



2023

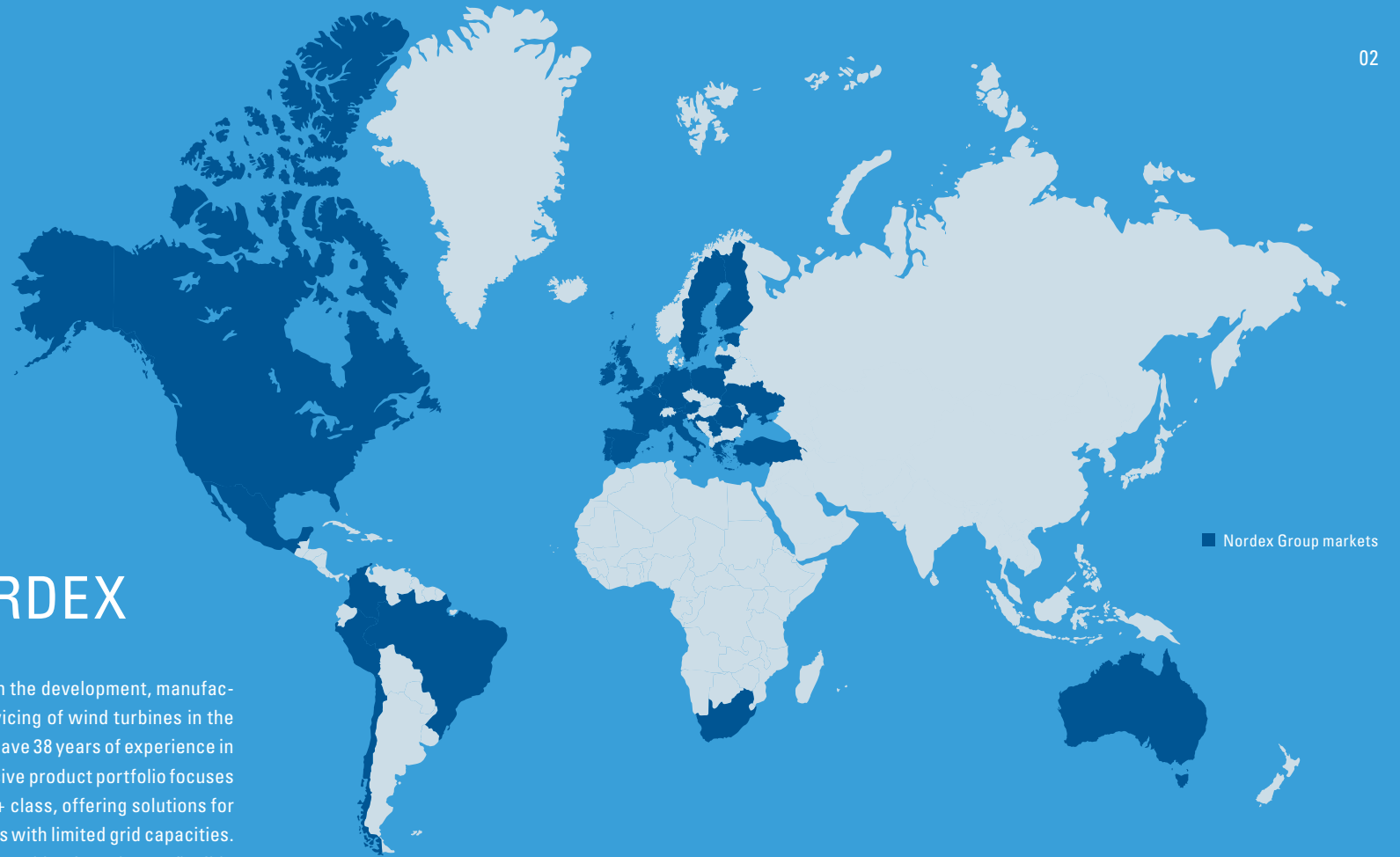
Together for change –
Wind for a sustainable future

Sustainability Report 2023



GLOBAL PRESENCE

The Nordex Group's key markets – read more on p. 13



WE ARE NORDEX

↗ GRI 2-1, 2-6

The Nordex Group is a global leader in the development, manufacturing, project management and servicing of wind turbines in the onshore sector. Founded in 1985, we have 38 years of experience in harnessing the wind. Our comprehensive product portfolio focuses on onshore turbines in the 4 to 6 MW+ class, offering solutions for markets with limited space and regions with limited grid capacities. Our Delta4000 series, the first in the world to introduce a flexible rating as part of its core design philosophy and operational strategy, features high-yield wind turbines that enable many years of efficient electricity generation from wind energy in almost all geographical and climatic conditions. The Nordex Group has installed more than 51.4 GW of wind energy capacity in over 40 markets, generating revenues of EUR 6,489.1 million in 2023.

We have our own production facilities in Germany, Spain, Brazil and India, where we manufacture nacelles, rotor blades and concrete towers. Our mission is to develop clean power plants that generate 100% renewable energy for the world. As a manufacturer of innovative onshore wind turbines, we focus on delivering

high-performance, cost-competitive wind farms, creating value for our customers and empowering them to provide sustainable and affordable energy for a cleaner and more peaceful world.

Sustainability is the core of our business model, and we firmly believe that sustainability is not only crucial for our commercial future, but also for preserving our environment for future generations. To this end, we pursue a holistic approach that goes beyond our business model, as reflected in our Sustainability Strategy titled “Together for change – Wind for a sustainable future.”

This strategy provides a foundation for our actions and encompasses the key sustainability topics for the period 2022–2025 and beyond: Sustainable Products, Climate Change and Decarbonization, Environmental Protection, Fair and Attractive Employer, Occupational Health and Safety, Responsible Sourcing and Business Ethics, Compliance and Integrity.

In this Sustainability Report, we provide a detailed account of our environmental, social, governance and economic activities.

SUSTAINABILITY IN NUMBERS

Selected key figures from our sustainability performance in 2023.



PRODUCT DIMENSION

69.1 Mt CO₂e avoided¹
2022: 60.7 Mt CO₂e avoided

6,489 sales in EUR million
2022: EUR 5,694 million

7.30 GW installed capacity
2022: 5.22 GW

2.7 - 6.5 g CO₂e/ kWh Product Carbon Footprint

4.5 customer satisfaction in the Project and Service area (scale 1–6, 6 = best)
2022: 4.4 (Sales Area)

¹ CO₂e: CO₂ equivalent.



ENVIRONMENTAL DIMENSION

7,508 kg carbon emissions in our own operations (scopes 1+2) per installed capacity
2022: 5,299 kg CO₂e/MW

34,449 kWh energy consumption per installed capacity¹
2022: 31,069 kWh/MW

31% waste from production sites to landfills
2022: 16%

28% waste recovery
2022: 48%

19% less waste production per installed capacity
2023: 4,042 kg/MW
2022: 4,989 kg/MW

20.9 m³ water withdrawal per installed capacity
2022: 25.6m³/MW

¹ Market-based method for scope-2-emissions



SOCIAL DIMENSION

85% of employees participated in Compass Dialogs¹
2022: 75%

16.9% proportion of women
2022: 16.4%

18.9% proportion of female leaders/managers²
2022: 17.5%

1.2 Lost Time Injury Frequency (LTIF) – Group level
2022: 1.5

¹ Core process of employee development

² Includes women in positions on M1 to M4 level; all management positions are evaluated with MERCER according to the IPE (International Position Evaluation) methodology



GOVERNANCE DIMENSION

46% of employees completed a course on preventing corruption
2022: 57%

70% Code of Conduct acknowledgement by employees
2022: n/a

166 conducted audits of Nordex-specific component suppliers as well as construction and service-related suppliers
2022: 172

100% of certified balsa wood
2022: 100%

TOGETHER FOR CHANGE – WIND FOR A SUSTAIN- ABLE FUTURE

The Nordex Group's highly efficient wind power systems are making a major contribution to climate-friendly energy generation today. Our Sustainability Strategy 2025 clearly signals that the Nordex Group is prepared to do its part to fight climate change.



Reference to section in the report or to other Nordex Group publications



Link to external internet sources

» Information on components of the Non-financial Group Report (NFR) is indicated with french quotation marks as exemplified by this paragraph. «

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FOREWORD BY THE MANAGEMENT BOARD

➤ GRI 2-22



José Luis Blanco
Chief Executive Officer (CEO)

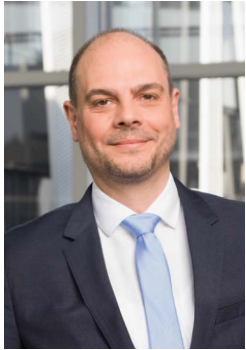
Dear Readers,

Looking back at a year of climate-related extremes, the importance of renewable energy sources in tackling climate change has never been more apparent.

At the Nordex Group, we are proud to work at the heart of the energy sector's green transformation. Our products and services directly contribute to the fight against global warming as we strive to create a cleaner and thus more peaceful planet. In 2023, our installed total output of 51.4 GW worldwide avoided approximately 69.1 million tons of CO₂e, a testament to the unwavering commitment of our more than 10,000 employees.

Yet 2023 was another challenging year for our industry, with high inflation and rising interest rates causing delays in our order intake, and global crises adversely impacting the global economy. Despite these setbacks, the need for clean and independent energy production remains strong, and the path towards energy transition is irrevocable. Further digitalization, electrification, and the need to drastically reduce greenhouse gas emissions are important drivers for this.

Foreword by the Management Board



Dr. Ilya Hartmann
Chief Financial Officer (CFO)

Despite a challenging economic environment, we were able to further strengthen our leading market position as no. 2 in Europe by continuously increasing our market share.

We are also proud to report further progress towards the ambitious targets we set in our Sustainability Strategy 2025:

- › We have submitted near-term and net-zero science-based targets to the SBTi and continued working on identifying and implementing impactful measures to fulfil our climate ambitions.
- › Two new lifecycle analyses for our N149/5.X and N163/6.X turbines once again demonstrate the extremely small ecological footprint of onshore wind power.



Patxi Landa
Chief Sales Officer (CSO)

- › We have maintained our target of keeping our lost time injury frequency rate (LTIF) below 1.5 per million hours worked, thanks to the dedication and commitment of our employees.
- › We have revised our supply chain risk assessment processes to ensure full compliance with the requirements of the German Supply Chain Act.

Our efforts for increased sustainability and transparent communication have also received external recognition: In October 2023 we were awarded the Building Public Trust Award for our EU Taxonomy reporting. We also achieved 5th place in the 20th ranking of the world's most sustainable corporations, published by Corporate Knights.

We remain committed to achieving our ambitious goals and making a positive impact on the environment and society, pursuing our vision and mission of establishing an energy sector that is fit for the future and fed exclusively by renewable energy sources while playing a vital role in creating resilience, peace and stability around the globe.

We would like to express our gratitude to our colleagues for their exceptional and unwavering work as well as their passion and motivation. We would also like to thank all our stakeholders for their trust and commitment. It is only by working together that we can make our industry even more sustainable.

Sincerely yours,
The Management Board

Hamburg, February 2024

José Luis Blanco
Chief Executive Officer (CEO)

Dr. Ilya Hartmann
Chief Financial Officer (CFO)

Patxi Landa
Chief Sales Officer (CSO)

HIGHLIGHTS 2023

With our commitment to sustainability, we pursue a holistic approach that goes beyond our “green” business model. Below, we present selected projects from 2023 that foster and represent our sustainability performance.

Welcoming and introducing the Sustainability and Health Day in Hamburg.



“Building Public Trust Award” for best EU Taxonomy reporting

In October 2023, the Nordex Group’s Sustainability department received an award for the best sustainability reporting in the “Taxonomy Reporting” category for the 2022 Sustainability Report. The award was presented at the Sustainability Congress in Berlin by the Sustainable Finance Research Group, led by Prof. Dr. Alexander Bassen, Chair of Capital Markets and Management at the University of Hamburg and Chairman of the Jury. The award recognizes the credibility, consistency, completeness, relevance, and reliability of the information presented, as well as the quality of information integration and the use of innovative reporting approaches. (You can find Nordex’ current EU Taxonomy reporting on p. 29)

Sustainability and Health Day in Hamburg

In September 2023, we held the 5th Sustainability and Health Day at our head office. The program featured a rich variety of talks, panel discussions, workshops, hands-on activities and information stands covering a range of sustainability and health topics, and attracted employees from many different departments. This year, we focused on climate mitigation and sustainable and healthy mobility in keeping with the motto: “Climate Action. Healthy Mobility.” Local health management service partners were among those offering occupational health support with presentations and practical activities relating to mobile

working and time management as well as health-related services. In addition, several Nordex Group colleagues developed a great exercise and sports program that includes Pilates, circuit training, walking and workouts. (For more information see p. 127)

Environmental Week Brazil

This year’s Environmental Week in Brazil was a great success, surpassing all previous years in terms of participation and impact. The event took place around all sites in Brazil and focused not only on raising awareness of the circularity concept (4Rs: Refuse, Reduce, Reuse and Recycle) but also taking direct action. Through presentations and discussions, the



The Nordex Group is awarded with the “Building Public Trust Award.”



All life cycle assessments can be found on our website

teams encouraged participants to avoid single-use items and think about ways to repair and refurbish items instead of throwing them away. This was further demonstrated by the presentation about the “Adopt a Local Artist” project which showcased how waste can be reused in creative ways. The “Adopt a Tree” workshop was particularly popular, with workers taking great pride in planting and nurturing their own trees on site while simultaneously finding innovative solutions. (For more information see p. 103)

Reduction of the Product Carbon Footprint

To evaluate the environmental impact of our products and identify areas for improvement, we have set a goal to conduct a Life Cycle Analysis (LCA) for all relevant turbines. In 2023, we completed LCA studies for two additional turbine types: the N149/5.X with a 125m steel tower and the N163/6.X with a 159m steel tower, with emissions of 4.9g and 4.7g CO₂e per kWh of electricity generated respectively. Despite the larger steel towers, which contribute significantly to the overall results, our analysis once again demonstrates the very low specific carbon footprint of wind energy. Furthermore, the results indicate that this carbon footprint continues to decrease as new turbine models are introduced, thanks to performance enhancements and lifetime extension measures. (For more information see p. 42)

Development of a Green Electricity Policy

At the Nordex Group, we are committed to reducing our carbon footprint and promoting sustainable practices. Among other initiatives, this includes a commitment to procuring 100% green electricity – a principle we have been following since 2021. As part of our efforts to achieve climate neutrality (scopes 1 and 2) and continuously improve the Nordex Group’s climate impact, we published a globally applicable Green Electricity Policy in 2023. With this policy, the Nordex Group provides universal preconditions for commissioning new sites and prioritizing various green electricity products and technologies and underlines our continued commitment to exclusively using green electricity within our operations.

