

Industry Associations Climate Review 2021



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This report was prepared in English only and was published in April 2022. Former Industry Associations Climate Reviews have been published in 2020 and 2021. All reports are available for download on <u>www.rwe.com</u>

### **Foreword from the CEO**

Dear Stakeholders of RWE

We publish this third climate review of our industry associations in particularly difficult times. The images we are seeing from Ukraine are shocking. The scale of the human suffering caused by the war is almost inconceivable.

The conflict has massive ramifications for Europe as a whole. One key aspect is security of energy supply. As a com-



pany active in critical infrastructure, we at RWE are well aware of the great responsibility we bear at this time.

Even though security of supply is the center of attention at the moment, the medium- and long-term vision for energy policy remains unchanged. Indeed, expanding renewables and ramping up the hydrogen economy are more important than ever – not only to protect the climate, but also to increase our independence from commodity imports. RWE will make a major contribution to these causes. At our Capital Market Day on 15 November 2021, we informed the public of the action we plan to take. Our Growing Green strategy will make the 2020s a decade of growth for our company. By 2030, we intend to invest a gross sum of around €50 billion in renewable energies. These funds will be spent on the construction of wind and solar farms, battery storage, climate-friendly backup power stations and electro-

#### Our ambition is to reduce our emissions in line with a 1.5 °C compliant pathway

lysers for the production of hydrogen. By this, we will transform RWE and thus transition to a sustainable energy system.

This growth program will enable us to come closer to our target of being net zero by 2040. On the way there, our ambition is to reduce our emissions in line with a 1.5 °C compliant pathway. Our interim targets for all our emissions – directly and indi-

rectly - are backed by the latest climate sciences: In December 2020 the Science Based Targets initiative (SBTi) confirmed our 2030 targets as in line with the Paris Climate Agreement's goal to limit global warming to well below 2 degree Celsius. With our ambitious climate targets, we are playing our part to limit global warming.

We can achieve more together, hence RWE is a member of many associations around the world. We believe these memberships can provide significant benefits – from knowledge

sharing, through operating and safety standards to working with regulators and professional development. Therefore, we also expect our associations and partners to take responsibility by acting for the climate. Hence, we extended our audit criteria to include not only the support of the Paris Agreement goals but on top of that also the recognition of climate science (IPCC), emission reduction through the expansion of renewable energy and the responsible phaseout of fossil fuels, support of green hydrogen, the recognition of climate protection as a global tasks as well as social compensatory measures for the energy transition.

Sincerely yours, Markus Krebber Chief Executive Officer, RWE AG

### **Executive Summary**

RWE attaches immense importance to its involvement in associations and initiatives. We see many advantages in the exchange and shaping of positions; we are convinced that we can shape a sustainable future only through close collaboration . For two years now, we have been publishing the results of our climate review for our associations. This is our third review that re-evaluates associations from the past while adding further groups when our updated methodology required.

The effort we put in this assessment is worth it: It is important to us and our stakeholders that the associations also work in one direction on the important climate issue. This year, we have further expanded our approach and now check six core expectations against current public documents, preferably not older than January 2021. These expectations encompass the support for the seminal Paris Climate Agreement but also include further climate-related positions for us, such as the support for climate science evidence, a clear commitment to renewable energy expansion and timely fossil-fuel phaseout, a stance on green hydrogen as future enabler for the decarbonisation of many sectors, the position that climate change needs a global answer and lastly a commitment to a fair and just transition for those who are particularly burdened by climate protection.

Using publicly available information, associations were deemed to be explicitly aligned, implicitly aligned or misaligned based on an assessment of positions and activities regarding six criteria. Overall we perceive the alignment on the six criteria from the associations as high. We have seen no case of misalignment in the course of this assessment. We support these associations in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions. However, for some associations we would appreciate a clearer positioning on one or more climate-related issues that are important to us. This is in particular the case for Gasopslag Nederland, HyCymru and Verein der Kohlenimporteure. To reach this we will engage with the associations if required and communicate our expectations. As we value our engagement and the work in industry associations we see a trusted dialogue as the first step to clarify issues that are important to us. We will monitor and report progress on the success of our efforts.

In 2023 we will publish the next review on Industry Associations' alignment with our core positions. This report will focus on renewable energy associations we are a member of.

# Our positions on climate change and the energy transition

The IPCC's special report on global warming of 1.5°C states that if the rise in global temperature is to be limited to 1.5°C, global emissions must fall by around 45% from 2010 levels by 2030 and to net zero by 2050. Electricity is central to any plan to reach net zero as it accounts for nearly 40% of energy emissions, the most of any sector. Rapid decarbonisation is needed, not just to address these emissions, but to support the transition of other sectors to net zero.

RWE is well positioned to contribute to transforming the energy sector and the broader economy in all of the areas discussed above. And that is precisely what we are doing, by investing billions of euros in wind power, photovoltaics, battery storage and green hydrogen, phasing out coal-based generation, building environmentally friendly backup capacities

and helping industrial customers optimise their energy consumption. These activities make us a driving force in the energy transition and allow us to support the countries where we do business in their efforts to achieve climate protection targets.

#### As a leading global energy company, we step up for climate.

Our commitment in this regard is reflected by our own ambitious plans: we want to be net zero

by 2040 at the latest, ten years earlier than the EU. Not only does this apply to our own greenhouse gas emissions (referred to as Scope 1), it also covers the upstream and downstream value chain (Scope 2 and Scope 3). We have also set ourselves ambitious goals for the current decade: by 2030, we want to reduce our emissions per kWh by 50% for Scope 1 and 2 and absolute emissions by 30% for Scope 3 compared to 2019. At the Paris Climate Conference in 2015, the global community committed to limiting the increase in average global temperatures to well below two degrees Celsius compared to pre-industrial levels. Our actions are in line with this target, as was officially confirmed by the independent Science Based Targets initiative at the end of 2020. However, our ambitions do not end there.

Moving forward, we have also set our sights on ensuring we adhere to the target of 1.5 degrees Celsius established at the Paris Climate Conference.

As a leading global energy company, we step up for climate. This is not only shown in our past performance and in our future targets but in our core positions for political climate action. For this report, we have put together core climate-related policy positions that guide the stance we take on specific policies in countries and regions. We used these positions as the basis for our review of the 29 associations in this report. By evolving our policy positions, and sharing these with industry associations and other stakeholders, we aim to increase collaboration around the climate policy frameworks needed to help the world to achieve net-zero emissions by 2050.

#### **Our Core Positions on Climate**

We stand behind the agreements of the Paris Climate Agreement and support ambitious national and international climate protection targets. The energy industry has a key role to play in achieving these goals.

