



Press Release

European Commission approves compensation for early phase-out of coal

- **Compensation of €2.6 billion will be paid out in installments by 2030**
- **RWE has already shut down five power plant units and briquette production since 2020**

Essen, 11 December 2023

RWE welcomes the decision by the European Commission published today in a press release to approve the compensation agreed upon three years ago for the early phase-out of its lignite-fired power plants in accordance with the German Act to Reduce and End Coal-Fired Power Generation passed in July 2020.

An amount of €2.6 billion had been determined as compensation for the significant financial burdens RWE has to bear as a result of this Act being passed. The funds are to be paid out in installments by 2030. The compensation, which had been agreed upon in accordance with the Act to Reduce and End Coal-Fired Power Generation and a public-law contract between the Federal Republic of Germany and RWE, has been subject to review by the European Commission under state aid law until today.

Since the end of 2020, RWE has already shut down five lignite-fired power plant units as well as its briquette production in Frechen in accordance with the coal phase-out timeline. In addition, the company bore considerable costs due to the early termination of production at the Hambach open-cast mine as well as the political decision to preserve Hambach Forest.

The phase-out of coal in the Rhenish mining district was brought forward to 2030 in a political agreement reached last year between the German Federal Ministry for Economic Affairs and Climate Action, the Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia and RWE. The 2022 amendment to the Act to Reduce and End Coal-Fired Power Generation has been taken into consideration for RWE in the European Commission's compensation decision under state aid law. The further acceleration of the coal phase-out will take place without any additional compensation as it will also be covered by the €2.6 billion already agreed upon.



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RWE

RWE is leading the way to a green energy world. With its investment and growth strategy Growing Green, RWE is contributing significantly to the success of the energy transition and the decarbonisation of the energy system. Around 20,000 employees work for the company in almost 30 countries worldwide. RWE is already one of the leading companies in the field of renewable energy. Between 2024 and 2030, RWE will invest 55 billion euros worldwide in offshore and onshore wind, solar energy, batteries, flexible generation and hydrogen projects. By the end of the decade, the company's green portfolio will grow to more than 65 gigawatts of generation capacity, which will be perfectly complemented by global energy trading. RWE is decarbonising its business in line with the 1.5-degree reduction pathway and will phase out coal by 2030. RWE will be net-zero by 2040. Fully in line with 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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