

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

RWE AG

The RWE Group is a world leader in renewables with a clear growth focus. RWE keeps its finger firmly on the pulse and is proactively driving change towards the age of renewables. Change is part of the history of RWE. It is also the prerequisite to future-proofing our company. RWE leverages innovation and investment as the basis for a carbon-neutral future.

RWE Renewables

RWE Renewables, the newest subsidiary of the RWE Group, is one of the world leaders in renewables. With around 3,500 employees, the company has onshore and offshore wind farms, photovoltaic plants and battery storage systems with a capacity of 9 gigawatts. RWE Renewables is driving the expansion of renewables in over 15 countries on four continents. An investment budget of 5 billion euros net is earmarked for further growth through to 2022. With the participation of potential project partners, our medium-term investment budget could be as high as 9 billion. The Americas, our core markets in Europe and the Asia-Pacific region are the key focus of RWE investment activity.

RWE Generation

With its highly efficient power plants in Germany, the United Kingdom and the Netherlands, the 3,000 employees of RWE Generation produce power from gas, hard coal, hydro and biomass. RWE Generation is the number three company in the European gas sector – an excellent starting point. After all, gas is becoming more and more important as the bridge between the old energy world and the new age of renewables. In the Netherlands in particular, the company is focusing on biomass by converting two hard-coal power plants to this carbon-neutral energy source. RWE is also represented in many core markets with hydropower plants.

RWE Power

RWE Power AG, Essen/Cologne, with a workforce of 11,000 employees, is responsible within the Group for power production from lignite and nuclear energy. In the Rhineland region, it operates three open-cast lignite mines, with production there dedicated primarily to electricity generation from its own power plants. Some lignite is also refined to produce solid fuel and filter materials. In addition, the company is responsible for post-operational and dismantling work on the RWE nuclear plants. Power plants in this business segment currently contribute a total of around 13 gigawatts to the grid.

RWE Supply & Trading

RWE Supply & Trading is the interface between RWE and energy markets around the world. A total of 1,600 employees from 40 different countries are engaged in the trade of electricity, gas, commodities and carbon emission certificates. With precise market analysis and a strong customer focus, they create innovative energy-supply solutions and risk-management concepts for industrial companies. The trading house also ensures commercial optimisation of RWE power plants and marketing renewable electricity. In addition, the separate legal entities of RWE gas storage companies also come under the umbrella of RWE Supply & Trading.

W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

Electricity generation

Other, please specify (Trading)

W-EU0.1b

(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.

	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard	2257	5.5	7375
Lignite	8548	21	36649
Oil	0	0	0
Gas	14301	35.1	50788
Biomass	792	1.9	4011
Waste (non-biomass)	0	0	0
Nuclear	2770	6.8	20682
Fossil-fuel plants fitted with carbon capture and storage	0	0	0
Geothermal	0	0	0
Hydropower	602	1.5	1981
Wind	8534	21	23276
Solar	220	0.5	432
Marine	0	0	0
Other renewable	2358	5.8	2060
Other non-renewable	320	0.8	169
Total	40702	100	146775

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2020	December 31 2020

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

- Germany
- Netherlands
- Turkey
- United Kingdom of Great Britain and Northern Ireland

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

- EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

- Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

- Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Offices and administrative buildings	The Group Guideline Environmental Protection is based on ISO 14001:2015 and defines uniform principles for environmental protection. This applies to all the affiliated companies that are integrated in the consolidated financial statements and have business operations with personnel and/or assets except for some issues: This questionnaire does not include data regarding water management in our offices and administrative buildings, as this use is significantly lower than the water use (withdrawals, consumption and discharge) in our power generation plants and mining operations. Thus, only data regarding water use RWE's power generation plants and mining operations are included in the questionnaire. Water management is integrated in our Environmental management system being data regarding water consumption monitored as part of it.
Subsidiaries with limited or no exposure to freshwater resources or limited or no exposure to water discharge	Only a part of our operations are exposed to freshwater resources. This mainly includes our fossil-fuel based electricity generation assets and our mining operations. These encompass operations of our subsidiaries RWE Power and RWE Generation in the Germany, the Netherlands, the United Kingdom and Turkey. We assess the exposure of most of our Supply & Trading business as very limited and are not including disclosures of this subsidiary in this report. RWE Renewables is considered as not exposed to freshwater resources due to its business operations that focus on power generation from wind and solar.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	Direct Operations: As power generator the use of fresh water is vital for us as the main use of water is for cooling (power plant) or operations (steam). Hence we need water in large quantity. In addition we operate three open cast mines to source lignite for our power plants in the Rheinisch Lignite Area close to Cologne/Germany. Responsible water management is crucial and underlies strict rules and regulations. In general it does not matter if the water necessary for operations is fresh- or recycled or brackish water. Nevertheless we see this as vital to perform and compete. Supply Chain (indirect use): The indirect use of fresh water is important. As the main step in the supply chain of energy generation, which consumes water, is the fuel supply chain (coal, gas, oil, biomass), i.e. extraction, transport and treatment. Water is crucial for the coal mining for industrial safety reasons and for the process of extraction. Hence for coal, RWE is involved in the Bettercoal initiative, which takes into account the water resources preservation
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Important	Direct Operations: As power generator the use of fresh water is vital for us as the main use of water is for cooling (power plant) or operations (steam). Hence we need water in large quantity. In addition we operate three open cast mines to source lignite for our power plants in the Rheinisch Lignite Area close to Cologne/Germany. Responsible water management is crucial and underlies strict rules and regulations. In general it does not matter if the water necessary for operations is fresh- or recycled or brackish water. Nevertheless we see this as vital to perform and compete. Supply Chain (indirect use): The indirect use of recycled or brackish water is important. As the main step in the supply chain of energy generation, which consumes water, is the fuel supply chain (coal, gas, oil, biomass), i.e. extraction, transport and treatment. Water is crucial for the coal mining for industrial safety reasons and for the process of extraction. Hence for coal, RWE is involved in the Bettercoal initiative for its hard coal value chain, which takes into account the water resources preservation