- Global warming is one of the greatest risks to humanity and must be stopped. To this end, global greenhouse gas emissions must be brought into line with the 1.5° path as quickly as possible.
- The basis for understanding the consequences of climate change and necessary measures are the reports of the Intergovernmental Panel on Climate Change (IPCC).
- In order to achieve the climate goals, it is first and foremost necessary to reduce greenhouse gas emissions. Only unavoidable emissions should be offset with high-quality offsets.

## We see the rapid expansion of renewable energies, fair competition, and technological progress as key to the success of the energy transition. The phaseout of fossil power generation must be carried out responsibly.

• In the future, electricity generation must be renewable. Only in this way can the use of fossil fuels be replaced as quickly as possible but in a responsible manner. In order to safely achieve the expansion targets, renewable energies need a hedge against market price fluctuations during the ramp-up phase.

- Hydrogen is a crucial building block for decarbonising sectors and areas for which there are no options for decarbonisation via a climate-neutral power supply.
- A stable regulatory environment and a level playing field for the generation of electricity and hydrogen are needed.
- The development of the hydrogen economy must be flanked both by regulation and by promoting the use of climate-friendly hydrogen. In the long term, green hydrogen in particular must be used.

### We are convinced that the transition to a climate-neutral economy is an opportunity if prosperity is preserved in this mammoth task and no one is left behind.

- The energy sector and industry, in particular, must work together to find a solution for achieving the climate goals. Climate protection must be open to technology and non-discriminatory. Open social discourse is needed instead of ideological reservations.
- Climate protection is a global task to which everyone must contribute taking into account their respective capabilities. For example, the phaseout of fossil fuels must be carried out in a socially acceptable manner and with support for the employees affected. Moreover, climate protection must not be carried out at the expense of the weakest in society.

### Our engagement in industry associations

We are convinced that RWE has an important role to play for sustainable development. In 2019 we have announced our new purpose that puts this thinking into the core of our business: Our energy for a sustainable life. RWE is member of a large number of associations. This includes both Group level membership of RWE AG and membership of operating companies such as RWE Power, RWE Generation, RWE Supply & Trading and RWE Renewables. Industry associations contribute to the development of well-informed and transparent discussions amongst a broad range of stakeholders, including the members of the respective association, political stakeholders such as government officials and members of parliaments, non-governmental organizations (NGOs), the financial community, academic bodies and the wider public. Industry associations thus offer the opportunity to jointly engage with stakeholders in order to, among others, make sure our views on specific topics are heard, to

foster a common understanding of issues, to share our expertise and best practices with our peers and with the wider industry, to contribute to the development of standards and to align cooperation and support for important projects.

We are convinced that industry associations and think tanks must be a force to accelerate ambition and action to achieve common targets. They offer internal and public formats for



exchanging ideas on positions and are therefore indispensable for our company. Our memberships in associations are always directed towards strategic objectives and relate to current and future activities of the RWE Group. We expect that all our associations share basic principles for collaboration- this includes a clear commitment to science and facts and support for a coherent position on climate-related issues. We understand that positions taken on

any topic by an industry association are often a compromise or majority view, arrived at through their individual decision-making processes, with the potential for differing views among their membership. If we see major or persistent deviations from the principles that guide us, RWE, as a member, reserves the right to take action.

We consider several factors when joining and reviewing our memberships, including:

- Alignment with business purpose, focus areas and activity,
- Value to RWE's business or the implications of not being involved,
- Ability for RWE to influence the association's positioning,
- Presence of appropriate arrangements with respect to anti-trust and competition law,
- Financial and time commitments.

We regularly review our involvement in industry associations to assess the relevance of our participation versus our strategy and the achievements delivered through the organizations we have subscribed to. Our RWE Code of Conduct sets out our expectations for working with our business partners.

It requires our employees to clearly communicate expectations to our partners, take the appropriate measures if expectations are not met, and report any indications that a business partner is not complying with their obligations. For years we have been reporting our most important memberships and our stance on politics in our annual Sustainability Report.

#### We expect that all our associations share basic principles for collaboration

In addition, we apply all requirements concerning transparency: Since 2010, we have been entered in the European Union's transparency register and publish relevant information there. Since 2022 we are also included in the newly established transparency register of the German Parliament.

RWE's main contribution to the industry associations it is a member of relates both to the engagement in the associations working structures (Boards, Committees, Working Groups, Project Groups) as well as by paying membership fees which provides for the financial basis that allows the associations to perform their activities.

### **Our assessment approach**

### **Selection of associations**

RWE is member of numerous industry associations that are active on national and international levels. For our assessment we focus on those associations that form positions in the energy and climate space. This selection provides important insights for our stakeholders and for RWE as we perceive these associations as crucial in the framing of the climate discourse. We left aside all other associations that have different purposes. In that sense we continue with our approach that we have set up in the first two reports on industry associations alignment. For this assessment cycle we will incorporate pure renewable energy associations for the first time. We excluded those associations in the first assessment cycle since we perceived them as Paris-aligned by the very nature of the technologies they represent, e.g. wind or photovoltaic.

Based on these criteria we have screened RWE memberships and have selected the associations that will be part of this second assessment cycle. In some associations, RWE is member at different levels, such as regional and national level. In this case, we have only assessed the association on the highest level, as we assume that regional subsidiaries' positions do not differ from overarching ones. In others, RWE has no direct membership but only through other associations. This holds true e.g. for Eurelectric or BDI. However, we also

assess them since RWE employees are actively engaged in committees or other bodies of these associations.

In total we have identified 52 associations from either the energy or climate spectrum that are assessed by RWE on their alignment with core RWE climate positions. In the first part of the assessment cycle we concentrated on associations with general and broad thematic spectrums, associations that represent conventional energies and associa-



tions in the hydrogen space. The results are presented in this first report. We will assess all renewable energy associations in the second part of this cycle and publish these results in a report in 2023. For a complete list of the associations, see Appendix. We reserve the right to modify that selection of associations until the final release date.

#### **Assessment methodology**

RWE and its subsidiaries are member of numerous industry associations on national and international level. For the purpose of this review, we have assessed their positions on six core expectations based on publicly stated policy and advocacy positions. These six core expectations are derived from our own core positions on climate. Our expectation is that associations, in which we participate,

- ...support the Paris Climate Agreement
- ...recognise the **scientific findings of the IPCC** (Intergovernmental Panel on Climate Change) limiting the global temperature increase to 1.5°C significantly reduces the negative consequences of climate change
- ...see the key to achieving the climate targets in the expansion of renewable energies. The use of fossil fuels must be responsibly phased out as soon as possible – also in the energy sector
- ...support **green hydrogen** as a way to decarbonise activities that are difficult to electrify

- ...see **climate protection as a global task** in which a level playing field e.g., within the framework of a climate club, e.g., at G20 level is essential
- ...advocate **social compensatory measures** for those who are particularly burdened by climate protection

For the assessment we have collected and analysed information on the positions of the associations. This included primary data gathered for example from the associations' websites, including public statements, press releases and position papers. The review covers positions and statements that have been published from 01 January 2021 onwards. In a few cases we have also accepted older documents and non-public documents, e.g. official minutes from internal meetings.