EcoVadis Gold Standard

In September 2023, the Nordex Group was once again awarded an EcoVadis Gold Medal in recognition of its successful sustainability efforts. To receive this medal in 2023, companies must achieve a total score of between 70 and 77 points. This time we scored 70 (2022: 71 points) out of a maximum of 100 points. The latest result puts the Nordex Group in the top 2% of all general industrial machinery manufacturers assessed by EcoVadis. (For more information see p. 28)



Kick-off of the EoLO-HUBs¹ R&D program project

The Nordex Group has set itself the goal of supplying fully recyclable rotor blades for wind turbines by 2032 and is actively involved in a number of research and development projects to achieve this goal. One of these is the EU funded EoLO-HUBs project, which aims to demonstrate and validate innovative composite recycling technologies for end-of-life wind turbine recycling. The project involves 18 European partners from 7 countries. The Nordex Group will contribute its expertise in blade design and material combinations and provide test blades for the project. By participating in the EoLO-HUBs project, the Nordex Group is demonstrating its commitment to sustainability and reducing its environmental impact.

¹ Full name: Wind turbine blades End of Life through Open HUBs for circular materials in sustainable business models – “EoLO-HUBs”

RoSPA Renewable Energy Sector Award for Health and Safety Achievements for Nordex Group UK and Ireland

Nordex UK and Ireland have won the RoSPA Industry Sector Awards in Renewable Energy for two consecutive years. Organizations that receive the RoSPA Industry Sector Award are recognized as world leaders in health and safety practices in their industry. With nearly 2,000 entrants vying to receive the highest possible accolade in the UK's longest-running health and safety industry awards each year, the win is testament to the ongoing commitment to the health, safety and welfare of Nordex Group personnel and contractors in the UK and Ireland. This year, and to celebrate his 10th year as a Nordex Group employee, Malcolm Montgomery was asked to receive the award on behalf of the region at the prestigious awards ceremony in Glasgow, Scotland.



Team Nordex in UK and Ireland receives RoSPA Award.

ABOUT THIS REPORT

[GRI 2-2, 2-3, 2-4, 2-5, 2-14](#)

Sustainability reporting is not just a legal requirement for us, but a demonstration of our transparency and commitment to sustainability. It helps us analyze gaps, challenges and opportunities and improve the sustainability of our business. Each Annual Report helps the Nordex Group to grow further and continue improving the sustainability of our business.

CONTENT AND STRUCTURE

» This Sustainability Report provides detailed information on our environmental, social and governance (ESG) performance. In the first “Introduction” section, we give an overview of our sustainability-related highlights and key facts, the report framework and scope and our business model. The second “Sustainability Management” section looks at how we embed sustainability in our organization, and offers an overview of our ESG ratings and EU Taxonomy disclosures. We summarize our Sustainability Strategy 2025, discuss the progress made towards the Sustainable Development Goals (SDGs), and describe our stakeholder management structure.

The third part, “Sustainability Contribution”, reflects the implementation status of our Sustainability Strategy 2025. Our materiality analysis identified seven main topics of Sustainability that are reflected in the chapter structure, summarizing our sustainability-related activities, management approaches, risks and opportunities, and key figures. Finally, we address the overall progress we have made in the second year of our Sustainability Strategy 2025 with respect to our action plan for each topic. The last section of the report, “Further Information”, contains the GRI Index, EU Taxonomy tables, audit information and explanations. Together with the Nordex Group’s 2023 Annual Report, which is published simultaneously, our 2023 Sustainability Report provides a comprehensive picture of the company’s current status.

REPORTING PERIOD AND SCOPE

The Nordex Group has reported in accordance with the GRI Standards for the period from 01 January 2023 to 31 December 2023. This is the eighth time we have reported on the Nordex Group’s sustainability activities in this form, and we will continue updating and publishing sustainability-related information annually. The disclosures made in this report apply to all Group companies and entities as included in the Nordex Group’s basis of consolidation.

With regard to the environmental indicators, we concentrated on the sites that are particularly important for Nordex’ progress in terms of climate and environmental KPI reporting.

Therefore, the consumption key figures, explained in the chapters “Climate Change and Decarbonization” and “Environmental Protection”, relate to the Nordex Group’s active serial production sites in Brazil, Germany, India, and Spain, as well as to all office sites with 80 or more employees. In accordance with the materiality principle, we report on all sites that, due to their size and business activities, have a significant influence on the reporting data.

Due to the earlier publication of the sustainability report, most of the environmental data and the KPI LTIF for December was not yet available at the time of the external audit. Accordingly, extrapolations were made on the basis of previous months.

Compared to the 2022 report, one change occurred within the scope of the 2023 report:

The Nordex Group made changes in its production of concrete towers in Brazil, with the concrete tower factory in Uibaí ceasing production by the end of 2022.

About this Report

Reporting scope 2023: ●	Serial Production Sites			Offices (incl. Engineer Centers)
	Nacelle	Rotor Blade	Concrete Tower	
Brazil	●		●●	●
Germany	●			●●●
France				●
India	●●●	●		●
Spain	●	●		●●●●
USA				●

In addition to the company's own production sites, there are also supplier production sites where Nordex Group employees are assigned to oversee quality and production. In 2023, this applied to two production sites in China, assembling machine houses, rotor hubs and drivetrains, as well as to six supplier sites in Brazil, China, India, Mexico and Türkiye producing blades. Based on the same process model, work at suppliers' concrete tower production operations continues at various production facilities in Finland and Colombia. These sites are outside the scope of this report.

REMARKS ON THE SEPARATE CONSOLIDATED NON-FINANCIAL REPORT

The Nordex Group's separate consolidated Non-financial Report (hereafter: "Non-financial Report"), published in compliance with the statutory requirements of the German Act to Strengthen Non-financial Disclosures by Companies in their Management and Group Management Reports (Gesetz zur Stärkung der nichtfinanziellen Berichterstattung der Unternehmen in ihren Lage- und Konzernlageberichten, CSR-RUG), is embedded in this Sustainability Report. Statements relating to the Non-financial Report are clearly identified by French quotation marks bracketing the respective text. An overview of the statements made in the Non-financial Report as required by Section 315c in conjunction with Section 289c to 289e of the German Commercial Code

(Handelsgesetzbuch, HGB), as well as links to the respective sections in this Sustainability Report, are provided in the table below.

The description of the aspects required by the HGB is based on the structure of the GRI management approaches. The Sustainability Report 2023 uses the GRI Universal Standards 2021. This has been applied in the description of the materiality analysis as well as in the management approaches to "Anti-corruption and bribery matters," "Respect for human rights," "Product responsibility," "Employee matters" and "Environmental matters" (GRI 3: Material Topics 2021). The GRI Index on page 139 refers to the corresponding report sections for the explanations of the GRI indicators. The disclosures on meeting the GRI indicators represent additional information and are not part of the consolidated Non-financial Report.

Reporting under the requirements of CSR-RUG on risks that are significant to our business performance, position, and financial result is an integral part of risk reporting in the Nordex Group Management Report, as stipulated by German Accounting Standard No. 20 (GAS 20). In our opinion, taking into account the countermeasures, there were no material net risks to the company's business performance, position, or financial result that would very probably have a serious, negative impact on these aspects.

About this Report



More information about the Nordex Group is provided in the Annual Report 2023, S. 24 ff.

In accordance with Art. 8 (2) of the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation), and amending Regulation (EU) 2019/2088, the Nordex Group discloses three key figures for its economic activities: the share of revenues (turnover), operating expenses (OpEx), and capital expenditures (CapEx) considered environmentally sustainable (= aligned activities) according to the EU Taxonomy.

Approval by the Supervisory Board

The Supervisory Board is responsible for reviewing and approving the Sustainability Report. The Sustainability Report was presented and approved in a Supervisory Board meeting in February 2024 together with the Annual Report.

External Audit of the Non-financial Report

The contents of this Sustainability Report were reviewed by the Nordex Group Supervisory Board in accordance with Section 171 (1) of the German Stock Corporation Act (Aktengesetz, AktG). The Non-financial Report integrated into this Sustainability Report was additionally audited by the independent auditing firm of PricewaterhouseCoopers (PwC) in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000, revised) in a limited assurance engagement. The auditor's Independent Practitioner's Report is provided on p. 148f.

Cross References

Cross references to statements beyond the scope of the Group Management Report and/or the Consolidated Financial Statements represent additional information and are not part of the Non-financial Report.

Interrelations with the Amounts Shown in the Consolidated Financial Statements

No interrelations with the amounts shown in the Consolidated Financial Statements were identified that require statutory reporting.

Non-financial report Index

Disclosures required by CSR-RUG	Corresponding report sections
Description of the business model	About the Nordex Group, Group Management Report
Product responsibility	Sustainable Products
Environmental matters	Climate Change and Decarbonization, Environmental Protection, Sustainable Products
Employee matters	Fair and Attractive Employer, Occupational Health and Safety
Social matters	This aspect was found not to be material in the materiality analysis.
Respect for human rights	Responsible Sourcing; Business Ethics, Compliance and Integrity
Anticorruption and bribery matters	Business Ethics, Compliance, and Integrity

The reportable disclosures are contained in the individual chapters and are clearly identified by French quotation marks bracketing the respective text.

«

ABOUT THE NORDEX GROUP

➤ GRI 2-1, 2-6, 201-1



Further information on our products and services on p. 40 ff



Further information on countries of operation on the Nordex Group website.

OUR PRODUCTS AND SERVICES

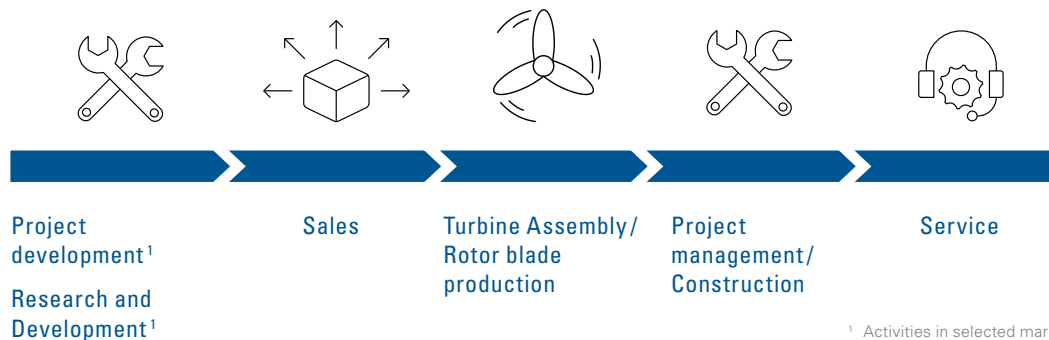
» As a wind power pioneer, the Nordex Group has been driving the development of the onshore wind sector with cutting-edge products since its foundation in 1985. We focus on the development, production and installation of complete wind turbine systems, including control software and key components. Turbine nacelles and hubs are assembled at our own facilities. We develop the rotor blades in-house, and a significant number of the required blades are manufactured at our own production plants, with the remainder manufactured by contractors according to

Nordex Group specifications. We procure components such as gearboxes, generators and inverters from external suppliers, the majority of which are long-term partners. Towers are produced as steel or steel-concrete hybrid constructions by various suppliers. The Nordex Group also uses its own concrete tower design and related manufacturing technology, which enables it to deliver the most cost-competitive tower options. This manufacturing technology at the production sites is operated either by the Nordex Group itself or by our contractors. «

Our Delta4000 product portfolio now includes eight different product types in the 4 MW, 5 MW and 6 MW+ classes. This offers a variety of solutions for all wind conditions at wind farms operating in Europe, North and South America, and Australia. To date, the Nordex Group has installed turbines with a combined nominal output of over 51.4 GW across a total of more than 40 countries.

While the Nordex Group head office strives for overall excellence and sets global standards, our regional entities and their local offices and service points provide customer proximity and local perspectives. Onsite project advisory and operational services are managed by these local branches, which are the direct point of contact for our customers. Information is constantly exchanged between our head office and subsidiaries, enabling our customers to benefit from the latest research and development results and current market analyses.

The value-adding structure of the Nordex Group at a glance



¹ Activities in selected markets

EUR

6,489

million in sales in 2023
(2022: EUR 5,694 million)

The Nordex Group's Service segment ensures the reliable and economical operation of our high-performance wind turbines for customers. We provide services directly to wind farms that have been installed and handed over to the customer via our network of around 385 service points worldwide. Nordex Group Service offers customers a wide range of services, including complete solutions with 24-hour remote monitoring, preventive maintenance and customer training to complete the modernization of our wind turbines. Our service contracts maintain and optimize the electricity production yields of Nordex Group customers. The Nordex Group offers standardized service contracts with different scopes of service. These contracts have terms of up to 25 years, and can even extend as far as 35 years in selected cases. Our flexible service packages ensure that there is always an option to suit the specific needs of our customer's project, including tailored solutions.

At the end of 2023, the Nordex Group's Service segment supported around 11,400 wind turbines worldwide with a total nominal output of 35 GW.

In selected markets, the Nordex Group also operates as a project developer for wind farms, giving it experience in the upstream value chain ("greenfield development"). The current project pipeline focuses on non-European activities, particularly in Latin America, South Africa, and India.

OUR OWNERSHIP AND CUSTOMERS

The listed holding company Nordex SE has its registered office in Rostock, Germany. The majority of Nordex SE shares (52.9%) are in free float. Its largest shareholder is the listed Spanish company Acciona S.A., which has been a strategic anchor investor since Nordex Group acquired Acciona Windpower in 2016. Acciona S.A. currently holds an equity interest of 47.1% in Nordex SE. Our company's head office is located in Hamburg, Germany, where our corporate functions are based along with parts of our Development, Global Sourcing, Project Management, Service and Sales departments.

Our own production sites are located in Germany, Brazil, India, and Spain. In the reporting period, the Group operated Sales and Service offices in around 30 countries, mainly in Europe, North and South America, as well as in other selected markets such as South Africa, and Australia. Our customers are primarily wind farm developers and operators. These include both large- and medium-sized, and often international, utility companies

and independent power producers (IPP), as well as additional customer groups such as medium-sized project developers, municipal utility companies, and community wind farms or energy cooperatives. The Group's customer base also includes an increasing number of industrial captive producers and financial investors, such as insurance companies and pension funds. These groups invest in the development and acquisition of wind farms to cover the electricity demand of their ongoing operations (industry, trade) or to generate a financial return on their installations (financial investors).

OUR ECONOMIC PERFORMANCE

2023 was a transition year for the Nordex Group as expected. In a demanding market environment, the Nordex Group delivered steady operational improvement and reached profitability at EBITDA level in the second half of the year.

In financial year 2023, the Nordex Group generated sales of EUR 6,489.1 million (2022: EUR 5,693.6 million). Before unallocated sales and consolidation, the Projects segment contributed 90% and the Service segment 10% to Group sales. The net loss in the reporting year came to EUR –310.6 million. As of the 31 December 2023 reporting date, the company had 10,133 employees worldwide. In financial year 2023, the Nordex Group's installed capacity was with 7.30 GW significantly above the previous year's figures, with 1,429 wind turbines installed in 24 countries. The largest single markets by installed capacity were Brazil, Germany, Finland, Poland, and Australia.

About the Nordex Group

As of the 31 December 2023 reporting date, the Group's total assets stood at EUR 5,422 million, of which EUR 978.1 million, or 18% was equity. Longer-term borrowing mainly consisted of a corporate bond.

As a company with sustainable business practices, the Nordex Group achieved certification of these financing instruments as "green bonds" in accordance with the criteria of the Climate Bonds Initiative's Climate Bonds Standard Board. To secure its operating bond/trade finance business, the company also has access to an unsecured EUR 1.3 billion credit facility certified as sustainable, including an ancillary facility used to draw on bilateral bank loans.

The pricing of this EUR 1.3 billion facility is linked to its ESG rating, which may result in lower interest costs if the ESG rating improves further.



The key financial figures are provided in detail in our Annual Report 2023, p. 92 ff

Financial data of the Nordex Group

in EUR million	2023	2022	2021
Sales	6,489.1	5,693.6	5,444.0
Gross revenue	6,550.9	5,991.1	5,051.7
Earnings before interest and taxes (EBIT)	-186.5	-426.7	-107.3
Free cash flow	20.0	-513.9	-24.5
Capital expenditure	130.8	204.8	168.7
Consolidated net profit/loss for the year	-302.8	-497.8	-230.2
Cost of materials	-5,566.0	-5,505.0	-4,224.8
Staff costs	-629.8	-561.0	-473.7

[↗ GRI 201-1](#)

Direct economic value generated and distributed

in EUR million	2023	2022	2021
Direct economic value generated	6,489.1	5,693.6	5,440.0
Economic value distributed			
of which were operating costs	5,504.2	5,207.5	4,685.3
of which were employee wages and benefits	629.8	561.1	473.7
Payments to providers of capital	122.0	106.4	122.7
Payments to the government	-39.2	-13.0	6.4
Community investments	n/a	n/a	n/a
Economic value retained	272.3	-168.4	151.9

[↗ GRI 201-1](#)



SUSTAINABILITY MANAGEMENT

STRATEGY AND MANAGEMENT

7 GRI 2-12, 2-13, 2-14, 2-17

» The Sustainability department is responsible for the company’s Sustainability Strategy and manages internal and external processes to meet stakeholder requirements. It coordinates with various departments to manage ESG (Environment, Social,

Governance) impacts and engages in ongoing dialog with stakeholders. The department also handles regulatory reporting and supports local sustainability projects in Germany. It reports directly to the Chief Financial Officer of the Nordex Group.



Our company-wide **Global Sustainability Network**, established and coordinated by the Sustainability department, is an important platform for discussing and driving cross-departmental sustainability issues. It enables us to share information efficiently within the Nordex Group and with our stakeholders, raise awareness of sustainability in the company and support and promote the development and implementation of our Sustainability Strategy.

Strategy and Management

The Sustainability department focuses on product-related sustainability, including carbon footprints and environmental reporting, as well as driving the Nordex Group’s climate strategy development and implementation. It works closely with the Product Strategy and Engineering departments and reports to the Management Board and senior management on environmental indicators and waste reduction measures. The department conducts an annual corporate carbon footprint analysis and climate risk and opportunity assessment in alignment with TCFD recommendations.

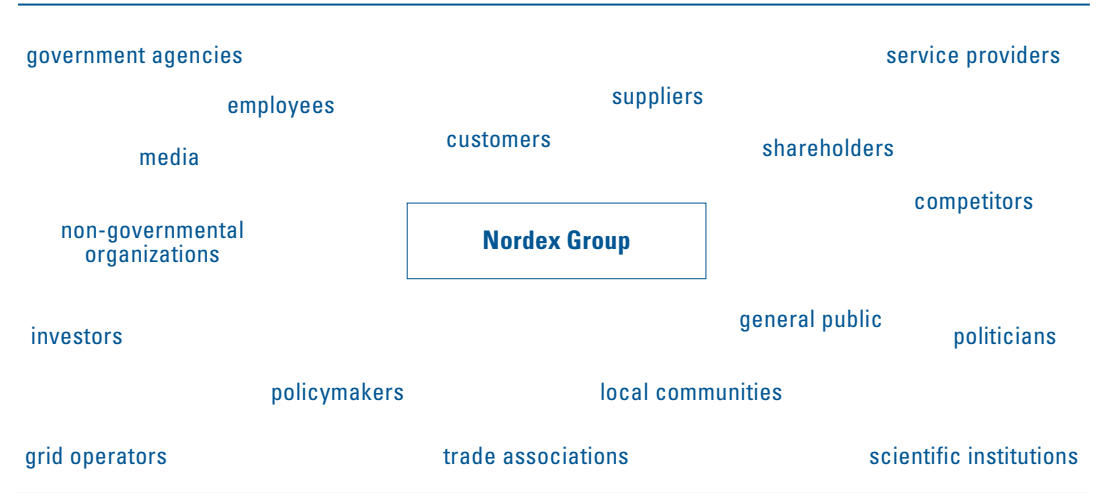
Updates on sustainability-related activities and developments are provided to the Management Board on a monthly basis. The Supervisory Board also receives regular presentations on sustainability development.

STAKEHOLDER DIALOG

At the Nordex Group, we prioritize the concerns of our stakeholders and regularly evaluate the impact we have on them. This helps us identify risks and opportunities early on, ensuring stable business development in the future. We value ongoing dialog with our stakeholders and see great potential in working together to pursue our mutual goals. «

Stakeholders of the Nordex Group

➤ GRI 2-29



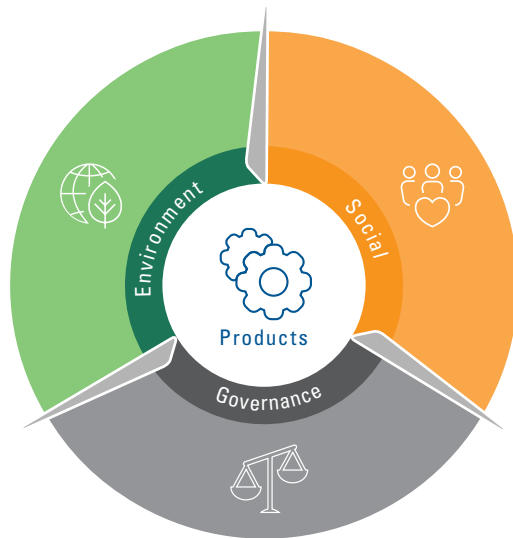
Stakeholder engagement for Sustainability in 2023

Stakeholder Group	Ongoing engagement and involvement in the materiality assessment
Shareholders/investors/analysts	Conferences, calls, ongoing collaboration
Customers	Ongoing collaboration, fairs, calls
Suppliers	Ongoing collaboration, fairs, calls
Nordex employees	Internal website, news and action days, e-Onboarding and Welcome Days, ongoing collaboration with internal experts/Global Sustainability Network
Nordex management	Monthly presentations, workshops
Regulatory affairs	Desktop analysis
Science/research	Participating in studies/ongoing partnerships
Associations	Engagement in working groups
Media	Desktop analysis, ongoing information requests

Our Sustainability Strategy 2025

➤ GRI 2-29

» The reporting year represents the second full year of implementing the Sustainability Strategy 2025 we developed in 2021 as part of an integrative process involving our most relevant internal and external stakeholders. The strategy is structured in line with the ESG framework, with sustainable products at the core of our strategic model. We conducted a comprehensive materiality analysis to identify seven particularly important sustainability topics which are reflected in the strategy through smart targets and specific measures. Our strategy, titled “Together for change – Wind for a sustainable future,” serves as



our compass and reflects our integrative approach. We aim to work together to implement the measures necessary to achieve our targets and contribute to a future worth living. Our strategy enables the Nordex Group to fulfill our high sustainability ambitions while meeting external legal requirements and addressing growing sustainability demands from our stakeholders.

MATERIALITY ANALYSIS PROCESS

➤ GRI 3-1, 3-2

The Nordex Group Sustainability Strategy 2025 provides a framework for responsible action across all areas of the company. To identify key sustainability issues, we conducted a comprehensive materiality analysis in 2021. This analysis considers both the impact the Nordex Group has on its stakeholders (inside-out, i.e., impact materiality) and the areas where sustainability patterns impact the Nordex Group’s business (outside-in, i.e., financial materiality).

We conducted desk research, including analyses of regulations, ESG ratings, benchmarks and media screening. We also conducted internal and external expert interviews, engaged employees by running an online survey, and held a stakeholder roundtable. Two management workshops were held to discuss and confirm the final list of material topics, targets and measures. The following graphic provides an overview of the general materiality analysis process. More details on the process, methodology, and results can be found in the Sustainability Report 2021, p. 18–21.

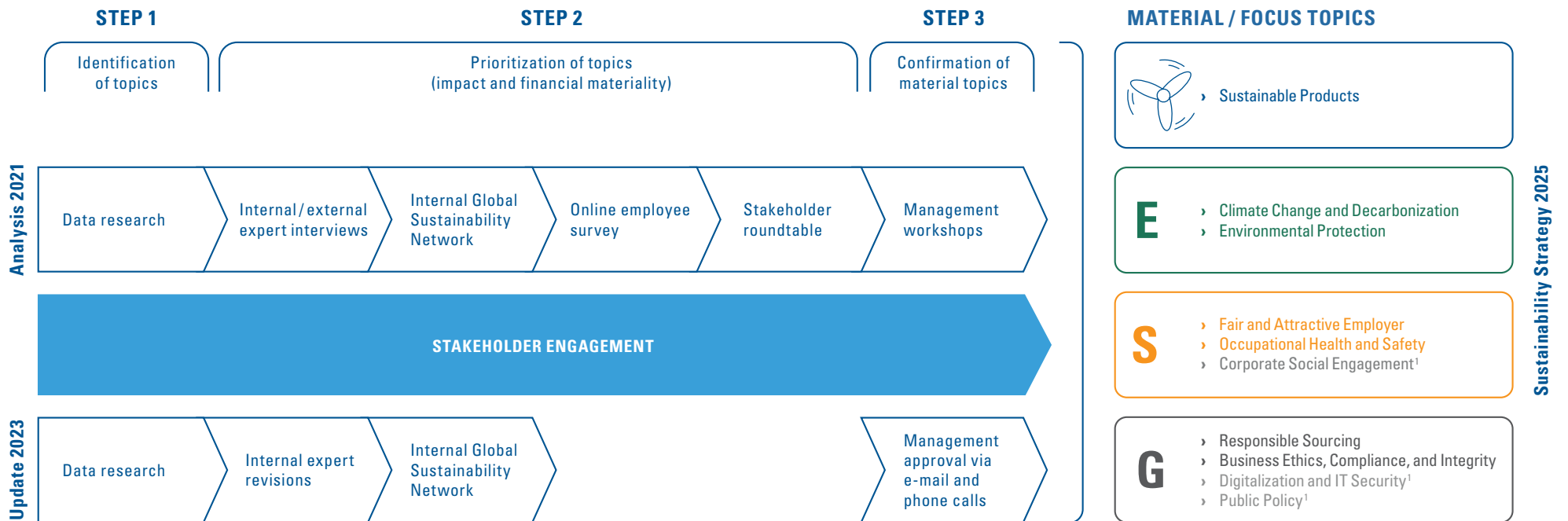
Impact and Risk Analysis

The Nordex Group operates in various countries where our business activities have an impact on society, the environment and human rights. We conducted a parallel examination of the effects of

our business activities during our annual materiality assessment, considering their extent, probability and influenceability. As an international company, we are exposed to various risks, and we have implemented a comprehensive risk management system to detect

potential negative deviations at an early stage and take suitable countermeasures to avoid harm to the company and maintain our going-concern status. More information on our risk management system can be found in the Annual Report 2023 on p. 52 ff.

Materiality analysis process and stakeholder engagement



¹ Topics are not material and not part of the Sustainability Strategy. As they are also important to the Nordex Group, they are additionally addressed in the report.

Strategy and Management

Details on risks, opportunities and impacts for each material topic are addressed in the individual chapters of this Sustainability Report. Our mitigation steps are illustrated in our management approach and the improvements we make in line with our defined targets and measures. The analysis is based on the results of the materiality analysis, and updated assessments made by specialist departments.

Update of Materiality Analysis Process in 2023

In 2023, the Sustainability department updated its materiality analysis by revisiting the previous process and comparing it with current developments. The department checked EFRAG’s drafts of the new European Sustainability Reporting Standards (ESRS) and the GRI Universal Standards to classify the relevance of sustainability topics in Nordex’ reporting. It also reviewed sustainability requirements from rating agencies, regulatory ESG frameworks, the media,

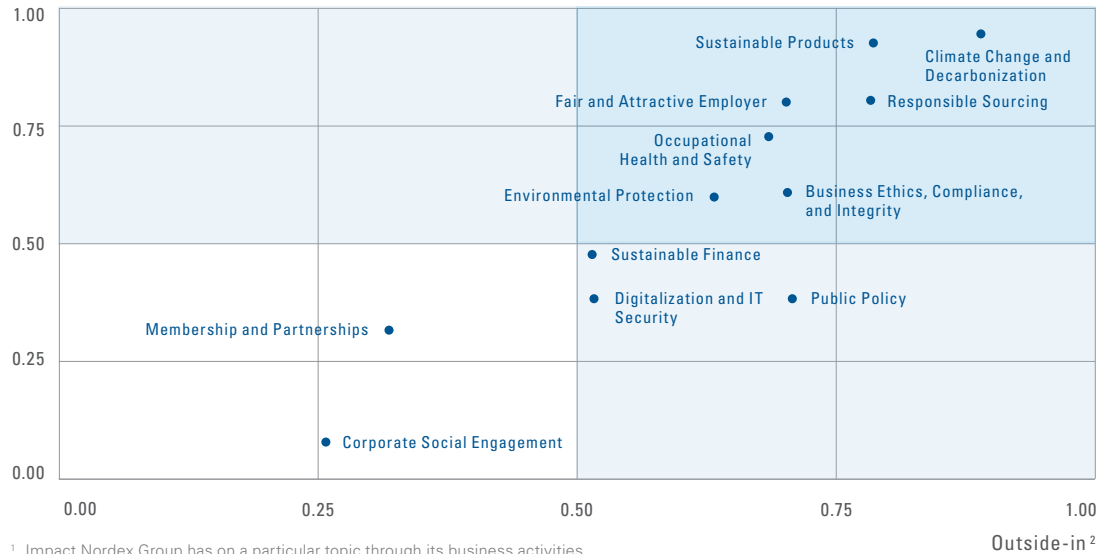
and reports and strategies from peer companies. Internal experts from various departments provided additional information, resulting in slight changes to the materiality of some topics. The Global Sustainability Network discussed, adapted and confirmed the preliminary materiality matrix before it was approved by our Management Board. The updated materiality matrix is shown in the figure “Updated materiality matrix for 2023.”

Our Material Topics

The matrix on the left displays all material topics and their evaluation in terms of impact materiality (inside-out perspective) and financial materiality (outside-in perspective). The materiality analysis update in 2023 resulted in minor changes, but no new material topics were identified. We see a slight increase in two topics from the outside-in perspective: biodiversity as a sub-topic of environmental protection and IT security. The blue box in the matrix contains the final prioritized material issues that we will address more intensively through clear sustainability goals and projects. These focus topics are incorporated into the Sustainability Strategy 2025 and regularly monitored for their implementation status. They also form the basis for the issues addressed in this Sustainability Report, complemented by the topics of Corporate Social Engagement, Digitalization, and Public Policy (shown in grey in the figure “Materiality analysis process and stakeholder engagement”).

