

Corporate governance declaration in accordance with Sections 289f, 315d HGB for the 2023 financial year with integrated corporate governance report

The corporate governance statement to be issued in accordance with Sections 289f and 315d HGB is part of the summarised management report of Encavis AG ("company") and its subordinate Group companies (Encavis Group). The following statements therefore apply to the company and the Encavis Group, unless otherwise stated below.

A. Principles of corporate governance

The management of the company and the Encavis Group is primarily determined by the relevant statutory provisions, the company's articles of association and the requirements of the German Corporate Governance Code ("GCGC").

The company's Management Board and Supervisory Board believe that responsible and transparent corporate governance is the basis for long-term economic success.

The Management Board and Supervisory Board therefore keep a constant eye on the recommendations and suggestions of the GCGC in its current version and monitor their implementation, taking into account the annual declaration of compliance issued by the Management Board and Supervisory Board.

The current declaration of compliance for the 2023 financial year has been made permanently available to the public on our website.

B. Corporate governance practices and instruments

The company's shareholders receive regular and up-to-date information on the company's situation and significant business changes. The company mainly uses the Internet to provide comprehensive, simultaneous and timely information to all stakeholders. Shareholders are informed of important dates by means of a financial calendar published in the annual report and on our website.

The company's position and results are reported in the annual report, the half-year financial report and the quarterly financial statements.

If facts arise at the company outside of the regular reporting that could have a significant impact on the company's share price, these are publicised in ad hoc announcements.

Ad hoc announcements and press releases are available on our website.

The company also maintains a lively exchange of information with financial analysts, investors and other capital market participants independently of publication dates. Discussions at roadshows and investor conferences are a key instrument of investor relations.

Good corporate governance also includes the Group's responsible handling of risks.

The risk management of the company and the Encavis Group is an integral part of the centralised and decentralised planning, management and control processes and follows uniform Group standards. The Management Board ensures an appropriate risk management system and risk controlling in the Group. The Supervisory Board is regularly informed by the Executive Board about existing risks and their development. Further details can be found in the summarised management report under the heading "Risks and opportunities".

As one of the leading independent power producers in the field of renewable energies, the Encavis Group bears great responsibility for the environment and society. The company fulfils the resulting obligations conscientiously. Environmental, employee and social concerns and respect for human rights take centre stage. The company documents what it does to fulfil its social responsibility and meet the diverse expectations of its stakeholders in its sustainability report.

Both documents are available on the Internet at www.encavis.com.

Compliance is taken very seriously in the Encavis Group. The Group attaches great importance to working

"cleanly". First and foremost, this means that legal requirements are strictly adhered to. Compliance also means that ethical standards and principles are observed, which are reflected in the Code of Conduct, a Group-wide code of behaviour and values. The principles of this code are closely aligned with those of the United Nations Global Compact and contribute to responsible and law-abiding behaviour within the Encavis Group.

In the event of suspected or actual violations of the Code of Conduct, employees can inform their manager or the Compliance department via various channels. It is also possible to use the anonymous whistleblower system, the so-called "Whistleblower Tool", to report any violations.

The company has a compliance management system that is aligned with the industry, size and business model of the company. Due to the prevailing corporate structures and the size of the company, the compliance management system has special compliance standards covered by the prevailing risk management system and the internal control system. In addition, there is a signature and approval process as well as a know-your-customer onboarding process established for the entire Group. The company has also adopted a Business Partner Code of Conduct, which is derived from the Code of Conduct and also imposes behavioural parameters and requirements for compliance with environmental, social and governance ("ESG") criteria on the Encavis Group's business partners as part of a voluntary commitment through active involvement in the respective business transaction.

In accordance with the recommendations of GCGC 2022, the company's Executive Board has examined the appropriateness and effectiveness of the risk management system and the internal control system in detail. No circumstances have come to light that speak against the appropriateness and effectiveness of the internal control system.

C. Description of the composition of the Executive Board and Supervisory Board and their working methods

Management Board

The company's Executive Board consisted of two members in the period from 01 January 2023. Dr Christoph Husmann was appointed Spokesman of the Executive Board. The rules of procedure and the allocation of responsibilities govern the various responsibilities and cooperation within the Executive Board.

As a rule, the Executive Board meets every fortnight in person. It is informed about upcoming topics by the relevant specialist departments. Its lean structure with two members makes it easier for the Executive Board to coordinate outside of face-to-face meetings or by way of circulation if necessary. In the 2023 financial year, the members of the Executive Board did not disclose any conflicts of interest.

Succession planning

When appointing members to the Executive Board, the aim is to give appropriate consideration to women. The Supervisory Board and Executive Board have therefore been addressing the issue of organisational development for some time. This is also done in order to be able to recruit suitable candidates for future Executive Board positions internally wherever possible. The focus is on knowledge, experience and professional and personal skills.

competences with a view to the corporate strategy and corporate culture. The maximum age limit of 67 years should be taken into account.

The other mandates of the members of the Executive Board are presented in the notes to the separate and consolidated financial statements.