Internal auditors have categorized the associations based on their alignment level with the six criteria. These first assessments have been validated by another group of internal auditors. We used the following categories:

- **Aligned:** Either an explicit or implicit commitment to a criterion. In the case of an implicit alignment we have assessed an industry association as aligned if it has a proven track record of supporting measurements or referenced the criteria at hand although a direct support or commitment could not be found
- **No position:** The association has no or no public position on the criteria. Where an association did not publicly state a position on other climate-related policy positions that we support, we did not automatically consider this misalignment. As one example we did not expect that hydrogen-only associations have dedicated positions beyond the "Green Hydrogen" criterion. However for some positions and associations we concluded that this classification constitutes a critical factor in the assessment.
- **Misaligned:** The association is committed to positions that are in contrast to the criterion.

For associations where we found misalignments or critical missing positions we initiated an engagement ahead of the publication of this report. The purpose of this outreach was to give the associations at least an active opportunity to highlight existing documents with positions. Some of the associations used this opportunity and we have updated our assessment after successful validation accordingly.

### Results

For this review we have assessed 29 industry associations that have been found in scope of our selection criteria. Overall we perceive the alignment on the six criteria from the associations as high. We have seen no case of misalignment in the course of this assessment. Most of the 29 associations support the Paris Agreement and its goals either explicitly or implicitly, only four associations have no position on that issue. In one case a final conclusion could not be reached as there are contradictory statements on support on the one hand and actions on the other hand in the public domain. On a positive note the large majority of our associations audited supports the expansion of renewable energy while phasing out fossil fuels and use and production of green hydrogen. These criteria show the lowest number of missing positions, namely four associations on the criterion of renewable expansion and five associations on the criteria of green hydrogen. However, it is noticeable that missing positions are frequent on the criteria of climate science (14 associations with no position), global dimension of climate protection (11 associations) and social compensatory measures (16 associations). In line with our approach in case of critical cases with no position or even misalignments we will engage with the respective association with the aim to clarify existing positions and statements.

A summary of the results can be found in Table 2 (pages 36-37).

#### **Benelux Business Roundtable**

**About the association and our role:** The Benelux Business Roundtable represents all relevant sectors of economic activity in the Benelux Region. It advocates a better economic cooperation, with energy as one topic. Its members are united in their belief that acceleration of cross-border collaboration is crucial to assure growth and prosperity in one of the most dynamic regions of Europe. RWE is currently represented in the Roundtable and its Board through the CEO of RWE Generation.

**Assessment Results:** Benelux Business Roundtable aligns with our position regarding the Paris Agreement, green hydrogen, renewable energy expansion and fossil fuel phaseout as well as global dimension on climate protection. However, the association has not published a position on climate science and social compensatory measures, hence these criteria have been evaluated with no position. The association explicitly supports green hydrogen, which is emphasized by the following statement: "*From now until 2030, the Benelux's current supply of grey hydrogen would need to transition to become a combination of blue and green hydrogen. Therefore the gradual development of an open access hydrogen backbone with a prior focus on the industrial clusters has to be started. In the short term, local hydrogen green hydrogen." (Benelux Business Roundtable, 2021).* 

| Paris Agreement Support                           | Imp  |
|---|------|
| Climate Science                                   | Nop  |
| Renewable energy expansion & fossil fuel phaseout | Imp  |
| Green Hydrogen                                    | Expl |
| Global dimension of climate protection            | Imp  |
| Social compensatory measures                      | Nop  |

| Implicitly aligned |
|--------------------|
| No position        |
| Implicity aligned  |
| Explicitly aligned |
| Implicitly aligned |
| No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Bundesverband der Deutschen Industrie**

**About the association and our role:** The Federation of German Industries e. V. (BDI) is the umbrella organization of German industry associations and industry-related service providers in the legal form of a registered association with its headquarters in Berlin. In addition, the BDI has further offices abroad as well as in the German federal states and is thus represented internationally and regionally. RWE is contributing in the BDI presidency and Board and engaging in various committees.

**Assessment Results:** The audit showed that the BDI is fully aligned with our values. Explicit support for renewable energy expansion and fossil fuel phaseout was communicated in a BDI press release saying, e. g. "*Europe-wide, renewable energies must be expanded as quickly as possible and approval procedures must be accelerated. Renewable hydrogen must be made tradable across the EU and internationally as soon as possible as a precursor to climate neutrality."*(BDI, 2021).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Bundesverband der Energie- und Wasserwirtschaft**

**About the association and our role:** The German Association of Energy and Water Industries (BDEW) represents over 1,900 companies. The German association has set itself the goal of helping Germany achieve climate neutrality with a secure and efficient energy supply, and is committed to safe and sustainable water management. The headquarter is based in Berlin, however, it also has regional affiliates in the German federal states. RWE is actively engaging in the Presidency, in the Board and in various steering committees as well as in many working groups. **Assessment Results:** The association has been assessed as fully aligned with RWE's criteria. Particularly noticeable was the association's support for green hydrogen. "Another key driver on the way to climate neutrality is green hydrogen. In the future, it can decarbonize  $CO_2$ -intensive processes in the industry, in transport and in the heating sector. Hence, it is important to create a market at an early stage in order to be able to efficiently expand the production and infrastructure capacities in sufficient dimensions." (BDEW, 2021)

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Bundesverband Energiespeicher**

**About the association and our role:** The German Energy Storage Association (BVES) is committed to creating a fair political and legal framework for energy storage, which makes rapid growth of the storage market possible. Its aim is to promote energy storage and ensure that it is perceived as a valuable, efficient and cost-effective part of the sustainable energy landscape. RWE is engaged in various working groups of the association.

**Assessment Results:** The association meets four out of six criteria. No position has been assessed for the criteria of climate science and social compensatory measures. The association communicates explicit support of the Paris Agreement in a press release, saying "We must overcome the standstill in energy policy and face the future with clear, unhesitating positions. The political promises and goals - such as the Paris Agreement - must be followed by unequivocal and investor-safe actions and legal bases" (PresseBox, 2018).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **BusinessEurope**

**About the association and our role:** BusinessEurope is the umbrella organization of European industry and employers' associations based in Brussels. The overarching goal of BusinessEurope's work is steady economic growth within the EU. In 2021 it counted 40 member associations from 35 European countries. RWE is a member of BusinessEurope's "Advisory and Support Group" and, by that, engaged in multiple working groups in the association.