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	As part of our environmental management system, water withdrawals of all our power plants, including those located in water stressed areas, are controlled and monitored which allows for a continuous monitoring. This monitoring allows us to anticipate problems at our facilities due to water availability and ensures that we comply with the permits granted by the local authorities. Water withdrawal sources include surface, groundwater, municipal / potable water, external wastewater, rainwater and ocean withdrawals.
Water withdrawals – volumes by source	100%	In Germany, the Netherlands and UK, water is withdrawn from various sources depending on the power plant technology (hard coal: the sea, water channel, lignite: ground water and rivers, nuclear: rivers). In Turkey (CCGT power plant) water is taken from deep water wells. Withdrawal is according to national regulations (incl. taxation/levies) which also forms the basis for our licenses to operate .
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	The quality of all water withdrawals is regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate . In order to ensure a sustainable condition for water operation, for example cooling water is intensively monitored as a precautionary measure in order to identify significant populations of legionella bacteria at an early stage and as necessary to take countermeasures using approved biocides.
Water discharges – total volumes	100%	All water discharges are regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate .
Water discharges – volumes by destination	100%	We also provide the best possible protection against adverse impacts for aquatic habitats and other ecosystems linked with such habitats. This objective is assisted by discharging water into the groundwater and into rivers and surface waters in a structured process while complying with the statutory limits defined by the authorities during discharge. Furthermore, we limit environmental impacts owing to the use of methods such as recirculation in the power plants, intensification of usage for pumped water from opencast mines, the use of collected rainwater and the reuse of process water. All water discharges are regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate .
Water discharges – volumes by treatment method	100%	All water discharges are regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate .
Water discharge quality – by standard effluent parameters	100%	All water discharges are regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate . In Germany and in the UK rules and regulations require that in case of discharging water, only certain limits of effluent parameters are allowed. All water discharges are regularly measured and monitored according to licence requirements according to national regulations and legislation (incl. taxation/levies) which also form the basis for our licenses to operate.
Water discharge quality – temperature	100%	All water discharges are regularly measured and monitored according to national regulations (incl. taxation/levies) which also form the basis for our licenses to operate . In Germany and in the UK rules and regulations require that in case of discharging water, only certain limits (temperature increase in comparison to intake) are allowed. All water discharges are regularly measured and monitored according to licence requirements according to national regulations and legislation (incl. taxation/levies) which also form the basis for our operation licenses.
Water consumption – total volume	100%	Water consumption is the difference between withdrawals and discharge according to national regulations and legislation which also form the basis for our licenses to operate . Water consumption is monitored and reported. Reported numbers include net drinking water and cooling-water consumption.
Water recycled/reused	Not monitored	Water is recycled/reused according to technical and commercial boundaries for electricity generation. Values are not monitored on Group level.
The provision of fully-functioning, safely managed WASH services to all workers	Not monitored	All our employees have washing facilities in place at all premises. This is one of our health and safety approaches. However the consumption is not monitored on Group level as it is not material to our total water exposure.

W-EU1.2a

(W-EU1.2a) For your hydropower operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations measured and monitored	Please explain
Fulfilment of downstream environmental flows	100%	In Germany, downstream water flows are monitored based on the licensing conditions. In the Netherlands, the water flow through HPP is based on total river flow. In Turkey, there are no hydroelectrical operations.
Sediment loading	Not relevant	In Germany, the granting of the approval ensures that the initiation is water compatible. The sediment quality is also monitored in the water by the authority and not by the discharger. In Turkey, there are no hydroelectrical operations.
Other, please specify	Not relevant	Further aspects are measured and monitored depending on national regulations and business needs. Our hydropower plans also exert an impact on the areas where the production sites are operated. We attempt to make these interventions in a maximally environmentally friendly way.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	4242000	Lower	Resource-conserving use of cooling water to supply our thermal power plants is a top priority for RWE. The number is significantly lower compared to last year. As a result of the ongoing transformation towards climate-friendly energy sources, we have reduced production at our fossil-fuelled power plants (UK: closure of Aberthaw hard coal-fired power plant, reduction of electricity production at Great Yarmouth gas and steam turbine power plant and Pembroke combined-cycle gas turbine station. NL: Reduction of production at the hard coal-fired power plant Eemshaven.)
Total discharges	4241000	Lower	Resource-conserving use of cooling water in supplying our thermal power plants is a top priority for RWE. total discharges are significantly lower compared to last year. One main driver for the reduction was the reorganisation of RWE and the allocation of main parts of innogy to eon. As a result of the ongoing transformation towards climate-friendly energy sources, we have reduced production at our fossil-fuelled power plants (UK: closure of Aberthaw hard coal-fired power plant, reduction of electricity production at Great Yarmouth gas and steam turbine power plant and Pembroke combined-cycle gas turbine station. NL: Reduction of production at the hard coal-fired power plant Eemshaven.)
Total consumption	158800	Lower	Resource-conserving use of cooling water to supply our thermal power plants is a top priority for RWE. The number is significantly lower compared to last year. As a result of the ongoing transformation towards climate-friendly energy sources, we have reduced production at our fossil-fuelled power plants (UK: closure of Aberthaw hard coal-fired power plant, reduction of electricity production at Great Yarmouth gas and steam turbine power plant and Pembroke combined-cycle gas turbine station. NL: Reduction of production at the hard coal-fired power plant Eemshaven.)

