverage	7.7	7.5	4.0	5.0	5.7	5.5
FFO interest coverage	7.7	4.9	2.7	5.8	5.3	5.2
FFO fixed-charge coverage	7.7	4.9	2.7	5.8	5.3	5.2

CFO – Cash flow from operations

Source: Fitch Ratings, Fitch Solutions

How to Interpret the Forecast Presented

The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Fitch Adjusted Financials

				Criteria Adjustments	
(EUR millions, 31 Dec 2025)	**Formulas**	**Standardised values**	**Analytical adj**	**Lease treatment**	**Adjusted values**
Income statement summary					
Revenue		17,628	—	—	17,628
EBIT		3,321	-188	-108	3,025
Add: Depreciation and amortisation		2,219	-729	-284	1,206
EBITDA	(a)	5,540	-917	-392	4,231
Add: Dividends received from associates/paid to minorities	(d)	-223	530	—	307
EBITDA after associates/minorities	(e)= (a+d)	5,317	-387	-392	4,538
EBITDAR after associates/minorities	(f)= (c+d)	5,317	-387	-392	4,538
Debt and Cash					
Balance sheet debt including preferred stock		14,184	760	—	14,944
Add: Discounts/(premiums), fair value adj.		—	—	—	—
Other		760	-760	—	—
Debt bef. disc/prem, fair value adj.		14,944	—	—	14,944
Hybrids equity credit		—	-500	—	-500
Other off-balance-sheet debt		—	—	—	—
Debt (Fitch-defined)	(g)	14,944	-500	—	14,444
Lease-equivalent debt		—	—	—	—
Lease-adjusted debt		14,944	-500	—	14,444
Readily available cash and equiv.	(h)	13,349	—	—	13,349
Not readily available cash and equiv.		—	—	—	—
Cash flow summary					
EBITDA		5,540	-917	-392	4,231
Cash dividends from associates/paid to minorities		-223	530	—	307
Interest paid	(i)	-438	—	108	-330
Interest received	(j)	506	—	—	506
Preferred dividends paid	(k)	—	—	—	—
Cash tax paid		-249	—	—	-249
Other items before FFO		-2,129	929	—	-1,200
FFO	(l)	3,007	542	-284	3,265

Change in working capital		1,724	-33	—	1,691
CFO	(m)	4,731	509	-284	4,956
Non-operating/nonrecurring cash flow		—	-509	—	-509
Capex	(n)	-10,014	—	—	-10,014
Common dividends paid		-809	—	—	-809
FCF		-6,092	—	-284	-6,376
Gross leverage (x)					
FFO leverage	g / (l-i-j-k)	5.1	-0.9	0.8	4.7
(CFO-capex)/debt (%)	(m+n)/(g)	-35.4	2.3	-1.9	-35.0
Net leverage (x)					
FFO net leverage	(g-h) / (l-i-j-k)	0.5	-0.2	0.1	0.4
(CFO-capex)/net debt (%)	(m+n)/(g-h)	-331.2	-104.8	-17.8	-461.9
Coverage (x)					
FFO interest coverage	(l-i-j-k)/(-i-k)	6.7	1.2	1.0	9.4

CFO – Cash flow from operations

Note: Numbers in the Standardised values column are based on a methodology to present financials consistently across a range of accounting standards.

Reported items may not match the Fitch approach.

Balance sheet debt including preferred stock, in the Standardised values column, excludes lease liabilities of EUR2,825.0 million.

Source: Fitch Ratings, Fitch Solutions, RWE AG

Peer Analysis

RWE is rated one notch higher than Orsted A/S (BBB/Stable), reflecting the former's lower leverage metrics. The debt capacity of the two entities is comparable given Orsted bigger portion of regulated and quasi-regulated earnings (80%), a greater share of renewables in its generation mix, offset by RWE's larger scale and geographical diversification and lower exposure to offshore wind (which is higher risk than solar and onshore wind).

Fortum Oyj (BBB+/Stable), an energy company that is 51%-owned by the Finnish state, is rated at the same level as RWE. The latter remains more exposed to thermal generation than Fortum but has a materially higher share of quasi-regulated business, which ultimately leads to a slightly higher debt capacity for RWE. Both companies have a strong financial profile, with FFO net leverage metrics commensurate with their ratings and rating sensitivities.

Statkraft AS (BBB+/Stable), one of Europe's largest hydro energy generators, has a 'bbb' Standalone Credit Profile (SCP). RWE has a slightly higher debt capacity given its higher share of quasi-regulated earnings and no emerging-market exposure, which is partly offset by Statkraft's better generation mix. Statkraft's FFO net leverage is higher than RWE's, which explains the one-notch rating difference (on an SCP basis).

