



**ENCAVIS**

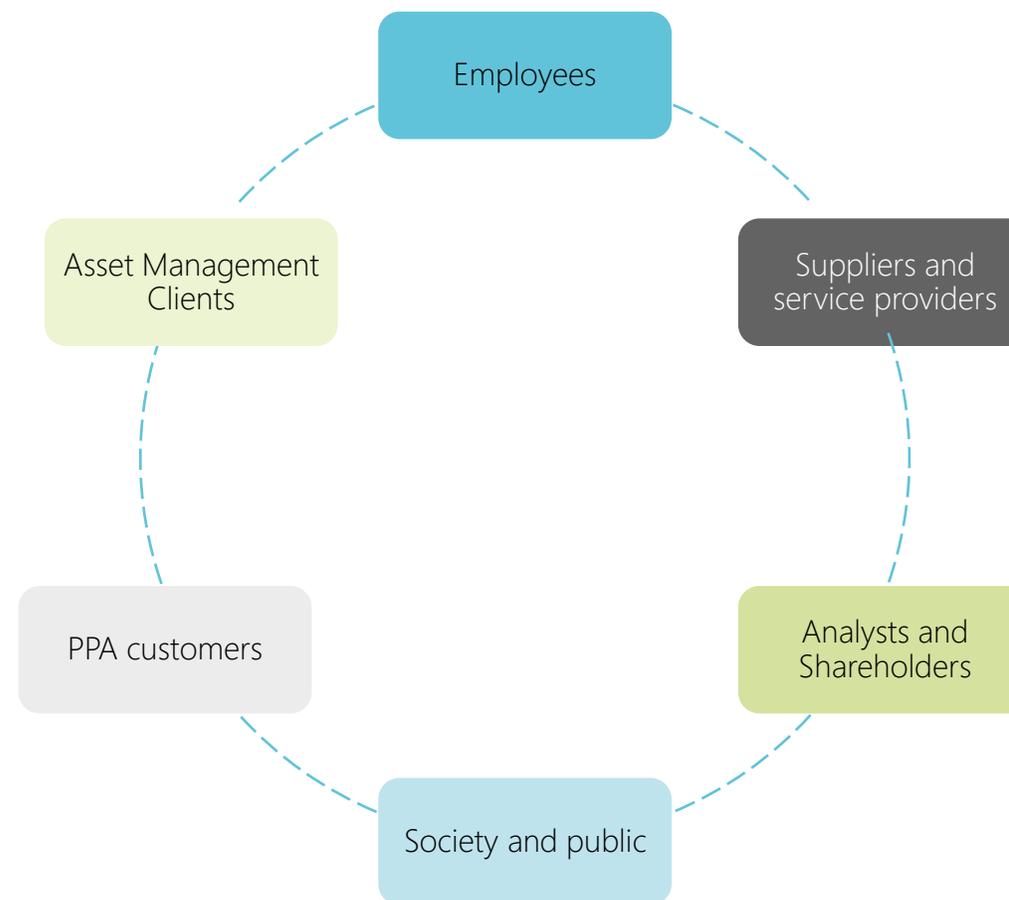


**The Sun goes Up –  
sustainability@encavis**

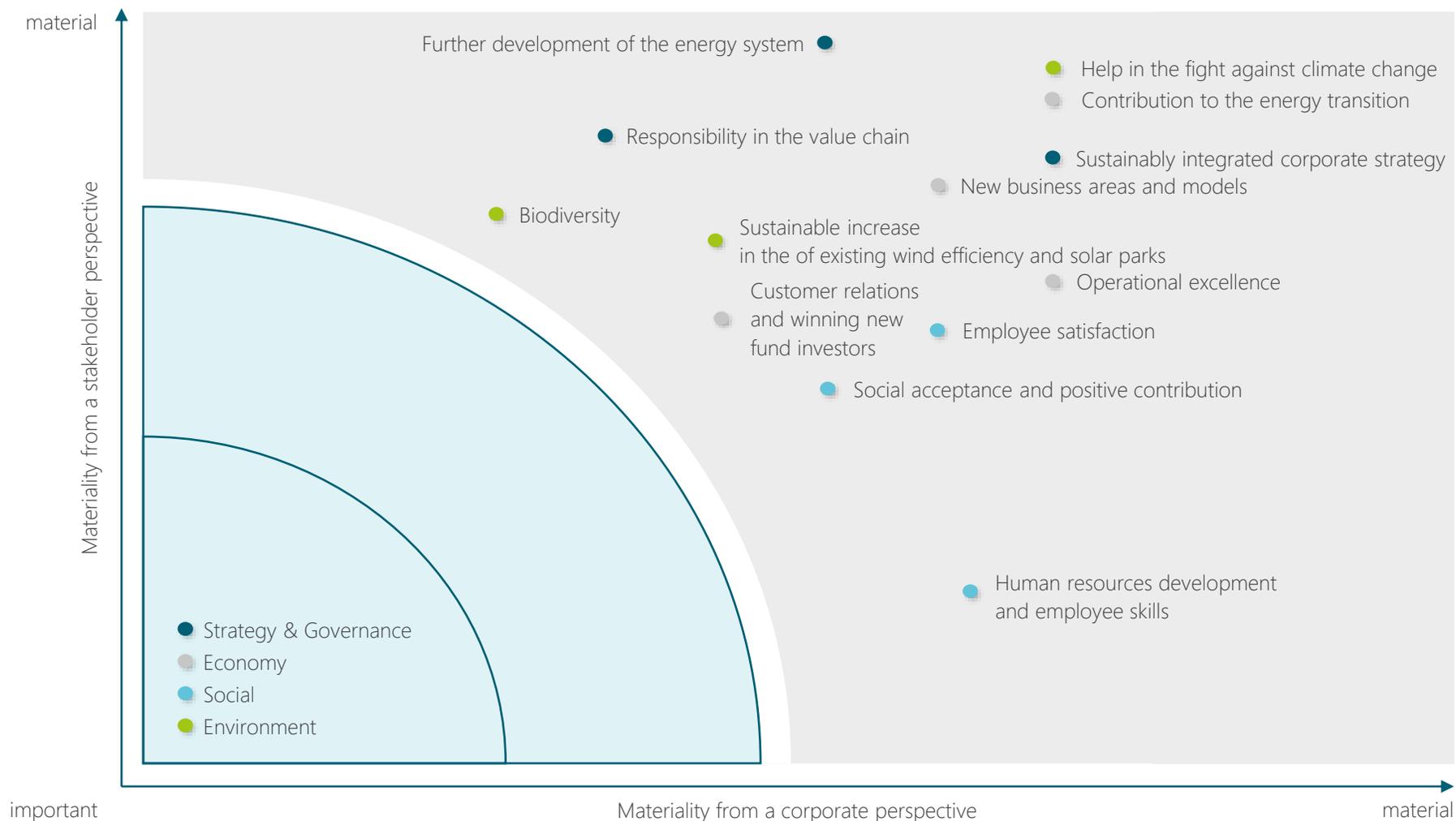
Strategy Update 2022

## Key Stakeholders

As a renewables company, we operate in an environment of constant change and changing demands made by numerous stakeholders. Knowing and addressing the needs of these stakeholder groups is the basis of our sustainability strategy.



# Together with our Stakeholders we have chosen the most relevant Fields of Action



## Sustainability is Part of our DNA

As one of the major independent power producers in Europe with currently more than 3 GW installed capacity, we play an important role in making an historic transformation happen - a transformation **towards a world that is environmentally sound, socially inclusive and better governed**.

Our holistic sustainability approach has basically four pillars:

**Strategy and Governance:** It is our objective to integrate sustainability in our corporate strategy and to ensure good governance.

**Economy:** We aim to contribute to a sustainable future by transformation of the energy sector.

The third pillar is the **social** pillar. Because we also have a social responsibility to support our employees and to make a positive contribution to society.

And finally, the **Environment** because we want to make a positive impact on climate change by reducing the flow of greenhouse gases into the atmosphere.



## So Far – So Good: We are on Track reaching our Sustainability Goals

### Strategy & Governance

- » Further development of the energy system
- » Sustainably integrated corporate strategy
- » Responsibility in the value chain

### Economy

- » Contribute to the energy transition
- » Operational excellence
- » Acquisition of new fund investors
- » New business segments and models

### Social

- » Employee satisfaction
- » Human resources development and employee skills
- » Social acceptance and positive contribution by the Encavis Group

### Environment

- » Help in the fight against climate change
- » Sustainable increase in the efficiency of existing wind farms and solar parks
- » Biodiversity