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	1-10	About the same	WRI Aqueduct	Calculation of numbers done on the assumption that Denizli power plant is in an water-stressed area and all of the withdrawn groundwater is taken from that water-stressed area. Weightning (left side) is according to operation of power plant portfolio

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	1706000	Higher	Number has increased compared to last. As part of the ongoing transformation towards climate-friendly energy sources, we reduced production in NL at the Eemshaven hard coal-fired power plant (cooling with seawater), but increased production at the more environmentally friendly gas-fired power plant Claus (cooling with surface water) to ensure the supply of electricity.
Brackish surface water/Seawater	Relevant	1981000	Lower	The number is significantly lower compared to last year. As part of the ongoing transformation towards climate-friendly energy sources, we reduced production in NL at the hard coal-fired power plant Eemshaven (cooling with seawater).
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	No groundwater is extracted for renewable energies.
Groundwater – non-renewable	Relevant	524000	About the same	The groundwater volume is almost the same as last year. The main groundwater withdrawals result from the dewatering (pumping water) or keeping dry of our three German opencast mines, which are (still) in operation.
Produced/Entrained water	Relevant	156400	This is our first year of measurement	This number mainly include the evaporation losses of our thermal power plants via cooling towers and has significantly reduced from 182500 to 156400 compared to the previous year. This corresponds to the reduction in the use of fossil fuels.
Third party sources	Relevant	30700	About the same	The number is about the same as last year, there are usually no significant changes when using third party sources. Third-party sources consist of drinking water + other sources (including rainwater, wastewater and service water).

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	2749867	Lower	The volume is lower compared to the previous year. In the course of the ongoing transformation towards climate-friendly energy sources, we reduced the production of our hard coal-fired power plants in NL. Furthermore, as the dismantling of the Biblis nuclear power plant in DE progresses, less water will be discharged.
Brackish surface water/seawater	Relevant	887250	Lower	The volume is significantly lower compared to the previous year. As part of the ongoing transformation towards climate-friendly energy sources, we reduced production at our fossil-fuelled power plants in the UK; closure of the Aberthaw hard coal-fired power plant, reduction of electricity production at the Great Yarmouth combined cycle power plant and the Pembroke combined cycle power plant.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge water to groundwater, therefore it is deemed as not relevant.
Third-party destinations	Relevant	921	Lower	The previous year's volume (101703) was mainly caused by Innogy. If only the RWE Group had been considered without Innogy, this would have been 1022, so it is approximately the same in 2020. There are generally no significant changes in the discharge of wastewater to public sewers / third parties.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Given an internal assessment of discharge treatment tertiary treatment has been assessed as not relevant for all RWE operations covered by this disclosure.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Given an internal assessment of discharge treatment secondary treatment has been assessed as not relevant for all RWE operations covered by this disclosure.
Primary treatment only	Relevant	14	This is our first year of measurement	100%	Given number is discharge to own operation/internal facilities for further treatment for reporting year 2020
Discharge to the natural environment without treatment	Relevant	4189634	This is our first year of measurement	100%	Given number is discharge of clean water out of cooling cycles into the see, rivers and surface waters, evaporation, and water transit for reporting year 2020.
Discharge to a third party without treatment	Relevant	51294	This is our first year of measurement	100%	Given number is discharge of waste water to third partys or sewer, other sewage and water (no waste water!) to third parties and own operations for reporting year 2020.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	

W-EU1.3

(W-EU1.3) Do you calculate water intensity for your electricity generation activities?

No, and we have no plans to do so in the next two years

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

No, not currently but we intend to within two years

W1.4d

(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?

	Primary reason	Please explain
Row 1	Important but not an immediate business priority	As part of our general stakeholder engagment we cover multiple issues that are of importance for our stakeholders and our company. In case of any water-related issues or questions we provide immediate response and support. However we do not have specific water-focused engagement as part of our stakeholder outreach. As part of our environmental assessment suppliers and partners are assessed based on their specific business risk, this might encompass water-related issues.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W-EU3.1

(W-EU3.1) How does your organization identify and classify potential water pollutants associated with your business activities in the electric utilities sector that could have a detrimental impact on water ecosystems or human health?

RWE is a company specialising in power production and energy trading that wants to drive the transformation of the energy sector, aiming for more sustainability. Our goal is carbon-neutral electricity supply that is both secure and affordable. To achieve this we will invest billions in wind energy, photovoltaics and storage technologies, enter the green hydrogen production business, and phase out electricity generation from coal. Water pollutants can potentially occur in all our business areas, in particular when operations take place in or with water, e.g. in our offshore operations, at our hydropower plants and at our thermal power plants.