Navigator Peer Comparison

Issuer		Business profile (Score/Relative Importance)					Financial profile (Score/Relative Importance)		
Name	IDR/Outlook	Management	Sector Characteristics	Market and Competitive Positioning	Diversification and Asset Quality	Company Operational Characteristics	Profitability	Financial Structure	Financial Flexibility
RWE AG	BBB+/Stable	bbb	bbb	a-	bbb	bbb	bb+	bbb	a
Orsted A/S	BBB/Stable	bbb-	bbb	a-	bbb+	bbb+	bb	bbb	a-
Fortum Oyj	BBB+/Stable	bbb	bbb-	bbb+	bbb+	bbb-	bbb	bbb+	a-
ERG S.p.A.	BBB-/Stable	bbb	bbb	bbb	bbb+	bbb	bbb	bb	a
Corporacion Acciona Energias Renovables, S.A.	BBB-/Negative	bbb-	bbb-	a-	a-	bbb	bb+	bb+	bb+
Statkraft AS	BBB+/Stable	bbb	bb+	a-	a-	bb	bb	bbb-	a-

Relative importance: Higher Moderate Lower

Source: Fitch Ratings

Issuer		Business profile (Score/Outlook)					Financial profile (Score/Outlook)		
Name	IDR/Outlook	Management	Sector Characteristics	Market and Competitive Positioning	Diversification and Asset Quality	Company Operational Characteristics	Profitability	Financial Structure	Financial Flexibility
RWE AG	BBB+/Stable	bbb	bbb	a-	bbb	bbb	bb+	bbb	a
Orsted A/S	BBB/Stable	bbb-	bbb	a-	bbb+	bbb+	bb	bbb	a-
Fortum Oyj	BBB+/Stable	bbb	bbb-	bbb+	bbb+	bbb-	bbb	bbb+	a-
ERG S.p.A.	BBB-/Stable	bbb	bbb	bbb	bbb+	bbb	bbb	bb	a
Corporacion Acciona Energias Renovables, S.A.	BBB-/Negative	bbb-	bbb-	a-	a-	bbb	bb+	bb+ ▼	bb+
Statkraft AS	BBB+/Stable	bbb	bb+	a-	a-	bb	bb	bbb-	a-

Rating categories: b/ccc bb bbb a aa ▲▼ Factor outlook direction.

Source: Fitch Ratings

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	EBITDA (EUR Millions)	FFO margin (%)	FCF margin (%)	FFO interest coverage (x)	FFO net leverage (x)
RWE AG	BBB+						
	BBB+	2025	4,231	14.0	-36.2	2.7	0.4
	BBB+	2024	5,007	12.8	-16.5	4.9	0.7
	BBB+	2023	7,554	25.2	-7.2	7.7	-0.3
Statkraft AS	BBB+						
	BBB+	2025	2,445	25.0	1.3	7.7	1.9
	A-	2024	2,803	15.1	-21.8	6.0	3.8
	A-	2023	3,832	16.2	-17.4	13.7	0.6
Orsted A/S	BBB						
	BBB	2025	2,847	16.4	-46.8	3.0	1.6
	BBB+	2024	3,104	19.7	-45.9	3.4	3.9
	BBB+	2023	2,891	19.3	-22.3	3.9	2.9
Fortum Oyj	BBB+						
	BBB+	2025	1,219	17.9	-18.9	5.6	1.6
	BBB	2024	1,530	22.0	3.7	5.7	0.3
	BBB	2023	1,881	22.3	31.3	7.0	0.8
ERG S.p.A.	BBB-						
	BBB-	2025	507	49.7	8.6	14.7	4.5
	BBB-	2024	517	54.2	2.3	28.0	4.1
	BBB-	2023	520	61.4	27.6	50.9	3.0
Corporacion Acciona Energias Renovables, S.A.	BBB-						
	BBB-	2024	996	15.6	-38.6	3.2	5.4
	BBB-	2023	1,147	17.7	-55.9	6.0	4.5
	BBB-	2022	1,496	26.0	5.6	18.9	1.7

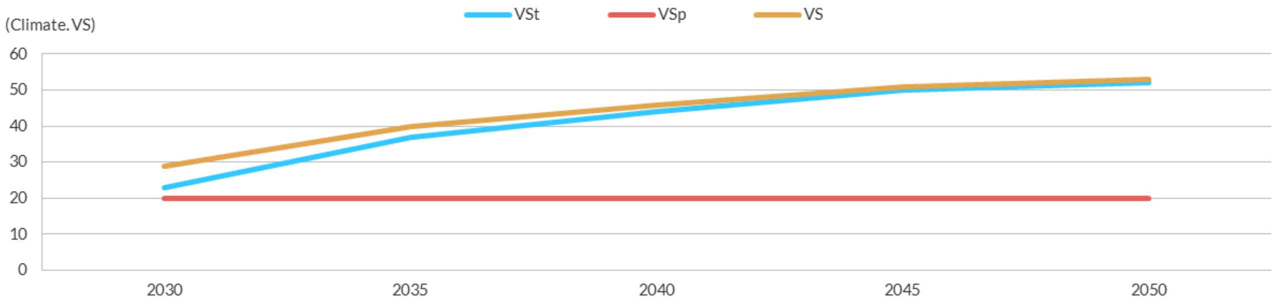
Source: Fitch Ratings, Fitch Solutions

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

The Climate.VS for 2035 is 40 out of 100. This reflects a VSp of 20 and a VSt of 37.

