

NON-FINANCIAL REPORT

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WIND FARM GROSS OESINGEN
put into operation in 2022.

On this non-financial report

In this non-financial report (NFB), we report on developments and progress in the field of sustainability in fiscal year 2023 in accordance with the legal requirements according to Section 289c-e HGB in conjunction with Section 315b-c HGB and Article 8 of the Taxonomy Regulation (EU) 2020/852. This non-financial report is subject to approval by the Board of Management and Supervisory Board of the PNE Group. Reporting is based on the reporting standards of the Global Reporting Initiative (GRI). The GRI Content Index is located at the end of the NFB and provides a detailed overview of where the relevant GRI disclosures can be found in the PNE Annual Report.

Unless otherwise indicated, all information refers to the entire PNE group. The NFB is not subject to any audit by an auditor.

With this NFB, we disclose our sustainability-related performance in environmental, social and employee matters, respect for human rights, and the fight against corruption and bribery. The chapter structure as well as the report focuses are derived from the topics identified as essential.

Topics for the non-financial report ¹

Legal aspects according to Section 289c para. 2 HGB	Key topics
Respect for human rights	Sustainability standards in the supply chain
Fighting corruption and bribery	Corporate ethics Anti-corruption, compliance and data protection
Environmental concerns	Climate change Biodiversity Sustainable energy supply
Employee concerns	Knowledge management First-class employer Stakeholder dialogue
Social issues	Regional value creation and corporate citizenship

¹ In addition to the key issues that meet the legal requirements, the PNE Group voluntarily reports on the topic of promoting sustainable energy systems.

Business model

The PNE Group is a developer and operator of projects in Renewable Energies. Our project development, electricity generation and services segments cover a significant part of the renewables value chain. For more information on our business model, see the chapter ↗ **“Our integrated business model provides growth and resilience”**.

The PNE Group currently has more than 600 employees in 15 countries in Europe, South Africa, North America and Asia. As a Clean Energy Solutions Provider for regional markets and industries, both nationally and internationally, we always keep an eye on the entire Renewable Energies value chain. In addition to wind energy and photovoltaics, particularly power-to-X solutions are essential components of the corporate strategy. This will enable us to enter the mobility, heating and supply sectors with raw materials from clean energies (hydrogen and derivatives, sector coupling). It includes extending the value chain to include power-to-X projects in connection with wind farms, photovoltaic systems and energy storage systems. In order to supply the sectors with energy safely, we also develop isolated solutions, i.e. self-sufficient clean energy plants that are independent of the electricity grid. We utilise our knowledge gained from our global projects in order to generate energy at a local level in the most efficient and socially sustainable way. More information can be found in the chapter ↗ **“Social responsibility”**.

We aspire to be a pioneer and thought leader in the industry. This always makes us look for new solutions. Our vision is climate-neutral energy supply. Our “Scale up 2.0” growth strategy describes

our contribution to this. You can find more information on our website www.pne-ag.com/unternehmen/about-us/ and in the chapter ↗ **“All “Scale up” targets achieved or exceeded”**.

ESG strategy & management

Sustainability is in the nature of PNE’s business model and is firmly anchored in the enterprise. As a Clean Energy Solutions Provider in the fields of wind energy, photovoltaics, storage solutions and power-to-X technology with a focus on hydrogen, we promote the use of renewable energies. With this sustainable business model, we make an important contribution to climate protection. At the same time, we are committed to responsible corporate governance along our entire value chain. In our day-to-day business, we take into account not only economic interests but also environmental, social and societal concerns.

Our overall goal is to achieve sustainable value for the company and for all our stakeholders: customers, employees, investors and suppliers, local communities and for our planet. We are transparent and fact-focused across all areas. We set clear goals against which we can be measured. Sustainability is integrated into our core processes. We systematically implement clearly defined measures to achieve our goals. Our Environment, Social, Governance (ESG) strategy sets out how we want to achieve our overarching goal and contribute to sustainable development.

Key topics and description of the materiality analysis

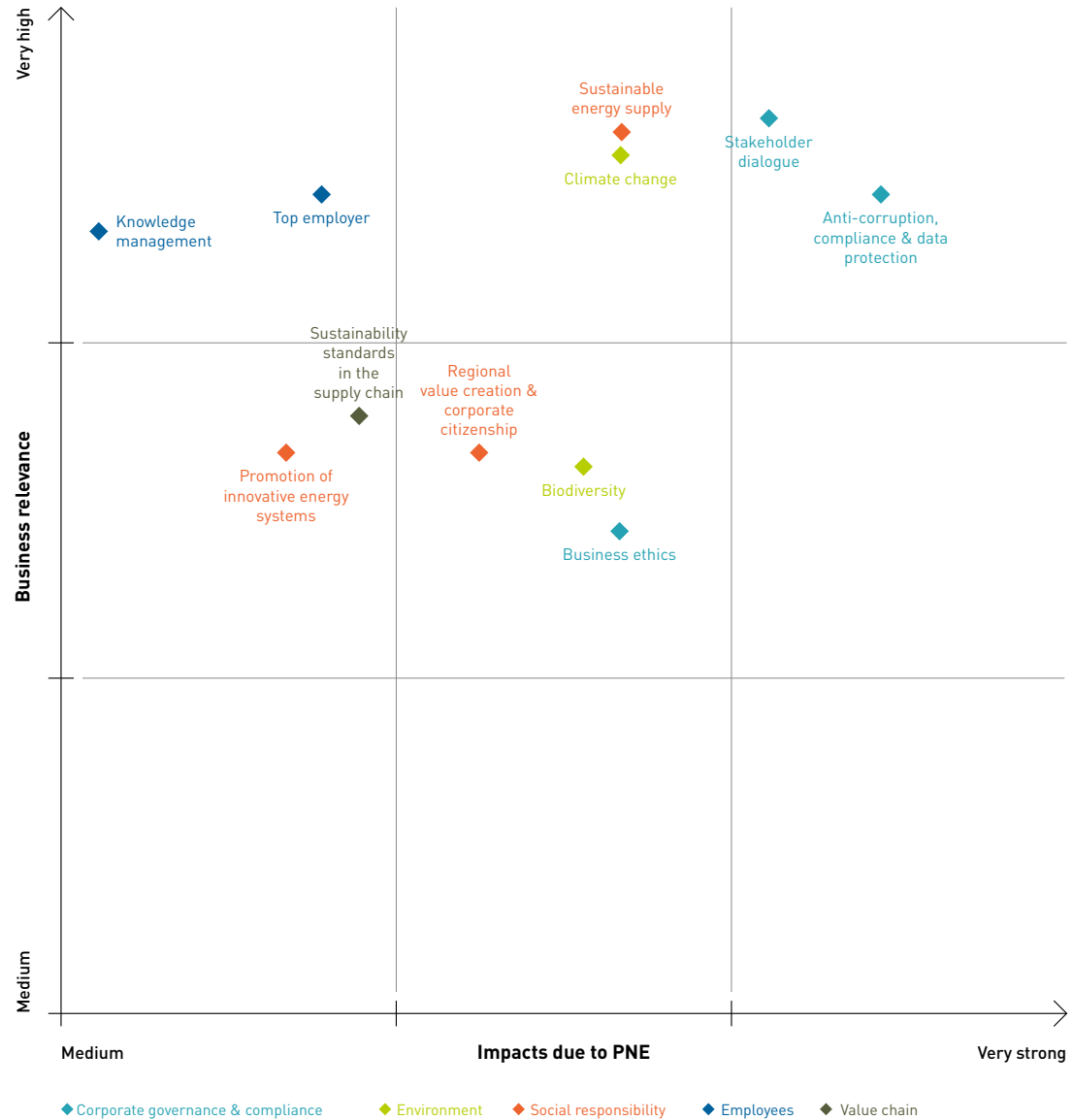
The materiality analysis forms the basis for our ESG strategy. In 2021, we carried out a multi-stage process to identify the main topics. First, we created an extensive catalogue of topics. This included industry-relevant issues, requirements of legal regulations, aspects of current frameworks (e.g. Global Reporting Initiative) and issues identified by competitors. In the next step, the catalogue was further condensed into the five overarching fields of action "Governance", "Value Chain", "Employees", "Environment" and "Social Responsibility".

These were then evaluated and prioritised by the managers and employees from various departments of the PNE Group, The perspective of external stakeholders was taken into account, among other things through a peer group analysis. and the results subsequently transferred into a materiality matrix.

Based on the materiality analysis, we identified eleven key topics in the five fields of action. These reflect where the PNE Group has an impact on the environment, people or society through its business activities, or where ESG-relevant issues will influence business success in the long term.

