

2023

Report of the RWE Group on payments made to public authorities pursuant to Section 341 q-y of the German Commercial Code

Payment report of the RWE Group

Basis of the report

Pursuant to Section 341q of the German Commercial Code, large stock corporations and large commercial partnerships with domestic headquarters that are active in the mineral extraction industry or logging in primary forests are obligated to prepare an annual payment report.

Headquartered at RWE Platz 1 in 45141 Essen, Germany, RWE AG is a stock corporation as defined by Section 341q of the German Commercial Code. As a parent company as defined by Section 290 of the German Commercial Code, pursuant to Section 341v, Paragraph 1 of the German Commercial Code, RWE AG is obligated to prepare a report as at least one of its subsidiaries is active in the mineral extraction industry. None of the RWE Group companies is currently active in the logging business in primary forests.

Pursuant to Section 341s, Paragraph 2 of the German Commercial Code, stock corporations included in the consolidated payment report are exempt from the obligation to prepare their own payment report.

Reportable payments are those made to public authorities if at least €100,000 in payments are made to a single public authority (Section 341t, Paragraph 4 of the German Commercial Code) in a fiscal year and one of the reasons for the payments is in accordance with Section 341r, Item 3 of the German Commercial Code. Disclosure on such payments must be broken down by receiving public entity, reason of payment and project.

Companies included in the report with activities in the mineral extraction industry

Activities in the mineral extraction industry as defined by Section 341r, Item 1 of the German Commercial Code are necessary in the RWE Group due to the lignite mined to generate electricity and produce refined products (NACE Code A0520 pursuant to EU Regulation No. 1893/2006). The term 'activity' as defined by Section 341r, Paragraph 1 of the German Commercial Code is interpreted by the RWE Group within the meaning of the infection theory for the reporting duty. Therefore, it must be determined which fully consolidated Group companies are active in the mineral extraction industry as of 31 December of every year. Companies with a reporting duty within the RWE Group in fiscal 2023 were RWE Power AG ("RWE"), Essen, due to its opencast mining operations, and Rheinische Baustoffwerke GmbH ("RBS"), Bergheim, the business activities of which consist of gravel and sand extraction. Both of these companies are domiciled in Germany and made payments to German state authorities.

RWE Power AG, Essen

The fields of business of RWE, a subsidiary wholly owned by RWE AG, are lignite mining and the commercial operation of its power stations as well as the production of refined lignite products. The company owns power plants, opencast mines, and refineries for this purpose.

For the preparation of the payment reports, the opencast mines are considered projects.

Rheinische Baustoffwerke GmbH, Bergheim

RBS is a subsidiary wholly owned by RWE and operates plants for the extraction of gravel and sand. The main market is largely in the greater Cologne-Düsseldorf-Krefeld-Aachen area where RBS ranks among the largest gravel and sand companies. Furthermore, RBS operates receiving points for uncontaminated excavated earth and rubble and trades in purchased building materials (gravel and sand as well as solid rocks such as basalt and lava).

The gravelworks are jointly presented as a single project.

Payment report of the RWE Group for fiscal 2023

Recipient Projects (Figures in €)	Usage fees	Payments for infrastructure improvements	SUM
Kerpen District Court			
Hambach opencast mine		406,758	406,758
Sum		406,758	406,758
Cologne District Administration			
Across all projects		2,533,750	2,533,750
Sum		2,533,750	2,533,750
Die Autobahn GmbH des Bundes			
Hambach opencast mine		233,580	233,580
Sum		233,580	233,580
Erfurt Water Authority			
Gravelworks		12,824	12,824
Across all projects		4,285,276	4,285,276
Sum		4,298,100	4,298,100
Aachen District Tax Authority			
Inden opencast mine		218,822	218,822
Sum		218,822	218,822
Bergheim Tax Authority			
Gravelworks		75,808	75,808
Hambach opencast mine		1,177,028	1,177,028
Sum		1,252,836	1,252,836
Brühl Tax Authority			
Across all projects		213,200	213,200
Sum		213,200	213,200
Düren Tax Authority			
Hambach opencast mine		369,685	369,685
Sum		369,685	369,685
Erkelenz Tax Authority			
Garzweiler opencast mine		1,397,130	1,397,130
Sum		1,397,130	1,397,130
SUBTOTAL		10,923,861	10,923,861