Climate Vulnerability Signals

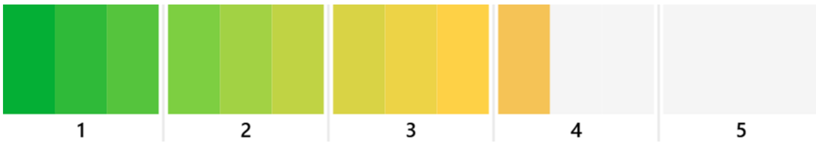


Source: Fitch Ratings

ESG Considerations

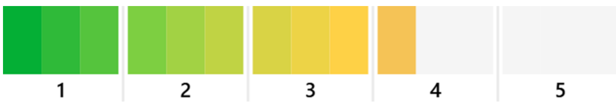
RWE has an ESG Relevance Score of '4' for 'GHG Emissions & Air Quality' and 'Energy Management'. ESG issues affect the ratings primarily through the presence of coal in RWE's generation fuel mix. These factors have a negative impact on the credit profile, and are relevant to the ratings in conjunction with other factors. However, RWE has been reducing its carbon footprint and is on a decarbonisation path with a CO2 neutrality goal set for 2040. RWE has also agreed to exit coal in 2030.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, click here.



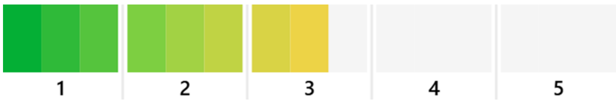
Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions & Air Quality	4	Emissions from operations	Diversification and Asset Quality
Energy Management	4	Fuel use to generate energy and serve load	Diversification and Asset Quality; Company Operational Characteristics; Profitability
Water & Wastewater Management	3	Water used by hydro plants or by other generation plants, also effluent management	Diversification and Asset Quality; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Diversification and Asset Quality; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Diversification and Asset Quality; Profitability



Social Relevance Scores

General issues	Score	Sector-specific issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Diversification and Asset Quality; Company Operational Characteristics; Profitability
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Diversification and Asset Quality
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Diversification and Asset Quality; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Diversification and Asset Quality
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Diversification and Asset Quality; Company Operational Characteristics; Profitability; Financial Structure



Governance Relevance Scores

General issues	Score	Sector-specific issues	Reference
Management Strategy	3	Strategy development and implementation	Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Governance
Group Structure	3	Complexity, transparency and related-party transactions	Governance
Financial Transparency	3	Quality and timing of financial disclosure	Governance

ESG Scoring

ESG relevance scores range from '1' to '5' based on a 15-level colour gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the general and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signalling the credit relevance of the sector-specific issues to an issuer's overall credit rating. The Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.
The panels underneath the relevance scores tables are visualisations of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The Score columns summarise rating relevance and impact to credit from ESG issues. The column on the far left identifies any ESG relevance sub-factor issues that are drivers or potential drivers of an issuer's credit rating (corresponding with scores of '3', '4' or '5'). All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The general and sector-specific issues draw on the classification standards published by the UN Principles for Responsible Investing, the Sustainability Accounting Standards Board and the World Bank.

Credit-Relevant ESG Scale

	5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to 'Higher' relative importance within the Navigator.
	4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to 'Moderate' relative importance within the Navigator.
	3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to 'Lower' relative importance within the Navigator.
	2	Irrelevant to the entity rating but relevant to the sector.
	1	Irrelevant to the entity rating and irrelevant to the sector.

Ratings

Long-Term IDR	BBB+
Short-Term IDR	F1
Senior Unsecured Debt - Long-Term Rating	BBB+
Senior Unsecured Debt - Short-Term Rating	F1
Subordinated Long-Term Rating	BBB-
Outlook	
Long-Term Foreign-Currency IDR	Stable

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores	
Environmental	4
Social	3
Governance	3

2035 Climate Vulnerability Signal	40
Transition (Climate.VSt)	37
Physical (Climate.VSp)	20

Applicable Criteria

Corporates Recovery Ratings and Instrument Ratings Criteria (August 2024)
Corporate Hybrids Treatment and Notching Criteria (April 2025)
Corporate Rating Criteria (January 2026)
Sector Navigators – Addendum to the Corporate Rating Criteria (January 2026)

Related Research

Global Corporates Macro and Sector Forecasts

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