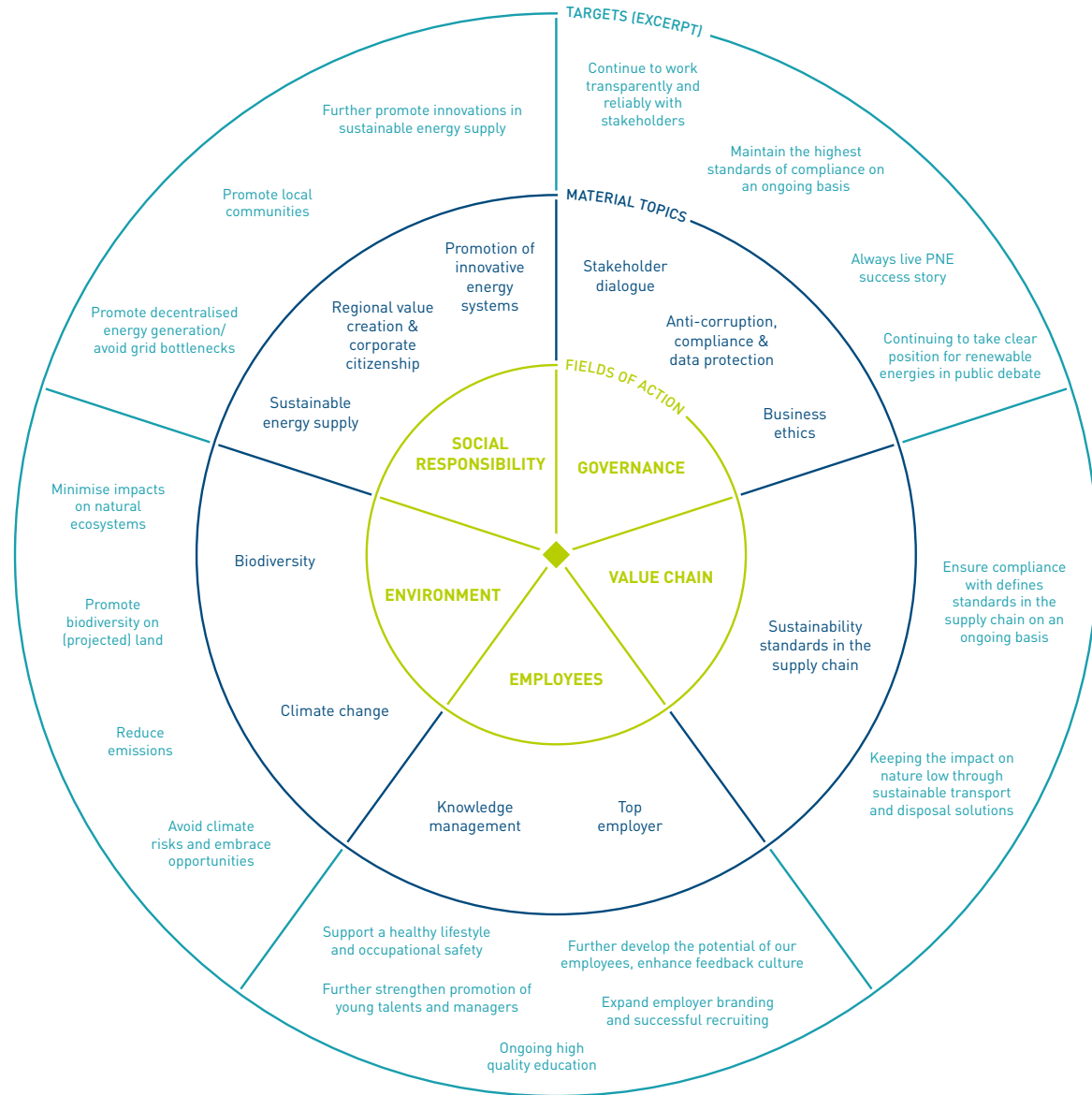
The five fields of action, each with one to three subtopics, form the five pillars of our ESG strategy and are covered in the following chapters.

The results of the materiality analysis were validated in 2023.



ESG strategy and goals

As part of our ESG strategy, goals and measures were defined for each of the fields of action. The graph shows an excerpt of the goals:



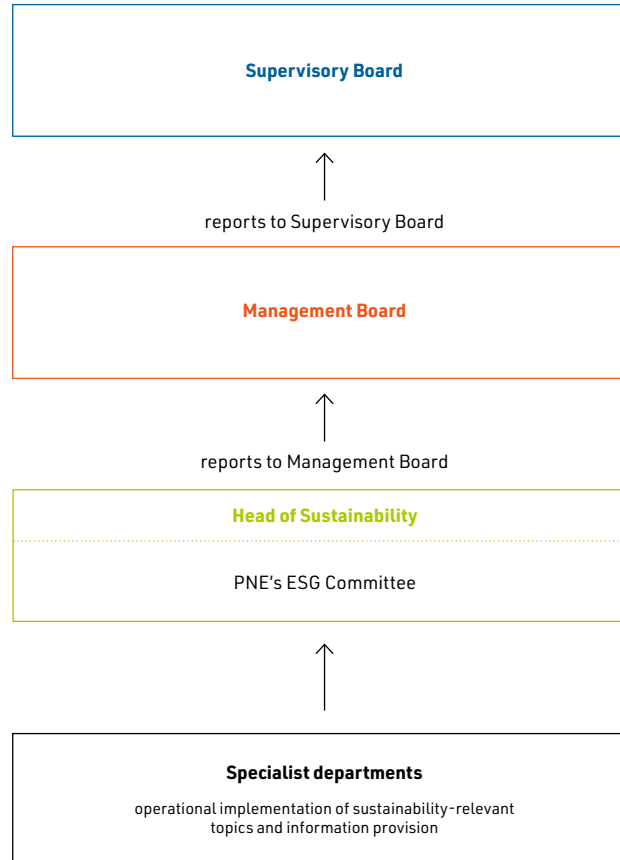
Our sustainability management

The Board of Management of the PNE Group has overall responsibility for the implementation of our ESG strategy and the achievement of the objectives set out in this strategy. The Board of Management deals with the development of the ESG strategy during the year and reports to the Supervisory Board once a year.

In 2023, we introduced the **PNE ESG Committee**, which is headed by the Head of Sustainability, as an independent body for ESG and sustainability matters. This committee consists of ten people from different specialist areas. It meets regularly once a quarter and additionally if the need arises. Its tasks include the management and coordination of sustainability-relevant topics as well as sustainability reporting and internal and external sustainability communication. The Head of Sustainability reports the results to the Board of Management. Based on the preliminary work of the ESG Committee, the Board of Management makes key strategic decisions for the sustainable development of the company and monitors progress.

The ESG Committee is in dialogue with all divisions to manage sustainability measures and to take into account the information requirements of our stakeholders. The sustainability-relevant topics are operationally implemented decentrally in the various departments and branches.

The overall organization is shown below:



Governance

Good corporate governance is a matter of course for the PNE Group. This also includes corporate ethics. We expect our fundamental ethical values to be respected and sustainable action to be taken by both our own employees and our business partners and suppliers.

Corporate ethics

The PNE Code of Conduct sets out the most important basic rules that we have imposed on ourselves. In addition to the basic rules of conduct, the PNE Code of Conduct also addresses the issues of handling business partners and third parties, avoiding conflicts of interest, handling information, environmental issues, health and safety, as well as the culture of conflict and dealing with complaints. In addition, we follow the recommendations of the German Corporate Governance Code as outlined in the Declaration of Conformity and have drawn up a Business Partner Policy for the establishment of rules along our value chain. In particular, the Business Partner Policy defines the procedure for Business Partner Screening and the measures to be taken in the event of an increased compliance risk.

PNE success picture

In 2021, we created a “success picture” for the entire PNE Group, which we updated in 2023. It defines our concept of success and shows how we want to act as a company based on common goals and values. In order to deeply integrate our concept of success into our daily business and corporate culture, we have developed focus measures. These include, for example, the implementation of leadership standards, the improvement of our resource management as well as continuous process optimisation.

Human rights

As an internationally active company, we see respect for human rights is a basic condition for our business activities. PNE rejects any form of child, forced or compulsory labour, human trafficking or modern slavery and is committed to social and fair cooperation at every stage of its value chain. This voluntary commitment was decided at Board level and enshrined in the Code of Conduct.

We generally only purchase products and services from companies that commit themselves to respect for human rights and ensure this through our Business Partner Policy. The Business Partner Policy refers to the European Convention on Human Rights, the UN Convention on the Rights of the Child and the UN Guiding Principles on Business and Human Rights. In addition, we use software solutions to check our business partners for negative news in the press and entries in sanction lists.

Anti-corruption, compliance and data protection

We are convinced that we cannot be successful without binding regulations and conduct that complies both with the rules and with the corporate principles. We achieve compliance through an open and trusting working environment and an efficient compliance management system tailored to our needs, which is coordinated by a senior Compliance Officer and compliance officers in every subdivision of the PNE Group. These roles are exercised by the Head of Legal & Compliance and other legal staff who are certified compliance officers. The Head of Legal & Compliance reports directly to the CFO. Compliance Risk Management is integrated into Group Risk Management and is thus part of Controlling. Coordination is carried out by employees from the Legal department. Here, too, there is a direct reporting channel to the Board of Management.