RWE takes the protection of the environment and the responsible use of resources very serious. Pollutants are measured in accordance with local laws and standards and our licenses to operate. The frequencies and numbers of measures are defined with the local authorities and are specific for each site. In these national legislations, high standards are laid down to identify and classify potential water pollutants. As part of our overall business we follow the rules and requirements that are applicable in our markets - this encompasses all regulations on water pollutants or any other water-related principles. These requirements are also part of our regulatory approved licenses for operation of facilities and power plants. Measurements such as self-monitoring are carried out by internal laboratories according to legal requirements. Moreover, there is an official surveillance, which is regulated in the permits. In addition, we regularly communicate with our stakeholders which gives us valuable ideas for the orientation of our corporate activities. Especially against the background of the new direction being taken by RWE, it is particularly important for us to discuss expectations and projections about the future of energy supply with external stakeholders. At the same time, this dialogue provides us with the opportunity to reflect our company decisions, and convey them and our underlying motivation more effectively. The dialogue takes place at different levels. We pursue a transparent information policy in relation to the company's activities at local level and engage with neighbouring residents and citizens' initiatives, local authorities and regional initiatives. We are very pleased to take account of ideas and constructive proposals. At national level, we engage in discussions with our stakeholders in particular on the following issues: our contribution to the energy transition and climate protection that also includes the water ecosystems and water pollutants, the future of the generation mix and the energy market, current and pending legislative and regulatory procedures, sustainability in international supply relationships and a responsible approach to our customers and the environment.

W-EU3.1a

(W-EU3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants associated with your activities in the electric utilities sector on water ecosystems or human health.

Potential water pollutant	Description of water pollutant and potential impacts	Management procedures	Please explain
Hydrocarbons	Hydrocarbons according to the permits are compliant with national legislation.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. Following some examples of measures: According to German regulatory requirements water pollutions are minimized. Human health and water ecosystems are not affected according to German environmental law. According to the German law (WHG, Wasserhaushaltsgesetz), public well-being is not impaired. In UK, it is necessary to consider emissions to water holistically because there are many trade-offs possible between emissions to water and other media. For example, chemicals may be used within cooling systems leading to additional emissions with a view to improving plant resilience and thermal efficiency which lead to environmental benefits such as improved fuel use efficiency and emissions to air/MWhe produced. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.
Coal combustion residuals	Coal combustion residuals according to the permits are compliant with national legislation.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. Following some examples of measures: According to German regulatory requirements water pollutions are minimized. Human health and water ecosystems are not affected according to German environmental law. According to the German law (WHG, Wasserhaushaltsgesetz), public well-being is not impaired. In UK, it is necessary to consider emissions to water holistically because there are many trade-offs possible between emissions to water and other media. For example, chemicals may be used within cooling systems leading to additional emissions with a view to improving plant resilience and thermal efficiency which lead to environmental benefits such as improved fuel use efficiency and emissions to air/MWhe produced. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.
Radiation	Radiation values according to the permits are compliant with national legislation.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. Following some examples of measures: According to German regulatory requirements water pollutions are minimized. Human health and water ecosystems are not affected according to German environmental law. According to the German law (WHG, Wasserhaushaltsgesetz), public well-being is not impaired. In UK, it is necessary to consider emissions to water holistically because there are many trade-offs possible between emissions to water and other media. For example, chemicals may be used within cooling systems leading to additional emissions with a view to improving plant resilience and thermal efficiency which lead to environmental benefits such as improved fuel use efficiency and emissions to air/MWhe produced. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.
Contaminated cooling water	Water contamination values according to the permits are compliant with national legislation.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. Following some examples of measures: According to German regulatory requirements water pollutions are minimized. Human health and water ecosystems are not affected according to German environmental law. According to the German law (WHG, Wasserhaushaltsgesetz), public well-being is not impaired. In UK, it is necessary to consider emissions to water holistically because there are many trade-offs possible between emissions to water and other media. For example, chemicals may be used within cooling systems leading to additional emissions with a view to improving plant resilience and thermal efficiency which lead to environmental benefits such as improved fuel use efficiency and emissions to air/MWhe produced. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.
Thermal pollution	Thermal pollution values according to the permits are compliant with national legislation.	Compliance with effluent quality standards Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. Following some examples of measures: According to German regulatory requirements water pollutions are minimized. Human health and water ecosystems are not affected according to German environmental law. According to the German law (WHG, Wasserhaushaltsgesetz), public well-being is not impaired. In UK, it is necessary to consider emissions to water holistically because there are many trade-offs possible between emissions to water and other media. For example, chemicals may be used within cooling systems leading to additional emissions with a view to improving plant resilience and thermal efficiency which lead to environmental benefits such as improved fuel use efficiency and emissions to air/MWhe produced. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.
Other, please specify (reverse osmosis concentrate and high concentrated regeneration effluent)	For the operations in Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins are compliant with national legislation.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	Depending on the geographical location and type of power plant, various measures are taken. In Turkey, discharge of reverse osmosis concentrate and high concentrated regeneration effluent for resins legally followed and analysed in laboratory regularly. Up to now no abnormalities detected. In Netherlands, legionella prevention actions are applied to cooling water.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Enterprise Risk Management

Other

Tools and methods used

Internal company methods

National-specific tools or standards

Comment

RWE operates a group-wide risk management system. The analysis of potential risks to the Group is regularly performed as a bottom-up analysis. Risks related to water can generally be mapped using this process. Normally the risk identification and assessment process considers risk within the time-span of our mid-term planning, in some cases longer. Besides this overarching company-wide process there are further processes in the operational business areas to assess risks linked to water. In the case of possible new plant or major plant retrofit measurements life time water resource availability risks are assessed if they are material. In the UK this would be at least 20 to 30 years. As for example, England regional water resource planning is to 2050 and in some cases 2100.

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Enterprise Risk Management

Other

Tools and methods used

Internal company methods

Comment

No risk assessment performed in Turkey (Denizli) yet.