**Assessment Results:** The assessment showed that the association fully complies with the criteria. The association explicitly supports the global dimension of climate change with the statement: "*Climate change is a global challenge that requires global actions*" (BusinessEurope, n.d.).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Deutscher Wasserstoff- und Brennstoffzellen-Verband**

**About the association and our role:** The German Hydrogen and Fuel Cell Association e.V. (Deutscher Wasserstoff- und Brennstoffzellen- Verband) is the umbrella organization of all German companies who are committed to the general use of hydrogen as an energy source in the economy and to the fact that hydrogen is produced from renewable energies - for a sustainable energy economy. Its headquarter is located in Berlin. RWE is actively engaged in multiple working groups in the association.

**Assessment Results:** The assessment found that four criteria were met, but that public statements on the Paris Agreement and on social compensatory measures in the energy transition are missing. The association clearly supports green hydrogen with the following

statement: "The experiences of the last years have shown that the energy turnaround is only possible with green hydrogen - therefore many member states of the EU have already adopted a hydrogen strategy" (DWV, n.d.).

| Paris Agreement Support                           | No position        |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Deutscher Braunkohlen-Industrie-Verein

**About the association and our role:** The German Lignite Industry Association (abbreviated DEBRIV, also known as the Federal Lignite Association) is the industry association of the German lignite industry. Its headquarter is based in Berlin, Germany, with a dependance in Bergheim. RWE is the largest member in the association and is engaged in the Board as well as in all working groups.

**Assessment Results:** The evaluation concluded that the association represents four out of our six criteria. The Paris Agreement is supported by the association, which is confirmed with the following statement: "DEBRIV and the lignite industry stand by the achievement of the targets set out in the Paris international climate protection agreement. They support the recommendations of the KWSB, which include an end to coal-fired power generation in Germany in 2038" (DEBRIV, n.d.).

| Explicitly aligned |
|--------------------|
| Implicitly aligned |
| Explicitly aligned |
| No position        |
| No position        |
| Explicitly aligned |
|                    |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Energie Nederland**

**About the association and our role:** Energie-Nederland is a Dutch industry association for all parties that produce, supply and trade electricity, gas and heat. Its members are active in both 'green' and 'grey' energy and all kinds of services. The association also includes many newcomers to the market, innovative players and sustainable initiatives. Energie-Nederland is committed to a sustainable, reliable and affordable energy supply. The association's headquarter is located in Den Haag. RWE is currently represented in the Board of Energie-Nederland and engaged in the work of the association.

**Assessment Results:** The associations mostly aligns with our criteria, except from the criterion on Social compensatory measures, for which no public statement could be found. Particularly noteworthy is the association's explicit position on the expansion of renewable energies with the following statement: *"The world is faced with the enormous task of switching from fossil fuels to fully sustainable sources such as wind and solar energy. The energy sector is at the forefront of this transition to a sustainable and low-carbon energy supply. Durable also means reliable and affordable"* (Energie-Nederland, n.d.).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Energy UK**

**About the association and our role:** Energy UK is a British trade association for the energy industry with over 100 members spanning every aspect of the energy sector. The association provides a source of expert advice on industry matters and work to enhance the industry's reputation with customers and with the communities it serves. Energy UK is based in London. RWE is fully engaged with Energy UK across a number of working groups and its regular topic groups, such as the Strategic Policy Committee and the Public Affairs Sub-Committee. RWE is also represented on the Energy UK Board.

**Assessment Results:** The audit has shown that the association is fully aligned with RWE's criteria. To give just one example, the association reinforces its supportive stance on the global dimension of climate change as follows: *"Climate change is a global challenge that* 

can only be tackled with increased cooperation among governments, businesses and citizens." (Energy UK, 2021).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Implicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **EURACOAL**

**About the association and our role:** The European Association for Coal and Lignite (EURA-COAL) is a trade association of the European coal industry. The association, based in Brussels, is the umbrella organisation for the national organisations and was founded in 2003. Its members include the German Lignite Industry Association and the German Coal Association. RWE is actively engaged in the Presidency as well as in multiple working groups in the association thereby representing DEBRIV.

**Assessment Results:** EURACOAL is fully aligned with RWE's criteria. Regarding the criteria of social compensatory measures, the association explicitly states: "Such an assessment must ensure the socio-economic viability and security of EU energy supplies and determine the negative impacts on regional development, including in the mining regions, as well as identify real projects and concrete initiatives to create new jobs of equivalent standing in those regions." (EURACOAL, 2022)

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Eurelectric**

**About the association and our role:** Eurelectric is an industry association of the European electricity sector based in Brussels. The association is a European umbrella organization of national associations representing the European electricity sector with members in more than 32 European countries and thus bundles the representation of interests of more than 3500 companies in the areas of electricity generation, distribution and supply. RWE is actively engaged in multiple working groups in the association, thereby representing BDEW.

**Assessment Results:** The audit showed that the association complies with RWE's criteria, except for the criterion of global dimension of climate protection, as regarding these criteria no public statement was found. With the following statement the association demonstrates its support for the expansion of renewable energies: *"We call upon policy makers and stakeholders to work on solutions to accelerate the deployment of all renewables"* (Eurelectric, 2021).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Eurogas

**About the association and our role:** Eurogas is an association representing the European gas wholesale, retail and distribution sectors in relation to relevant EU institutions. The association's aim is to strengthen the role of gas in a sustainable and competitive EU energy market. Eurogas accelerates the transition to climate neutrality through dialogue and advocacy on optimising the use of gases. RWE is represented in the Governing Board through the CEO of RWE Supply & Trading and engaged in the work of the association.

**Assessment Results:** In general, Eurogas is in line with our criteria. However, Eurogas does not have a formal position that specifically acknowledges the IPCC as the primary source of information on climate science. However, it recognises the IPCC's findings that limiting global temperature to 1.5 degrees Celsius significantly reduces the negative consequences

of climate change and relies on this in its scenario modeling and policy positioning. Despite the statement, it was still rated as a no position, as the association itself does not say whether it supports climate science or not. The association explicitly states its support for the Paris agreement as follows: *"Eurogas is fully committed to achieving the objectives of the Paris Agreement and supports the European Commission's long-term vision of a carbon-neutral economy by 2050"* (Eurogas, 2019).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | Explicitly aligned |

Actions we will take: We will continue our engagement and support the association in positioning for ambitious climate protection. This also applies to criteria for which there is no positioning yet. We will as well continue to track alignment with our climate-related policy positions.

#### **European Federation of Energy Traders**

**About the association and our role:** The European Federation of Energy Traders (EFET) was established in 1999 with the mission to promote competition, transparency, and open access in the European energy sector. EFET works to build trust in power, gas and carbons markets across Europe, so that they may underpin a sustainable, efficient and secure energy supply and enable the transition to a carbon neutral economy. RWE Supply & Trading was elected to EFET's board and we participate in all major working groups of this association.

