

Press release

RWE to study feasibility of carbon reduction options at Pembroke site following SWIC funding success

- Innovate UK awards £20 million to South Wales Industrial Cluster (SWIC)
- RWE will work with partners to help decarbonise the region and unlock its hydrogen and carbon capture potential

Swindon, 17 March 2021

Tom Glover, Chief Commercial Officer RWE Renewables and RWE UK Country Chair:

"We are delighted to be part of the South Wales Industrial Cluster and with the funding that has been awarded today by Innovate UK. The cluster brings together industrial partners to help investigate and unlock the potential options for decarbonising the region's industrial processes. As one of the world's renewable energy leaders and with an in-depth knowledge of hydrogen, we believe it is a perfect fit for RWE."

RWE, Wales' largest energy generator, is set to launch a number of feasibility studies into the reduction of carbon emissions at its key assets in South Wales, thanks to a successful funding bid as part of the South Wales Industrial Cluster (SWIC). The cluster funding has been announced today and comes from Innovate UK and the UK Government's Department of Business, Energy and Industrial Strategy Industrial Decarbonisation Fund.

In addition to the UK, RWE is involved in hydrogen and carbon reduction projects in Germany and the Netherlands across all areas of the value chain, making the company a perfect partner for the SWIC consortium. The new studies will investigate how hydrogen and carbon capture can help reduce carbon emissions from RWE's 2.2 gigawatts (GW) gas-fired Pembroke Power Station. They will also look into the feasibility of establishing a new green hydrogen production facility to support the SWIC partners within the industrial cluster.

Tom Glover said: "Pembroke is the most modern and efficient gas power plant in the UK and will play a vital role in supporting the energy transition over the coming years. It is important to understand the potential of hydrogen and carbon capture opportunities to ensure cleaner energy and industry in the coming years, as well as helping to secure skilled jobs for the region."

Sopna Sury, Chief Operating Officer RWE Generation added: "We believe that hydrogen is a real game changer in the transition to a low carbon economy. Therefore, RWE will contribute its



broad expertise in hydrogen, renewables and as the UK's second largest generator of electricity, to support the success of these three feasibility projects."

SWIC is a consortium of Wales' major industry, energy, infrastructure, law, academic and engineering organisations and RWE is a key member. The cluster has been successful in securing support from the public and private sector, to develop a range of partner projects including; the production and use of a hydrogen supply, carbon capture usage and storage (CCUS) and CO2 shipping from South Wales which would be the first CO2 shipping industry in the whole of the UK. Together these projects can decarbonise industry and power in South Wales and create a net zero emissions industrial zone by 2040.

In 2020 the UK government announced a 10 Point Plan to deliver a Green Industrial Revolution to mobilise £12 billion of Government investment and create 250,000 jobs in the green economy, £1 billion of which was pledged to create carbon capture clusters.

Dr Chris Williams, who is heading up SWIC for Industry Wales, said: "The UK Government has set in law that the UK needs to be Net Zero by 2050, the South Wales Industrial Cluster has ambitions to do this by 2040. The collaboration and support of all partners has been pivotal to SWIC's achievements so far."

The deployment phase will help unlock the route to Net Zero in South Wales, helping support the future of existing industries, businesses and jobs. Once developed, the net zero infrastructure will attract new industries and businesses, further developing the production and use of hydrogen for home heating, power generation and transport across the region.

RWE has a wealth of knowledge and experience in the development of hydrogen projects across Europe including involvement in <u>GET H2</u>, <u>NortH2</u> and <u>AquaVentus</u>. The company will utilise the experience from its newly developed hydrogen team to support this activity within the cluster.

RWE is involved in all stages of the hydrogen value chain, ranging from electricity generation from renewables to hydrogen generation and storage, through to distribution to industrial customers. Through its gas-fired power stations, such as Pembroke Power Station in Wales, in the long-term the company is positioned to be an off-taker of low-carbon hydrogen for firm, flexible power. It will also support RWE's target to be carbon neutral by 2040.

For more information about the South Wales Industrial Cluster visit: https://www.swic.cymru/.

For enquiries: Kelly Nye

RWE AG

Press Spokesperson

M +44 (0) 7795354552 kelly.nye@rwe.com

Notes to editors;

The South Wales Industrial Clusters (SWIC) application is being led by Costain Oil, Gas and Process, and partners alongside RWE include; Associated British Ports, Capital Law, CR Plus, Industry Wales, Lanzatech, Lightsource bp, Milford Haven Port Authority, Progressive Energy, Shell, Simec Power, Tarmac, Tata Steel, The Port of Milford Haven, The University of South Wales, Valero Energy and Wales & West Utilities.

RWE Generation SE Group Corporate Communications & Public Affairs | Huyssenallee 2 | 45128 Essen | Germany T +49 201 12-23984 | communications@rwe.com | www.rwe.com/presse



RWE Generation SE

With its highly efficient power plants in Germany, the UK and the Netherlands, approximately 3,100 employees at RWE Generation use gas, hard coal, hydro power and biomass to generate electricity. The company's gas fleet is the fourth largest in Europe. Which is an excellent starting point, as gas is becoming increasingly important as a bridge to the age of renewables. The company banks on biomass, particularly in the Netherlands – and is converting two coalfired power stations so that they can use this CO2-neutral energy source. RWE also has hydro power plants in many core markets.

RWE would like to continue to inform you about current RWE topics in the form of a press release after the introduction of the GDPR and to contact you electronically. We hereby inform you that our privacy policy has changed. Personal data that we collect, store and process for shipping will not be made available to third parties. The specification of your personal data was voluntary. You are entitled to prohibit this use at any time. You have the right at any time to demand information from us free of charge about the personal data you have stored and to object to the processing or use of your data. If you are not interested in receiving the press release, please let us know at datenschutz-kommunikation@rwe.com. Your data will then be removed from our system and you will not receive further press releases from us. If you have questions about our privacy policy, please contact datenschutz@rwe.com.