Updated materiality matrix for 2023

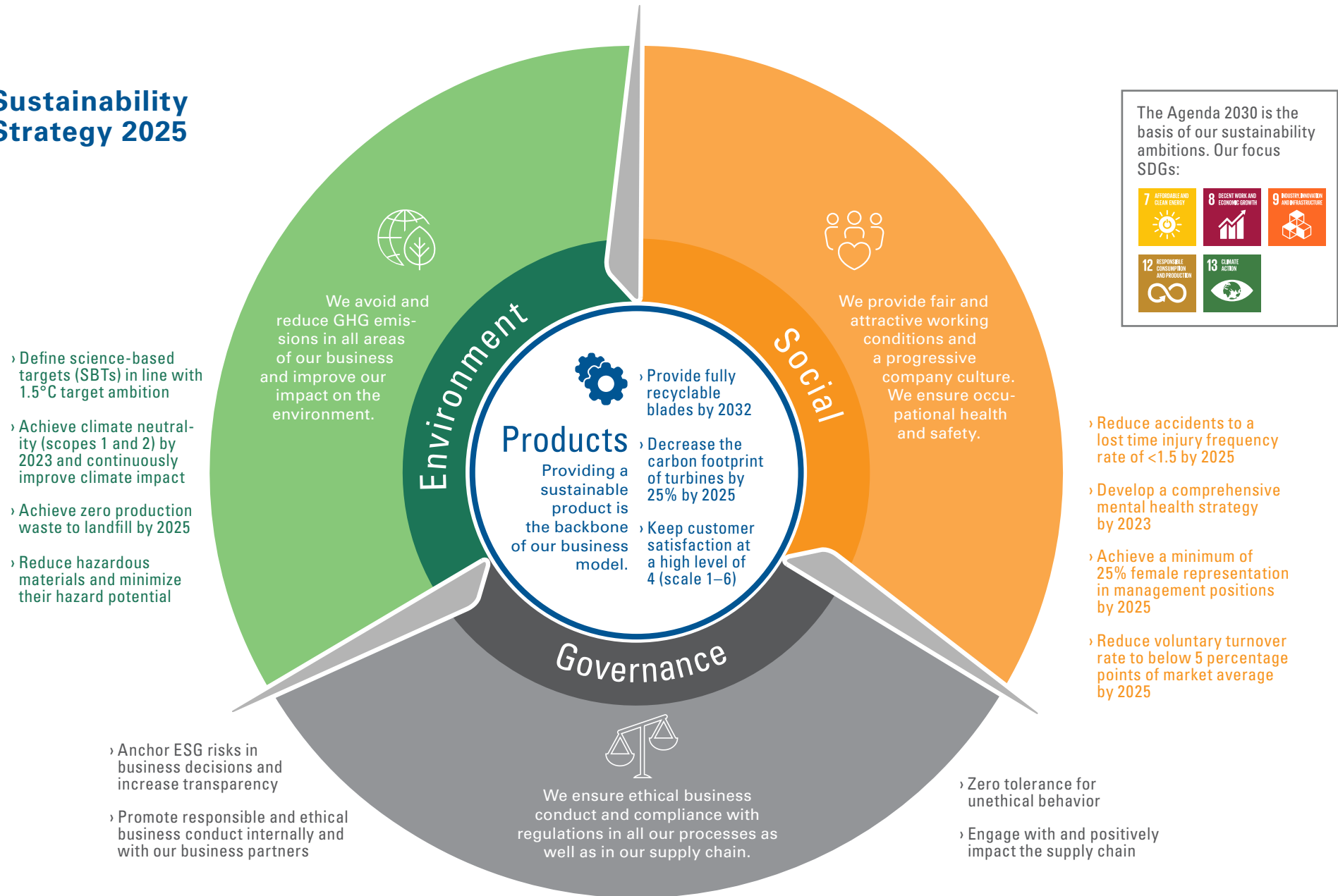
Inside-out¹



¹ Impact Nordex Group has on a particular topic through its business activities.

² Impact a material topic has on Nordex’ business activities (e. g., creating risks/opportunities).

Sustainability Strategy 2025











Strategy and Management

STRATEGY IMPLEMENTATION OVERVIEW









We have established targets and measures for each of the identified topics, which are outlined in the following chapters along with the progress achieved

in 2023 and the objectives for the upcoming years. The table presented below offers a comprehensive summary of the key milestones for the primary targets in the Sustainability Strategy 2025.








Focus Topic	Goals	2023 target achievement and explanation	Implementation status 2023
■ Achieved			
Our Products			
			
Sustainable Products For further information regarding products measures, see p. 40 ff	Goal 1: Provide fully recyclable blades by 2032	The Nordex Group is collaborating with external projects such as EoLO-HUBs, RenerCycle, and RE SORT to ensure the recycling of rotor blade materials and create a circular economy. These three promising projects were launched in 2023 to achieve the goal of producing fully recyclable rotor blades.	
	Goal 2: Decrease carbon footprint of turbines by 25% by 2025	In 2023, we conducted two additional LCA studies for N149/5.X and N163/6.X turbines ¹ . The results once again highlight the very low specific carbon footprint of wind energy.	
	Goal 3: Keep customer satisfaction at a high level of 4 (scale 1 – 6)	In the reporting year, the Nordex Group achieved an average customer satisfaction score of 4.5 (4.6 in the area of project activities and a score of 4.4 in the area of service activities).	
Environment			
			
Climate Change and Decarbonization For further information regarding climate measures, see p. 55 ff	Goal 1: Manage and adapt to climate risks and opportunities	In the reporting year, the Nordex Group reviewed its comprehensive assessment of climate-related risks and opportunities according to TCFD recommendations and EU Taxonomy requirements, and updated and extended the solutions identified in response to the main physical risks in a climate change adaptation plan.	
	Goal 2: Define science-based targets (SBTs) in line with 1.5°C target ambition	Following its SBT commitment in 2021, the Nordex Group developed its near-term and net-zero targets based on the corporate carbon footprint (CCF) 2022 and submitted them for validation to the SBTi at the end of 2023.	
	Goal 3: Achieve climate neutrality (scopes 1 and 2) by 2023 and continuously improve climate impact	We finalized and published the global Green Electricity Policy in 2023. Furthermore, we continued to develop a climate action plan for scopes 1 and 2, identifying more than 20 measures across all production areas. Finally, we will start to buy high-quality carbon offsets for our remaining scope 1 and 2 emissions covering 2023 in early 2024.	

¹ The LCA studies were not part of the audit by PwC, but the base LCA model was externally audited by DEKRA and the studies were verified by ICMQ. External verification for N149/5.X and N163/6.X is planned in financial year 2024 (after editorial deadline).

Strategy and Management

Focus Topic	Goals	2023 target achievement and explanation	Implementation status 2023
Environmental Protection For further information regarding environmental measures, see p. 67 ff	Goal 1: Achieve zero production waste to landfill by 2025	Following a template provided by the concrete tower production area, we are conducting feasibility studies to reduce landfill waste across all our production activities. Furthermore, the Spanish rotor blade factory has joined the Navarra Zircular association to maximize resource efficiency. In 2023, the landfill rate slightly increased to 31%.	
	Goal 2: Increase waste recovery rate by five percentage points by 2025 (baseline recovery rate in 2021: 55%)	We achieved the milestone of including the Corporate Green Packaging Policy in the Nordex Group's Corporate HSE Company Standard. All production areas have developed actions to increase reuse and recycling. However, in 2023, the recovery rate decreased to 28% primarily due to not yet adjusted processes at some new sites.	
	Goal 3: Reduce waste generated per MW produced – specific to production areas: for blades by 5% and for towers and nacelles by 10% by 2025	In 2023, analyses were performed to ensure that only the minimum volumes of concrete were used to meet concrete strength testing. In 2023, waste increased by 34% at the blade production sites and by 47% in the nacelle assembly sites, but decreased by 24% in the concrete tower factories in comparison to the base year.	
	Goal 4: Reduce hazardous materials and minimize their hazard potential	In 2023, additional legal requirements were incorporated into the Black and Grey List as part of the new Company Standard for Hazardous Materials. Substitution plans were developed to eliminate blacklisted materials, resulting, for example, in the removal of 11 materials through product generation change. Eventually, we could reduce the number of hazardous materials recorded to 603.	
	Goal 5: Increase water efficiency	We continued to investigate measures to increase water efficiency and thus, e.g., the applicability of rainwater collectors at our Brazilian and Indian production sites. In 2023, water withdrawal per installed MW sank by 18%.	
Social 	Goal 1: Be an attractive and innovative employer and reduce the voluntary turnover rate to below 5 percentage points of the market average by 2025	In 2023, the Nordex Group continued to work on improving P&C digitization processes and smart work to reduce the voluntary turnover rate to below 5 percentage points of the market average by 2025. The current voluntary turnover rate is 8.03% globally. If we compare our mid-term turnover rate 3.99%, to this years mid-term market average of 5.94% (Mercer), we are with 1.95% points below the market average and reached the target for this year. The company is further committed to fostering employer engagement to keep its goal.	
	Goal 2: Optimize talent programs and provide further programs for employee development	In the reporting period, we focused on improving the functionality and processes of the Learning Management System. To foster leadership and promote our company culture, we introduced, for example the Trust.Listen.Lead. Advance Program.	

Strategy and Management

Focus Topic	Goals	2023 target achievement and explanation	Implementation status 2023
			■ Achieved
	Goal 3: Achieve a minimum of 25% female representation in management positions by 2025	In the reporting year, the Nordex Group continued its internal communication efforts to create awareness of the D&I mission, vision and strategy. The proportion of women in management increased to 18.9% from 17.5% last year, with a target of 25% by 2025. ¹ Among other initiatives, we launched the "re:think" communications campaign to challenge stereotypes and biases and conducted an inclusion survey to understand where the company stands today. We aim to maintain a 40% female representation in our strategic talent development program, and achieved an overall representation of 37.5% in 2023.	
	Goal 4: Promote sustainable commuting and business travel and establish a global concept for sustainable mobility	We focused on promoting sustainable commuting and business travel, establishing a global sustainable mobility model, and improving bike infrastructure at our German offices. The company launched a project to introduce a company bicycle leasing offer for employees to promote sustainable means of transport.	
Occupational Health and Safety For further information regarding health & safety measures, see p. 94 ff	Goal 1: Reduce accidents to a Lost Time Injury Frequency (LTIF) of less than 1.5 per 1 million working hours by 2025	In the reporting year, we continued several measures for creating a safe working environment, and improved our performance in all areas. We achieved a global LTIF of 1.2 and matched the target indicator of less than 1.5, which translates to a 20% reduction in the indicator in 2023 compared to 2022 (LTIF: 1.5).	
	Goal 2: Develop a comprehensive mental health strategy by 2023	While we have not yet achieved our goal of "developing a comprehensive mental health strategy by 2023" by setting global standards for all regions, mental health was the focus of a global campaign and several local initiatives in 2023. At the global level, we ran a year of monthly programs to promote mental health and well-being for all employees. We expanded local initiatives to include employee support on mental health and other supportive topics.	
	Goal 3: Reduce accidents in the supply chain	At the Nordex Group, processes are in place to evaluate our contractors on health and safety issues and include requirements in agreements. A first trial to include self-reporting of LTIF on a monthly basis has started with one of our main subcontractors.	
Governance			
			
Responsible Sourcing For further information regarding sourcing measures, see p. 111 ff	Goal 1: Ensure and promote compliance with laws (especially human rights, environmental and social standards) and ethical business practices in our supply chain within our sphere of influence	In 2023, we continued our ESG assessment of suppliers and conducted 166 audits of suppliers. We started preparations for achieving compliance with the German Supply Chain Due Diligence Act early in 2023. Full compliance with GSCA, including due diligence and addressing all of our legal positions, will be reached at the start of 2024. To improve ESG due diligence, we will continue to partner with industry working groups regarding supply chain sustainability.	

¹ Further targets for the proportion of women on the Management Board, the Supervisory Board and the first two management levels to be implemented at the Nordex Group companies in Germany by 31 December 2025 were set in 2020 in accordance with Section 76 (4) of the German Stock Corporation Act.

Strategy and Management

Focus Topic	Goals	2023 target achievement and explanation	Implementation status 2023
			■ Achieved
	Goal 2: Reduce carbon emissions in the supply chain (scope 3)	The Nordex Group is in the process of defining SBTs for its scope 3 emissions, including its supply chain. In this process, we will also set a supplier engagement target.	
	Goal 3: Engage with and positively impact the supply chain	The Nordex Group continued to collaborate closely with its suppliers. We are in the process of developing an ESG reporting system for our supply chain, working with suppliers on waste reduction and recycling initiatives, and developing criteria for socially responsible sourcing.	
Business Ethics, Compliance and Integrity For further information regarding the business ethics measures, see p. 118 ff	Goal 1: Systematically anchor environmental, social, and human rights as well as business ethics risks in business decisions and continuously increase transparency with regard to risk identification, risk assessment, and risk management	In the reporting period, we updated our ESG risk analysis and plan to align it with the European Sustainability Reporting Standards for the materiality analysis in 2024. The Nordex Group appointed a Human Rights Officer and developed a questionnaire to ensure compliance with its Human Rights Policy. The process to anchor ESG criteria in the sales gate process and implement a project risk assessment for high-risk wind farm projects has been postponed to 2024.	
	Goal 2: Promote responsible and ethical business conduct internally and with our business partners	The company has made good progress towards achieving its goal and plans to assess customers from a compliance perspective on a regular basis as a pilot project. The Nordex Group has aligned internally to anchor ethical business conduct in contracts with customers and focuses on training and awareness activities for its employees. The employee training rate on prevention of bribery and corruption is currently at 46% employee participation.	
	Goal 3: Zero tolerance for unethical behavior	As part of its Sustainability Strategy 2025, the company aims to achieve 100% acknowledgement from its employees of the Nordex Group Code of Conduct. The company has rolled out a digital acknowledgement process, and as of the end of 2023, 70% of employees have signed the Code of Conduct. The Nordex Group has postponed its second measure to certify with ISO 37001 to 2024 but remains committed to upholding ethical standards and preventing unethical behavior. The gap analysis in 2022 showed that we fulfilled 72% of the requirements.	
	Goal 4: Increase communication and transparency regarding ESG (environment, social, governance) performance	In 2023, the Sustainability department continued its direct stakeholder engagement with around 80 direct interactions with customers, suppliers and investors. We included transparent EU Taxonomy reporting in our Sustainability Report. To achieve this target, the Nordex Group plans to sign the UN Global Compact and achieve active status by 2024.	
	Goal 5: Anchor sustainability as part of all departments and the company culture	In 2023, we held the 5th annual Sustainability and Health Day at our headquarters in Hamburg and continued to participate in the CityCycling initiative. We conducted several communication campaigns on sustainability topics and expanded the Global Sustainability Network.	

«



Further information can be found here: sdgs.un.org



For further details please visit our website and review the full description of our contributions to the Sustainable Development Goals.

SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The United Nations General Assembly adopted 17 global Sustainable Development Goals (SDGs) in 2015 which form the core of its Agenda 2030. The Nordex Group has incorporated these goals into its strategic sustainability approach. We recognize our potential to make an impact, particularly in the areas of “Affordable and Clean Energy” (7), “Decent Work and Economic Growth” (8), “Industry, Innovation and Infrastructure” (9), “Responsible Consumption and Production” (12) and “Climate Action” (13), as our business operations can play a significant role in advancing these objectives.

OUR CONTRIBUTION TO AND IMPACT ON THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)



7 | Affordable and Clean Energy
As a supplier of innovative onshore wind turbines, we make a sustainable contribution to increasing the share of renewable energies in the global energy mix. Our turbines provide reliable and forward-looking electricity supply in over 40 countries worldwide. Renewable energy technologies play a significant role in enabling states to become self-sufficient in their energy supply. We are committed to ensuring competitive cost of energy and ensuring high levels of customer and investor satisfaction.



8 | Decent Work and Economic Growth
In 2023, the Nordex Group generated a direct economic value of EUR 6,489 million and employed 10,133 people. Our operations in Brazil, India, Mexico and South Africa create jobs for the local population in emerging markets while promoting a diverse, healthy and safe work environment that respects human rights.



9 | Industry, Innovation and Infrastructure
Our business model, which involves manufacturing clean and environmentally sound technologies, supports the establishment of

sustainable and resilient infrastructures in developing and emerging countries. We engage with the wider wind industry and constantly work on scientific research programs to advance innovation industry-wide.



12 | Responsible Consumption and Production
The production of wind turbines supports the transition towards renewable energies while respecting sustainable production and consumption patterns. We prioritize sustainability in all phases of our turbines’ life cycle, from development and responsible sourcing to production, operation, dismantling, and recycling.



13 | Climate Action
Our product portfolio contributes to promoting greener energy generation on a global level. We regularly calculate our Corporate Carbon Footprint, disclosing all relevant climate data, including scope 1 to 3 emissions. Following its commitment to set science-based targets in late 2021, the company has now developed near-term and net-zero science-based targets (SBTs) in line with the 1.5°C target ambitions and handed them in to the Science Based Targets initiative (SBTi) for validation. They are expected to be confirmed in 2024.

➤ Sustainable Development Goals

The Nordex Group is committed to the goal of sustainable development and actively contributes to the SDGs.



THE GLOBAL GOALS
For Sustainable Development

ESG RATINGS

The demand for ESG performance scores has grown significantly in recent years. Nordex' Sustainability department regularly evaluates our ESG scores and uses the ratings to identify potential improvements in our sustainability management and communication. Additionally, we use the ratings to inform the materiality analysis and make our sustainability performance more visible externally and internally.






All of our ratings are good, either above or at least in line with the industry average. In 2023, the Nordex Group once again received a gold medal

from EcoVadis in recognition of our sustainability achievements, placing us in the top 2% of all general industrial machinery manufacturers assessed by EcoVadis and acknowledging our ongoing efforts to make sustainability an integral part of our business activities.

ISS ESG, one of the world's leading rating agencies in the field of sustainable investments, gave the Nordex Group a 'B+' rating, indicating that we continue to hold 'Prime Status' for companies whose environmental and social activities are above industry

average. The Carbon Disclosure Project (CDP) gave the Nordex Group a score of 'B' in the category of climate change in the reporting period, reflecting our focus on climate change and decarbonization.

In 2023, we also improved our Sustainalytics risk score from 'medium' to 'low', which means our enterprise value is considered to have a low risk of material financial impacts driven by ESG factors.

Ratings	Industry	Scale	Industry Average	Nordex Group Score 2022	Nordex Group Score 2023	Change to previous year
	Manufacture of general-purpose machinery	1 – 100 100 » best	94th percentile	71/100 Gold status 30/06/2022	70/100 Gold status 27/09/2023	→
	Machinery	A+ – D- A+ » best	C	B ¹ PRIME 19/12/2020	B+ ¹ PRIME 21/12/2022	↗
	RE Equipment	A – D A » best	B-	B 13/12/2022	B 06/02/2024	→
	Electrical Equipment	AAA – CCC AAA » best	A	A 08/09/2022	A 15/09/2023	→
	Electrical Equipment	Risk Rating 0 – 100	18th place of 268 Companies	25.0/100 Medium Risk 29/06/2022	16.6/100 Low Risk 09/05/2023	↗

¹ Interest margin of one of the Nordex Group's financial instruments is tied to this rating.

EU TAXONOMY

» The EU “Green Deal” comprises the ambitious goal of achieving CO₂ neutrality in Europe by 2050. To succeed in this, the EU Commission has defined a series of measures within the “Sustainable Finance” action plan to channel capital flows into environmentally sustainable activities. One core component of this is EU Taxonomy Regulation 2020/852 (Taxonomy Regulation), which includes a uniform and legally binding classification system in order to classify economic activities as environmentally sustainable (= Taxonomy-aligned) activities.

The Taxonomy Regulation obliges companies that are required to prepare a Non-financial Statement in accordance with Section 289b (1) and Section 315b (1) of the German Commercial Code (HGB) to report on these economic activities, which also applies to the Nordex Group. Companies have to determine which activities are considered as Taxonomy-eligible and Taxonomy-aligned. Economic activities are Taxonomy-eligible if they are described in the Commission’s delegated acts and thereby potentially contribute to at least one of the environmental objectives depicted in the following figure. These activities are assessed as Taxonomy-aligned and are thus classified as environmentally sustainable if they make a substantial contribution to at least one of the environmental objectives while at the same time not

significantly harming any of the other environmental objectives and complying with Minimum Safeguards according to Regulation (EU) 2020/852. For this reporting year, companies only need to carry out an alignment assessment for the established activities that are eligible under the first two environmental objectives (namely climate change mitigation and climate change adaptation) set out in Annexes I and II of Commission Delegated Regulation (EU) 2021/2139. For all newly introduced economic activities for the two climate-related objectives and for the four other environmental objectives, this year’s report only covers eligibility due to a transition phase of one year in 2024. Companies must disclose the proportion of Taxonomy-aligned turnover (derived from products or services), their capital expenditure (CapEx), and certain operating expenses (OpEx) related to assets or processes associated with economic activities that qualify as environmentally sustainable. Furthermore, the qualitative information relevant to disclosure in Section 1 of Annex I to the Delegated Act (EU) 2021/2178 is required.

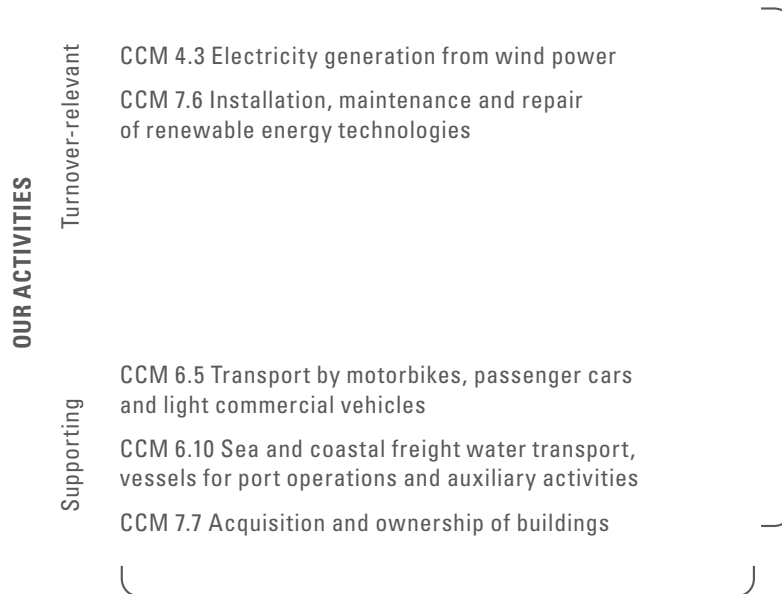
The Nordex Group is not affected by the Complementary Climate Delegated Act including specific nuclear and gas energy activities, as no 4.26-4.31 activities are being carried out. Template 1 is disclosed in the annex (see “Further Information”).

The Nordex Group supports the Taxonomy Regulation as an important step toward a sustainable transformation of the economic system. As in the previous reporting year, we are presenting which and what proportion of our economic activities are Taxonomy-eligible and for climate-related objectives which proportion are Taxonomy-aligned. We have assessed if there are any other economic activities which are eligible under the Taxonomy’s further environmental objectives, but there are none.

OUR ACTIVITIES AND ASSESSMENT OF TAXONOMY ELIGIBILITY AND ALIGNMENT

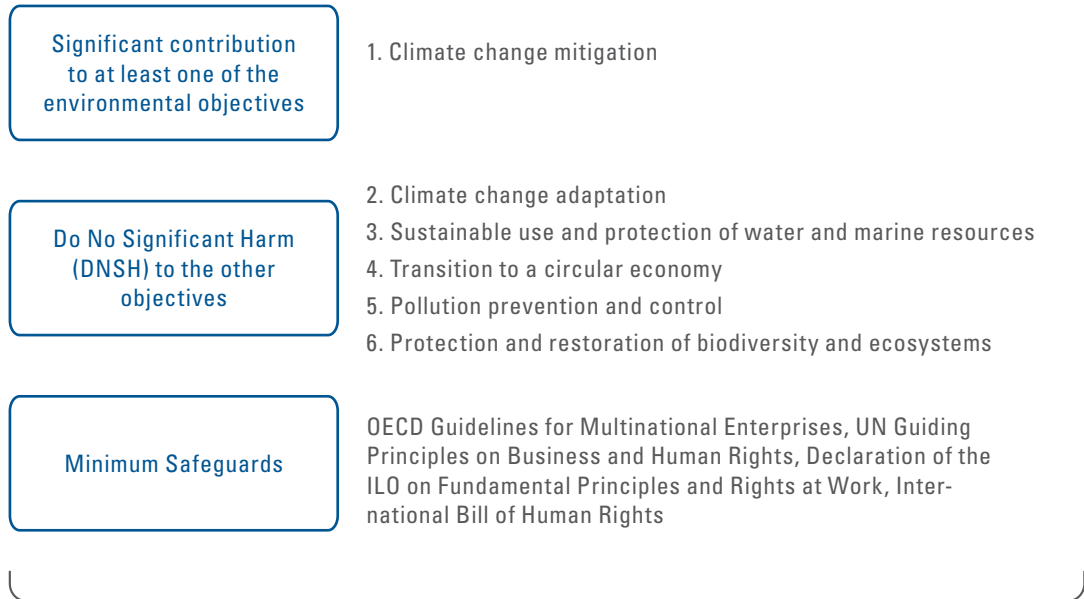
ELIGIBILITY ASSESSMENT

Listed in Annex 1 and 2 of Commission Delegated Regulation (EU) 2021/2139 as well as in Annex 1 to 4 of Delegated Regulation (EU) 2023/2486 and in accordance with the respective activity description Listed in Annex 1 and 2 of Commission Delegated Regulation (EU) 2021/2139 as well as in Annex 1 to 4 of Delegated Regulation (EU) 2023/2486 and in accordance with the respective activity description

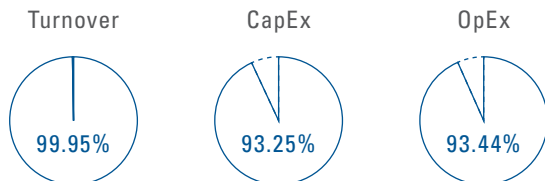


ALIGNMENT ASSESSMENT

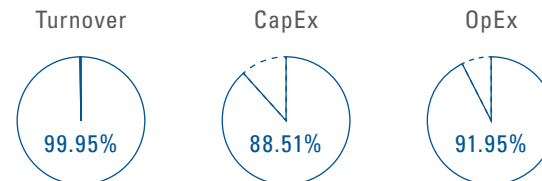
Compliance of activity with all three EU Taxonomy criteria sets described below



Eligibility



Alignment



EU Taxonomy

TAXONOMY ELIGIBILITY ASSESSMENT

We have identified our main economic activities as eligible. Our economic activities contribute to the first environmental objective, "Climate change mitigation (CCM)." Under the second environmental objective "Climate change adaptation (CCA)," we do not disclose any taxonomy-eligible activities, as we do not generate turnover from enabling activities and we have not identified any separate CapEx (or OpEx) that contribute specifically to climate change adaptation. Thus, all CapEx and OpEx associated with our eligible activities are disclosed as eligible under CCM only. The Nordex Group has no economic activities which fall under the scope of the Environmental Delegated Act covering the further non-climate-related environmental objectives.

Generally, activities relating to a wind turbine manufacturer or OEM business model, including installation and service activities, are not clearly defined in the Taxonomy Regulation and descriptions, and therefore require an interpretation.

For our core business, two of the economic activities (see following table) currently listed in the EU Taxonomy (Annex I of Delegated Regulation (EU) 2021/2139) are relevant (Taxonomy-eligible) for the environmental objective "Climate change mitigation":

- › Electricity generation from wind power (4.3)
- › Installation, maintenance and repair of renewable energy technologies (7.6)

As far as the exposure of our business model is concerned, our revenue-relevant corporate activities are covered to a high degree by the activities of the Taxonomy Regulation. In our financial reporting we divide our activities into the business areas "Projects" and "Service." The "Projects" segment comprises all products and services associated with activity 4.3. The "Projects" segment also includes manufacturing activities. These activities are part of the (bundled) performance obligation of Nordex and, thus, not allocated separately to activity CCM 3.1. [see FAQ 22 to the Disclosures DA from December 2022/October 2023]. The "Service" segment comprises activities for existing turbines after handover to the customer, allocated to activity 7.6.

Assignment of Nordex Group's main business activities to the EU Taxonomy

EU Taxonomy activity	Description of Nordex Group activity	NACE code	Allocation to Nordex Group segment	Climate change mitigation (CCM)	Climate change adaptation (CCA)
4.3 Electricity generation from wind power	Development, production, project management and installation of complete wind turbine systems, including control software and key components. A part of the components (nacelles, hubs, rotor blades and tower) of commissioned wind turbines is produced in-house, another part is manufactured by subcontractors according to Nordex Group specifications or sourced from external suppliers. In addition, we are responsible for the setup and operationalization of wind turbines.	C28; C28.11 ("Manufacture of turbines") F42.22 ("Installation of wind energy plants")	Projects	✓	✗
7.6 Installation, maintenance and repair of renewable energy technologies	Provision of services such as maintenance & inspection, troubleshooting & repair, remote monitoring, preventive maintenance and maintenance customer training as well as modernization.	F42; F42.22 ("Installation of wind energy plants")	Service	✓	✗

EU Taxonomy

The activity (7.6) covers respective on-site measures in this field for “Climate change mitigation” and is associated with the activity description “Installation, maintenance, and repair of renewable energy technologies, on-site.” From our perspective, the addition “if installed on-site as technical building systems” of activity 7.6 in the technical screening criteria (as highlighted in FAQ No.139 to the Climate Delegated Act) does not fit to most of the Nordex services. At the Nordex Group, we work in and on wind farms that generally run independently of technical building systems. However, we still consider these activities and criteria as they are closely related to and contribute to the environmental goal of “Climate change mitigation” and the FAQs do not address service and maintenance activities that are the main source of revenues in our segment “Services.”

In addition, we have evaluated activities outside our core business, defining as supporting activities. The following supporting activities are relevant for the objective of CCM for the Nordex Group, but do not qualify as Taxonomy-aligned.

- ▶ Transport by motorbikes, passenger cars and light commercial vehicles (6.5)
- ▶ Sea and coastal freight water transport, vessels for port operations and auxiliary activities (6.10)
- ▶ Acquisition and ownership of buildings (7.7)

To enable transportation for administrative and supporting activities, for management and administrative staff, the Nordex Group operates a vehicle fleet comprising company cars and service vehicles.

As a result, economic activity 6.5 “Transport by motorbikes, passenger cars and light commercial vehicles” is a relevant supporting activity covering the leasing and operation of vehicles (cf. NACE code 77.11 “Rental and leasing of cars and light motor vehicles”).

Since 2022, the Nordex Group has leased a vessel for transporting wind turbine components from production to project sites that is covered by activity 6.10 “Sea and coastal freight water transport, vessels for port operations and auxiliary activities” (cf. NACE code H.50-2.0 “Sea and coastal freight water transport”). We took up this supporting activity in order to be able to act more independently of prevailing worldwide logistics disruption.

The Nordex Group leases buildings and land for overhead and administration activities in accordance with economic activity 7.7 “Acquisition and ownership of buildings” (cf. NACE code 68.20 “Rental and operation of own or leased real estate”).

Certain individual items of turnover, CapEx and OpEx, cannot be directly attributed to EU Taxonomy activities even if in the broader sense they serve to maintain our overall business activity. These items include administrative activities such as Sales and Distribution, Human Resources, and Real Estate Management and thus belong to the category of non-eligible activities.

TAXONOMY ALIGNMENT ASSESSMENT

The Sustainability department assumed a coordinating role to analyze the Taxonomy alignment of our economic activities. The department is in regular contact with and consulted by representatives from Accounting, Controlling, QHSE, Human Resources (P&C), Compliance, Legal and Tax.

Compliance with Minimum Safeguards

The Minimum Safeguards require management procedures which are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the core labor standards of the International Labor Organization and the International Bill of Human Rights. These ethical guidelines provide fundamental orientation for the Nordex Group, as expressed in our Human Rights Policy, our Code of Conduct for Employees, as well as our Code of Conduct for Contractors and Suppliers. Due diligence processes for existing and new suppliers are in place and will be adapted to comply with upcoming regulations respecting human rights and other ethical standards. We continuously work to refine our due diligence process to identify risks as well as the best preventive and remedial measures. Our compliance management system includes clear processes for monitoring, detecting and mitigating misconduct and violations relating, among other things, to any form of corruption. In the area of anti-corruption and fair competition, we promote awareness among our employees through compliance and anti-competitive training. We did not identify significant corruption risks in the reporting year 2023. Tax policy and



For more information on compliance with the Minimum Safeguards, see the chapters “Responsible Sourcing,” p. 111 ff and “Business Ethics, Compliance and Integrity,” p. 118 ff

compliance are governed by the appropriate organizational structure of Corporate Tax & Customs and form an integral part of our overall risk management system. During the last five years the Nordex Group has not been convicted in any formal proceedings.

While we have adequate processes and procedures in place to ensure compliance with the requirements of the Minimum Safeguards, we did not identify any substantial violations of them in any of our activities.

Alignment on Substantial Contribution and DNSH criteria

Since the DNSH criteria for the environmental objective “Climate change adaptation” must be met for all previously mentioned Taxonomy-eligible economic activities, these are described across activities in the first step. An analysis of potential physical climate risks is required to avoid significant harm to the environmental objective “Climate change adaptation.” To determine our compliance here, we updated our climate risk and opportunity analysis in accordance with the TCFD framework.

We considered chronic and acute physical risks. We conducted a site-specific high-emissions scenario analysis, evaluating the climate impacts on all production sites and main offices worldwide against the backdrop of a 4°C to 5°C temperature increase. In addition, we performed a region-based assessment

of physical risks for service activities. As a result, we identified two main physical risks for all activities: heatwaves and changing precipitation patterns and types. In response to these two risks, we assessed adaptation solutions and summarized them in a climate change adaptation plan. We have already started to implement the first adaptation measures at the locations.

1. Turnover-relevant activities

For our turnover-generating **activity 4.3**, the Substantial Contribution criteria require the generation of electricity from wind power, something that is fulfilled by the projects and services described above. Once a wind turbine is erected and connected to the grid, the customer benefits from the performance of the wind turbine. This activity meets all DNSH criteria for the remaining environmental objectives. Therefore, all related turnover, CapEx and OpEx are considered as Taxonomy-aligned. Most of the DNSH criteria are assessed regularly through our environmental risk or aspect assessment, conducted by QHSE Managers for all activities, products, and services under the Nordex Group’s operational control (see chapter “Environmental Protection,” p. 67 ff).

- › With respect to “Sustainable use and protection of water and marine resources,” there are no DNSH criteria to follow, as our economic activities do not cover offshore wind installations.
- › As for the objective “Transition to a circular economy,” we have defined clear strategic goals to promote the use of recycled materials for production as well as the recyclability of our wind

turbines. While the standard lifetime of turbines is 20 years, most of our turbines are designed and certified for an extended lifetime of 21 to 35 years. Further developments towards a longer lifetime lead to an increase in ecological and economic efficiency.

- › We fulfill the requirements for the objective “Protection and restoration of biodiversity and ecosystems,” which also forms an integral part of our product development approach (see chapter “Sustainable Products,” p. 40 ff), as shown by the results of environmental risk or impact assessments looking at flora and fauna aspects, with no medium or high risks reported in 2023.

For our second turnover-relevant **activity 7.6**, the Substantial Contribution criteria require that at least one of the measures listed in “Installation, maintenance and repair of technologies for renewable energies” (7.6) are covered. The measure that corresponds to Nordex’ business model is the “installation, maintenance and repair of wind turbines and the ancillary technical equipment.” Associated activities run independently from technical building systems, which do not influence the contribution impact on the environmental objective “Climate change mitigation.” As the activity fulfills the DNSH criteria for “Climate change adaptation,” all related turnover, CapEx and OpEx are considered as Taxonomy-aligned. There are no other DNSH criteria that must be fulfilled for this activity.



Further details on the methodology and the identified risks can be found in the chapter “Climate Change and Decarbonization,” p. 55

EU Taxonomy

2. Supporting activities

The leased vessel for transporting wind turbine components allocated to activity “Sea and coastal freight water transport, vessels for port operations and auxiliary activities” (6.10) does not meet the Technical Screening criteria due to the lack of compliance with prescribed CO₂ limits. Thus, related OpEx are not aligned. Further supporting and eligible activities such as 6.5 and 7.7 were not assessed as they are not material for our business and we face challenges to assess alignment due to a lack of data or evidence by third parties. Most of the buildings that fall under the scope of activity 7.7 are leased by the Nordex Group so that the company is not the data owner.

Our KPIs and Accounting Principles

Nordex’ total values for the year 2023 on which we based our calculation in accordance with the EU Taxonomy amounted to EUR 6,489.07 million for sales, EUR 161.27 million for CapEx, and EUR 91.74 million for OpEx. In accordance with the detailed guidance provided by the Disclosures Delegated Act, sales correspond to the sales revenue in the consolidated income statement (see Annual report, p. 94 ff) which we determined in accordance with the requirements of IFRS 15. We determined the relevant CapEx based on the definition of the Taxonomy Regulation (Article 8 of Regulation (EU) 2020/852) and the Commission Delegated Regulation (EU) 2021/2178. It results from the additions to property, plant and equipment, intangible assets (excluding goodwill), and right of

use assets under IFRS 16. The disclosures on CapEx are not part of a CapEx plan. Relevant OpEx are defined by the Disclosures Delegated Act as direct non-capitalized costs/expenses for research and development, building refurbishment, short-term leasing, maintenance and repair, and other direct expenses related to the day-to-day maintenance of property, plant, and equipment. They are reported according to Article 8 Para. 2b of Regulation (EU) 2020/852 and its Annex I.

The basis for the breakdown of financial information by activity are the operating functions at the Group level from which the segment reporting (“Projects” and “Service”) is derived. Where necessary, we used appropriate keys to break down the information further. Turnover can be directly allocated to the defined activities (4.3 and 7.6) on the basis of segment reporting. In the reporting year 2023, the main source of Taxonomy-aligned turnover for activities 4.3 and 7.6 was revenue from contracts with customers. As far as CapEx and OpEx are concerned, we used an appropriate allocation key also based on the operating functions to allocate the respective items to the activities. The distribution of the components of the Taxonomy-aligned CapEx are as follows: EUR 79 million (49%) are attributable to additions to property, plant, and equipment, EUR 52 million (32%) are associated with additions to intangible assets and EUR 30 million (19%) occurred from additions to capitalized right-of-use assets. In reporting year

2023, there were no acquisitions through business combinations at the Nordex Group that would have to be taken into account for the calculation of CapEx.

Compared to last year, costs of activity 6.10, which was recognized under CapEx as additions in 2022, as it was leased for the first time in 2022, are reported under OpEx as costs relating to maintenance services from 2023 onwards.

Key elements and the distribution of the components of the Taxonomy-aligned OpEx according to the Taxonomy Regulation definition were repair and maintenance with EUR 38 million (42%), non-capitalized research and development costs with EUR 37 million (40%), and costs relating to short-term with EUR 14 million (15%) and low-value leases with EUR 3 million (3%). We can clearly identify operating expenditures that relate to assets or processes associated with Taxonomy-eligible and aligned economic activities by the internal organizational structure, thus avoiding double counting.



For further details on the consolidated income statement, see the Annual Report 2023, p. 94 ff

EU Taxonomy

99.95% of Nordex' economic activities generating turnover in 2023 were Taxonomy-eligible (2022: 99.97%). Of this, 89.81% corresponds to the project activity "Electricity generation from wind power" (4.3) and 10.14% to the service activity "Installation, maintenance, and repair of renewable energy technologies" (7.6). 99.95% of Nordex' economic activities ("Projects" and "Service") were Taxonomy-aligned in 2023 (2022: 99.97%). 93.25% of the Nordex Group's total CapEx additions in 2023 was assessed to be Taxonomy-eligible (2022: 97.59%), and 88.51% Taxonomy-aligned (2022: 74.65%).

The alignment proportion includes investments directly allocated to "Projects" and "Service" (4.3, 7.6) (88.51%, 2022: 93.38%).

Of the Nordex Group's total OpEx in 2023, 93.44% were Taxonomy-eligible operating expenditure (2022: 93.38%), and 91.95% Taxonomy-aligned operating expenditure (2022: 93.38%). The alignment proportion again includes investments directly allocated to "Projects" and "Service" (4.3, 7.6) (91.95%, 2022: 93.38%).

Comparing the Nordex Group's total Taxonomy-aligned KPIs of 2022 with 2023, we face an increase in CapEx. The key driver of change is activity 6.10 which is now reported under OpEx.

In our appendix (p. 144 ff), we illustrate all EU Taxonomy activities in tables, showing the total numbers and share of Taxonomy eligibility and alignment in accordance with the Substantial Contribution and DNSH criteria as well as Minimum Safeguards. «

Relevant KPIs

	Turnover		CapEx		OpEx	
	in EUR million	in %	in EUR million	in %	in EUR million	in %
TAXONOMY-ELIGIBLE	TAXONOMY-ALIGNED					
Activity 4.3	5,827.74	89.81	123.86	76.80	71.90	78.37
Activity 7.6	658.15	10.14	18.88	11.71	12.45	13.57
Total	6,485.89	99.95	142.74	88.51	84.35	91.95
	NON-TAXONOMY-ALIGNED					
Activity 6.5	0	0	0.10	0.06	0.15	0.16
Activity 6.10	0	0	0	0	0.16	0.17
Activity 7.7	0	0	7.54	4.67	1.07	1.16
Total	0	0	7.64	4.74	1.37	1.50
NON-TAXONOMY-ELIGIBLE	3.18	0.05	10.89	6.75	6.02	6.56

MEMBERSHIPS AND PARTNERSHIPS

➤ GRI 2-28

The Nordex Group is a member of various international and sector-specific associations. As members of management or steering committees, we play an active role in the following organizations:

- › VDMA PS (Specialist Power Systems Association of the Mechanical Engineering Industry Association)
- › WindEurope
- › GWEC (Global Wind Energy Council)
- › FEE (France Énergie Éolienne)
- › SAWEA (South African Wind Energy Association)
- › TWEA (Turkish Wind Energy Association)
- › Global Alliance for Sustainable Energy
- › RES4Africa Foundation

The following associations and technical bodies are also particularly relevant to us:

- › ACP (American Clean Power Association)
- › FGW (Federation to Promote Windpower and other Renewable Energies)
- › ABEEolica (Associação Brasileira de Energia Eólica)
- › AEE (Asociación Empresarial Eólica)
- › AWEA (American Wind Energy Association)
- › CEA (Camara Eólica Argentina)
- › ANEV (Associazione Nazionale Energia del Vento)
- › PSEW (Polish Wind Energy Association)
- › AMDEE (Asociación Mexicana de Energía Eólica)



WindEurope

The Nordex Group actively participates in the cross-industry Sustainability Working Group coordinated by WindEurope, the European wind association, which addresses topics such as responsibility in the supply chain, recycling and circularity. Furthermore, we are part of the Supply Chain Taskforce within the Sustainability Working Group. In September 2023, our CEO José Luis Blanco was elected as Chair of WindEurope.



Global Alliance for Sustainable Energy

Global Alliance for Sustainable Energy

The Nordex Group is one of the 17 founding members of this alliance, which is working to make the energy sector, including renewables, a 100% sustainable industry. It brings together utility companies from diverse geographies, the wind power and solar PV

industry, as well as industry associations and innovation partners. Technical working groups are focusing on the topics of net zero and decarbonization, circularity, human rights and biodiversity, and the Nordex Group actively engages in all of these groups.

RES4Africa Foundation

The Nordex Group is an active member of RES4Africa. RES4Africa supports Africa's just energy transition to ensure access to affordable, reliable, sustainable and modern energy for all. It brings together a network of European and African members from the clean energy sector and high-level international partnerships. RES4Africa contributes to the achievement of SDG 7, "Affordable and clean energy," and ensures a constant dialog between the most relevant energy stakeholders willing to mobilize investments in clean energy technologies. The current focus of Nordex' engagement is a qualification program in South Africa's Nkangala region.

Memberships and Partnerships

Collaboration with Universities

Since the beginning of 2020, the Nordex Group has collaborated with the University of Hamburg as part of the “Climate, Climatic Change, and Society (CLICCS)” excellence initiative. As part of this long-term partnership, we are involved in the sub-project “Decarbonization: Global Research on Effects in Enterprises and Societies (D°GREES),” which addresses, among other things, the definition

of science-based emissions reduction targets in accordance with the Paris Climate Agreement and the development of strategies for achieving these targets.

We also hosted several student groups this year. In July, Nordex’ Global Technical Academy in Hamburg welcomed a group of around 20 students from a local school for an introduction to Nordex’ business model and our approach to sustainability, and in September 2023 we met with a group of students from different schools at the wind fair in Husum.

Another student group from OXY Occidental College in Los Angeles visited us in June. The students had the chance to see a nacelle up close and get some insights into its complex technology. We also introduced them to Nordex’ Sustainability Management program. The feedback from the students and professors was very positive.



Our Sustainability colleagues at the D°GREES Symposium in June 2023.