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	As quantity and quality of available water is crucial for the operation of a power plant, availability is always included in our assessments.
Water quality at a basin/catchment level	Relevant, always included	As quantity and quality of available water is crucial for the operation of a power plant, water quality is always included in our assessments.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	Water-related conflicts have not yet occurred. In case of stakeholder conflicts, these would be included in our assessments (also, this would form part of an licensing procedure). In course of the assessments, potential conflicts would be evaluated and dialogues would be held with corresponding stakeholders.
Implications of water on your key commodities/raw materials	Not relevant, included	
Water-related regulatory frameworks	Relevant, always included	Regulatory limits lay down the boundaries in which operation of power plants is legally possible. Therefore while planning operations or executing any assessments, all relevant regulatory frameworks are evaluated and considered.
Status of ecosystems and habitats	Relevant, always included	The protection of species through the preservation of habitats is one of the biggest global challenges of the present day. Our activities also result in direct and indirect interventions in ecosystems. Wherever feasible, we therefore avoid or minimise these impacts and in any case the robust regulatory processes in place in the countries in which we operate ensure that any residual impact on ecosystems and habitats is both acceptable and in line with overarching BAT principles (best-available-techniques). As far as possible, we take appropriate nature conservation measures to mitigate unavoidable or irreversible negative consequences. This affects our opencast mines and the construction and operation of plants for generating energy. Consequently, we promote species through selective measures – primarily within the framework of our recultivation activities. Recultivation can therefore frequently achieve positive effects in relation to biodiversity.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	As one of our health & safety approaches, access to washing services is given for all of our employees.
Other contextual issues, please specify	Not considered	

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Employees	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Investors	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Local communities	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
NGOs	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Other water users at a basin/catchment level	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Regulators	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group. Special focus in the risk assessment is on regulatory frameworks.
River basin management authorities	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group. Special focus in the risk assessment is on regulatory frameworks.
Statutory special interest groups at a local level	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Suppliers	Relevant, sometimes included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group.
Water utilities at a local level	Relevant, always included	Our water-related risk assessment includes potential conflicts disregarding from this stakeholder group. Special focus in the risk assessment is on regulatory frameworks. Further, this is of high priority for the relevant operational business areas and actively managed.
Other stakeholder, please specify	Not considered	

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Identification, assessing and responding to water-related risks is executed in course of our company-wide risk management. These processes are described in our ISO 14001 certified management system. At the local and site level, RWE has implemented environmental management systems for all its production sites in which the responsibilities, actions and targets are clearly defined, so a proper water management at facility level is guaranteed. These actions are overseen by the functions of Health, Safety, Environment that defines the overall environmental strategy.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

The Responsibility for Group risk management lies within the RWE AG, whereof the Executive Board monitors and manages the overall risk of the Group and at the level below, the Controlling & Risk Management Department has the task to identify, assess and manages risks at the earliest possible stage. The Controlling & Risk Management Department provides the Executive Board and the Supervisory Board of RWE AG with regular reports on the company's risk exposure. The Group's risk management system that is in line with the requirements of the German Corporate Control and Transparency Act (KonTraG) derives detailed limits for the individual business fields and operating units from the risk caps set by the Executive Board. Its task also include checking the identified risks for completeness and plausibility and aggregating them. From here on we equate risks with risks identified as substantive financial for the business and that substantive risks have a reporting threshold for the medium-term plan from 150 € million and above a 1% probability of occurrence. Normally risks are assessed every six months, using a bottom-up analysis, nevertheless the risk exposure is also monitored between the regular survey dates. The risk analysis covers the three-year horizon of RWE's medium-term plan, but can extend beyond that in individual cases. Each individual risk rating is based on the level of impact and the probability of impact that is depicted in the RWE AG risk matrix within the RWE Annual Report 2020. The level of impact is defined as the level of potential damage the risk can create (in € million) and is divided into five categories. Each category depends a.) on the potential impact on net income (= earning risks) and b.) on the potential impact on net debt and equity (= indebtedness/equity risk). To clearly assign them, thresholds for net income (<300 € million until >= 8,000 € million) and net debt and equity (<1,000 € million until >= 8,000 € million) that implicit the Group's ability to bear risks have been established. Hedging measures are considered. The probability of impact is defined as the probability of the occurrence (P) that is also divided into five risk event probabilities starting at the most unlikely to occur (1% <= P <= 10%) and ending at the very likely to occur (P >50%) probability. Depending on that evaluation, risks are rated and depicted in the risk matrix in three levels: low, medium and high. An example: A high level risk is characterised by following approach: The higher the potential damage (e.g. > 8,000 € million) and the more likely the probability of impact (e.g. P > 50%), the higher the strategic impact on RWE's business and the higher the need for action and initiate measures to mitigate the risks. Regardless of the individual risk level rating and survey date, risks are classified into seven groups depending on their causes: Market risks, regulatory and political risks, legal risks, operational risks, financial risks, creditworthiness of business partners, and other risks. The risk level rating per each risk can/might change during the three-year horizon but their causes likely not. Several risk categories contain risks linked to or influenced by climate related issues since the power sector is crucial to global efforts to combat climate change. With the provided risk report the Executive Board of RWE AG and the main operating units meet regularly to analyse the interim and annual financial statements and update the forecasts. In the event that the updated forecast figures deviate significantly from the budget figures, the underlying reasons are analysed and countermeasures are taken if necessary.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	0	Unknown	In the RWE Group, numerous facilities which are potentially exposed to water risks are monitored but none of these are considered having a substantial financial or strategic impact as of today. This assessment might change in the future depending on our strategy or other parameters that lead to a higher risk. The majority of these power plant sites / facilities have surely financial and/or strategic impact on our business but we cannot define those risks clearly. As an example, in the UK we consider water risk for every thermal power plant since they all require a steam cycle to operate – the risks vary considerably from site to site ranging from risk of interruption of public water supply through to issues with direct abstraction and discharge involving surface waters. In total, all facilities are managed to obtain acceptable conditions (e.g. commercial, environmental).