**Assessment Results:** The evaluation concluded that the association represents five out of our six criteria. The Paris Agreement is supported implicitly by the association, which is confirmed with the following statement: *"Reaching carbon neutrality by 2050 is critical for addressing the climate challenge"* (EFET, 2021.).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | Implicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Federatie van de Belgische Elekriciteits en Gasbedrijven

**About the association and our role:** FEBEG, Federatie van Belgische Elektriciteits en Gasbedrijven, represents electricity producers, traders and suppliers of electricity and gas as well as laboratories in the electricity and gas sector. FEBEG is based in Brussels and counts currently 34 effective members. RWE is actively engaged in the association.

**Assessment Results:** FEBEG partially represents RWE's position, however no position was found regarding the criteria on global dimension of climate change, climate science and renewable energy expansion/ fossil fuel phaseout. The association's explicit support for the Paris climate agreement was perceived positively with the following statement: *"The Paris Climate Accord stipulates that the global temperature increase must remain below 1.5°C. To achieve this, all major emitters, including Europe, must be very ambitious. In a strategy proposed in 2018, the European Commission was already very ambitious by formulating a reduction of between 80 and 95% by 2050. The Green Deal may make this intention even more ambitious by aiming for a carbon neutral economy by 2050. FEBEG endorses these strong European ambitions. The energy companies are formulating solutions to realise this ambition within the set timing". (FEBEG, 2019)* 

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | No position        |

Actions we will take: We will continue our engagement and support the association in positioning for ambitious climate protection. This also applies to criteria for which there is no positioning yet. We will as well continue to track alignment with our climate-related policy positions.

#### **Gas Infrastructure Europe**

**About the association and our role:** Gas Infrastructure Europe (GIE) is an association representing the interests of European gas infrastructure operators. Its members are active in transmission, storage and regasification via LNG terminals. In addition, its members work and innovate with renewable and low-carbon molecules, including hydrogen, natural gas and biogases. The association gathers 67 industry entities from 26 EU countries, its head-quarters is based in Brussels. RWE is actively engaged in the association.

**Assessment Results:** The audit showed that the association is largely in line with RWE's core expectations. The only criteria for which no statement could be found were Climate Science and Social compensatory measures. But for the main criteria of the association, the positions of the association and those of RWE are aligned, especially in the area of Green Hydrogen. The GIE objectives are , among others, "Supporting the development of the hydrogen economy with the existing gas infrastructure and via the development of innovative projects" (Gas Infrastructure Europe, 2021).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Gasopslag Nederland**

**About the association and our role:** The association Gas Storage Nederland (Gasopslag Nederland) was established in 2011 to represent the interests of gas storage operators in the Netherlands. Its aim is to put forward their members' opinions about gas storage in discussions about Dutch and European gas legislation. The association is based in Groningen, Netherlands. RWE is engaged in the committee of Gasopslag.

**Assessment Results:** No positions on any of RWE's values has been published by the association. Hence, all criteria have been assessed as no position.

| No position |
|-------------|
| No position |
| No position |
| No position |
|             |

| Global dimension of climate protection | No position |
|--|-------------|
| Social compensatory measures           | No position |

Actions we will take: We will continue our engagement and support the association in positioning for ambitious climate protection. This also applies to criteria for which there is no positioning yet. We will as well continue to track alignment with our climate-related policy positions.

#### HyCymru Wales Hydrogen Trade Association

**About the association and our role:** The Wales Hydrogen Trade Association is a membership body to advance the hydrogen economy in Wales in the 2020s. Amongst others, the associations aims to represent the fuel cell & hydrogen and related industries at government level and amongst public and private sector bodies and within communities in Wales. RWE has been a founding member of this new association.

**Assessment Results:** As of March 2022, the association has not published a statement regarding RWE's criteria, but it should be noted that the association has only recently, in February 2020, been established. We have already communicated our expectations regarding the communication of our crucial climate positions to HyCymru.

| Paris Agreement Support                           | No position |
|---|-------------|
| Climate Science                                   | No position |
| Renewable energy expansion & fossil fuel phaseout | No position |
| Green Hydrogen                                    | No position |
| Global dimension of climate protection            | No position |
| Social compensatory measures                      | No position |

Actions we will take: We will continue our engagement and support the association in positioning for ambitious climate protection. This also applies to criteria for which there is no positioning yet. However we understood for this review that the association has only recently, in February 2020, been established. We will as well continue to track alignment with our climate-related policy positions.

#### Hydrogen Europe

**About the association and our role:** Hydrogen Europe is an association representing European based companies and stakeholders that are committed to moving towards a (circular) carbon neutral economy. With more than 300 companies and 30 national associations as members, the association encompasses the entire value chain of the European hydrogen and fuel cell ecosystem. Its vision is to propel global carbon neutrality by accelerating European hydrogen industry. RWE joined Hydrogen Europe in 2020 and is actively engaged in multiple working groups in the association

**Assessment Results:** Hydrogen Europe is mainly aligned with RWE's key values. The association explicitly advocates the expansion of renewable energies as follows: "*Renewable energy targets should be revised upwards in line with the 2030 target plan to facilitate faster decarbonization and additional renewable sources.*" (HydrogenEurope, 2021).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Implicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Hydrogen Ireland**

**About the association and our role:** Hydrogen Ireland (H2IRL) is an Irish association that acts as a forum for the hydrogen community on the island of Ireland, both Northern Ireland and the Republic of Ireland. Under the overarching umbrella of the European Hydrogen Association and Hydrogen Europe, H2IRL raises the profile of hydrogen and drives policy change, helping to secure clean sustainable energy for the island of Ireland. RWE is actively engaged in the association.

**Assessment Results:** Hydrogen Ireland mainly aligns with RWE's criteria. However, no agreement was found on social compensatory measures and global dimension of climate change. Hydrogen Ireland implicitly aligns with the criterion of green hydrogen by saying "Under the overarching umbrella of the European Hydrogen Association and Hydrogen Europe, H2IRL will raise the profile of hydrogen and drive policy change, helping to secure clean sustainable energy for the island of Ireland" (Hydrogen Ireland, 2022).

Paris Agreement Support

Implicitly aligned

| Climate Science                                   | Implicitly aligned |
|---|--------------------|
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Initiative Energien Speichern (formerly Initiative Erdgasspeicher)

**About the association and our role:** The Initiative Energien Speichern e.V. (INES) is an association of operators of German gas and hydrogen storage facilities. It represents over 90 percent of the German and about a quarter of the gas storage capacities in the European Union. The central task of INES is to promote public awareness of the contributions of German gas and hydrogen storage facilities to energy policy goals. The initiative has set itself the goal of participating in the design of an appropriate market framework. RWE is actively engaged in the association.