OUR SUSTAINABILITY
CONTRIBUTION

OUR PRODUCTS



Providing a sustainable product is the backbone of our business model. Over the past several years, we have reduced the carbon footprint of our wind turbines, as evidenced by the Product Carbon Footprint calculations for two further turbine types in the reporting year. For 2024, we plan to continue on this path and have set ourselves ambitious goals on our agenda for further improving product sustainability.



Main Targets	Indicator	Baseline 2021	2023	Status
Provide fully recyclable blades by 2032	Rotor blade recyclability	–	n/a ¹	
Decrease carbon footprint of turbines by 25% by 2025	Product Carbon Footprint	N149/4.0–4.5 6.5g CO ₂ e/kWh	N149/5.X: 4.9g CO ₂ e/kWh (-25%) N163/6.X: 4.7g CO ₂ e/kWh (-28%)	
Keep customer satisfaction at a high level of 4 (scale 1–6)	Customer satisfaction levels	Projects: 4.4 Service: 4.4	Projects: 4.6 Service: 4.4	

¹ Indicator under development in 2024

Our Products

Sustainable Products



More information about our latest wind turbine generation

SUSTAINABLE PRODUCTS

Our Newest Wind Turbine Generation

As a wind industry pioneer, the Nordex Group continuously strives to design, build and service ever more competitive wind turbines. Our goal is to serve the world's growing energy demand with renewable, environmentally friendly electricity and thus support the green transition of the energy industry. Based on the experience of more than 12 GW in operation and over 14.8 GW in construction with the Delta4000 turbine, this platform is the backbone of our ongoing development efforts. With the N175/6.X, we maintained our modular approach to using systems and technologies with a proven track record while simultaneously making changes that are necessary for handling a higher rating and significantly reducing the cost of energy.

Expanded Range of Applications for Nordex Group Turbines Worldwide

Our Delta and Delta4000 turbines are in high demand in northern countries, as they can easily operate at sites with average temperatures as low as -20°C . The proven Nordex Group Cold Climate Package helps to develop profitable cold climate sites. The cold climate variant (CCV) of the turbine has an extended operating range and is ready for operation at an outside temperature of as low as -30°C .

Our effective, advanced anti-icing system heats the most aerodynamically important surfaces of the rotor blades as required and reduces ice buildup in an energy-efficient way. This technical optimization delivers higher energy yields at sites with frequent ice formation on the rotor blades.

For locations with particularly high average temperatures, we have also developed an option for most of the Delta4000 turbines that ensures a consistently high yield despite hot ambient temperatures by using larger passive coolers. In this way, we are adapting our turbines to changing climate conditions.

Optimized design based on proven technology: the N175/6.X – Nordex' specialist for light-wind speeds.

Product Features at a Glance

- › 175m rotor
- › Single-piece, newly designed 85.7-meter long rotor blade
- › +15% swept area compared to N163/6.X
- › +22% more yield in low wind conditions compared to N163/5.X & N163/6.X
- › 106.0 dB(A)
- › At 6.22 MW
- › Sound, power & load optimized modes
- › Hub height: Up to 179m, project and site-specific



Our Products

Sustainable Products

Economic and Environmental Efficiency and Circularity

MANAGEMENT APPROACH

7 GRI 3-3; 301-2

» The role of renewables, especially wind power, has increased globally in recent years. Green electricity generated from these sources helps reduce carbon emissions arising from conventional electricity generation, which contributes significantly to global warming. High-performance wind turbines play a key part in this positive development: At the Nordex Group, we design sustainable, safe and high-quality wind turbines, thus ensuring that our customers are satisfied with our products and services.

Nordex turbines running in 2023 avoided around

69 Mt

of GHG emissions in that same year – this is equal to an entire country such as Norway emits over a whole twelve months (Norway 2022: 70 Mt CO₂e).

Once connected to the grid, our wind turbines generate electricity for around 20 to 35 years, making a key contribution to the environmentally friendly electricity supply as part of the overall energy transition in the energy industry. A single, large Nordex Group wind turbine with installed generating capacity of 6.5 MW can meet the average annual electricity requirements of around 5,000 four-person households.¹

Globally, the Nordex Group has installed thousands of wind turbines with a combined nominal power capacity of 51.4 GW. These turbines provide clean, safe electricity in more than 40 countries around the world. By replacing electricity from other (non-renewable) sources and thus avoiding GHG emissions, Nordex' wind turbines have a positive impact on the environment. All Nordex Group turbines running in 2023 avoided around 69.1 Mt of GHG emissions in that same year – this is equal to an entire country such as Norway emits over a whole twelve months (Norway 2022: 70 Mt CO₂e).²

Our stakeholders are increasingly expecting fully sustainable products, and the Stakeholder Roundtable we organized during the development of our

Sustainability Strategy 2025 was an ideal opportunity for our key stakeholders to frame and explain their respective requirements. Across all management levels, we have committed ourselves to the goal of producing green electricity. Recycling issues such as intelligent waste management, material recycling and resource circularity are considered interdisciplinary topics in the Nordex Group and are reflected in our Sustainability Strategy 2025.

The Nordex Group considers a variety of aspects in its efforts to achieve economic and environmental efficiency and a circular economy: Product Carbon Footprint, SF6-free switchgear, repair and refurbishment, disassembly and recycling, and repowering. Past and present measures, targets, and further details relating to these topics are described in the following. Wind turbines and wind farms can also have impacts on local biodiversity. We discuss these potential impacts and our technical solutions in a supplemental section on p. 46 ff. «

¹ According to 'co2online gGmbH' (2023), the electricity consumption of a four-person household in Germany can be assumed to be 4,000 kWh.

² GHG emissions: Carbon dioxide equivalent emissions; calculation based on wind farms commissioned in the past 20 years, from 2004 to 2023, using the results of our LCA study (6.5 g CO₂e/kWh) as an average for all Nordex Group turbines. As a reference, the carbon intensity for global electricity production was taken from the International Energy Agency (IEA), which was 436 g CO₂e/kWh in 2020. The emissions for Norway are based on a publication by EDGAR (Emissions Database for Global Atmospheric Research).

Our Products
Sustainable Products

Our Product Carbon Footprint

Onshore wind is not only economically feasible, it also has a very low specific carbon footprint, making it one of the most competitive energy sources for electricity production. In one of our latest life cycle assessment (LCA) studies¹ for the Delta4000 turbines according to ISO 14040/44, we found that the specific carbon footprint for producing 1 kWh of electricity can be as low as 2.7g CO₂e over a turbine’s entire life cycle. We published our first LCA study

in 2020 and analyzed four more turbine types in 2022 and 2023, further establishing the LCA methodology in-house, raising awareness of life cycle impacts throughout our functions and departments, and evaluating the environmental impact of our products to identify optimization potential and track improvements. We create Environmental Product Declarations (EPDs) based on the results of our LCAs to provide harmonized and externally verified sustainability information, and the two latest LCAs will be published as EPDs in early 2024.

Path to SF6-free Switchgear

Sulphur hexafluoride (SF6) is only used indirectly in wind turbines as an insulating gas in medium-voltage switchgear. These medium-voltage switchgears with SF6 insulating gas are generally used in electrical distribution networks and are not exclusively installed in wind turbines.

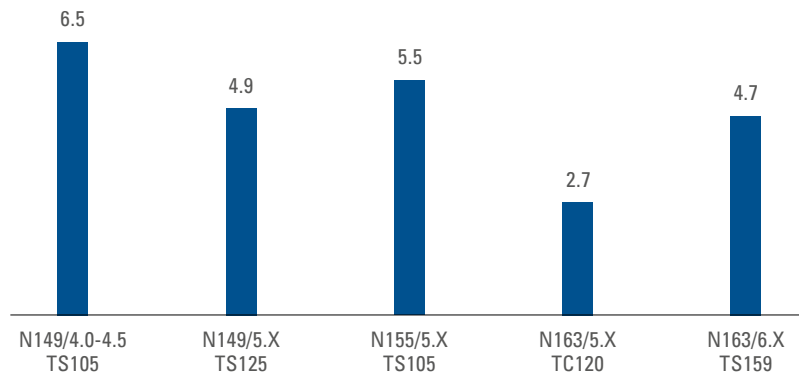
While preparing our LCA, we carried out a risk analysis for SF6 emissions (see LCA of a Nordex Group wind farm with Delta4000 N149/4.0-4.5 turbines, p. 59f.). In a theoretical case of total SF6 emissions, the global warming potential of electricity from wind energy rises from 6.5 to 7.4g CO₂e per kWh produced over the entire life cycle, which corresponds to an increase of around 14%. If SF6 is released, this is indicated by a signal light and corresponding error message. As the gas is many times heavier than air, it collects at the bottom of the tower of the wind turbine, either in the entrance area or, if available, in the basement area. The gas must then be extracted by a specialist company and disposed of properly. The Nordex Group is not aware of any case where the gas has ever been released.

We plan to continue the gradual introduction of SF6-free switchgears and are working closely with our suppliers to implement this process. We expect solutions for all voltage levels to be available in the upcoming years.



For more information please see our LCA reports and Environmental Product Declarations on our website

Climate impacts of Delta4000 turbines in g CO₂e / kWh



The results show the Global Warming Potential (GWP fossil) using the substitution approach and applying a lifetime of 25 years.

¹ GHG emissions: Carbon dioxide equivalent emissions; calculation based on wind farms commissioned in the past 20 years, from 2004 to 2023, using the results of our LCA study (6.5g CO₂e / kWh) as an average for all Nordex turbines. As a reference, the carbon intensity for global electricity production was taken from the International Energy Agency (IEA), which was 436g CO₂e / kWh in 2020. The emissions for Norway are based on a publication by EDGAR (Emissions Database for Global Atmospheric Research).

Lower Material Use and Efficiency Gains through Modularization

Since the Delta4000 turbine is designed for the global market, we pay special attention to harmonization and the modularity of components. When developing the N175/6.X, we try to intelligently reuse components and production resources from previous turbines in the Delta4000 product range, which helps to reduce our resource use. We harmonize the parts and components on the Delta4000 platform wherever possible and economically feasible. This facilitates material handling and stockkeeping at the different production sites worldwide as well as in the service phase. Based on this common platform, we use different subassemblies to produce either a 4.X, 5.X or a 6.X MW turbine with the desired lifetime for the specific project.

Our Products

Sustainable Products

Repair and Refurbishment in Service

We continued our repair and refurbishment improvement activities for turbine components in the reporting year. Our uptower repair concepts enable us to fix or replace more and more defective parts directly in the nacelle without the need for a large crane. Up to 50 trucks are necessary to transport a conventional crane to a site. By repairing components uptower, we avoid not only greenhouse gas (GHG) emissions but also the damage to vegetation that can occur when clearing the crane pad for assembly and operation.

If a component cannot be repaired directly on site, we remove it from the turbine and transport it to one of our repair facilities. We operate several workshops for electrical, hydraulic and mechanical components, and can rely on an extensive network of different suppliers to support us in our repair and refurbishment activities. Wherever possible, we use a self-hoisting crane to exchange components, since self-hoisting cranes can be transported in a single 40-foot container and require significantly less space on site compared to conventional cranes.

At the repair facilities, we analyze defective components, refurbish them if possible, and commit to a new parts warranty period. We have dedicated test procedures and repair processes in place for both major and non-major components to ensure that the refurbished parts meet our technical and quality standards. We are able to internally test and repair more than 100 different types of parts and we are continuously working on increasing our annual repair volume. This approach reduces

material consumption and ensures that no materials are wasted. Components that cannot be refurbished are sorted out and recycled to find further use in the form of raw materials. Parts that cannot be recycled are disposed of in accordance with regulations and special waste-disposal processes.

Our workshops are located in Europe, Latin America and South Africa which helps us reduce greenhouse gas (GHG) emissions and fuel consumption as well as optimize transport times and costs. Wherever possible, we bundle orders to avoid unnecessary shipments.

We have also continued our P2P predictive maintenance program, which uses state-of-the-art data science technology to deliver early warnings about the impending breakdown of turbine components. This enables us to minimize downtime and secondary damage for our customers while maximizing energy production.

Repowering

Repowering means replacing wind turbines that are close to or at the end of their specified lifetime with more efficient turbines. Due to technology improvements, wind farms today can generate more energy using fewer wind turbines, which means that wind farms can be smaller, and less land is needed.

Another option is to refurbish wind turbines to extend their lifetime. This process starts by analyzing the performance of turbines about to reach their 20-year limit and calculating their actual remaining lifetime. If the analysis confirms that the turbine is fit to operate beyond year 20, provided some components are exchanged or overhauled, the license can be extended by up to 15 years. Refurbishment is a form of repowering where the major components such as the existing foundation, tower, and nacelle continue in service and others, such as the generator or blades, are replaced.

Repowering is relevant for all turbine manufacturers because new, tighter regulations restrict the development of completely new wind farms, while existing farms in many cases already occupy the prime locations with the highest energy generation potential. Repowering existing wind farms is a straightforward way of maximizing energy production and contributing to renewable energy targets while significantly increasing resource efficiency and thus drastically lowering emissions per generated kilowatt-hour. Spare parts from old turbines that have been dismantled can often be used in the maintenance of wind turbines still in service. In some cases, old turbines can also be sold to less developed wind markets to advance the transition to renewables there as well.

Our Products

Sustainable Products

Repowering wind farms also involves engaging with local people around the wind farm who already accept it because they know the benefits and how to live with the wind farm. The Nordex Group has identified high repowering potential over the years to come. However, the biggest challenge associated with repowering in many countries is the lack of a specific regulatory framework, which often makes it impossible to obtain the relevant permits in a fast process.

Dismantling and Recycling of Wind Turbines

» As advances in wind turbine technology make electricity generation ever more efficient with higher energy yields, the dismantling of first-generation turbines is becoming increasingly important. This calls for environmentally friendly and economically sustainable disposal, as well as the recycling of components and materials wherever possible. Therefore, in the reporting year, the Nordex Group proceeded with the dismantling and recycling of older wind turbines. The main challenge here is to disassemble and separate the individual components and materials. While this is generally the responsibility of the turbine owner, we believe that the Nordex Group needs to play an active role here given that it is the manufacturer. This is why we have been involved in a WindEurope working group which was set up to develop an industry standard for dismantling wind turbines. The working group also submitted the resulting document to the International Electrotechnical Commission (IEC) with the aim of establishing an international standard. This process is already underway and is expected to be finalized by the end of 2024.

Internal analyses and sectoral calculations show that, at present, around 85% to 95% of the materials used in a wind turbine are recyclable. To further enhance recyclability, we are focusing particularly on the composite materials used in rotor blades. Alongside existing methods such as material and thermal recycling in the cement industry, the wind power sector is investigating alternative methods in collaboration with WindEurope, the European Chemical Industry Council (CEFIC) and the Electronic Components Industry Association (ECIA).

Additionally, the Nordex Group is also involved in external projects such as EoLO-HUBs, RenerCycle and RE SORT. These projects aim to establish long-term collaborations between key actors to ensure the recycling of rotor blade materials, creating a circular economy that generates jobs and reduces greenhouse gas emission.