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Germany	Other, please specify (Various rivers, e.g. Erft, Rhine)
---------	--

Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

26-50

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

11-20

Comment

As RWE operates various open cast mines and power plants in Germany. As RWE operates various open cast mines and power plants in Germany, exact numbers and percentages cannot be given here and above given numbers are a rough estimation. The figures above refer to the operations in the Rhinish lignite area where we operate lignite mines and lignite power plants which means that the given 11-20% are based on the argumentation that almost 14% of the external revenue applies to the share of lignite. RWE operates its facilities according to national and international legislation and regulations which define an responsible approach to water management. Above given numbers are estimate.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Germany	Other, please specify (Ert, Rhine)
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Type of risk & Primary risk driver

Physical	Increased water scarcity
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Primary potential impact

Increased operating costs

Company-specific description

Dependence on surface water or precipitation can be balanced by operations using pumped water from lignite mining or sea water. In general the usage of (cooling) water (incl. the allowance) is part of the permission for the sites and therefore the risk is assessed as low.

Timeframe

1-3 years

Magnitude of potential impact

Low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

Primary response to risk

Comply with local regulatory requirements

Description of response

Comply with local regulatory requirements

Cost of response

0

Explanation of cost of response

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	The risk for the value chain exists, but we do not consider it being material/substantial, since the main stream for our core processes is covered via pipelines (gas) or own mining. Also storage of critical parts and no in-time delivery and thus reduced dependence on short term deliveries supports our perspective of limited exposure of water-related risks in our value chain.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Sales of new products/services

Company-specific description & strategy to realize opportunity

Green energy is the lifeblood of a carbon-neutral economy. We believe Hydrogen produced using electricity from renewables also presents us with an opportunity. Together with renowned partners from industry and science, we have set our sights on a hydrogen economy. We have already launched more than 30 projects. Our long-term goal is to supply both green electricity and green hydrogen, a second product with huge potential demand. Further, we try to still optimise the water use in our plants.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of business impact on water</p> <p>Description of water-related performance standards for direct operations</p> <p>Reference to international standards and widely-recognized water initiatives</p> <p>Commitment to align with public policy initiatives, such as the SDGs</p> <p>Commitment to stakeholder awareness and education</p>	<p>The RWE Code of Conduct states basic principles for our corporate activities. Its scope is company-wide. It is designed to offer clear guidance for our employees and our partners on the way we are doing business. It is based on the principles of the United Nations Global Compact, which we joined in 2004, and the OECD principles for multinational companies. Amongst others it states our commitment to comply with all laws, directives and comparable regulations including those that are linked to water-related issues. The same holds for our partners and suppliers that we encourage to commit to these rules for business conduct. Furthermore it expresses our support for handling natural resources responsibly and encourages the use of environmentally-friendly technologies. Our Integrated Sustainability Guidelines and our environmental business directive expresses that Environmental protection is an integral part of RWE's sustainability policy and serves as a basis for water-related performance standards. RWE is committed to comply with environmental requirements and contributing to the avoidance of environmental pollution through continuous improvement of processes. This is part of RWE's sustainability catalogue, thereby substantial part of the Corporate Sustainability Report and as the top indicator anchored in RWE AG board members target agreement. In the context of environmental protection, the company fulfils its responsibility and ensures that the business-related environmental aspects are identified and taken into account. With regard to water usage it is a top priority for RWE to ensure minimum impacts when we supply our thermal power plants with cooling water. Keeping our opencast facilities dry by withdrawal of groundwater is an operational necessity and therefore unavoidable. We attempt to make these interventions in a maximally environmentally friendly way. Our Sustainability Guidelines shows our commitment to stakeholder dialogue as we communicate openly about our business and ensure transparency with employees and codetermination, in the RWE Group and the public, e.g. neighbours, public authorities and other stakeholders.</p>

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	<p>The position "Board-level committee" refers to the Executive Board of RWE AG. The members of the Executive Board of RWE AG share responsibility for the conduct of the business as a whole. The Executive Board collectively decides on all issues of fundamental or significant importance as well as on all issues requiring the passage of a resolution by the entire Executive Board in accordance with the law, the Articles of Association, or these Rules of Procedure with due regard to specific topics. This includes decisions on the company's strategy and business plans. The Executive Board is responsible for the oversight of sustainability issues and monitors the performance of the Group as a whole including actions on water management. The authorised environmental officer of RWE AG reports to the Board and the Supervisory Board every 3 months. In the Executive Board of RWE AG the CEO takes over the role of the board member responsible for environment and defines overall environmental protection goals for the RWE Group, in consultation with the board members responsible for the environment of the included group companies (Chief Operating Officers, COO). This does not affect the sole legal responsibility of the respective group companies management board for the respectively required establishment, implementation, maintenance and continuous improvement of the environmental management system as well as the fulfilment of the valid environmental protection requirements. In 2019, the Executive Board (consisting of the CEO and CFO) adopted an updated Corporate Directive on Environmental Protection, which, among other things, contains the principles of Group-wide environmental management and also refers to water and wastewater.</p>