Supervisory Board

The Supervisory Board monitors and advises the Executive Board on the management of the company in accordance with the provisions of the German Stock Corporation Act. The principles of co-operation of the company's Supervisory Board are set out in its rules of procedure. The company's Supervisory Board consists of a total of nine highly qualified members who represent the company's shareholders. Dr Rolf Martin Schmitz, in his capacity as Chairman of the Supervisory Board, coordinates its work, chairs the Supervisory Board meetings and represents the interests of the Supervisory Board externally. All members of the Supervisory Board have many years of entrepreneurial experience. They were duly elected by the shareholders at the Annual General Meeting.

The company's Supervisory Board has drawn up objectives for a profile of skills and requirements in order to ensure that the process for selecting new members of the Board is based on objective suitability criteria. The Supervisory Board should always be composed in such a way that it can fulfil its control and advisory functions in a qualified and proper manner in accordance with the German Stock Corporation Act and the GCGC. At least one competent contact person should be available on the Supervisory Board for each aspect of the Supervisory Board's activities so that the required knowledge and experience is comprehensively represented by all Supervisory Board members. In addition, each member of the Supervisory Board must have certain essential general knowledge and experience. The skills profile of the existing Supervisory Board was adopted on 29 March 2022 in light of the corresponding recommendation of the GCGC and is reviewed regularly.

In its current composition, the company's Supervisory Board is professionally competent, politically savvy and excellently staffed with economically diverse knowledge and experience. The balanced mix of members with many years of entrepreneurial expertise and management experience in family-run companies and large international corporations characterises this body. The consistent rejuvenation, increasing diversity and the shortening of the members' term of office to a maximum of three years also increases the chances of gaining additional members with experience in the industry and capital markets in addition to the highly experienced and valued members in the future.

The Chairman of the Supervisory Board has never been a member of the company's Executive Board.

The members of the Supervisory Board are obliged to disclose existing conflicts of interest to the Chairman of the Supervisory Board with regard to individual resolutions. In its report to the Annual General Meeting, the Supervisory Board provides information on whether conflicts of interest have arisen and how they were dealt with. Significant and not merely temporary conflicts of interest in the person of a Supervisory Board member should lead to the termination of the mandate.

Consultancy or other service and work contracts between a member of the Supervisory Board and the company require the approval of the Supervisory Board.

Specific information on the work of the Supervisory Board can be found in the report of the Supervisory Board on the relevant pages of the company's annual report.

The company has taken out D&O insurance for the Supervisory Board that does not provide for a deductible. This is in line with international standards. Furthermore, the company is of the opinion that the agreement of a deductible is not suitable for improving the sense of responsibility with which the members of the Supervisory Board fulfil the tasks and functions assigned to them.

The other mandates of the Supervisory Board members are listed in the notes to the individual and consolidated financial statements.

Committees

The Supervisory Board has formed a Personnel and Nomination Committee and an Audit and ESG Committee. The respective committee chairmen report regularly to the Supervisory Board on the activities of the committees.

The central task of the Personnel and Nomination Committee is to prepare the personnel matters to be resolved by the Supervisory Board. In particular, this includes managing the selection process for appointments to the Management Board, appointing the Management Board, drafting and negotiating Management Board contracts and granting share options to the company's Management Board.

The Audit and ESG Committee is primarily concerned with monitoring the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as the audit of the financial statements, in particular the independence of the auditor and the additional services provided by the auditor. In addition, the Audit and ESG Committee will assume responsibility for the strategically important topic of sustainability in future.

To date, the Supervisory Board has refrained from forming further committees. The efficiency of the Supervisory Board's work and, in particular, the handling of complex issues is ensured by the work of the full Supervisory Board. Due to the size of the company and the number of Supervisory Board members, it has proven to be practicable for the Supervisory Board to work as a whole. However, it cannot be ruled out that the Supervisory Board reserves the right to form additional committees in order to adequately address

specific topics with energy law and risk-specific expertise or to expand the content of the topics assigned to the committee.

C. Cooperation between the Executive Board and the Supervisory Board

In accordance with legal requirements, the company has a dual management system characterised by a separation of personnel between the management and supervisory bodies. The Executive Board is responsible for managing the company. The company's Supervisory Board is made up of members elected by the Annual General Meeting and acts in a supervisory and advisory capacity. The two bodies are strictly separated both in terms of their members and their competences.

The Management Board and Supervisory Board work closely together in a spirit of trust for the benefit of the company. The Management Board develops the company's strategic direction, coordinates this with the Supervisory Board and ensures its implementation. The Executive Board informs the Supervisory Board continuously, promptly and comprehensively about the company's business development, strategy, planning and risk management. In particular, the members of the Executive Board are in regular contact with the Chairman of the Supervisory Board. The members of the Executive Board inform the Chairman of the Supervisory Board immediately of important events that are of key significance for the assessment of the situation and development or for the management of the company. For transactions of fundamental importance, the Articles of Association or the Supervisory Board stipulate reservations of consent in favour of the Supervisory Board. These include decisions or measures that fundamentally change the earnings, financial or asset situation of the company.

