

Corporate governance declaration in accordance with sections 289f and 315d of the German Commercial Code (HGB) for the 2022 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.

The current corporate governance declaration for the 2022 financial year has been made permanently available on our website.

B. Corporate governance practices and instruments

The shareholders of the Company are regularly informed of the present situation and the important changes in the Company’s business. 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 on our website.

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 on our website.

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 the Company does to fulfil its corporate responsibility duties and meet the wide-ranging expectations of its stakeholders is documented in its sustainability report.

Both documents can be accessed online at www.encavis.com.

The Encavis Group takes compliance very seriously. It is extremely important to the Group that work processes are “clean”, which means strictly adhering to statutory provisions. Compliance also means adhering to ethical standards and principles that can be found in documents such as the Code of Conduct, which is 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 know-your-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).

In accordance with the recommendations of the DCGK 2022, the Management Board of the Company has examined in detail the appropriateness and effectiveness of the risk management system and the internal control system. There were no circumstances to argue against the appropriateness and effectiveness of the internal control system.

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

Management Board

The Management Board of the Company was made up of three members in the period from 1 August 2022 to 31 December 2022. Dr Dierk Paskert stepped down from the Management Board at the end of 31 December 2022. Dr Christoph Husmann was appointed as Spokesman of the Management Board with effect from 1 January 2023. 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 2022 financial year.

Succession planning

When filling a vacancy on the Management Board, the Company ensures that female candidates are given appropriate consideration. The Supervisory Board and the Management Board have been looking into organisational development for some time. One of the reasons for focusing their attentions on this topic is to be able to recruit suitable candidates for future Management Board roles from within the Company to the greatest extent possible. Particularly important aspects include knowledge, experience and professional and personal expertise with regard to the corporate strategy and culture. The age limit of 67 should be taken into account.

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 is subject to regular review.

The Supervisory Board conducted an efficiency review with an external consultant in the 2022 financial year. The self-assessment was carried out by way of a comprehensive questionnaire and face-to-face meetings with the Chairman of the Supervisory Board. The Supervisory Board will conduct another self-assessment in the 2023 financial year.

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 address specific issues while drawing on energy-law and risk-specific expertise, or that the depth of the topics assigned to a committee will increase to include special areas such as monitoring compliance with and implementation of ESG criteria.

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 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 Company.

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 current remuneration system was resolved on 23 March 2021. 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 has been 20 % since the Supervisory Board meeting in December 2022; this target is met at present, with the Supervisory Board composed of two women and seven men.

The Management Board is currently made up of two members and meets the set target of 0 %. The Supervisory Board believes that the Management Board, in its current composition as established in the 2022 financial year, is perfectly tailored to the needs of the Company. When filling Management Board vacancies, the Company focuses on the personal, professional and strategic expertise of the candidates, which must be consistent with the needs of the Company, but also the requirement to ensure that suitable Management Board candidates are found from within the Company in the internal recruitment process. In the case of a two-person Management Board, it is even more important to ensure that the overall composition of the Management Board adequately reflects the needs of the Company. Going forward, the Supervisory Board will therefore look at how it can increase the current proportion of 0 % female representation, taking into account the existing Management Board contracts and the required competency profile, but with a clear commitment to promoting women in management positions.

Since the Supervisory Board meeting in December 2022, the Company's Management Board has a set a target of 25 % for the proportion of women in the top management level below the Management Board. At 27 %, the current proportion exceeds this target by a small margin.

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. The high level of international representation among Encavis employees is also reflected in the composition of the Management Board (one German, one Italian), senior management (five different nationalities, 29 % non-German) and the entire team (16 different nationalities, 49 % non-German). In addition, the Company supports a work culture that fosters the performance, motivation and not least the 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 five representatives of the shareholders – Christine Scheel, Isabella Pfaller, Dr Rolf Martin Schmitz, Dr Henning Kreke and Dr Marcus Schenck – are considered to be independent as defined by the DCGK. The independent Supervisory Board members also include the Chairwoman of the Audit Committee, Isabella Pfaller.

The Chairman of the Supervisory Board, Dr Manfred Krüper, has sat on the Supervisory Board for more than 12 years. Due to his membership of a pool of major shareholders, who together hold more than 25 % of the Company's shares, he is considered a key investor within the free float. 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. However, despite the aforementioned criteria under the DCGK, it should be noted that a different overall assessment could certainly be made of Dr Krüper's independence from the Management Board in view of the regular changes in the composition of the

Management Board during the period of the appointment of the Chairman of the Supervisory Board. It must also be emphasised that there are no business relationships between the Chairman of the Supervisory Board and the Company.

The members Albert Büll, Prof. Dr Fritz Vahrenholt and Thorsten Testorp, 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 2023

Encavis AG
The Management Board