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives</p>	<p>The members of the Executive Board of RWE AG share responsibility for the conduct of the business as a whole. The Executive Board collectively decides on all issues of fundamental or significant importance as well as on all issues requiring the passage of a resolution by the entire Executive Board in accordance with the law, the Articles of Association, or these Rules of Procedure with due regard to specific topics. This includes decisions on the company's strategy and business plans. Furthermore the Executive Board of RWE AG monitors and manages the overall risk of the RWE Group and decides on the strategic direction of the Group. In 2020 the focus of growth investments in renewable energy and climate neutrality by 2040 is continued. This strategy will also impact our exposure to water risks as it is linked to the phase out of water-intense operations such as nuclear and coal. Connected to this the Board oversees all major decisions for the Group such as budget plannings, mergers and acquisitions or major investments. With regard to sustainability the Executive Board is responsible for the oversight of these issues and monitors the performance of the Group as a whole including actions on water management. As part of the environmental management system approach the competent Board members receive briefings and information e.g. in case of irregularities with ad hoc reporting.</p>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Environment/Sustainability manager

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

At the international operations of the power plant fleet, responsibility for water management are detailed either based on location or on Group subsidiary. The Executive Board has appointed specialist coordinators for protection of rivers and surface waters. Issues are reported up to the Group Board level.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

The pursuit of laws and regulations relevant to water protection is continuously carried out at EU, federal and state level. RWE develops its position to certain aspects with regard to water policy mainly via fora and committee work which is also the preferred way to present our view. Legislation relevant to the operation and provisions for water protection are regularly communicated internally. We are pursuing a strategy geared to the long term which is oriented towards the currently applicable legal framework conditions and those anticipated in the future. The Group Communications & Public Affairs Department at RWE AG coordinates our contacts. The Department Head reports directly to the Chief Executive Officer. RWE maintains two liaison offices in Brussels and Berlin as points of contact. Our conduct in relation to policymakers is clearly regulated in our Code of Conduct. We state there that dialogue with representatives of government institutions and political parties is indispensable as far as we are concerned. At RWE, our strategy and our commitment is communicated both internally to our employees and externally to our investors, NGOs, general public and politics. By informing transparently about our strategy, we ensure that all stakeholders have access to the information they are interested in. Furthermore all employees are bound to the RWE Code of Conduct as guidance for actions on behalf of the company. It asks for business integrity and environmental protection.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	> 30	RWE has the goal of being net zero in 2040. To achieve this goal we will responsibly phase out coal and nuclear power production in the next years while building upon a pipeline of renewable energy projects around the world. As water is crucial for the mining and to a large part of our assets water-related issues are integrated in our business plan. Examples for this are in Rhinish lignite area with regard to future refilling of mining lakes. E.g. licensing approvals are valid for several years (up to decades), and these licensing approvals form basis for our strategic planning.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	The Group's strategy aims to deliver value for its stakeholders and achieve the long-term business objectives. RWE has the goal of being net zero in 2040. To achieve this goal we will responsibly phase out coal and nuclear power production in the next years while building upon a pipeline of renewable energy projects around the world. Water-related are integrated as it is part of the assessments for each and every new asset we plan to buy or build. Moreover water-related issues remain paramount in our nuclear, coal and mining business.
Financial planning	Yes, water-related issues are integrated	> 30	The transaction with E.ON has turned us into a world-leading producer of electricity from renewable sources. We want to expand this business rapidly. By the end of 2020, we already had renewable energy assets with a total capacity of 10.8 GW, with 9.2 GW attributable to wind and 0.2 GW to photovoltaics. We want to grow our wind and solar capacity to over 13 GW (pro-rata) by the end of 2022. We plan to make over €1.5 billion in net investments to this end every year. Reinvesting proceeds from sales of investments will actually cause the gross expenditure to be much higher. In August 2020, we expanded our financial headroom by increasing our capital by €2 billion.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

We do not publish water-related CAPEX or OPEX data. Compared to 2019, our spending on property, plant and equipment and intangible assets rose by 29 % to €2,285 million. This was mainly due to the first full-year inclusion of capital expenditure in the renewable energy business received from E.ON. Last year, a substantial portion of the funds was used to build the Triton Knoll and Kaskasi wind farms in the North Sea as well as several major US onshore wind farms. As our water-related activities are existing assets we do not expect much change in the future. For operational expenditures in 2020 EUR 0.5 bn aimed at maintenance, largely unchanged from 2019 figures. Expenses in that figure cover amongst others all operational costs for our existing power plants and mining operations.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	We reflect our business planning and strategy against the various scenarios that are discussed in the public domain. Identification of relevant scenarios in the public domain is based on an assessment whether the publicly available scenarios map RWE's relevant issues and whether the scenario modelling is of high quality and reliability. Time horizons of more than 20 years are suitable to reflect qualitatively boundary conditions for the electricity sector. Assessments are made by a dedicated team within RWE, whose expertise and experience is a crucial condition for selection of relevant studies. Typically, several areas of the organisation are involved in assessing and developing key drivers of a scenario, meaning experts from all business units of power generation including trading. Informed by these assessments we extracted main drivers and trends to develop three scenario alternatives. From a water perspective, this is not applicable from current perspective.