Financial information during the year is also discussed between the Management Board and the Supervisory Board prior to publication.

D. Remuneration system and remuneration of the members of the Executive Board and Supervisory Board

Remuneration of the Executive Board

The current remuneration system was adopted on 14 April 2023. It applies from 1 January 2023 and was submitted to the Annual General Meeting on 1 June 2023 for approval and adopted by a majority.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board is regulated in the company's Articles of Association. The members of the Personnel and Nomination Committee and the Audit and ESG Committee receive additional remuneration. For further details, please refer to the remuneration system for the Supervisory Board and the remuneration report. The remuneration system for the Supervisory Board was submitted to the Annual General Meeting on 1 June 2023 for approval and adopted by a majority.

E. Provisions to promote the equal participation of women and men in management positions in accordance with Section 76 (4) and Section 111 (5) of the German Stock Corporation Act

With regard to the gender composition of the Supervisory Board and the Management Board of the company, the Supervisory Board has set corresponding targets in accordance with the German Act on Equal Participation of Women and Men in Management Positions. The target for the proportion of women on the company's Supervisory Board has been twenty (20) per cent since the Supervisory Board meeting in December 2022 and is currently met by two women and seven men on the Supervisory Board.

In its current composition, the Executive Board consists of two members and fulfils the defined target of zero per cent. The Supervisory Board is of the opinion that the Executive Board in its current composition, which was newly established in the 2022 financial year, is excellently aligned with the needs of the company. When filling Executive Board positions, the focus is on personal, professional and strategic skills that must meet the needs of the company, but also on the requirements of securing suitable Executive Board members as part of an internal recruitment process. With a two-member Executive Board, it is all the more important to pay close attention to the composition of the Executive Board as a whole in order to adequately reflect the needs of the company. In future, the Supervisory Board will therefore look at how the current quota of zero (0) per cent can be increased, taking into account the current Executive Board employment contracts and the required composition of skills, but with a clear signal to promote women in management positions.

With regard to the proportion of women at the top management level below the Executive Board, the

company's Executive Board has set a target of twenty-five (25) per cent since the Supervisory Board meeting in December 2022. This target has been slightly exceeded with a current proportion of twenty-seven (27) per cent.

F. Diversity

The company relies on the diversity and variety of its employees because they form the basis of an efficient and successful organisation. The company endeavours to bring together the right people of different nationalities to tackle our challenges. The highly international nature of the Encavis Group's workforce is reflected in the composition of the company's Management Board (one German, one Italian), managers (4 different nationalities) and employees (18 different nationalities). The company also supports a work culture that promotes the performance, motivation and, not least, the satisfaction of employees and managers. Specific measures and initiatives - from training formats for employees and managers to workshops, management conferences, a values project established in 2018, which is designed to illustrate the company's values to new employees in particular through various formats and has been reflected in the Code of Conduct that has now been adopted throughout the Group - make a significant contribution to the further development of the corporate culture and activities that promote diversity in the company.

G. Independence

In addition to the diversity aimed for with the diversity concept, the independence of the members of the Supervisory Board is another important aspect for the composition of the Supervisory Board as a whole. According to recommendation C.7 of the GCGC, more than half of the shareholder representatives should be independent of the company and the Management Board. A Supervisory Board member is independent of the company and its Management Board if he or she has no personal or business relationship with the company or its Management Board that could give rise to a material and not merely temporary conflict of interest.

At least five shareholder representatives, i.e. Ms Christine Scheel, Ms Isabella Pfaller, Dr Rolf Martin Schmitz, Dr Henning Kreke and Dr Marcus Schenck, are to be considered independent within the meaning of the GCGC. These independent Supervisory Board members also include the Chairwoman of the Audit and ESG Committee, Ms Isabella Pfaller, and the Chairman of the Personnel and Nomination Committee, Dr Rolf Martin Schmitz, who has also been Chairman of the Supervisory Board since the 2023 Annual General Meeting.

The members Dr Manfred Krüper, Albert Büll, Prof Dr Fritz Vahrenholt and Thorsten Testorp are classified as dependent. On the one hand, due to their long-standing membership of the Supervisory Board of more than 12 years, and on the other hand, due to their membership of the pool and significant shareholder status.

The members of the Supervisory Board generally have no business or personal relationship with the company that would constitute a conflict of interest and thus limit their independence.

H. Annual General Meeting

The company's shareholders exercise their rights at the Annual General Meeting and exercise their voting rights there.

Shareholders have the option of exercising their voting rights at the Annual General Meeting themselves or having them exercised by an authorised representative of their choice or by a proxy appointed by the company who is bound by instructions. However, the option of postal voting is not provided for in the Articles of Association.

I. Accounting and auditing

The auditor is appointed by the Annual General Meeting in accordance with the statutory provisions. A detailed explanation of the Group accounting rules can be found in the notes to the consolidated financial statements.

Further details of the company's corporate governance practices can be found in the company's current declaration of compliance, which also forms part of this corporate governance declaration.

Hamburg, March 2024

Encavis AG
The Management Board