

Corporate governance declaration in accordance with sections 289f and 315d of the German Commercial Code (HGB) for the 2021 financial year, including the corporate governance report

The corporate governance declaration to be submitted in accordance with sections 289f and 315d HGB forms part of the Group management report of Encavis AG (“Company”) and its subordinated Group companies (Encavis Group). Accordingly, the following statements apply to the Company and the Encavis Group, unless indicated otherwise below.

A. Basic information on corporate governance

The governance of the Company and of the Encavis Group is determined first and foremost by the relevant statutory regulations, the Company’s Articles of Association and the provisions of the German Corporate Governance Code (DCGK).

The Company’s Management Board and Supervisory Board consider a responsible and transparent corporate governance to be the basis for long-term economic success.

The Management Board and the Supervisory Board therefore constantly monitor the recommendations and suggestions of the DCGK as amended. They also supervise the implementation of those recommendations and suggestions in due consideration of the corporate governance declaration by the Management Board and the Supervisory Board that is to be submitted annually.

In March 2021, the Company’s Management Board and the Supervisory Board published the corporate governance declaration on the recommendations of the German Corporate Governance Code in its version dated 16 December 2019 (“Code”) for the 2020 financial year in accordance with section 161 AktG.

The current corporate governance declaration for the 2021 financial year has been made permanently available on our website under the heading “Corporate Governance Principles” at www.encavis.com/en/sustainability/governance/.

B. Corporate governance practices and instruments

The shareholders of the Company are regularly informed of the present situation and the important changes to the Company’s situation. The Company relies primarily on its website to ensure that the information reaches all stakeholders comprehensively, promptly and at the same time. The shareholders are informed of the key dates in the Financial Calendar, which is published in the annual report and online at www.encavis.com/en/investor-relations/financial-calendar/.

The situation and the results of the Company are reported on in the annual report, the interim statement and the quarterly statements.

Situations that arise within the Company outside of this regular reporting structure and could have a considerable impact on the Company’s share price will be announced through ad hoc press releases.

Ad hoc press releases and reports can be accessed online at www.encavis.com/en/news/.

Outside of the publication dates, the Company also regularly exchanges information with financial analysts, investors and other capital market participants. An important instrument used in investor relations is discussions held at roadshows and investor conferences.

Good corporate governance also involves the responsible management of risks within the Group.

The risk management of the Company and of the Encavis Group forms an integral part of the central and local planning, regulation and control processes and follows standards uniformly applied by the whole Group. The Management Board makes sure there is an appropriate risk management and risk control system within

the Group. The Supervisory Board is regularly notified by the Management Board about existing risks and their development. You can find out more in the Group management report in the “Opportunities and risks” section.

As a leading independent power producer in the field of renewable energy, the Encavis Group takes on great responsibility for the environment and society. The Company conscientiously meets all its obligations in this regard. The focus is on environmental, employment and social concerns, as well as upholding human rights. Everything Encavis does to fulfil its corporate responsibility duties and meet the wide-ranging expectations of its stakeholders is documented in its non-financial report in accordance with section 315b (3) HGB and in its sustainability report.

Both documents can be accessed online at www.encavis.com/en/investor-relations/reports-and-presentations/ and www.encavis.com/en/sustainability/.

The Encavis Group takes compliance very seriously. The Group insists that work processes at the Company should always be “clean”, which means strictly adhering to statutory provisions. Compliance also means adhering to ethical standards and principles that can be found in the Code of Conduct applicable across the Group. The principles of this code are closely modelled on the United Nations Global Compact and contribute to the Encavis Group’s responsible approach to law-abiding action.

In the event of suspected or actual legal violations against the Code of Conduct, employees can inform their supervisors or the Compliance department via various channels. In addition, there is the option of using the whistle-blower tool to anonymously report details of violations.

The Company operates a compliance management system that is arranged according to the Company’s industry, size and business model. Due to the corporate structures in place and the size of the Company, the compliance management system meets special compliance standards through the current risk management system and the internal control system. There is also a signature and authorisation process as well as an established customer onboarding process for the whole Group. The Company has additionally adopted a Business Partner Code of Conduct, which is derived from the Code of Conduct and is an integral part of every business transaction. It sets out conduct parameters and guidelines for Encavis Group business partners that they commit to upholding and that relate to compliance with environmental, social and governance criteria (ESG criteria).

C. Description of the composition of the Management Board and the Supervisory Board and their modes of operation

Management Board

As in the previous year, the Company’s Management Board was made up of two members in 2021. The rules of procedure and the allocation of duties govern the various responsibilities and collaboration within the Management Board.

The Management Board usually meets in person every two weeks. The respective responsible divisions inform the Management Board of the issues to be discussed. Its lean structure with two members makes it easy for the Management Board to vote and agree on matters outside of in-person meetings or in circulation procedures, if required. The members of the Management Board did not have any conflicts of interest in the 2021 financial year.

When filling a vacancy on the Management Board and in other management functions, the Company ensures that women are given appropriate consideration. Other mandates concerning the members of the Management Board are provided in the notes to the individual financial statements and to the consolidated financial statements.

Supervisory Board

The Supervisory Board monitors and advises the Management Board in its management duties in accordance with the provisions of stock corporation law. The collaboration principles of the Company’s Supervisory Board are stipulated in its rules of procedure. The Company’s Supervisory Board comprises a total of nine highly professionally qualified members who represent the shareholders of the Company. Dr Manfred Krüper, as

Chairman of the Supervisory Board, coordinates the work of the Supervisory Board, chairs its meetings and represents the interests of the Supervisory Board externally. All members of the Supervisory Board possess many years of experience in the corporate arena. They are duly elected by the shareholders within the scope of Annual General Meetings.

The Company's Supervisory Board has set objectives for a competency and requirements profile to ensure that new board members are elected on the basis of objective eligibility criteria. The composition of the Supervisory Board should therefore always ensure the professional and proper performance of control and advisory functions in line with the German stock corporation act and the German Corporate Governance Code (DCGK). The Supervisory Board must have at least one competent contact person for every aspect of its activities, ensuring comprehensive representation of the necessary skills and experience by the members of the Supervisory Board as a whole. Each member of the Supervisory Board must possess certain essential general skills and experience. A resolution on the competency profile of the current Supervisory Board was adopted on 29 March 2022 in light of the relevant recommendation of the DCGK and with the 2022 Supervisory Board elections in mind.

The current members of the Company's Supervisory Board are professionally competent, well informed about policies and in an excellent position when it comes to wide-ranging business knowledge and experience. The Supervisory Board is characterised by a balanced mix of members with many years of corporate expertise, as well as members with management experience at family-run businesses and major international corporations. The consistent rejuvenation, increasing diversity and the reduction of the term of office for members to a maximum of three years increase the chances of continuing to recruit further members with industry and capital market experience in addition to the very experienced and valued members currently on the board.

The Chairman of the Supervisory Board has never belonged to the Company's Management Board.

The members of the Supervisory Board are obliged to disclose to the Chairman of the Supervisory Board any conflicts of interest related to individual resolutions. In its report to the Annual General Meeting, the Supervisory Board provides information on any conflicts of interest and how they were handled. Material conflicts of interest relating to a member of the Supervisory Board that are not of a temporary nature should result in the termination of the mandate.

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

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

The Company has concluded D&O insurance for the Supervisory Board that does not include an excess, in line with the international standard. Furthermore, the Company is of the opinion that the agreement of an excess is not suitable to improve the sense of responsibility with which the members of the Supervisory Board perform the tasks and functions assigned to them.

Other mandates concerning the members of the Management Board are provided in the notes to the individual financial statements and to the consolidated financial statements.

Committees

The Supervisory Board has set up a Personnel Committee and an Audit Committee. The respective committee chairs report regularly to the Supervisory Board on their committees' work.

The main focus of the Personnel Committee is the preparation of personnel-related matters to be resolved by the Supervisory Board, including the management of election procedures for filling vacancies on the Management Board, the appointment of Management Board members, the arrangement and negotiation of Management Board contracts and the allocation of share options to the Company's Management Board. The Personnel Committee also performs the activities of a nomination committee.

The Audit Committee is mainly 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, particularly the independence of the auditor and the additional services provided

by the auditor.

The Supervisory Board has yet to establish other committees. The work of the Supervisory Board as a whole is sufficient to ensure its efficiency, especially with regard to the handling of complex issues. Due to the size of the company and the number of Supervisory Board members, the work undertaken by the Supervisory Board as a whole has proven to be effective. However, it cannot be ruled out that the Supervisory Board will reserve the right to form additional committees in order to adequately ensure that specific issues are processed with the necessary expertise in energy law and risk.

C. Collaboration between the Management Board and the Supervisory Board

In accordance with the legal requirements, the Company operates under a dual system of governance characterised by a separation of personnel between the management and supervisory bodies. The Management Board oversees the Company's business under its own responsibility. The Company's Supervisory Board is made up of the members elected by the Annual General Meeting and is responsible for acting in a supervisory and advisory capacity. The two executive bodies are strictly separate from one another, both in terms of the members and their skills.

The Management Board and the Supervisory Board work closely together in the interest of the Company in a relationship guided by trust. The Management Board develops the strategic direction of the Company, coordinates it with the Supervisory Board and ensures that it is implemented. The Management Board keeps the Supervisory Board continuously updated about the Company's business development, strategy, planning and risk management in a prompt and comprehensive manner. In particular, the members of the Management Board are in regular contact with the Chairman of the Supervisory Board. The members of the Management Board inform the Chairman of the Supervisory Board without delay of any important events that are of material significance to the assessment of the Company's situation, development or management. The Articles of Association and the Supervisory Board's rules of procedure stipulate that transactions of fundamental importance are subject to the approval of the Supervisory Board. Such transactions include decisions or measures that fundamentally change the financial performance, financial position or net assets of the Group.

The Management Board and the Supervisory Board also discuss financial information throughout the year prior to publication.

D. Remuneration system and remuneration amounts of the members of the Management Board and of the Supervisory Board

Remuneration of the Management Board

The Act Implementing the Second Shareholders' Rights Directive (ARUG II) and the DCGK, in the version dated 16 December 2019, stipulate new requirements in relation to Management Board remuneration. In implementing the new requirements, the Supervisory Board decided on 23 March 2021 on a fully revised remuneration system that is even more closely aligned with the objectives of the business and the requirements of all stakeholders. It applies from 1 January 2021 and was proposed at the Annual General Meeting on 27 May 2021, where it was also adopted by a majority.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board is governed by the Company's Articles of Association. The members of the Personnel and Audit Committees receive additional remuneration. For further details, please refer to the remuneration system of the Supervisory Board and the remuneration report. The remuneration system for the Supervisory Board was also proposed at the Annual General Meeting on 27 May 2021, where it was adopted by a majority.

E. Provisions regarding the promotion of equal participation of women and men in management positions in accordance with section 76 (4) and section 111 (5) AktG

As regards the gender composition of the Supervisory Board and the Management Board of the Company, the Supervisory Board has set relevant targets in accordance with the law pertaining to the equal participation

of women and men in management positions. The target for the proportion of women on the Company's Supervisory Board is 11 % and has been reached, with one woman and eight men currently making up the Supervisory Board.

The Management Board is currently made up of two members and meets the set target of 0 %.

The Company's Management Board has a set a target of 20 % for the proportion of women in the top management level below the Management Board. At 25 %, the current proportion exceeds this target.

F. Diversity

The Company relies on the diversity and variety of its employees, who form the bedrock of an efficient and successful company. The Company strives to bring together the right people of different nationalities to meet our challenges and to create a work culture that fosters the performance, motivation and satisfaction of its staff and managers. Specific measures and initiatives contribute significantly to the further development of the corporate culture and to activities designed to promote a vital culture of diversity within the Company. Such measures and initiatives range from training for employees and managers to workshops, management conferences and a values project established in 2018 that uses various formats to illustrate the Company's values to new employees in particular and is reflected in the Code of Conduct currently in place throughout the Group.

G. Independence

In addition to meeting the diversity target, the independence of the members of the Supervisory Board is another important factor for the composition of the Supervisory Board as a whole. According to recommendation C.7 of the DCGK, more than half of the shareholder representatives must be independent of the Company and the Management Board. A member of the Supervisory Board is independent of the Company and of its Management Board if it is not in a 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 six representatives of the shareholders – Christine Scheel, Dr Rolf Martin Schmitz, Dr Fritz Vahrenholt, Alexander Stuhlmann, Dr Henning Kreke and Dr Marcus Schenck – are considered to be independent as defined by the DCGK. The Chairman of the Audit Committee, Alexander Stuhlmann, counts as one of these independent members of the Supervisory Board.

Alexander Stuhlmann, Deputy Chairman of the Supervisory Board, and Dr Fritz Vahrenholt have been on the Supervisory Board for more than 12 years, during which time they have provided important impetus for the successful development of the Company. However, they have been categorised as independent members of the Supervisory Board by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board do not see any reason why the length of service of more than 12 years could constitute a material and not merely temporary conflict of interest. In particular, the independence from the Company's Management Board is given despite the length of service of more than 12 years, since the members of the Management Board in office at the Company have changed during the period in question. Furthermore, it should be emphasised that there are no business relationships between the aforementioned gentlemen and the Company that could call their independence into question.

The Chairman of the Supervisory Board, Dr Manfred Krüper, has been on the Supervisory Board for more than 12 years. In addition, the Chairman of the Supervisory Board has been a key investor within the free float since December 2021, having joined the pool of individual major shareholders who together hold more than 25 %. As a result, the Chairman of the Supervisory Board, who is also the Chairman of the Personnel Committee, is categorised as dependent based on the aforementioned indicators specified by the DCGK. Despite the standard length of service of more than 12 years, the members of the Management Board in office at the Company have changed during the period in question, which means that the overall assessment of the independence of the Management Board could also be completely different. It must also be noted that there are no business relationships between the Chairman of the Supervisory Board and the Company.

The members Albert Büll and Dr Cornelius Liedtke, as well as Dr Manfred Krüper, are categorised as dependent because of their extensive length of service on the Supervisory Board of more than 12 years and because they belong to the pool and are key shareholders.

The members of the Supervisory Board in general do not have any business or personal relationship with the

Company that would indicate a conflict of interest and therefore a limited level of independence.

H. Annual General Meeting

The Company's shareholders make use of their rights in the Annual General Meeting and exercise their voting right there.

The shareholders have the option of exercising their voting right at the Annual General Meeting themselves or having it exercised by an authorised proxy or a Company proxy bound by instructions. However, the Articles of Association do not allow for absentee voting.

I. Accounting and audit of the financial statements

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

Other details concerning the Company's corporate governance practices can be found in the current declaration of compliance by the Company, which also forms part of this corporate governance declaration.

Hamburg, March 2022

Encavis AG
The Management Board