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

No

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

Not applicable as there is no usage of an internal pricing on water also given the fact that water rights and water pricing vary between the countries itself and river basins within the countries.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals Activity level specific targets and/or goals Site/facility specific targets and/or goals Country level targets and/or goals	Goals are monitored at the corporate level	The materiality analysis makes it possible to identify and assess material issues for stakeholders and correlating them with the Group's priorities, identifying possible improvement areas. Decarbonisation of the energy mix and environmental management are two of the identified priorities. Our priority is to decarbonize our power fleet in line with the Climate Targets of the Paris Agreement while growing in renewable power generation. Our water consumption is closely linked to these strategic priorities as open cast mines and coal power plants are consumers and users of water. In 2020 we have accelerated our growth in renewables with adding further: We commissioned four large-scale onshore wind farms with a total installed capacity of 719 MW in the USA. Peyton Creek (151 MW) was the first to go online. The Texan wind farm was commissioned in March. Although construction work was delayed by Tropical Storm Imelda, the wind farm managed to go online on schedule. Half a year later, in September 2020, Cranell (220 MW), also located in Texas, started commercial operation. To address possible local water issues, our company sets country and site-specific targets that fit the individual water contexts and are incorporated as objectives within their Environmental Management Systems if necessary and applicable. These are set and monitored at country level by the responsible units. Progress on water targets are continuously monitored at every specific level, depending on their scope. Our Integrated Sustainability Guidelines and our environmental business directive expresses environmental protection that includes sustainable water management as a part of RWE's sustainability policy. This serves as a basis for water-related performance standards. Therefore, RWE as an industrial operation with a requirement for water at our plants, we believe that we have an obligation to take a responsible approach to water. Our operations affect water consumption and the use of water when it is withdrawn from rivers and surface waters, and the groundwater. Naturally, there are also impacts when we discharge wastewater into these waters. Of course, the licenses necessary for this are underpinned by all the statutory regulations. Therefore, our goal is to optimise /reuse of water as much as possible and to reduce negative impacts out of water-related issues. By doing so, we aim to safeguard the environment and also costs. Relevant data on usage of water are reported in the yearly sustainability report of the company.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Engaging with local community

Level

Site/facility

Motivation

Corporate social responsibility

Description of goal

Water is a need for all power plant operations and in order to protect the environment RWE is supporting a water management approach. Our Integrated Sustainability Guidelines and our environmental business directive expresses that Environmental protection is an integral part of RWE's sustainability policy and serves as a basis for water-related performance standards. RWE is committed to comply with environmental requirements and contributing to the avoidance of environmental pollution through continuous improvement of processes. This is part of RWE's sustainability catalogue, thereby substantial part of the Corporate Sustainability Report and as the top indicator anchored in RWE AG board members target agreement. In the context of environmental protection, the company fulfils its responsibility and ensures that the business-related environmental aspects are identified and taken into account. With regard to water usage it is a top priority for RWE to ensure minimum impacts when we supply our thermal power plants with cooling water. Our Sustainability Guidelines shows our commitment to stakeholder dialogue as we communicate openly about our business and ensure transparency with employees and codetermination, in the RWE Group and the public, e.g. neighbours, public authorities and other stakeholders.

Baseline year

Start year

End year

Progress

Goal

Improve wastewater quality beyond compliance requirements

Level

Site/facility

Motivation

Cost savings

Description of goal

Water is a need for all power plant operations and in order to protect the environment RWE is supporting a water management approach. Our Integrated Sustainability Guidelines and our environmental business directive expresses that Environmental protection is an integral part of RWE's sustainability policy and serves as a basis for water-related performance standards. RWE is committed to comply with environmental requirements and contributing to the avoidance of environmental pollution through continuous improvement of processes. This is part of RWE's sustainability catalogue, thereby substantial part of the Corporate Sustainability Report and as the top indicator anchored in RWE AG board members target agreement. Improving wastewater quality also results in costs savings in Germany: As there is a waste water fee to pay, which correlates with lower values (below regulatory limits).

Baseline year

Start year

End year

Progress

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	RWE Annual Report 2020, RWE Sustainability Report 2020, RWE Non-financial Report 2020	IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues	RWE published an annual Sustainability Report in which some data with regard to water is included. Information on our strategy, important events, risks management and business performance are published annually in the Group Annual Report.
W4 Risks and opportunities	RWE Annual Report 2020, RWE Sustainability Report 2020, RWE Non-financial Report 2020	IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues	RWE published an annual Sustainability Report in which some data with regard to water is included. Information on our strategy, important events, risks management and business performance are published annually in the Group Annual Report.
W6 Governance	RWE Annual Report 2020, RWE Sustainability Report 2020, RWE Non-financial Report 2020	IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues	RWE published an annual Sustainability Report in which some data with regard to water is included. Information on our strategy, important events, risks management and business performance are published annually in the Group Annual Report.

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

None.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO) of RWE AG	Chief Executive Officer (CEO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	13688000000

SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SW0.2a

(SW0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	DE	0007037129

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No, CDP supply chain members do not buy goods or services from facilities listed in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	We publish the location of our facilities online on our webpage. This encompasses in particular all power generation assets. Please visit for the most recent data: https://www.rwe.com/en/our-portfolio/our-sites/?country=%&destination=%&ppaStatus&target=%

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

Identifier	Latitude	Longitude	Comment
Lignite mining operations and lignite power plants	50.9134	6.5279	Lignite mining covers a larger region in Northrhine Westfalia, Germany. In our Rhenish mining area west of Cologne, we produced 51.4 million metric tons of lignite last year. This was 13.4 million metric tons less than in the preceding year, owing to the lower utilisation of our power plants. We used the lion's share, or 41.8 million metric tons, of lignite to generate electricity. Geodata given is exemplary for those operations. All our lignite power plants are in close distance to these mining operations, this includes the power plants Neurath, Niederaussem, Weisweiler and Frimmersdorf.
Denizli CCGT power plant (RWE Generation), Turkey	37.849558	29.415184	
Amer biomass- and hard-coal-fired power plant (RWE Generation), Netherlands	51.707532	4.846119	
Claus C gas-fired power plant (RWE Generation), Netherlands	51.154355	5.908396	
Eemshaven hard-coal-fired power plant (RWE Generation), Netherlands	53.439908	6.860813	
Didcot B CCGT power plant, United Kingdom	51.623983	-1.266575	
Great Yarmouth CCGT power plant, United Kingdom	52.584095	1.732989	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms