



Rating Action: Moody's Ratings affirms RWE's Baa2 rating; outlook stable

20 Aug 2026

Frankfurt am Main, August 20, 2026 -- Moody's Ratings (Moody's) has today affirmed the Baa2 long-term issuer and senior unsecured ratings of RWE AG (RWE) and the Baa2 backed senior unsecured ratings of its fully guaranteed subsidiaries, RWE Finance US, LLC and RWE Finance Europe B.V. Concurrently, we have affirmed the (P)Baa2 and (P)P-2 long term senior unsecured MTN program and other short term ratings of RWE; the (P)Baa2 long term backed senior unsecured MTN program rating of RWE Finance Europe B.V.; the Baa3 subordinated debt ratings of RWE; and its Prime-2 commercial paper ratings. The outlooks for all issuers remain stable.

RATINGS RATIONALE

Affirmation of the Baa2 rating and the stable outlook reflect our view that RWE will maintain a credit profile commensurate with the rating category notwithstanding a substantial planned capital expenditure programme over 2026 to 2031. RWE's strategy includes up to €42 billion of net cash investments (NCI) over the period but the group retains some flexibility around final investment decisions and has options to limit the cash impact through partnerships and divestments. Given the company's track record of a prudent financial policy and its commitment to maintaining a solid investment-grade rating, we anticipate that RWE will seek to protect its credit profile.

RWE's business risk profile benefits from a high share of contracted and supported earnings, predominantly from its Offshore Wind and Onshore Wind/Solar segments (both core), but also through capacity and system services income in Flexible Generation, another core division. Contracted or supported earnings from renewables generation reached more than 63% of total (company-defined) adjusted EBITDA in 2025, compared to about 50% in 2021 (excluding Phaseout Technologies). Additional earnings stability comes from system services and capacity payment income within the Flexible Generation segment which in 2025 accounted for around 28% of EBITDA. At the same time, the contribution from the more volatile Supply & Trading segment declined to around 7% from more than 20%. Modest but growing earnings from the 55% pro-rata share in electricity transmission operator Amprion GmbH (Baa2 stable) are a further positive.

RWE's carbon-intensive coal generation activities have been designated as non-core and are housed in the Phaseout Technologies division, and are managed down with the aim to be cash neutral over 2024-30, rather than contributing to group EBITDA.

The credit-positive business mix evolution is partly offset by RWE's increasing use of partnerships with sizable stakes for minority shareholders, including the offshore wind farm projects Triton Knoll, Thor, North Sea Cluster A and B and Awel y Mor, where RWE owns a majority of 51-60%. Partnerships reduce the need for additional borrowing and support diversification but at the expense of cash leakage to the minorities, notwithstanding RWE's control over these subsidiaries' strategic and financial policies.

We expect the share of cash earnings going to minorities to gradually increase over the coming years as existing projects are (fully) commissioned. RWE's earnings profile is also flattered by off-balance sheet debt sitting in at-equity consolidated holdings in Amprion GmbH and 50/50 joint ventures such as the Norfolk Vanguard and OranjeWind offshore projects.

Reflecting the evolution in RWE's business risk and capital structure, we have adjusted the guidance for the

current rating, expressed as funds from operations (FFO) to net debt to 25% from the "high twenties in percentage terms".

RWE's rating is underpinned by its scale and the diversification of its power generation portfolio; the growing share of contracted and, to a lesser extent, regulated earnings; and its solid financial metrics, underpinned by a balanced financial policy and robust operating performance.

The company's rating is constrained by the large capital investment programme, which we expect to exert pressure on the company's financial profile, given the lead time for investments and some time lag before cash is returned; its abiding exposure to commodity prices, though somewhat mitigated by hedging; and resource risk associated with renewables output.

The Baa3 long-term rating on the hybrid securities, which is one notch below the senior unsecured rating of Baa2 for RWE, reflects the features of the hybrids that receive basket 'M' treatment, i.e. 50% equity or "hybrid equity credit" and 50% debt for financial leverage purposes under our Hybrid Equity Credit methodology.

ESG CONSIDERATIONS

Environmental considerations are mainly driven by RWE's exposure to carbon transition risk, in particular from its coal and lignite plants and its lignite mines. Given the steady decline of coal capacity in the company's generation portfolio; the clear exit path from lignite generation by March 2030, underpinned by agreements with the German and the North-Rhine Westfalia governments; and the strong mitigation of credit risk as the earnings contribution from these plants has ceased to be material; and approved state subsidies partly offset cash outflows for mining recultivation, we have changed both, RWE's carbon transition score and Environmental Issuer Profile Score (IPS), to 3 from 4.

Governance considerations are mainly driven by the company's increasing organizational complexity through the use of partnership and joint venture structures, reflected in a change of the relevant sub-score to 3 from 2. Nonetheless, this is compensated by RWE's balanced financial policy, its good management track record and transparent and frequent reporting, leading us to maintain RWE's Governance Issuer Profile Score (IPS) of G-2. We have also changed RWE's Credit Impact Score (CIS) to CIS-3 from CIS-4, reflecting the lower credit effect of ESG considerations, in particular from carbon exposure, on its rating.

RATIONALE FOR STABLE OUTLOOK

The stable outlook reflects our expectation that RWE will be able to maintain key financial metrics in line with our guidance for the rating, namely funds from operations (FFO)/net debt at a level of least at 25%. Moreover, the stable outlook incorporates our expectation that RWE will act to protect its credit metrics should this become necessary.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

Given RWE's focus on growth expenditure with an associated increase of debt, a rating upgrade is not currently anticipated.

The Baa2 issuer rating could be downgraded should RWE's FFO/net debt metric persistently fall below 25%, absent a commensurate improvement of its business risk profile.

The guidance for RWE's rating may be tightened if the level of 1) minority interests in the company's capital structure; or 2) debt with a priority claim on cash flows at the company's wind offshore joint ventures or at Amprion GmbH; 3) or both; increase materially beyond what is currently anticipated.

PRINCIPAL METHODOLOGY

The principal methodology used in these ratings was Unregulated Utilities and Power Companies published in August 2025 and available at <https://ratings.moodys.com/rmc-documents/449372>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

Headquartered in Essen, Germany, RWE AG is one of the largest European power generators and a leading renewables company in the US, with a global installed capacity of nearly 50 gigawatts and a reported company-adjusted EBITDA of around EUR5.9 billion in the twelve months to June 2026.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moodys.com/rating-definitions>.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

These ratings are solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website <https://ratings.moodys.com>.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

The Global Scale Credit Rating(s) discussed in this Credit Rating Announcement was(were) issued by one of Moody's affiliates outside the UK and is(are) endorsed for use in the UK in accordance with the UK CRA Regulation.

Please see <https://ratings.moodys.com> for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on <https://ratings.moodys.com> for additional regulatory disclosures for each credit rating.

Mark Remshardt
VP - Ratings

Neil Griffiths-Lambeth
Exec Dir - Ratings

Releasing Office:
Moody's Deutschland GmbH
An der Welle 5
Frankfurt am Main, 60322
Germany

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE,

ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership

interest in MCO of more than 5%, is posted annually at www.ir.moody.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Clasificadora de Riesgo S.A., Moody's Local CR Clasificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Clasificadora de Riesgo S.R.L. and Moody's Local GT S.A.(collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.