**Assessment Results:** The association is predominantly aligned with RWE's positions. The association has published a particularly clear statement on the criterion of social compensatory measures:" Gas storage facilities save consumers billions of euros in costs every year: Compared to a gas supply that relies solely on importing gas and expanding the grid, the use of gas storage facilities reduces costs by about 2.2 billion euros annually." (Initiative Erdgasspeicher, 2019).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **International Emissions Trading Association**

**About the association and our role:** The International Emissions Trading Association (IETA) is a non-profit business organisation created in June 1999, which aims to establish a functional international framework for trading in greenhouse gas emission reductions. IETA members seek to develop an emissions trading regime that results in real and verifiable greenhouse gas emission reductions while balancing economic efficiency with environmental integrity and social equity. RWE Supply & Trading GmbH was elected to the board of IETA and we participate in its working groups, for example on developments around the European Emissions Trading Scheme

**Assessment Results:** Besides the criteria social compensatory measures and green hydrogen, the International Emissions Trading Association mainly aligns with RWE's values, especially the criteria Paris Agreement support, global dimension of climate protection, climate science and renewable energy expansion/ fossil fuel phaseout. The association explicitly supports climate science as they see their mission in *"empowering business to engage in climate action, advancing the objectives of the United Nations Framework Convention on Climate Change and the Paris Agreement as informed by IPCC science"* (IETA, 2022)

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Explicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | No position        |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Koninklijk Vereniging van Gasfabrikanten in Nederland

**About the association and our role:** In 1873, the "Vereniging van Gasfabrikanten in Nederland" (VGN) was founded. Later the association received the designation Royal. Up until today now KVGN has grown into an organisation that fulfils a connecting function between the companies in the gas sector with the aim of making a positive contribution to the energy transition. RWE is actively engaged in the association.

**Assessment Results:** KVGN is aligned on most of our climate-related expectations. In some cases we have accepted documents from 2018 as we have been assured that they are still valid. KVGN has clear positions in particular on Climate Science (""The recently released IPCC report makes it clear that an accelerated effort is necessary to reduce CO2 emissions into the atmosphere and thereby slow global warming inhibit global warming" ((KVGN,

2018)) and on the use of sustainable hydrogen as they state that "[f]uture energy demand will not be met by green power alone. Clean gases and sustainable heat (including geothermal heat) will also be needed to replace today's natural gas" (KVGN, 2018).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | Explicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | No position        |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | No position        |

Actions we will take: We will continue our engagement and support the association in positioning for ambitious climate protection. This also applies to criteria for which there is no positioning yet. We will as well continue to track alignment with our climate-related policy positions.

#### NECCUS

**About the association and our role:** NECCUS (pronounced nexus) was established in 2019 recognising the fact that industrial decarbonisation is the vital next step for tackling climate change. NECCUS has over 50 membership organisations in the alliance, representing the majority of current industrial emissions in Scotland. RWE is actively engaged in the association.

**Assessment Results:** The assessment found that NECCUS partially aligns with RWE's positions, for the criteria global dimension of climate protection, renewable energy expansion/ fossil fuel phaseout and social compensatory measures no respective statement was found. Therefore, these were rated with no position. NECCUS implicitly supports green hydrogen by stating *"Wind turbines in Scotland currently provide around 2/3 of the UK's renewable energy supply and in the future will be key to generating the green hydrogen need to drive the hydrogen economy"* (Neccus, n.d.).

| Paris Agreement Support                           | Implicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Power to X Alliance**

**About the association and our role:** The Power to X Alliance is a cross-sector action alliance of companies and associations that bring together various competencies related to Power to X technologies. The alliance partners represent all stages of the value chain and have in-depth knowledge of the entire technological spectrum of Power to X. The alliance partners are also active in the field of energy efficiency. These technologies include the conversion of renewable electricity into green gases such as hydrogen or methane (power to gas), into liquid energy carriers such as fuels (power to liquids) for sustainable mobility and in buildings, or for the synthesis of chemical feedstocks for industry (power to chemicals). RWE joined the Alliance in 2020 and is actively engaged in multiple working groups in the association.

**Assessment Results:** The Power to X Alliance is mainly in line with RWE's values, except of the criterion on climate science, as no respective statement was found. Hence, this criterion has been assessed as no position. The company communicates explicit support for green hydrogen, among other things, as follows *"The Power to X Alliance has set itself the goal of focusing on innovative and climate-neutral technologies and solutions based on green hydrogen and to show how the entry into these technologies can succeed." (Power to X Alliance, 2022)* 

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Explicitly aligned |
| Social compensatory measures                      | Implicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **Scottish Hydrogen and Fuel Cell Association**

**About the association and our role:** The Scottish Hydrogen and Fuel Cell Association (SHFCA) promotes and develops Scottish expertise in fuel cells and hydrogen technologies. SHFCA brings together Scotland's specialised fuel cell companies, power generation companies, academic institutions, research and development bodies, energy consultants, Scottish Enterprise and local enterprise companies and councils with an interest in Hydrogen & Fuel Cells. The association's headquarter is based in Edinburgh. RWE is actively engaged in the association.

**Assessment Results:** The Scottish Hydrogen and Fuel Cell Association only published respective statements regarding the criteria renewable energy expansion/ fossil fuel phaseout and green hydrogen. It can be deduced from the assessment that the association only partially agrees with RWE's values. RWE would very much welcome an expansion of policy statements regarding the criteria on the part of the association.

| Paris Agreement Support                           | No position        |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Implicitly aligned |
| Green Hydrogen                                    | Implicitly aligned |
| Global dimension of climate protection            | No position        |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Verband der Industriellen Energie- & Kraftwirtschaft

**About the association and our role:** VIK represents 300 companies from the energy intensive industry. Its members account for about 80 per cent of industrial energy consumption and about 90 per cent of industrial electricity self-generation in Germany. RWE is engaging with this association to ensure we understand the requirements of our German industrial customers.

**Assessment Results:** In general, the association aligns with RWE's positions, except of their position on social compensatory measures as no respective statement was found regarding this criterion. The VIK's explicit support for the global dimension of climate protection was clarified by the following statement *"Even greater successes are needed to achieve the 2050 goals. But this requires a reliable regulatory framework that applies at least at the level of the G20, but ideally to all UN states."*(VIK, 2021)

| Explicitly aligned |
|--------------------|
| Implicitly aligned |
| Implicitly aligned |
| Explicitly aligned |
| Explicitly aligned |
| No position        |
|                    |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### Verein der Kohleimporteure

**About the association and our role:** The Verein der Kohleimporteure (Coal Importers Association) pursues the general, non-material and economic coal import interests of currently 43 members from the power industry, industry, trade and logistics sectors. The association's headquarter is located in Berlin. RWE is engaged in the association through RWE Supply & Trading.