In order to ensure that conflicts of interest are avoided and mitigated, we check as part of our contract management whether contracts are customary in the market and whether corresponding comparison offers have been obtained. The Board of Management and the Supervisory Board are obliged to disclose possible conflicts of interest and not to participate in the relevant decisions. Any other activities, offices and interests of Supervisory Board members and members of the Board of Management are presented in the **➤ Annual Report**. Personal conflicts of interest of employees are also subject to disclosure. This obligation is laid down in the Anti-Corruption Directive.

Code of Conduct

In order to incorporate our obligations to conduct business responsibly into all activities and business relationships, the PNE Group describes the principles of responsible business conduct in its Code of Conduct. Key business partners are informed about this via the Business Partner Compliance Statement and must commit to these principles. Within the PNE Group, the Board of Management reports on its activities in regular messages in the PNE app and, in this context, also about the overall responsibility of the PNE Group and each individual employee with regard to the environment and society.

In accordance with the conditions for the approval of renewable energy projects, we take measures under nature conservation law to compensate for any negative environmental impacts that the PNE Group causes or contributes to causing. We also offer citizen participation models, such as subsidies for electricity costs or the promotion of non-profit projects. In order to prevent negative impacts on the environment, we place great importance on the careful use of resources in the workplace.

In 2023, we revised the Code of Conduct and our competency regulations, which set out the responsibilities of contracting to mitigate contract risk. In addition, we have adapted other existing guidelines to the requirements of our international locations, set up an internal audit team and supported citizen participation models. In the future, country-specific annexes to the compliance guidelines will be developed and country-specific compliance

training will be offered to meet the country-specific requirements. The biggest challenges in compliance include cyber crime prevention, anti-corruption prevention, and business partner review. To meet these challenges, employees are made aware of the topic of cybercrime by means of information in the PNE app as well as emails. In addition, based on the quality management system according to DIN EN ISO 9001:2015 certified in November 2023, an information security management system according to DIN EN ISO/IEC 27001:2022 will be set up, which will be certified at Energy consult GmbH starting in March 2024 and will be rolled out to the entire group in the future. To mitigate anti-corruption risks, we are currently adjusting several processes. This includes, for example, the mandatory involvement of the Compliance department before donations are granted. In the future, targeted measures such as the development of a Supplier Code of Conduct will be promoted.

The PNE whistleblower system

The PNE Group has an internal whistleblower system, which can be used in German or English. It complies with the requirements of the Whistleblower Protection Act. All employees can contact this system at any time via a web link and have the option to submit information anonymously. It is also possible to report information about possible violations of, for example, anti-corruption law, antitrust law or insider law by email. The incoming information is reviewed by the hotline officer and the facts are examined in accordance with the presumption of innocence. Depending on the case, consequences will be initiated in consultation with the specialist departments. If serious violations occur via the whistleblowing system, they are reported to the Board of

Management and, if necessary, to the Supervisory Board or to the Chairman of the Supervisory Board in cases relating to members of the Supervisory Board. Possible consequences of violations include separate training, changes in work and control processes, and warnings or dismissal. Stakeholders have the opportunity to provide feedback on the design, review, application, and improvement and effectiveness of the complaint procedures in regular, non-specialist team meetings and feedback meetings. In 2023, there were no violations of which the Board of Management or the Supervisory Board had to be informed. Furthermore, there were no incidents of discrimination in the reporting period.

Political commitment, compliance training, and data protection

The PNE Group is aware of its social commitment in the regions in which it operates and is taking advantage of it by supporting, in addition to various social purposes, political democratic parties through donations and sponsorship activities (➤ **"Regional Value Creation and Corporate Citizenship"**). Since donations and sponsorship in connection with public officials, particularly in ongoing projects, pose a risk of corruption, the compliance officers examine donations and sponsorship activities and provide advice to their colleagues.

We place great importance on our employees attending compliance training courses in addition to professional or personal training. Basic compliance training, which is mandatory for all employees at PNE when they start with us, is offered several times a year and includes information on anti-corruption policies and procedures. In addition, there are event-related training courses, for example in the event of changes to the law. Among other things, such training

formats ensure that employees are informed about policies and practices for responsible business conduct. The members of the Supervisory Board will also receive anti-corruption training and will be informed of the organization's anti-corruption policies and procedures upon taking office.

PNE also complies with the applicable legal provisions such as the GDPR when it comes to data protection. The Data Protection Officer reports to the Management Board at regular intervals. In addition, the Legal department and external specialist lawyers offer assistance on this topic. Data protection forms part of basic employee training.

The PNE Group did not violate any laws or regulations during the reporting period and was not involved in any legal proceedings on compliance issues such as anti-competitive behaviour or antitrust and monopoly violations.

Stakeholder dialogue

As designers of wind farms and photovoltaic systems and suppliers of clean energy solutions, we place great importance on transparent exchange with various stakeholders. For example, in the context of authorization procedures, in particular public participation, we are in close contact with citizens as well as public interest institutions. We are also in close contact with our stakeholders in the context of environmental impact assessments or in the development of citizen participation models. This dialogue enables us to recognise trends at an early stage, to enter into new partnerships and to establish a broad acceptance for our projects.

We also ensure the involvement of vulnerable groups. For example, a “Memorandum of Understanding” was signed in Canada in 2023, which guarantees cooperation with the First Nations and their involvement in infrastructure projects. Similarly, in Sweden, the minority of SAMs will be involved in project development.

We have identified the following groups of people as our most important stakeholders:

- Employees
- Society and the public
- Asset Management customers
- Analysts and investors
- Suppliers and service providers
- Authorities
- Media
- Competitors
- Political conditions
- Local communities
- Business and industry associations
- Network operators
- Non-governmental organizations (NGOs)
- Science and research

Contact with these interest groups is maintained via various communication channels. In addition to telephone and email for internal stakeholders, this also includes the PNE app and MS teams, as well as contact forms on the website for external stakeholders, trade fairs, conferences and events.

As one of the most experienced developers in the renewable energy sector, we are actively involved in the political discourse. PNE is a member and in some cases also on the board of various interest groups via representatives. The German associations include the German Association of Energy and Water Industries, the German Association of Wind Power Plants, the German Wind Energy Association and the Federation of German Industry. Internationally, PNE is represented in the following associations: Wind Europe, GWEC, Frech Wind Energy Association and Romania Wind Energy & Photovoltaic Industry Association.”

Employees

Our employees are the PNE Group's most valuable resource. Their competence, motivation, loyalty and commitment enable the Company to be successful on the market in the long term and to grow the business steadily.

First-class employer

As part of the sustainability strategy, the PNE Group has consciously set itself the goal of being a first-class employer.

Promoting health and safety at work

That is why we promote a healthy lifestyle and the occupational safety of our employees. In order to do this even more systematically, a management system according to DIN EN 45001 is currently being introduced throughout the PNE Group; certification is planned for 2024. Meetings of the Occupational Safety and Health Committee are already being held four times a year. In order to identify work-related hazards and assess risks, the

occupational safety officer visits at least once a year. If necessary, the company doctor may also conduct visits. The contact details of the company doctor are available to all employees. The company doctor can be contacted whenever possible hazards are identified and should be reported. These measures help to minimize risks to health at work.

Only a very limited number of occupational accidents occur at PNE. In 2023, at PNE AG in Germany, there were three work accidents. The rate of recordable work-related injuries (calculated for first time) was 7.86 per one million working hours. All employees have access to relevant information on the subject of occupational safety via the intranet and via an HSE (Health Safety Environment) portal. All employees in Germany receive an induction to occupational safety and accidents at work from the HR department at the start of their work. The HSC portal continues to provide annual occupational safety training (basic induction) as well as health training at the computer workstation and for company vehicle drivers.

In addition, the PNE Group offers preventive medical examinations for employees with computer workstations. Personnel Management is responsible for occupational safety. They are supported by external service providers.

In order to promote employee health outside of work, the PNE Group in Germany offers all staff the opportunity to lease bicycles. In addition, PNE provides financial support for fitness offerings and organizes two health days each year, where employees can take advantage of further fitness offerings and try out classes.

Strengthening employer branding and successful employee recruitment

In addition to the major topic of health and safety at work, PNE is actively working on expanding employer branding and successfully hire new employees. The basic benefits offered by the PNE Group to the employees of PNE AG include financial support for the company pension scheme. PNE AG also has a group accident insurance policy, which can be utilised by employees. There is also a social counselling service via famPLUS, which offers advice on parenthood, care, health and work-family balance. It is important to us that employees have the opportunity to balance their private and professional lives in the best possible way. As far as their position allows, we offer employees the opportunity to organise their working hours flexibly and to choose their workplace freely within the framework of mobile working. If employees decide to take parental leave, we support them in gradually returning to part-time work afterwards.