# Strategy & Governance

Strategy & Governance	Goals	Status	Measures
Further development of the energy system,	Evaluation of at least three potentially commercially viable pilot projects with new technologies per year	✓	<b>Implemented in 2021:</b> <ul style="list-style-type: none"> <li>» Evaluation of three suitable storage projects</li> <li>» Ongoing, intensive market monitoring</li> </ul>
	Integration of renewables into the hydrogen value chain	+	<b>Measures for 2022:</b> <ul style="list-style-type: none"> <li>» Review of options to integrate renewables into the hydrogen value chain</li> </ul>
Sustainably integrated corporate strategy	Improve MSCI ESG rating to AAA by 2025	»»	<b>Implemented in 2021:</b> <ul style="list-style-type: none"> <li>» Definition and ongoing optimisation of sustainability goals and measures</li> <li>» Formation of a Sustainability Council</li> <li>» Improved visibility of the whistleblowing system</li> <li>» Introduction of a compliance management system with KYC audit and Code of Conduct (CoC)</li> <li>» Introduction of a Business Partner code of Conduct (BPCoC)</li> </ul> <b>Measures for 2022:</b> <ul style="list-style-type: none"> <li>» Annual staff training on the CoC and BPCoC</li> <li>» Regular meetings of the Sustainability Council</li> </ul>
Responsibility in the value chain	Implementation of BPCoC by including it 100% of the new contracts with business partners	+	<b>Measures for 2022:</b> <ul style="list-style-type: none"> <li>» Inclusion of the BPCoC in the standard onboarding process when signing new contracts</li> <li>» Ongoing controlling and feedback to the Sustainability &amp; Communications Team</li> </ul>

»» On track

✓ 100% accomplished

+ New goal

# Economic Responsibility

Economy	Goals	Status	Measures
Contribute to the energy transition	Increase the capacity of own plants to 3.4 GW by the end of 2025	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Capacity of own plants increased through commissioning of 435 MW</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Steady portfolio expansion</li> </ul>
Operational excellence	Calibrate an appropriate metric for measuring and documenting the performance of the plants by the end of 2021	✓	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Digital overall monitoring of the parks</li> <li>» Continuous acceleration of structural improvements, optimisations and automation</li> </ul>
	Determine the average plant performance on the basis of the newly determined metrics and define realistic targets by the end of 2022	+	<p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Performance analysis of the individual plants</li> <li>» Identify the main reasons for performance losses and define suitable measures to solve them</li> </ul>
Acquisition of new fund investors	Raise an additional 1.26 billion euros funds capital by the end of 2025	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Sales launch of a new RE fund, Encavis Infrastructure Fund IV (EIF IV), with an issue volume of 500 million euros</li> <li>» Purchase of 373 MW, spread across 22 operating companies for existing fund vehicles</li> </ul>
	Invest the capital raised by the end of 2026	»»	<p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Successful development and expansion of existing fund vehicles and those in the process of being established</li> </ul>
New business segments and models (mainly electricity marketing)	Increase non-subsidised electricity production noticeably by the end of 2025	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» The PPA Origination Department was implemented and built up</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Win corporates and utilities for direct marketing of electricity</li> <li>» Ongoing participation in tenders for PPAs</li> </ul>

## Social Responsibility (1/2)

Social	Goals	Status	Measures
Employee satisfaction	Ensure employee satisfaction	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Four surveys conducted to determine employee satisfaction</li> <li>» Successful roll-out of the mobile office concept in October 2021</li> <li>» Ongoing review of corporate benefits, especially in the area of health and wellbeing</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Performance of several "pulse checks" during the year, subsequent analysis and derivation of measures and activities and determination of new measures, if necessary</li> <li>» Planning, organisation and implementation of a digital health week</li> <li>» Planning, organisation and implementation of a Group event in the summer</li> <li>» Payment of a voluntary COVID-19 bonus</li> </ul>

»» On track

✓ 100% accomplished

+ New goal

## Social responsibility (2/2)

Social	Goals	Status	Measures
Human resources development and employee skills and expertise	Promote employee expertise	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» In addition to individually agreed further training, courses, programmes, and training in the fields of project management, languages, D&amp;O, negotiating skills and personal development were organised</li> <li>» Ongoing review and, if necessary, optimisation of individual HR development by making high-quality internal and external offers</li> <li>» Ongoing review and, if necessary, adjustment of the further training offer for employees</li> </ul> <p>Measures for 2022:</p> <ul style="list-style-type: none"> <li>» Relaunch of the Personal Development Programme</li> <li>» Relaunch of the Leadership Programme</li> <li>» Continuation of the "Lunch &amp; Learn" activities</li> <li>» Individual staff coaching</li> <li>» Ongoing review and, if necessary, optimisation of individual HR development by making high-quality internal and external offers</li> <li>» Ongoing review and, if necessary, adjustment of the further training offer for employees</li> <li>» Individual advice by HR for tailor-made further training offers</li> </ul>
Social acceptance and positive contribution of the Encavis Group	Increase the social and political relevance of the Encavis Group	»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» As part of a long-term cooperation, Encavis has supported the charitable aid organisation "Sopowerful" since July 2021</li> <li>» "Giving Back Week" at both company locations in October 2021</li> </ul> <p>Measures for 2022:</p> <ul style="list-style-type: none"> <li>» Develop a new stakeholder-based communication concept</li> <li>» Participate in two charity runs</li> <li>» Organise and implement another "Giving Back Week"</li> </ul>
	Annual organisation of a "Giving Back Week"		