**Assessment Results:** The audit showed that the association does not comply with RWE's core positions. For the criterion on Paris Agreement Support we find mixed statements that made it impossible for us to come to a final conclusion. The rest of the criteria had to be assessed as no position due to missing statements on the part of the association.

| Paris Agreement Support                           | No final conclusion possi-<br>ble as we have identified<br>potential contrary state-<br>ments |
|---|---|
| Climate Science                                   | No position   |
| Renewable energy expansion & fossil fuel phaseout | No position   |
| Green Hydrogen                                    | No position   |
| Global dimension of climate protection            | No position   |
| Social compensatory measures                      | No position   |

Actions we will take: We will engage with the association in areas where we have different views and where we expect public positions. As we couldn't arrive at a final conclusion on one criterion we expect a clarification of the association's position. We will engage with Verein der Kohlenimporteure and communicate this expectation. We will continue our engagement and support the association in positioning for ambitious climate protection.

#### **VNO NCW**

**About the association and our role:** VNO-NCW is a Dutch association of entrepreneurs, with branch organisations and companies as members. The association represents companies of diverse sizes and across all sectors. In cooperation with governments and other social parties, VNO-NCW strives for an inclusive and sustainable Netherlands, where everyone

benefits from increasing prosperity. This requires sustainable economic growth and a good business climate to make it possible. The association's headquarter is based in Den Haag. RWE is actively engaged in the association.

**Assessment Results:** The VNO NCW is mainly in line with RWE's values, except for the criteria on climate science and social compensatory measures, as no respective statement was found. The company communicates explicit support for the expansion of renewable energy and green hydrogen as follows: "Additional efforts are being made to generate renewable energy, particularly from offshore wind, rooftop solar, green gas and aquathermal energy. And the production and import of green hydrogen and the chain of production of green hydrogen will be scaled up. "(VNO NCW, 2021)

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | No position        |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |
| Green Hydrogen                                    | Explicitly aligned |
| Global dimension of climate protection            | Implicitly aligned |
| Social compensatory measures                      | No position        |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

#### **World Energy Council**

**About the association and our role:** The World Energy Council (WEC) is a global organisation with member committees in over 90 countries. Its members are mainly large energy producers and traders, plus some government bodies, research and energy consumer organisations. The WEC provides various services to its members, including research, analysis and policy recommendations on energy sources such as coal, oil, gas and renewables. Its headquarter is in London. RWE is actively engaged in multiple working groups in the association.

**Assessment Results:** The assessment has shown that the association is fully aligned with RWE's criteria. With the following statements, the federation expresses its full support for social compensatory measures: *"The race to net zero should be at a human pace."* And *"Securing energy justice must be a COP26 goal."* (*Financial Times, 2021*).

| Paris Agreement Support                           | Explicitly aligned |
|---|--------------------|
| Climate Science                                   | Implicitly aligned |
| Renewable energy expansion & fossil fuel phaseout | Explicitly aligned |

| Green Hydrogen                         | Explicitly aligned |
|--|--------------------|
| Global dimension of climate protection | Explicitly aligned |
| Social compensatory measures           | Explicitly aligned |

**Actions we will take:** We will continue to engage with the association but do not seek changes in its positions. We support the association in positioning for ambitious climate protection and will continue to track alignment with our climate-related policy positions.

### Summary and next steps

Due to our Growing Green strategy, we as a group, are fundamentally changing to a core business of renewable energy production. Through our business activities, we want to contribute to emission reduction with the overarching goal to contribute to stopping climate change. Hence, we regularly check whether the associations of which we are members represent our core positions on climate. With this more detailed industry association review report we aim to achieve more transparency on the assessment of our industry associations regarding climate-related issues. Therefore, we decided to expand our review criteria from just Paris Climate Agreement support to five additional categories, being climate science, renewable energy expansion/ fossil fuel phaseout, green hydrogen, the global dimension of climate protection and social compensatory measures.

Overall we perceive the alignment on the six criteria from the associations as high. We have seen no case of misalignment in the course of this assessment. Most of the 29 associations support the Paris Agreement and its goals either explicitly or implicitly, only four associations have no position on that issue. In one case (Verein der Kohlenimporteure) a final conclusion could not be reached as there are contradictory statements on support on the one hand and actions on the other hand in the public domain. On a positive note the large majority of our associations audited supports the expansion of renewable energy while phasing out fossil fuels and use and production of green hydrogen. These criteria show the lowest number of missing positions, namely four associations on the criterion of renewable expansion and five associations on the criteria of climate science (14 associations with no position), global dimension of climate protection (11 associations) and social compensatory measures (16 associations). In line with our approach in case of critical cases with no position or even misalignments we will engage with the respective association with the aim to clarify existing positions and statements.

We will continue to engage in all associations that have been in scope of this assessment for the time being. We will continue our engagement and support the associations in positioning for ambitious climate protection. This is particularly true for criteria for which there is no positioning yet. However, for some associations we would appreciate a clearer positioning on one or more climate-related issues that are important to us. This is in particular the case for Gasopslag Nederland, HyCymru and Verein der Kohlenimporteure. To reach this we will engage with the associations and communicate our expectations. As we value our engagement and the work in industry associations we see a trusted dialogue as the first step to clarify issues that are important to us. We will monitor and report progress on the success of our efforts.

In 2023, we plan to publish our next industry associations report, which will assess renewable energy associations. In the meantime, we will continue to engage with other companies, investors and non-governmental organisations as we intend to further develop our approach to greater transparency around climate lobbying and reporting.

### Contact

The associations review and this report was coordinated by the Sustainability department at RWE AG.

Feedback and questions can be directed to:

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The descriptions of the associations in the section "Results" are taken from the public websites of the organisations. When required we have adapted these texts for better reading purposes.