Employee structure of the PNE Group at the end of the year*

	2023	2022	Differenz
Female employees (full-time)	168	149	+ 13%
Male employees (full-time)	354	307	+ 15%
Female employees (part-time)	86	69	+ 25%
Male employees (part-time)	21	17	+ 24%
Total number of employees	629	542	+ 16%

* Figures as of December 31, without board members

Strengthening feedback culture and increasing employee satisfaction

The processes that the PNE Group has created to promote employee satisfaction are also audited as part of the quality management system. We are also planning to expand our feedback culture in 2024. In addition to creating systematic feedback opportunities directly to managers, a tool for recording employee satisfaction will also be introduced. Regular coaching sessions for managers are already taking place. In addition, every employee is given the opportunity to receive – and give – feedback in the annual feedback and development meeting.

In order to promote diversity within the company, PNE AG has set itself the goal of empowering women in leadership positions. By 2025, at least 16 percent of the first management level positions should be held by women. At second management level below the Board of Management, this proportion should be at least 30 percent by 2025. In the Board of Management and Supervisory Board, we are guided by legal requirements. The current distribution is shown in the table below.

Women in leading positions

	2023	2022
Supervisory Board	29%	29%
Board of Management	0%	0%
First management level under the Board of Management*	10%	14%
Second management level under the Board of Management*	33%	31%

*Figures rounded, refer to PNE AG (not the Group)

In order to fully integrate diversity in our corporate culture, an Equal Opportunities Officer has been in place for several years. An Inclusion Officer will be appointed in 2024.

Knowledge management

In order to support the employees of the PNE Group in their further development, the company attaches great importance to knowledge management. We want to actively promote junior staff and managers in particular and strengthen the feedback culture within the company. PNE has been offering high-quality training opportunities for years. It is planning to continue this in the future.

Knowledge management is systematically organised via the PNE Academy. The latter was introduced in 2022 and has been further expanded since then. The first step was to use the PNE Academy to provide detailed information about the organisation in general and about the product areas more particularly. There is a one-hour online event for each topic, which is also available as a recording afterwards. In future, the PNE Academy's programme will be expanded to include additional content.

The PNE Group offers both mandatory and voluntary training programmes. Compliance training is essential for all employees. Employees in the HR department also receive annual training in labour and social security law. The PNE Group is active globally. All employees are offered the opportunity to take English lessons. Depending on individual needs, Spanish lessons may also be offered.

High-quality further training for junior staff and managers

Managers have the opportunity to take advantage of coaching from an external service provider every four weeks. Topics include leadership, team building and feedback discussions with employees. The coaching can also be customised as required.

Further training requirements for employees are determined and organised by the respective manager. External service providers are also used to organise training courses. For example, training courses on all aspects of project development in Germany are organised by the German Wind Energy Association.

The PNE Group also supports longer-term training programmes. In the year under review, seven trainees worked at PNE, completing their training as office management assistants or IT specialists for system integration. In addition, two dual students were hired in 2023. PNE also finances further training as a commercial specialist for employees.

Environment

Climate change

For PNE as a Clean Energy Solution Provider, climate protection and the consistent use of renewable energies are the central concerns. With the projects developed and operated by the PNE Group, we make an important contribution to reducing climate-damaging emissions and driving forward the energy transition. With the wind farms planned and operated by us and our future projects for clean energies, we contribute, both nationally and internationally, to the reduction of damaging climatic gases and the protection of humans and the environment.

Since our business model is based on offering solutions for the energy transition, ours is a growth market. Climate change is now widely recognised at local, national and international political level as a threat that requires immediate action. Furthermore, at least in Germany, awareness of the economic opportunities associated with climate policy measures such as economic decarbonisation has increased in recent years. The opportunities include becoming less dependent on naturally limited supplies of fossil fuels and conserving them.

Climate policy and increased social awareness of the need for climate protection measures are generating investment security and growing demand for our industry. The climate objectives of the respective federal states and the necessity of increasing the security of supply thus require the accelerated expansion of renewable energy projects both on land and at sea, including storage solutions. With our sustainable business model in the areas of wind energy, photovoltaics, storage solutions and power-to-X technology focused on hydrogen, we are in a position to meet these requirements to an increasing extent. This will enable us to continuously increase our contribution to protecting people, the environment and nature from the effects of climate change over the coming years.

Nevertheless, our business activities and those in our supply chains also produce greenhouse gases that are harmful to the climate and have a negative impact on people and the environment. This includes emissions from the production, transport and construction of the systems we use. We avoid and reduce these emissions by implementing energy efficiency measures at our locations, such as switching to energy-saving LED lighting and using motion detectors. We are also working to minimise the environmental footprint of projects and services across the entire supply chain. This includes sourcing the turbines for wind farms as regionally as possible so that transport routes are short and emissions are correspondingly low (more on this in **7 the section on the supply chain**). To this end, we have added a special provision for electric and hybrid vehicles in its company car policy. In the future, the aim is to reduce the use of fossil fuels for PNE vehicles and avoid them as far as possible. The new directive provides

benefits for the use of electric mobility with the aim of reducing CO₂ emissions from the company car fleet. This has already led to initial successes: Around 45 percent of the vehicles registered in Germany in the reporting year were electric vehicles or plug-in hybrids.

We consider our exposure to physical risks due to climate impacts such as extreme weather events to be low. The PNE Group does not have its own production facilities, but the wind power turbines we operate may be affected by the effects of climate change in the form of storm damage or other factors. However, technical downtime of wind turbines, for example, are covered by full service contracts, in this case with the turbine manufacturers. We counter risks arising from climate impacts such as extreme weather events with supplementary insurance.

“Scale up 2.0”: Our plan for more climate protection and growth

We want to seize the opportunity to advance the energy transition by expanding and extending our business model. Our “Scale up 2.0” strategy describes the goals we have set ourselves for this purpose and how we intend to achieve them. Growth should continue to take place in all of our business areas. One of our goals is to expand our position as an independent power producer and to operate our own portfolio of wind farms and photovoltaic systems of at least 1,500 MW/MWp by the end of 2027. To achieve this, we plan to invest more than euro 1.6 billion in our generation portfolio in the period from 2023 to 2027 and to make further investments in new markets and technologies. You can find out more about the goals and measures of “Scale up 2.0” in the [Annual Report from p.16](#).

Our actions for more climate protection

As part of our “Scale up 2.0” strategy, we completed, sold or started construction of wind farm and photovoltaic projects with a capacity of approx. 781.8 MW/MWp in the reporting year (previous year: 481.9 MW/MWp). Since its foundation, the PNE Group has realised projects with a total nominal output of more than around 7,000 MW/MWp. Despite the realisation and sale of individual projects, the “pipeline”, i.e. the number of projects in the various phases of development, increased significantly year-on-year from 11,883 MW/MWp to 19,101 MW/MWp, thus reaching a new record level.

With the generation of electricity from renewable energies, PNE is already making an important contribution to sustainable and climate-friendly energy supply in Germany. In the reporting year, we were able to increase the nominal output of our own wind farms to 369.8 MW (previous year: 318.9 MW) by completing and taking over further wind farms. In total, 695 GWh was generated in 2023 (previous year: 509 GWh). This means that roughly 187,000 3-person households per year can be supplied with electricity from renewable energies (source: BDEW). Measured against the German electricity mix, this energy produced in-house, taking into account the upstream chains and external auxiliary energy, represents an emission avoidance of approx. 523,000 tons of CO₂e for the year 2023, compared to approx. 383,000 tonnes of CO₂e in 2022 (source: BWE calculator). According to the Federal Environment Agency, this is due to the concrete substitution of the fossil fuels hard coal, natural gas and lignite.

We contribute internationally to their smooth operation with our services for the operational management of wind farms in Germany, France, Poland, Sweden as well as other European markets as well as wind measurements, technical inspections and tests worldwide. In total, the order volume currently managed by PNE covers wind farms in Germany and abroad with a nominal capacity of more than 2,900 MW (prior year: 2,500 MW). This was another way in which we made a contribution to protecting people, the environment and nature from the effects of climate change during the operating year.

Our emissions in the reporting year

When calculating our carbon footprint, we are guided by the international standard of the Greenhouse Gas Protocol and the quality criteria of relevance, completeness, consistency, transparency and accuracy formulated therein. As required by the standard, all relevant greenhouse gases are recorded as CO₂ equivalents (CO₂e) in relation to their global warming potential.

In our first greenhouse gas balance for the 2023 financial year, we analysed CO₂-e emissions in Scope 1 (direct emissions from sources owned or controlled by the company) and Scope 2 (indirectly generated emissions resulting from the use of purchased energy). In accordance with the operational control approach, we have recorded the mileage of our company-owned vehicle fleet (Scope 1) and the consumption of electricity and heating energy in the company buildings at the German PNE sites (Scope 2). Since not all primary data for energy consumption in the buildings from 2023 were available at the time of the report, calculations were made partly on the basis of the key figures from the operating cost statements of 2022 and the assumption of constant consumption

and projections per square meter. In addition, the emissions attributable to our electricity consumption were recognised both on a market basis (based on specific information from our direct energy suppliers) and on a location basis (based on the German electricity mix from 2022). According to the report, we were able to save almost 300 tonnes of greenhouse gases and reduce our total emissions by more than 20 percent by purchasing 100 percent green electricity at our sites alone compared to the average German electricity consumption.

Carbon footprint - Scope 1 and 2 emissions (in tonnes of CO₂ equivalents)

	2023
Scope 1 (direct emissions)¹	
Vehicle fleet (leased vehicles)	884.6
Scope 2 (indirect emissions)²	
Electricity	
market-based	28.0
location-based	326.1
Heating	
Gas	168.6
Oil	22.8
Total emissions (market-based)	1,104.0

¹ Calculated on the basis of DEFRA (BEIS) and UBA emission factors.

² Calculated on the basis of the UBA emission factors (incl. upstream chain emissions) and on the basis of the operating cost statement from 2022 and assumptions regarding corresponding changes in the respective building areas in 2023.

From the coming fiscal year, we plan to include PNE's international sites in the balance sheet. In future, we also want to subject our Scope 3 emissions (further indirect emissions that arise in the upstream and downstream value chain) to a separate materiality analysis and include significant categories in the greenhouse gas balance.

We have not included the emissions avoided by the wind turbines we operated in the reporting year in the analysis of our Scope 1 emissions in accordance with the GRI criteria.

Key to success: Our dialogue with stakeholders

PNE is also aware of the great importance of experienced partners to the success of our projects in the context of both the international expansion and the strategic extension of the business model to include other clean energies, storage technologies and power-to-X solutions. Therefore, the principle applies that PNE will only enter new markets if this can be done together with partners who are well networked there. Here, too, the principle of professional, qualified and trustworthy cooperation with the project partners and participants in a project applies.

As a project developer of wind farms and photovoltaic systems, transparent dialogue with our stakeholders is also particularly important to us in order to achieve broad acceptance for our projects. You can find out more about our corresponding measures in the context of approval procedures, environmental impact assessments or public participation in the section **➔ "Stakeholder dialogue"**.

Biodiversity

One issue often discussed by society in connection with the construction of renewable energy plants is the impact on nature. The PNE Group is aware of this fact. We are constantly striving to minimise our impact on the quality and diversity of animal and plant habitats, while encouraging biodiversity at wind farms and photovoltaic plants developed by us. In addition, renewable energy systems have a positive impact on climate protection and thus indirectly on species conservation. Nevertheless, it cannot be completely ruled out that the construction and operation of the plants as part of our business activities may have negative direct and indirect effects on biodiversity.

Possible impacts of renewable energy plants on biodiversity

The construction of wind turbines and PV systems can potentially impair and reduce the availability of natural habitats for various species, as areas have to be utilised for the construction of the turbines and the associated infrastructure. In addition, there may be isolated bird strikes due to flying collisions with rotor blades.

The PNE Group has set itself the goal of avoiding these direct and indirect negative effects on biodiversity as far as possible. Where this is not completely possible, it is important to minimise and compensate for them. In this way, we want to ensure that biodiversity is not unduly jeopardised or impaired. The PNE Group of course observes the high legal requirements that apply in the countries in which PNE operates.

We have developed and implemented appropriate measures and systems to avoid and minimise these risks and potential adverse effects (see also [➤ "Promoting innovative energy systems"](#)).

Detailed studies for the protection of biodiversity

As part of project development, we carry out extensive investigations into possible negative impacts on biodiversity. These are specified by legal regulations within the Scope of the approval procedures. As part of the approval process for renewable energy plants, PNE works closely with experts who analyse the planned site in detail. From this, we derive measures for the placement and operation of the plants that minimise negative impacts on biodiversity. The key tool used in this context is the choice of location or the specific positioning of individual systems on site. Together with the authorities, we review the consultants' reports to ensure that all the necessary environmental requirements and protective measures have been met.

The consultants' investigations generally include:

1. a detailed analysis of the protected areas and habitats at the site and in the vicinity of the planned facilities. These comprise bird and bat surveys, studies on migratory bird activity and on breeding and nesting sites, flight routes and bat roosts. In this way, possible collisions with wind turbines can be minimised.
2. a balancing of all interventions in nature in the form of a landscape conservation plan in order to determine the necessary compensation requirements.

3. In many cases, a formal environmental impact assessment (EIA) is also carried out. This assesses the potential impact on biodiversity. Our wind farms and PV plants are located outside of dedicated protected areas and areas of high value for biodiversity. However, if projects are planned in the vicinity of protected areas from the European Union's network of protected areas, known as Natura 2000 sites, the potential impact of the planned project on the area is also assessed. This is done as part of a so-called FFH impact assessment, which is based on the EU's Fauna-Flora-Habitat Directive.

In addition to legally required studies conducted as part of the approval process, PNE also aims to record the flora and fauna in and around the renewable energy plants in order to understand the impact on the environment and take appropriate measures. To this end, we cooperate with nature conservation organisations in individual projects or take their advice into account, for example as part of joint nature conservation plans and environmental studies or the joint promotion of sustainability initiatives. This also increases the acceptance of our projects in the region. One example is our active support for the LIFE EUKOKITE research project, which takes the form of sponsorship. As part of this project, red kites are fitted with transmitters in order to identify the main reasons for their mortality and derive appropriate measures.

Avoid and minimise environmental damage

The detailed investigations carried out as part of the approval process enable us to select a site that avoids or minimises the negative impact of the construction and operation of our plants

on biodiversity. We also know from the investigations whether and which further site-specific measures we need take for this purpose during construction and operation.

In the case of wind turbines, for example, collisions with birds and bats can be reduced by avoiding operations at certain times. Technologies to prevent bird collisions, known as anti-collision systems (ACS), can also be used. These detect approaching birds automatically and try to divert them from their course towards the system by means of acoustic signals and light times. If this is not successful, the systems switch off temporarily. In the reporting year, PNE tested such a bird detection system at the "Mansbach" wind farm in order to optimise electricity production from wind energy in harmony with bird protection. During the reporting period, an expert report was prepared as part of a trial carried out in 2022 for a wind energy project in Schleswig-Holstein, which confirmed the applicability of the tested system for the bird species red kite, white stork and white-tailed eagle.

Wind turbines, as highly complex technical devices, cannot be operated completely without pollutants such as lubricants. If these pollutants enter ecosystems, their discharge can cause damage to habitats and species. Chemicals, heavy metals and other substances that do not occur naturally can disrupt food chains and affect biodiversity in the long term. We avoid and minimise potential damage caused by discharges of pollutants by arranging for our technical experts to work with the system manufacturers to ensure that the requirements for protection against discharges into the environment are strictly observed.

Compensate for interventions where they occur

To compensate for an intervention in nature and the landscape, both functional and spatial compensation measures are planned which will be closely orientated towards the intervention and replacement measures. The PNE Group constantly endeavours to implement compensation measures for wind energy and PV projects as close as possible to the impact site.

The PNE Group strictly complies with the legal requirements, such as the German Federal Nature Conservation Act (BNatSchG), both in terms of impact regulation and species protection. We work closely with nature conservation authorities and often also with regionally active nature conservation organisations to implement them.

The individual measures vary depending on the local requirements, type of intervention and species affected in the individual projects. With the help of external experts, we determine the impact significance and the measures required for both the species protection measures and the compensation measures.

When designing individual measures, we take into account all current and scientifically established practices. For example, we have already implemented the following measures in practice:

1. Grazing: The grazing of green spaces by sheep, goats or other farm animals can help to create habitats for certain animal species and promote biodiversity.
2. Creation of biotopes: In some cases, biotopes are specifically created or restored in order to improve the habitats for native flora and fauna.

3. Flowering meadows/flower strips: Planting flower meadows with native flowers and plants can provide food for bees, butterflies and other pollinating insects.

4. Reforestation, planting hedges and planting individual trees: We also regularly use these measures in our projects. On the one hand, they serve to replace specific losses of woodland due to construction, and on the other hand, these measures are also structural elements within the framework of intervention regulation or as species protection measures.

Value chain

The PNE Group not only assumes responsibility within the Scope of its own business activities, we also implement sustainability standards in the value chain.

Sustainability standards in the supply chain

Purchasing

Suppliers are selected and evaluated according to strict environmental and social criteria. The PNE Group strives to establish or maintain a business relationship only with those individuals and companies who share and live the same values. A standardized review of the business partners, the background of their business conduct and their business relationship with the PNE Group is carried out using our Business Partner Policy in a three-step process: risk classification, pre-audit and integrity review, and compliance measures.

This selection is managed by our centrally organised Purchasing department and the Implementation/Network areas. Wind turbines are our strategically most important product group, accounting for around 75 percent of the purchasing volume of a complete wind farm. The majority of purchasing activities therefore focus on this product group. In addition, there are purchasing specialists for medium-voltage cables, substations and PV purchasing. In addition, we work together with suppliers for night markings, some of which are also purchased directly from the wind turbine manufacturers. The most important services provided by the PNE Group include legal, wind, noise and shadow reports, as well as avifaunistic, landscape conservation and geotechnical reports.

It is also our aim to keep the ecological footprint of our projects and services as small as possible. This depends on more than just our own business activities. That is why we prefer to work with suppliers who, in addition to price, quality and delivery time, are also certified in accordance with the ISO 14001 environmental management system. This is also the case with our core suppliers, who include the largest wind turbine manufacturers in Europe. In addition to ISO certification, they pursue sustainability strategies and report publicly on their sustainability progress.

At project level in particular, we work together with regional material suppliers and the construction companies carrying out the work on the construction sites wherever possible. In addition to the positive impact this has on local communities and value chains, we also help to avoid long transport routes and thus reduce CO₂ emissions. In cooperation with our suppliers, we

carry out transport studies in this context, to identify the most environmentally friendly transport routes possible.

In 2023, no conflict minerals were known in the products purchased from the PNE Group.

Waste management

Waste management also plays a role both in our own organisation and in the supply chain. Within the PNE Group, all waste, in particular packaging materials, grease and oil, household waste and plastic, is separated by type and collected in waste skips on all wind farm construction sites and also in the individual office wings of the parent companies Cuxhaven and Husum and in all subsidiaries and regional branches. When it comes to waste management, we work with certified specialist companies that dispose of or recycle waste properly.

Recycling plays a particularly important role in connection with repowering, i.e. the replacement of older wind turbines or parts thereof with modern and more powerful turbines. Repowering often allows large wind farms with older turbines to be replaced by new wind farms with fewer turbines. PNE is also utilising this opportunity to increase the efficiency of wind farms. Dismantling companies and certified recycling companies are commissioned for the realisation of repowering projects and the dismantling of wind turbines. In many cases, the old systems are sold on and the careful removal of these is organised by the buyer. In some cases, old systems are rebuilt elsewhere or key components are reused as spare parts. Preventing the penetration of oils and other liquids

into the soil is the main focus during dismantling. The greatest challenge in establishing a circular economy for wind turbines is currently posed by how to recycle rotor blades. To simplify this, manufacturers are developing rotor blades that can be broken down into their individual components and processes for utilising the rotor blade material.

We plan to include the indirect emissions caused by activities in our upstream and downstream value chain (so-called Scope 3 emissions) in our carbon footprint from 2025 at the latest.

Human rights in the value chain

As the PNE Group is an internationally operating company, respect for human rights is a key requirement for our business activities – both in our company and in our value chain. We reject any form of child, forced or compulsory labour, human trafficking or modern slavery and are committed to social and fair cooperation at every stage of our value chain. In this context, we prefer to work with suppliers who are certified, e.g. to SA8000. We have defined processes for the standardised review of our suppliers in our business partner guidelines. More information is provided in chapter [7](#) **"Corporate ethics"**.

Social responsibility

The promotion of a sustainable energy supply forms the core of PNE's business. Through its business activities, the PNE Group contributes to the realisation of social goals such as Germany's nuclear phase-out, the reduction of greenhouse gas emissions and the energy transition towards renewable energies.

Sustainable energy supply

We see the creation, implementation and adaptation of regulations and the political promotion of renewable energies, for example through accelerated approval procedures, as the greatest levers for achieving these social goals more quickly. We are actively committed to this within the framework of interest groups (see [7](#) **"Stakeholder dialogue"**).

We also consider the development of solutions in the field of electricity storage technologies and the use of hydrogen to be crucial for a sustainable energy supply. That is why we are driving development in this area through our innovation projects and participation in research projects. More information can be found in the chapter [7](#) **"Promoting innovative energy systems"**.

Increasing demand on the energy grid, for example due to electromobility, heat pumps, electricity-driven industrial processes and the change electricity mix as well as the expansion of cross-border electricity trading, can intensify grid bottlenecks. As part of our political involvement in interest groups, we are therefore also campaigning for an accelerated expansion of the grid. Our innovations in the field of power-to-X and energy storage also create solutions for potential grid bottlenecks.

Regional value creation and corporate citizenship

As a partner for the communities at our locations, we offer secure and attractive jobs and promote the continuous training and qualification of young people on site. As far as possible, we consider local companies when awarding contracts. In addition, the municipalities benefit from trade tax revenues of the operating companies. Our projects thus achieve positive effects in local communities, which are particularly beneficial in structurally weak regions and support regional value creation.

We are also involved at the level of citizen and municipal participation (see [➔ "Stakeholder dialogue"](#)). This relates to wind farms in which local people are given the opportunity to participate financially. We also support the financing and operational management of the systems. And we offer local people a wide range of other support programmes.

Example wind farm Bebensee:

It is important to us to realise our wind farm projects together with local people. We organise citizen participation through various individual concepts. For example, we try to involve local companies, e.g. for construction or mowing work, in order to generate added value in the local region. We very much welcome the fact that Section 6 of the Renewable Energy Sources Act (EEG) 2023 has created the opportunity of enabling 11 affected municipalities to participate financially in the wind farm project. It is therefore part of our philosophy to offer the affected municipalities a voluntary subsidy of 0.2 cents per kilowatt hour generated, provided that the legal requirements are met in the respective project. The subsidy is granted to all municipalities whose municipal area lies

within a 2.5 kilometre radius of the centre of the tower of a wind turbine. The cost of modern wind turbines is around euro 30,000 to 40,000 per year and turbine. In addition, the participating landowners have founded a development association to support local charitable projects.

Citizen participation:

We have further intensified our commitment to communities. In all topics and tasks, the maximum benefit for the stakeholders – such as landowners, residents and communities – is a particular concern for us. In this, we develop, plan and construct civil wind farms and support their financing and operation. In addition, we develop concepts that put the interests of the affected local people and their community at the centre. We develop creative ideas for additional advantages that benefit everyone in the community – from the establishment of an energy education trail to funding for institutions.

Through initiatives such as the construction of an energy trail, we promote local institutions and support local educational programmes. In this way, too, we contribute to the common good.

In the countries and especially at the locations where we are active, we make a contribution to social, cultural and ecological coexistence. In addition to our work, we also do this by supporting various sports clubs, social and cultural institutions, and local charitable projects in the form of support and donations. Specifically, PNE donates to regional sports clubs that are active in the youth sector, to social and cultural institutions, schools and daycare centres as well as organisations that are involved in sea rescue.

Promoting innovative energy systems

As a Clean Energy Solution Provider, PNE Group is consistently pursuing the goal of a secure, sustainable and profitable energy supply, which is powered 100 percent by renewable energies. To achieve this goal, it is essential that we drive innovation, new technologies and offer new solutions.

Technical innovation projects are primarily managed by our Technology department. This currently focuses on the areas of power-to-X, digital and automated asset monitoring, avifaunistic detection systems and night lighting of wind turbines. We are currently pursuing innovative projects of a non-technical nature in the area of finance, for example with regard to services relating to power purchase agreements.

Focus on hydrogen-based storage solutions

The importance of power-to-X solutions as a key component of our corporate strategy is growing. This will enable us to enter the mobility, heating and supply sectors with raw materials from clean energies (hydrogen and derivatives, sector coupling). It involves extending the value chain to include power-to-X projects in connection with wind farms, PV plants and hydrogen-based energy storage systems. Projects are planned along transport infrastructure in order to supply industries safely with energy and raw materials. In rural areas, these can also include power plants and stand-alone solutions, i.e. self-sufficient clean energy systems that are independent of the electricity grid.

We plan holistic, sustainable future projects such as storage solution concepts or sector coupling projects. One of the PNE Group's focal points in this context is the conversion of electricity

to hydrogen. OMNIA GROUP LTD. and the South African PNE subsidiary WKN Windcurrent 2023 have signed a letter of intent to explore the production of green hydrogen and ammonia in South Africa. This was the first step for the project partners to start the joint planning and design of the green ammonia plant (see [Corporate News](#)). The S.E.T. Select Energy GmbH (SET) and the PNE Group have also signed a declaration of intent. This specifies the plan to jointly produce and market synthetic fuels from renewable energy (e-fuels) in South Africa. The cooperation is expected to produce up to 500,000 tonnes of e-fuels per year, which will be obtained from green hydrogen produced via electrolysis (see [Corporate News](#)).