»» On track

✓ 100% accomplished

+ New goal

## Environmental Responsibility (1/2)

Environment	Goals	Status	Measures
Help in the fight against climate change through carbon reduction	Increase share of green electricity purchases to 100% by the end of 2022	»»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Conversion to approx. 82% green electricity</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Increase share of green electricity purchases to 100% in our direct sphere of influence by the end of 2022</li> </ul>
	<p>Prepare a comprehensive Encavis carbon footprint by the end of 2025</p> <p>Prepare annual carbon footprint in accordance with the GHG Protocol</p>	<p>✓</p> <p>+</p>	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» Development, budgeting, and approval of the “Encavis carbon footprint” project</li> <li>» Preparation of the first carbon footprint</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Develop a pilot project to ensure better data quality of Scope 3 emissions</li> <li>» Improve the availability of fundamental data</li> </ul>
	Maximise our positive climate contribution through ongoing implementation and expand environmental and climate protection measures	»»»	<p><b>Implemented in 2021:</b></p> <ul style="list-style-type: none"> <li>» If no general cleaning intervals for solar parks are defined in the contract, employees check how dirty the modules are and decide on a case-by-case basis whether cleaning is necessary (e.g. Solar Deutschland)</li> </ul> <p><b>Measures for 2022:</b></p> <ul style="list-style-type: none"> <li>» Continuous examination of possible measures for carbon reduction along the value chain</li> </ul>

»»» On track

✓ 100% accomplished

+ New goal

## Environmental Responsibility (2/2)

Environment	Goals	Status	Measures
Sustainable increase in the efficiency of existing wind and solar parks	Determination of the estimated average water consumption per MWh for all parks by the end of 2021	✓	<b>Implemented in 2021:</b> » Estimation of water consumption
	Review potential water savings per sqm of PV surface by the end of 2022	+	<b>Measures for 2022:</b> » Examine new possibilities for water savings and wastewater treatment in solar parks
	Update and calibrate the yield reports for all solar parks by the end of 2021	✓	<b>Implemented in 2021:</b> » Entry of the data in Encavis' system landscape
			<b>Measures for 2022:</b> » Future scenario calculations based on production probabilities
	Define and set a target for systematic environmental management by the end of 2021	»»	<b>Measures for 2022:</b> » Ongoing review of technical optimisation and modernisation measures
Integrate the environmental management system into an integrated ESG tool by the end of 2022		+	
Biodiversity	Develop a biodiversity strategy and define a target for increasing biodiversity by the end of 2025	»»	<b>Implemented in 2021:</b> » Evaluation of the biodiversity lighthouse project (Solarpark Enerstroom) in the Netherlands, where it unfortunately turned out that both the concept and the offer of the greenkeeper were not convincing » Development of a pilot project for a German solar park: here it was examined which measures can generally be implemented to increase biodiversity and which measures can be reasonably implemented
			<b>Measures for 2022:</b> » Implementation of a solar park pilot project

# ENCAVIS

---

## Get in touch!



**Tanja Van den Wouwer**  
Head of Sustainability & Communications

sustainability@encavis.com

The information provided in this document has been derived from sources that we believe to be reliable. However, we cannot guarantee the accuracy or completeness of this information and we do not assume any responsibility for it. Encavis AG assumes no liability for any errors or omissions or for any resulting financial losses. Investments in capital markets, in particular in stock markets and futures markets, are fundamentally associated with risks and a complete loss of the invested capital cannot be ruled out. Recommendations provided herein do not represent an offer to buy or sell and are not intended to replace comprehensive and thorough advice before making a decision to buy or sell. Copies of the content of this presentation, in particular prints and copies or publications in electronic media, will only be authorized by written consent from Encavis AG.