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### Annex

#### Table 1: List of Industry Associations in scope of the review

| 2019   | 2020 <sup>1</sup>  | 2021   | 2022 <sup>2</sup>   |
|--|--|--|---|
| <ul> <li>Bundesverband der<br/>Deutschen Industrie</li> <li>Bundesverband der<br/>Energie- und Wasser-<br/>wirtschaft</li> <li>Business Europe</li> <li>Deutsche Braunkohlen-<br/>Industrie-Verein</li> <li>Energie Nederland</li> <li>Energy UK</li> <li>EURACOAL</li> <li>Eurelectric</li> <li>European Federation of<br/>Energy Traders</li> <li>International Emissions<br/>Trading Association</li> <li>Verband der Industriellen<br/>Energie- &amp; Kraft-<br/>werkswirtschaft</li> <li>Verein der<br/>Kohleimporteure</li> <li>VNO NCW</li> <li>World Energy Council</li> </ul> | <ul> <li>Benelux Business Round-<br/>table</li> <li>Bundesverband Energie-<br/>speicher</li> <li>Hydrogen Europe</li> <li>Power to X Alliance</li> </ul> | <ul> <li>2021</li> <li>Benelux Business Round<br/>Table</li> <li>Bundesverband der<br/>Deutschen Industrie</li> <li>Bundesverband der<br/>Energie- und Wasser-<br/>wirtschaft</li> <li>Bundesverband Energie-<br/>speicher</li> <li>Business Europe</li> <li>Deutscher Wasserstoff-<br/>und Brennstoffzellen-<br/>Verband</li> <li>Deutscher Braunkohlen-<br/>Industrie-Verein</li> <li>Energie Nederland</li> <li>Energy UK</li> <li>EURACOAL</li> <li>European Federation of<br/>Energy Traders</li> <li>Federatie van de Belgi-<br/>sche Elekriciteits en Gas-<br/>bedrijven</li> <li>Gas Infrastructure Eu-<br/>rope</li> <li>Gasopslag Nederland</li> <li>Hydrogen Trade<br/>Association</li> <li>Hydrogen Irland</li> <li>Initiative Erdgasspeicher</li> <li>International Emissions<br/>Trading Association</li> <li>Koninklijk Vereniging van<br/>Gasfabrikanten in Ne-<br/>derland</li> <li>NECCUS</li> <li>Power to X Alliance</li> <li>Scottish Hydrogen and<br/>Fuel Cell Association</li> <li>Verband der Industriel-<br/>len Energie- &amp; Kraftwirt-<br/>schaft</li> <li>Verein der Kohlenimpor-<br/>teure</li> <li>VNO NCW</li> <li>World Energy Council</li> </ul> | <ul> <li>2022<sup>2</sup></li> <li>American Clean Power<br/>Association / American<br/>Wind</li> <li>American Council on Re-<br/>newable Energy</li> <li>Asociacion de Producto-<br/>res de Energias Renova-<br/>bles</li> <li>Associazione Nazionale<br/>Energia del Vento</li> <li>Bundesverband der<br/>Windparkbetreiber Offs-<br/>hore</li> <li>Bundesverband Erneu-<br/>erbare Energien</li> <li>Bundesverband Ge-<br/>othermie</li> <li>Bundesverband Wind-<br/>Energie</li> <li>FA Wind Fachagentur<br/>Windenergie an Land<br/>e.V.</li> <li>Global Wind Energy<br/>Council</li> <li>Holland Solar</li> <li>Japan Wind Power<br/>Association</li> <li>Korea Wind Energy In-<br/>dustry Association</li> <li>Nederlandse Vereniging<br/>voor Duurzame Energie</li> <li>Nederlandse WindEner-<br/>gie Associatie</li> <li>Polskie Stowarzyszenie<br/>Energetyki Wiatrowej</li> <li>Renewables UK</li> <li>Scottish Renewables</li> <li>Solar Energy Industries<br/>Association</li> <li>SolarPowerEurope</li> <li>Wind Energy Ireland</li> <li>WindEurope</li> </ul> |

1 For 2020 we released an update of our initial review only for new associations. 2 This review will focus on renewable energy associations. The report is due for release in April 2023. Associations subject to modification.

#### Table 2: 2021 Assessment results per criterion

|  | Paris<br>Agree-<br>ment<br>Support | Climate<br>Science | Renewa-<br>ble en-<br>ergy ex-<br>pansion &<br>fossil fuel<br>phaseout | Green hy-<br>drogen | Global di-<br>mension<br>of climate<br>protec-<br>tion | Social<br>compen-<br>satory<br>measures | Page |
|--|------------------------------------|--------------------|--|---------------------|--|---|------|
| Benelux Business Round<br>Table                                  | $\checkmark$                       |                    | . √  | $\checkmark$        | $\checkmark$   |   | 12   |
| Bundesverband der<br>Deutschen Industrie                         | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 13   |
| Bundesverband der<br>Energie- und Wasser-<br>wirtschaft          | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 13   |
| Bundesverband Energie-<br>speicher                               | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        | $\checkmark$   |   | 14   |
| Business Europe  | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 15   |
| Deutsche Wasserstoff-<br>und Brennstoffzellen-<br>Verband        |                                    | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   |   | 15   |
| Deutscher Braunkohlen-<br>Industrie-Verein                       | $\checkmark$                       | $\checkmark$       | $\checkmark$   |                     |  | $\checkmark$                            | 16   |
| Energie Nederland  | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   |   | 17   |
| Energy UK  | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 17   |
| EURACOAL   | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 18   |
| Eurelectric  | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        |  | $\checkmark$                            | 19   |
| Eurogas  | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 19   |
| European Federation of<br>Energy Traders                         | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 20   |
| Federatie van de Belgi-<br>sche Elekriciteits en<br>Gasbedrijven | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        |  |   | 21   |
| Gas Infrastructure Eu-<br>rope                                   | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        |  |   | 22   |
| Gasopslag Nederland  |                                    |                    |  |                     |  |   | 22   |
| HyCymru Wales Hydro-<br>gen Trade Association                    |                                    |                    |  |                     |  |   | 23   |
| Hydrogen Europe  | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        | $\checkmark$   | $\checkmark$                            | 24   |
| Hydrogen Irland  | $\checkmark$                       | $\checkmark$       | $\checkmark$   | $\checkmark$        |  |   | 24   |
| Initiative Energien<br>Speichern                                 | $\checkmark$                       |                    | $\checkmark$   | $\checkmark$        |  | $\checkmark$                            | 25   |
| International Emissions<br>Trading Association                   | $\checkmark$                       | $\checkmark$       | $\checkmark$   |                     | $\checkmark$   |   | 26   |
| Koninklijk Vereniging<br>van Gasfabrikanten in<br>Nederland      | $\checkmark$                       | $\checkmark$       |  | $\checkmark$        | $\checkmark$   |   | 26   |

| NECCUS   | $\checkmark$                |              | $\checkmark$ | $\checkmark$ |              |              | 27 |
|--|-----------------------------|--------------|--------------|--------------|--------------|--------------|----|
| Power to X Alliance  | $\checkmark$                |              | $\checkmark$ | $\checkmark$ | $\checkmark$ | $\checkmark$ | 28 |
| Scottish Hydrogen and<br>Fuel Cell Association                 |                             |              | $\checkmark$ | $\checkmark$ |              |              | 28 |
| Verband der Industriel-<br>Ien Energie- & Kraftwirt-<br>schaft | $\checkmark$                | $\checkmark$ | $\checkmark$ | $\checkmark$ | $\checkmark$ |              | 29 |
| Verein der Kohlen-<br>importeure                               | No final<br>conclu-<br>sion |              |              |              |              |              | 30 |
| VNO NCW  | $\checkmark$                |              | $\checkmark$ | $\checkmark$ | $\checkmark$ |              | 30 |
| World Energy Council   | $\checkmark$                | $\checkmark$ | $\checkmark$ | $\checkmark$ | $\checkmark$ | $\checkmark$ | 31 |

Explanation:  $\checkmark$  - aligned;  $\Box$  - no position;  $\times$  - misaligned

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