In 2023, we participated in two research projects with Fraunhofer Institutes to advance power-to-X solutions. In one project, we investigated the feasibility of producing hydrogen on platforms directly at offshore wind farms. In another research project, we analysed the potential of the interaction between wind power, PV, hydrogen and heat at our “Niederkrüchten” energy farm together with a Fraunhofer Institute.

Innovations for more efficient systems

Increased efficiency through artificial intelligence

Another research focus is on innovations to increase the efficiency of existing wind farms and PV systems. For example, we are testing digital methods of analysing data during operations to determine the operating parameters of our wind turbines. This involves identifying any incorrect settings and other sub-optimal operating parameters and eliminating them with the help of the original equipment manufacturers (OEMs). We implement these performance analyses and monitoring processes with specially

developed software using digital methods such as artificial intelligence (AI). In 2023, we acquired a majority stake in Bitbloom Ltd. and thus secured access to this technology.

Avifaunistic detection systems

We are also working with partners to develop avifaunistic detection systems. These systems recognise approaching birds and can therefore shut down wind turbines as required to reduce the risk of bird strikes and then start them up again. This replaces otherwise generalised and longer shutdowns, which substantially increases the efficiency of wind farms (see [Biodiversity](#)).

Demand-driven night lighting

We have implemented a similar innovation project in relation to demand-driven night lighting of wind farms. With the solution first developed at our wind farm in Kührstedt-Alfstedt, wind turbines are only illuminated by a signal as required by air traffic regulations for the duration of a flyover and only when an aircraft is in the immediate vicinity of the wind farm. Together with partners, we have developed the corresponding system to maturity and rolled this out to other wind farms.

Innovative services for the accelerated expansion of renewable energies

As a result of an innovation project of a non-technical, financial nature, we have been offering “Power Purchase Agreements (PPA) as a Service” since 2019. With this service, we support plant operators in concluding PPAs or electricity supply contracts with electricity consumers. We act as an intermediary and provide support e.g. in the search for suitable marketers and in the conclusion of pre-negotiated contracts. This enables system operators to enter into both short-term and long-term agreements

with electricity consumers, and us to guarantee our customers a stable and predictable income while creating planning security even in volatile market phases. Particularly smaller renewable energy projects can be realised more easily in this way.

EU taxonomy

Background

As part of the EU Action Plan on Sustainable Finance, the redirection of capital flows into sustainable investments is a key objective. Against this background, Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (the Taxonomy Regulation) entered into force in mid-2020, establishing a uniform and legally binding classification system to stipulate which economic activities in the EU are considered “environmentally sustainable”. We distinguish between taxonomy capability and taxonomy compliance.

An economic activity is considered eligible for taxonomy if it can potentially contribute to achieving at least one of the six environmental objectives defined in Article 9 of the Taxonomy Regulation:

1. climate protection;
2. adaptation to climate change;
3. the sustainable use and protection of water and marine resources;
4. the transition to a circular economy;
5. the prevention and reduction of environmental pollution;
6. the protection and restoration of biodiversity and ecosystems.

An economic activity is only considered ecologically sustainable, i.e. taxonomy-compliant (“aligned”), if it fulfils all of the following conditions:

- making a significant contribution to one of the environmental objectives,
- compliance with the DoNoSignificantHarm (DNSH) criteria, which are intended to prevent significant harm to one or more other environmental objectives,
- compliance with frameworks for minimum protection with regard to occupational safety and human rights (minimum safeguard).

The commitment to disclose a non-financial statement obliges the PNE Group to apply the regulatory requirements of the Taxonomy Regulation. For the 2023 reporting year, the PNE Group reports on the taxonomy-capable shares of revenue, capital expenditure (CapEx) and operating expenditure (OpEx) in accordance with the six environmental targets. Based on this, the PNE Group is obliged to provide additional information on taxonomy compliance for the 2023 reporting year in accordance with the two environmental objectives “climate protection” and “adaptation to climate change”. The amounts used to calculate the revenue, CapEx and OpEx figures are therefore based on the figures reported in the consolidated financial statements. The Scope of consolidation corresponds to the financial reporting. For detailed information, please refer to the chapter ↗ **“Scope of Consolidation”** in the notes to the consolidated financial statements.

Methodology

The PNE Group’s business model was extensively analysed in order to identify the activities eligible for taxonomy. In addition to the definitions in the Delegated Climate Act, the taxonomy FAQs and the NACE codes were also used. The PNE Group reports in the three segments “Project Development”, “Electricity Generation” and “Services”. The PNE Group was able to identify five taxonomy-eligible economic activities from the “Energy” and “New Construction” sectors.

- 4.1. Electricity generation using photovoltaic technology
- 4.3. Power generation from wind power
- 4.9. Transmission and distribution of electricity
- 4.20. Combined heat, power and cooling with bioenergy
- 7.6. Installation, maintenance and repair of renewable energy technologies

During the identification process, particular emphasis was placed on clearly distinguishing activities 4.1 and 4.3 from activities 4.9 and 7.6. The subsidiaries of the PNE Group, which operate in the “Services” segment, were analysed in detail and the income from commercial services was excluded from the taxonomy. The company PNE WIND Netzprojekt GmbH was allocated to economic activity 4.9.

The IFRS accounting principles of PNE were transferred to taxonomy reporting. It should be noted here that when a wind farm is created, it is always initially recorded on the balance

sheet in inventories. Accordingly, additions to inventories are not recognised as CapEx. The company only recognises a wind farm as an addition to property, plant and equipment if it is not sold and taken over for its own use. Accordingly, there are no CapEx schedules. The taxonomy compliance of allocated KPIs is checked on the basis of the financial information for each subsidiary and segment allocation. These include the income statement, the statement of changes in non-current assets, investments and other operating expenses.

A policy and checklist to review the technical assessment criteria were established to verify taxonomy compliance. These were enriched with information from the taxonomy FAQs as well as information from additional research activities. For economic activity 4.1, the review is carried out for each photovoltaic project and for economic activity 4.3, for each wind farm. The climate risk and vulnerability analysis was carried out on a site-by-site basis. The review of economic activities in 4.9, 4.20 and 7.6 was carried out at Group level for the companies concerned. The verification of compliance with the minimum protection is ensured by means of central guidelines and business partner declarations. In addition, regular checks of business partners are carried out. Since the majority of business activities are provided in Germany and the European Union, there is no significant risk of human rights violations. With our Compliance Management System and internal control system, we ensure compliance with our policies.

Performance indicators in accordance with the EU Taxonomy Regulation

The economic activities relevant to the PNE Group are presented below, together with the financial performance indicators (turnover, capital expenditure, operating expenditure) to be reported in accordance with Article 8 of the Taxonomy Regulation.

in %	Taxonomy-compliant	Taxonomy-capable	Non-taxonomic
Revenues	90.2	96.4	3.6
CapEx	86.1	100	0
OpEx	96.0	100	0

Revenues

The turnover ratio is the ratio of the turnover from taxonomy-capable or taxonomy-compliant economic activities in a financial year to the total turnover of that financial year. The numerator of the sales indicator is the portion of net sales associated with taxonomy-compliant activities. In the "Project Development" segment, this includes revenues from the sale of the developed wind farms and photovoltaic plants; in the "Power Generation" segment, this is revenues from the sale of electricity generated in onshore wind farms and a wood-fired power plant; and in the "Services" segment, it is revenues generated by technical services.

Total revenues of euro 121,533,644 for the 2023 financial year are the denominator of the sales key figure and can be taken from the **consolidated income statement**. Total revenues are examined across all Group companies to determine whether they were generated as taxonomy-capable or taxonomy-compliant. A detailed analysis of the items included in revenues is used to allocate the respective revenue to taxonomy-capable and taxonomy-compliant economic activities. This results in a taxonomy-capable key revenue figure of euro 117,142,449 and 96.4 percent respectively, as well as a taxonomy-compliant key revenue figure of euro 109,676,653 and 90.2 percent respectively.

Capital Expenditure (CapEx)

CapEx measures indicate the proportion of capital expenditure that relates either to assets or processes associated with a taxonomy-capable and taxonomy-compliant economic activity or to the acquisition of products and services from a taxonomy-capable and taxonomy-compliant economic activity.

Capital expenditures (CapEx) are based on additions to property, plant and equipment, intangible assets and rights of use during the financial year under consideration before depreciation and any revaluations for the financial year in question.

Total capital expenditure according to the EU Taxonomy Regulation identifies the figure for PNE Group for the reporting year as euro 95,999,116.

Based on the project description of additions, an analysis is carried out regarding taxonomy capability and taxonomy compliance. The sum of additions that reflect a taxonomy-capable investment is the

numerator of the CapEx figure. Investments related to land, technical equipment and machinery, advance payments and equipment under construction, concessions, industrial property rights, leases for land and cars together form the denominator.