Recipient Projects (Figures in €)	Usage fees	Payments for infrastructure improvements	SUM
CARRYFORWARD		10,923,861	10,923,861
Grevenbroich Tax Authority			
Garzweiler opencast mine		651,568	651,568
Sum		651,568	651,568
Jülich Tax Authority			
Across all projects		394,041	394,041
Sum		394,041	394,041
Kolping City of Kerpen			
Gravelworks	149,431		149,431
Hambach opencast mine		121,974	121,974
Sum	149,431	121,974	271,405
District City of Bergheim			
Across all projects		331,161	331,161
Sum		331,161	331,161
Heinsberg District Waterworks			
Garzweiler opencast mine		219,178	219,178
Sum		219,178	219,178
NRW Nature, Environment and Consumer Protection Agency			
Gravelworks	62,816	7,250	70,066
Garzweiler opencast mine	836,746	133,958	970,704
Hambach opencast mine	10,653,555	5,600	10,659,155
Inden opencast mine	2,547,107	12,300	2,559,407
Across all projects		31,392	31,392
Sum	14,100,224	190,500	14,290,724
Geological Bureau of the State of North Rhine-Westphalia			
Across all projects		164,900	164,900
Sum		164,900	164,900
NRW Roadworks Agency			
Garzweiler opencast mine		369,196	369,196
Sum		369,196	369,196
NEW Netz GmbH			
Garzweiler opencast mine		109,275	109,275
Sum		109,275	109,275
SUBTOTAL	14,249,655	13,475,654	27,725,309

Recipient Projects (Figures in €)	Usage fees	Payments for infrastructure improvements	SUM
CARRYFORWARD	14,249,655	13,475,654	27,725,309
Rhine District of Neuss			
Across all projects		250,380	250,380
Sum		250,380	250,380
SEG/Neuland Hambach GmbH			
Hambach opencast mine		375,839	375,839
Sum		375,839	375,839
City of Bedburg			
Across all projects		401,079	401,079
Sum		401,079	401,079
City of Erkelenz			
Garzweiler opencast mine		399,996	399,996
Sum		399,996	399,996
Düren City Drainage Works			
Across all projects		137,694	137,694
Sum		137,694	137,694
Stadtwerke Jülich GmbH			
Hambach opencast mine		177,387	177,387
Sum		177,387	177,387
Eifel-Rur Water Association			
Across all projects		451,930	451,930
Sum		451,930	451,930
Central Judicial Payment Agency			
Hambach opencast mine		149,344	149,344
Sum		149,344	149,344
Joint Cologne Peripheral Channel Assn.			
Across all projects		724,000	724,000
Sum		724,000	724,000
Garzweiler LAND CONSEQUENCES Special Purpose Association			
Garzweiler opencast mine		245,131	245,131
Sum		245,131	245,131
SUM TOTAL	14,249,655	16,788,434	31,038,089

Commentary on the payment report

- ① RWEP's opencast mine development work normally involves swapping assets – in particular land – with the municipalities located within the opencast mining area and with other state authorities. If the value of the assets relinquished is below the value of the assets received, compensatory payments are made by RWEP to the corresponding state authorities. These compensatory payments are included in the balance of the payment report (cf. IDW comments 1/2017, note 84).
- ② The usage fees paid to the Nature, Environment and Consumer Protection Agency of the State of North Rhine-Westphalia are water withdrawal fees paid by RWEP and RBS. Credits in the period under review relating to water withdrawal fees paid in earlier years were not deducted (cf. IDW comments 1/2017, note 73).
- ③ Payments made to Neuland Hambach GmbH and the Garzweiler LAND CONSEQUENCES Special Purpose Association include various payments in kind. Reported payments to Autobahn GmbH des Bundes, NRW Roadworks Agency, Kolping City of Kerpen and Düren City Drainage Works include payments in kind resulting from construction work performed. Payments in kind were valued on the basis of the costs incurred by RWEP to provide them.
- ④ RWEP and RBS are controlled companies that belong to the tax group of RWE AG. The corporate and trade tax payments made by RWE AG as controlling company are not reported as the activities of RWEP and RBS in the mineral extraction industry are not the focal point of the activities of the RWE Group. In accordance with IDW comments 1/2017, note 109, the tax payments are not categorised.

Essen, June 4, 2024


The Executive Board



Krebber



Müller



van Doren