

## Climate Strategy

### Transition Plan

#### Statement from the Management Board

Due to the urgent nature of the climate crisis, our world needs to reduce its carbon emissions swiftly. According to Bloomberg's New Energy Outlook, 85% of global energy production needs to come from renewable sources if we are to achieve carbon neutrality by 2050. This requires enormous investments in wind energy, solar energy and battery storage. As a company that operates renewable energy plants, Encavis plays a key role in mobilising these investments.

We've set ourselves the goal of expanding our portfolio to 8 GW by the end of 2027. By doing so, we play our part in the energy transition and, year by year, help prevent millions of tonnes of greenhouse gas emissions from harming our planet.

Our *transition plan* details the strategy we'll be using to completely eliminate our own emissions by 2030. It also explains how we plan to eliminate carbon emissions along our entire supply chain by 2040. Known as Scope 3 emissions, these currently account for 99% of our total carbon footprint. In order to reduce them, we're working closely with all the suppliers and business partners along our supply chain to find solutions that will help us achieve carbon neutrality by 2040.



Dr. Christoph Husmann

Speaker of the Board and CFO



Mario Schirru

CIO/COO

#### An overview of the Encavis Group

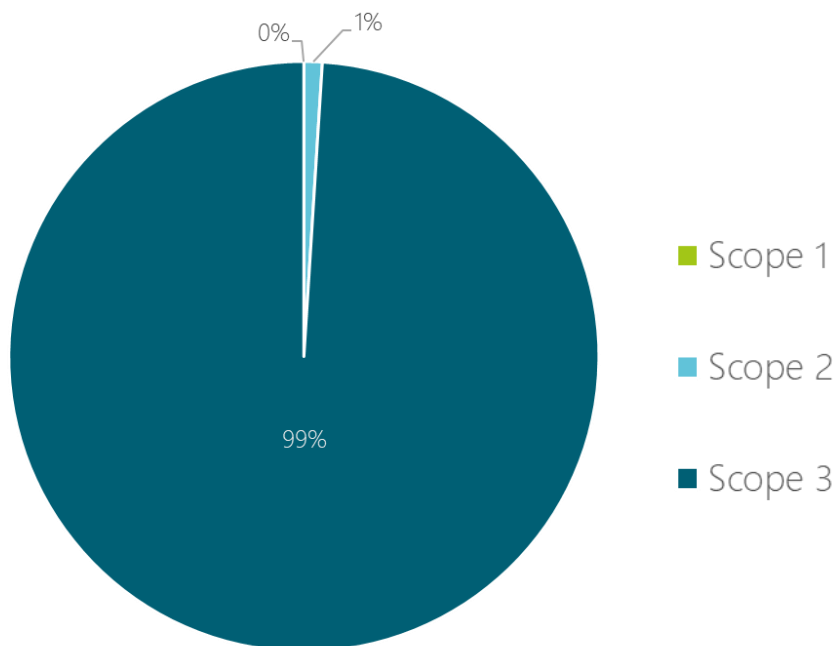
Encavis AG is a listed company that generates electricity from renewable sources and trades on the German MDAX stock index. As a leading IPP (independent power producer), we acquire and operate on-shore wind farms and solar parks in twelve European countries. The Encavis Group currently operates plants with capacities for generating around 3.5 gigawatts (GW) of power. Of this total, more than 2.1 GW is generated by plants that are owned by Encavis AG – meaning that Encavis AG alone is responsible for saving around 0.8 million tonnes of carbon dioxide per annum. Encavis Asset Management AG forms part of the Encavis Group and specialises in institutional investors. Stern Energy S.p.A. provides the technical services required for constructing, operating, servicing, revamping and repowering photovoltaic plants.

## The impact of the Encavis Group on the climate

The energy sector in general, and power producers in particular, play a key role in the energy transition. All climate scenarios that limit global warming to 1.5°C involve a continual rise in the proportion of electricity in energy consumption between 2020 and 2050. Our wind farms and solar parks produce green electricity and thus help prevent the environmental damage that goes hand in hand with burning fossil fuels to generate electricity.

### Baseline: Initial situation

The biggest emissions that make up our carbon footprint stem from capital goods in our upstream supply chain. In particular, significant amounts of greenhouse gases are emitted during the construction of a wind farm or solar park.



### Zero Scope 1 and 2 emissions by 2030

Our plan for protecting our planet incorporates a range of goals and measures that will help us reduce our Scope 1 and 2 emissions and eventually eliminate them altogether. These are emissions which are largely within our own control.

Scope 1 emissions includes those emitted by our company vehicles. We aim to transition completely to electric vehicles by 2030.

Scope 2 emissions include all the electricity and heat we need for our offices and for operating our wind farms and solar parks. Here our goal is to transition to 100% renewable energy by 2030.

## Reducing Scope 3 emission intensity by 95% by 2040

In order to achieve a 95% reduction in carbon intensity along our supply chain, we'll be asking our suppliers to:

- conduct lifecycle analyses and identify emission 'hotspots'
- increase the proportion of green electricity they use and – where possible – find alternatives to fossil fuels in production
- focus more strongly on using recycled materials
- transition to low-emission transport options

## Milestones for achieving carbon neutrality by 2040

In order to achieve carbon neutrality by 2040, we need to steadily reduce our emissions. To ensure this happens, we've set ourselves intermediate goals to mark our progress as we reduce emissions and, at the same time, increase our power production.

**Short-term goals:** To reduce our company emissions (Scopes 1 & 2) by 50% by 2025 (compared to 2020);

**Medium-term goals:** To reduce our company emissions (Scopes 1 & 2) by 100% by 2030 (compared to 2020);

**Long-term goals:** To achieve net zero (Scopes 1, 2 and 3) by 2040.

## Continual improvements

Once a year, we'll review the efficacy of our action plan and update/revise it where necessary. If you have any questions or suggestions, please contact us at [sustainability@encavis.com](mailto:sustainability@encavis.com)

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