This results in a taxonomy-capable CapEx figure of euro 95,994,521 and 100 percent respectively, which in turn gives us a taxonomy-compliant CapEx figure of euro 82,629,429 and 86.1 percent respectively.

Operating Expenditure (OpEx)

Key OpEx figures indicate the proportion of capital expenditure that relates either to assets or processes associated with a taxonomy-capable and taxonomy-compliant economic activity, form part of a CapEx schedule to expand a sustainable economic activity or to the acquisition of products and services from a taxonomy-capable and taxonomy-compliant economic activity.

The numerator of the OpEx measure corresponds to the repair and maintenance expenses included in the denominator, which relate to assets or processes associated with taxonomy-capable economic activities. Repair and maintenance from the composition of other operational applications is the denominator of the OpEx key figure.

This results in a taxonomy-capable OpEx figure of euro 7,248,079 and 100 percent respectively, which in turn gives us a taxonomy-compliant OpEx figure of euro 6,959,079 and 96.0 percent respectively.

Double counting was avoided in so far as the sales, CapEx and OpEx were only attributable to one economic activity.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023 Economic Activities (1)	2023		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")							Category enabling activity (19)	Category transitional activity (20)		
	Code (2)	Turnover (3)	Proportion of Turnover, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)				
		in thousand euro	in %	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation using solar photovoltaic technology	CCM 4.1	20,060,435	16.5%	Y	N						Y			Y	Y	Y				
Electricity generation from wind power	CCM 4.3	76,846,734	63.2%	Y	N						Y	Y		Y	Y	Y				
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	12,769,484	10.5%	Y	N						Y								E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		109,676,653	90.2%	90.2%	0.0%															
Of which enabling		12,769,484	10.5%	10.5%	0.0%														E	
Of which transitional																				T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transmission and distribution of electricity	CCM 4.9	4,104,345	3.4%	EL	EL	N/EL	N/EL	N/EL	N/EL											
Cogeneration of heat/cool and power from bioenergy	CCM 4.20	3,361,452	2.8%	EL	EL	N/EL	N/EL	N/EL	N/EL											
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7,465,797	6.1%	6.1%	0.0%															
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		117,142,449	96.4%	96.4%	0.0%															
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy non-eligible activities (B)		4,391,194	3.6%																	
TOTAL		121,533,644	100.0%																	

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023 Economic Activities (1)	2023		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")							Category enabling activity (19)	Category transitional activity (20)		
	Code (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)				
	in thousand euro	in %	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation using solar photovoltaic technology	CCM 4.1	7,733,705	8.1%	Y	N						Y			Y	Y	Y				
Electricity generation from wind power	CCM 4.3	73,621,264	76.7%	Y	N						Y	Y		Y	Y	Y				
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	1,274,460	1.3%	Y	N						Y								E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		82,629,429	86.1%	86.1%	0.0%															
Of which enabling		1,274,460	1.3%	1.3%	0.0%														E	
Of which transitional																				T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transmission and distribution of electricity	CCM 4.9	13,278,119	13.8%	EL	EL	N/EL	N/EL	N/EL	N/EL											
Cogeneration of heat/cool and power from bioenergy	CCM 4.20	86,973	0.1%	EL	EL	N/EL	N/EL	N/EL	N/EL											
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		13,365,092	13.9%	13.9%	0.0%															
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		95,994,521	100.0%	100.0%	0.0%															
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non eligible activities (B)		4,595	0.0%																	
TOTAL		95,999,116	100.0%																	

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023 Economic Activities (1)	2023		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")							Category enabling activity (19)	Category transitional activity (20)	
	Code (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
	in thousand euro	in %	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	1,869,063	25.79%	J	N						J			J	J	J			
Electricity generation from wind power	CCM 4.3	5,064,842	69.88%	J	N						J	J		J	J	J			
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	25,174	0.35%	J	N						J								E
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6,959,079	96.0%	96.0%	0.0%														
Of which enabling		25,174	0.3%	0.3%	0.0%														E
Of which transitional																			T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Cogeneration of heat/cool and power from bioenergy	CCM 4.20	289,000	3.99%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		289,000	4.0%	4.0%	0.0%														
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		7,248,079	100.0%	100.0%	0.0%														
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non eligible activities (B)		0	0.0%																
TOTAL		7,248,079	100.0%																

GRI CONTENT INDEX

of PNE AG, Cuxhaven, for the period from January 1 to December 31, 2023

Statement of use PNE AG has reported with reference to the GRI Standards for the period from January 1 to December 31, 2023.
 GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Comment
General disclosures			
	2-1 Organizational details	p. 55-57, p. 123	
	2-2 Entities included in the organization’s sustainability reporting	p. 26	
	2-3 Reporting period, frequency and contact point	p. 26, p. 193	
	2-4 Restatements of information		As PNE AG is publishing a non-financial report with reference to the GRI Standards for the first time this year, there is no information that has been corrected or restated.
GRI 2: General Disclosures 2021	2-5 External assurance	p. 26	
	2-6 Activities, value chain and other business relationships	p. 27	
	2-7 Employees	p. 33-34	
	2-9 Governance structure and composition	p. 166-167	
	2-10 Nomination and selection of the highest governance body	p. 166-167	
	2-11 Chair of the highest governance body	p. 166-167	

GRI Standard	Disclosure	Location	Comment
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	p. 30	
	2-13 Delegation of responsibility for managing impacts	p. 30	
	2-14 Role of the highest governance body in sustainability reporting	p. 30	
	2-15 Conflicts of interest	p. 30-31	
	2-16 Communication of critical concerns	p. 32	
	2-17 Collective knowledge of the highest governance body	p. 30	
	2-18 Evaluation of the performance of the highest governance body		Remuneration system for the members of the Board of Management 2023 (German): ir.pne-ag.com/fileadmin/IR/PDF/Corporate_Gouvernance/Verguetungssystem/PNE_Verguetungssystem_Vorstand_2023.pdf
	2-19 Remuneration policies		Remuneration system for the members of the Board of Management 2023 (German): ir.pne-ag.com/fileadmin/IR/PDF/Corporate_Gouvernance/Verguetungssystem/PNE_Verguetungssystem_Vorstand_2023.pdf
	2-20 Process to determine remuneration		Remuneration system for the members of the Board of Management 2023 (German): ir.pne-ag.com/fileadmin/IR/PDF/Corporate_Gouvernance/Verguetungssystem/PNE_Verguetungssystem_Vorstand_2023.pdf
	2-21 Annual total compensation ratio		
	2-22 Statement on sustainable development strategy	p. 29	Further information on the ESG strategy can be found on the PNE website: www.pne-ag.com/en/company/sustainability/
	2-23 Policy commitments		Declaration on Corporate Governance pursuant to §289f and §315d HGB (German Commercial Code) Status: 2023: ir.pne-ag.com/fileadmin/IR/PDF/Corporate_Gouvernance/Erklaerung_Unternehmensfuehrung/Erklaerung_zur_Unternehmensfuehrung_2023_EN.pdf
	2-24 Embedding policy commitments	p. 30	
	2-25 Processes to remediate negative impacts	p. 30, p. 32	
	2-26 Mechanisms for seeking advice and raising concerns	p. 30, p. 32	
2-27 Compliance with laws and regulations	p. 31-32		
2-28 Membership associations	p. 32-33		
2-29 Approach to stakeholder engagement	p. 32-33		

GRI Standard	Disclosure	Location	Comment
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 28	
	3-2 List of material topics	p. 28	
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 31-32	
	205-1 Operations assessed for risks related to corruption	p. 31-32	
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	p. 31-32	
	205-3 Confirmed incidents of corruption and actions taken	p. 31-32	
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 31-32	
GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 31-32	
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 37	
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	p. 37	
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 36-37	
	305-1 Direct (Scope 1) GHG emissions	p. 36-37	
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	p. 36-37	
	305-3 Other indirect (Scope 3) GHG emissions	p. 36-37	
	305-4 GHG emissions intensity	p. 36-37	

GRI Standard	Disclosure	Location	Comment
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 40	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 40	
	306-2 Management of significant waste-related impacts	p. 40	
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 39-40	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	p. 39-40	
	308-2 Negative environmental impacts in the supply chain and actions taken	p. 39-40	
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33-34	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 33-34	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 33-34	

GRI Standard	Disclosure	Location	Comment
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33	
	403-1 Occupational health and safety management system	p. 33	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 33	
	403-3 Occupational health services	p. 33	
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 33	
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	p. 33	
	403-6 Promotion of worker health	p. 33	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 33	
	403-8 Workers covered by an occupational health and safety management system	p. 33	
	403-9 Work-related injuries	p. 33	
	403-10 Work-related ill health	p. 33	
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33-35	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	p. 34	

GRI Standard	Disclosure	Location	Comment
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 32	
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32-33	
GRI 413: Local communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	p. 32-33, p. 37	
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 39-40	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	p. 39-40	