EoLO-HUBs

The Nordex Group is a key participant in the “Wind turbine blades End of Life through Open HUBs for circular materials in sustainable business models” (EoLO-HUBs) project, which was launched in 2023. The project is funded by the European Union’s Horizon Europe Programme and involves 18 European partners from 7 countries. The project aims to

demonstrate and validate a set of innovative composite material recycling technologies that address the three main challenges involved in end-of-life wind farm recycling: decommissioning and pre-treatment of wind turbine blades, sustainable fiber reclamation processes using low carbon pyrolysis and green chemistry solvolysis, and upgrading processes for the recovered fibers, mainly glass and carbon fibers. As a manufacturer, the Nordex Group will contribute its expertise in blade design and material combinations to the project, as well as provide test blades for this purpose.

RenerCycle

RenerCycle is a project created by 18 companies in the renewable energy sector to develop circular economy solutions. The project aims to promote a new circular model of non-linear production and consumption, minimize waste generation, and use waste that cannot be avoided to the greatest possible extent. The first investment in Navarra, Spain, will focus on the dismantling of wind farms, repairing and refurbishing wind turbine components for commercialization in the spare parts market, and recycling the rest of the materials of the old wind turbines. With “Waste2Fiber” a wind blade recycling plant is planned in Lumbier (Navarra, Spain). The facility will be operational in 2025 and will have a processing capacity of 6,000 tons of material per year.

Our Products

Sustainable Products

RE SORT

The Nordex Group is also involved in the “Rotor Blade Recycling Technologies for Sustainable Material Supply” (RE SORT) project, which aims to develop sustainable recycling technologies for rotor blades. The project is funded by the German Federal Ministry of Education and Research and involves 13 partners from industry and research institutions. The focus is on developing pyrolysis processes for the sustainable recycling of fiber composites from rotor blades. The Nordex Group will contribute its expertise in blade design and material combinations to the project.

Second EoLO-HUBs general assembly in Petten, Netherlands hosted by project partner TNO.



As part of our Sustainability Strategy 2025, the Nordex Group also conducts internal research and development (R&D) projects to support the goal of producing recyclable blades in 2032. We have already increased the amount of fully recycled polyethylene terephthalate (PET) foams and reduced the use of balsa wood and polyvinyl chloride (PVC) foams. This prevents the emission of chlorine gas when incinerating blade waste, among other benefits. We conducted feasibility studies for blade design adjustments at the Nordex Group R&D Center.

To further increase material efficiency, we introduced a painted coating system for erosion protection on the leading edge of the rotor blades. This has dramatically reduced our maintenance and material effort and extended the lifetime of the blades.

The Nordex Group cooperates closely with blade material suppliers to inform them of customer demand for sustainable products and to crosscheck and drive new developments from the suppliers.

Overview of recycled content

In addition to improving wind turbine recyclability, the Nordex Group has set the goal of increasing its use of recycled materials. For this purpose, we carried out concept studies on recycled content in parallel with our life cycle assessments. For the Delta4000 turbines, the recycled content is currently more than 7%. In this study, the primary data was still very limited and we assumed a recycled content rate of 0% for data gaps. «

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Our N163/5.X turbines of the Delta4000 series in Sweden. Due to the harsh winters with temperatures down to minus 33 °C on site, the turbines are designed as a cold climate variant.



Impact on Biodiversity

➤ GRI 304-2

» The highly efficient wind power solutions of the Nordex Group can make an important contribution to mitigating climate change. However, the installation of wind farms can impact local flora and fauna. In order to protect the surrounding environment by avoiding or minimizing these effects as much as possible, we analyze potential negative impacts prior to installation. At the request of the local public administration, we conduct an Environmental Aspects and Impacts Assessment for the different stages of a project, including construction and operation in accordance with ISO 14001 standards.

The first part of the assessment involves analyzing existing nature reserves to identify areas where wind power is not suitable. This drives location selection on a macro level. Such areas include national parks, most nature reserves, and animal protection sites.

Although we aim to avoid impacts on the environment, the vegetation of a designated area might be affected and degraded by site preparation for the wind farm installation and the construction of foundations, roads, general building works and other artificial elements on site. To minimize these impacts, the developer usually applies what are known as placement principles while laying out a wind farm. These principles entail excluding construction work in areas with very high, high, or certain natural value and avoiding construction work in areas with low natural value. This limits the impact on protected areas, known ecological values, and cultural environments, as much as possible.

An example of how detailed we analyze the impacts on flora and fauna (e.g., birds and bats), as well as on land use, can be found in the Environmental Product Declaration. «

Turbine Control Systems to Protect Flora, Fauna and Local Residents

» The Nordex Group is investigating and preparing for the development of a universal communication interface that processes signals from third-party systems for bird detection and protection. This also involves the required turbine control slowing down the rotor for a defined period when a protected species has been detected.

To ensure that turbines can be operated even on sites with an extensive regulatory burden while still contributing effectively to the energy transition, we offer customers a wide range of operating modes and add-on modules. This helps to minimize light and sound emissions and ensures compliance with building requirements and regulations.

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For example, we can integrate needs-based obstruction lighting to minimize irritation due to blinking lights at night, a shadow flicker module to avoid shadow flickering effects on nearby dwellings, and special-purpose wildlife protection modules. These can be controlled individually to account for locally protected animal species and their behavior.

The Nordex Group also offers a wide range of sound-reduced modes. For example, the N175/6.X turbine is available with 17 sound-reduced modes ranging from ~106.9 dB(A) down to 97.4 dB(A). When operated at 104.5 dB(A), the turbine still produces more than 5,800 kW while its noise is equal to or below 40 dB(A) at a distance of 500m. This noise level is comparable to a quiet public library or a whisper. «

RISKS AND OPPORTUNITIES

In times of increasing inflationary pressure due to rising commodity and logistics costs, we strive to minimize the impact of rising prices by developing even more powerful and profitable turbines for the economical generation of electricity. One challenge is the ongoing push to ensure rotor blade circularity and the economic and technological developments to make this a reality. To achieve this long-term goal, we collaborate with industry partners and suppliers,

participate in research projects and are active in working groups. Another challenge is to find an adequate replacement for switchgears containing sulfur hexafluoride (SF6), a potent greenhouse gas, for all voltage levels and required switchgear variants. We cooperate with our suppliers here to find solutions that meet technical and customer requirements. Beyond these challenges, wind energy is a key contributor to the energy transition and thus to the increased use of renewable energy. Wind turbines therefore make a positive contribution to the issue of climate change. The growing public awareness of wind turbines represents another opportunity. Developing the necessary energy transition and technical improvements in sound emissions will lead to greater public acceptance.



SUSTAINABILITY STRATEGY 2025

» In 2023, we conducted two comprehensive LCA studies of wind farms equipped with our Delta4000 turbines, one with N149/5.X turbines, the other with N163/6.X turbines. The results highlight the very low specific carbon footprint of wind energy. Due to performance improvements and life time extensions, the footprint of our turbines generally continues to decrease.

The turbine's lifetime plays an important role here: When running a turbine for 35 instead of 25 years, the specific carbon footprint can be reduced by 28%. The findings support our goal to reduce the carbon footprint of our Nordex Group wind turbines. To further improve the sustainability of our products, we are adapting our processes and integrating sustainability requirements into our product development process to optimize the impact on the product life cycle during the development phase.

Another important way of reducing the environmental impact of wind turbines is to increase their recyclability, especially regarding the blades. The Nordex Group has set itself the goal of offering fully recyclable blades by 2032. To achieve this goal, we are involved in internal and external programs, and parallel to this we intend to increase the recycling content of our wind turbines.

For further information on the implementation of measures, see Action Plan "Sustainable Products," p. 52 ff. «

Our Products

Sustainable Products

Customer Orientation and Product Quality

MANAGEMENT APPROACH

➤ GRI 3-3

» Our more than 35 years of expertise in manufacturing and maintaining our high efficiency wind turbines help us to continuously optimize the performance, availability, and safety of our fleet. Reducing energy costs by minimizing downtime, maximizing yield, and thus reducing the environmental impact of our turbines is the guiding principle for everything we do throughout the lifetime of our products.

Our customers' satisfaction is decisive to our business success. It is therefore fundamentally important for us to take into account our customers' perspectives, understand their needs, and continually adjust our range of products and services accordingly. We rely on ongoing, intensive customer dialog to manage customer satisfaction. For example, we use regular customer satisfaction surveys to create a basis for

our performance management, and we involve our customers in stakeholder roundtables to optimize our Sustainability Strategy.

By involving our customers in this way, we also achieve a high level of interaction in our sustainability work and benefit from regular feedback.

Survey of Customer Satisfaction in Projects and Service

Despite 2023 being another challenging year when the onshore wind industry still did not take off, the Nordex Group maintained a solid pricing policy to protect its margins. Customers understand that wind energy is the most competitive source in many markets and there is room for higher offtake rates. Therefore, improving the value chain efficiency of the projects is important for the industry to be sustainable.

In the past three years, monumental challenges due to global events (i.e., the pandemic, the war in Ukraine and connected port lockdowns) destabilized the supply chain and our way of conducting business and interact with stakeholders. In 2023, the Nordex Group returned to a certain degree of pre-Covid normality with regard to travel, customer meetings and fairs. For example, we were able to once again actively participate in international trade fairs as well as regional trade fairs and conferences.

The Nordex Group measures the customer satisfaction on a scale from 1 to 6 (1 = completely unsatisfied; 6 = very satisfied) in our two main business activities of projects and service.

Customer Satisfaction Results (Projects)

In the last years, the Nordex Group was conducting annual global customer satisfaction surveys to measure the satisfaction of our customers and how we meet our customers' needs in regard to our cooperation, services and products. In 2023, we implemented a quarterly customer satisfaction survey process, which allows us to receive feedback from our customers earlier in the year and also to initiate improvements earlier after the survey responses are received.¹ The survey focuses on customers that have made a turbine supplier decision for or against the Nordex Group, as well as on customers with whom the Nordex Group interacts a lot in, for instance, negotiations or contract signing.

In the survey, we ask customers to share their experiences on individual aspects of the Nordex Group performance within the sales phase, as well as on our products and services. The results of the customer satisfaction survey - which refers to the feedback from customers from Q1 to Q3 with a response rate

¹ In the previous years, the Nordex Group was conducting annual global customer satisfaction surveys to measure the satisfaction of our customers and how we meet our customers' needs in regard to our cooperation, services and products.

4.5

Average customer satisfaction score.

Our customer satisfaction score was 4.4 in Service and 4.6 in the Project area (2022: 4.4 in Project area).

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of 30% – show an overall customer satisfaction score of 4.6 (2022 total: 4.4). Regarding ESG factors, we have achieved a score of 4.6 out of 6 (2022 total: 4.5).

The satisfaction of our customers is key to our business success. A high level of customer satisfaction is therefore a very high priority for the Nordex Group. Our aim for 2023 was subsequently to match and even improve the result of our customer satisfaction score from 2022. If we take a look at the Q1–Q3 figures that are available to us, we can see that the score is 4.6 (2022 total: 4.4).

As stated, the survey provides insights into individual aspects of our performance such as our customers' satisfaction with the Nordex Group's sales efforts (2022: 5.3 out of 6). The feedback the Nordex Group received from Q1-Q3 2023 survey supports this result from 2022 (Q1-Q3 2023: 5 out of 6). It is therefore worth highlighting our Sales team's solid knowledge of our products and their professional and trust-based way of dealing with our customers.

Customer Satisfaction Results (Service)

In our Service department we carried out a standardized online customer satisfaction survey, as we do every two years. In total, 34% of Nordex Group Service customers that had been contacted globally participated in our survey and gave valuable feedback by rating our performance in several categories. In general, our customers were at least 'rather satisfied' with the services we provided and rated our overall performance with 4.4.

As in 2021, our HSE performance was very well perceived by our customers, which is important to us because safety is our top priority and comes first in everything we do. Moreover, the high quality of the work performed by our Service technicians was praised.

According to the results of the survey, our potential for optimization lies mainly in the areas of spare parts and upgrades, where we are especially focusing on improving delivery times and availability. The global introduction of the new S4HANA ERP system will also help to leverage efficiency and productivity gains in spare parts handling. In the case of upgrades, improving communication and documentation will take priority. New upgrade products will be released with more detailed internal and external documentation packages accompanied by sales training and customer presentations.

In addition, we are preparing the introduction of a standardized global customer portal which will provide better efficiency and quality in customer communications. It will include, for example, electronic exchange of service documents, availability reports etc. As in the past, we also use the survey as a basis for individual discussions with our key customers to understand how we can further improve our services and the overall customer experience. For our next survey, we aim to increase overall customer satisfaction, especially in those areas where we scored below average. «

RISKS AND OPPORTUNITIES

We see the importance for our customers in including ESG criteria in their requests for proposal or contracts. With that in mind, Nordex' Sales department is working closely together with the Global Sustainability team to maximize our evaluation scores on ESG criteria and help our customers meet their own ESG targets. In 2022, our customers already perceived the Nordex Group as a sustainable company when it comes to ESG factors of our projects (2022: rating 4.5 out of 6) and this perception was also mirrored in the responses of this year's survey for the quarters Q1-Q3 2023 in the project area (4.6 out of 6). Our aim is to continue this perception in 2024 and to strengthen it even further in the future.



SUSTAINABILITY STRATEGY 2025

» For the Sustainability Strategy 2025, our target is to keep customer satisfaction at a high level of 4. Customer satisfaction remains important for the business success of our customers and thus for our own success.

Further information on the implementation of measures, see Action Plan "Sustainable Products," p. 52 ff. «

Our Products

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Product Health and Safety

➤ GRI 416-1

For the Nordex Group, it is extremely important to do everything possible to ensure that our wind turbines are workplaces of the highest safety standards. This includes well-planned emergency escape and rescue routes, easily accessible systems, an onboard crane for exchanging components with a weight of up to one ton, as well as fast and weather-protected access to the rotor hub. All of these aspects ensure a smooth maintenance process, including safe working conditions and reduced turbine downtimes. Additionally, we implement systems that constantly monitor and manage the turbines' operating status and the required safety parameters for each action and wind turbine.

We develop wind turbines in accordance with the requirements of the European Union Machinery Directive and all applicable national regulations of the countries in which we plan to operate (target markets), such as the German Equipment and Product Safety Act. Fundamentally, this also includes analyses of:

- › Environmental risks relating to operating materials, hazardous materials, sonic emissions, bird migration, bat protection, ice castoff and electromagnetic radiation
- › Stability risks to the wind turbine identified through foundation surveys, analyses of foundation design and load-bearing structure, as well as site-specific geological and wind conditions
- › Risks to personnel during the entire life cycle of a wind turbine
- › Functional risks that could impact technical or power generation availability

In the reporting period, we assessed all materials in Nordex Group products and services on health and safety aspects. To implement the measures resulting from these checks, the Nordex Group has specialized and qualified functional departments that monitor and perform the company's own wind turbine design, construction, manufacturing, management, installation, supervision and functional commissioning, as well as servicing and maintenance activities.

We collaborate with highly qualified business partners, such as crane providers and assembly specialists, for installation activities and special tasks including the lifting of turbine modules. In our Annual Safety Site Instruction (ASSI) e-learning module we train our suppliers with regard to special requirements of the Nordex Group and our customers. We also regularly audit the compliance status

of our quality management system, occupational health and safety, and environmental protection requirements. We constantly assess our personnel as well as turbine safety issues and risks, and integrate our findings into our product design process to ensure human safety. Our Engineering, Service and QHSE departments work together in cross-functional teams to evaluate ways of addressing potential new risks to people. We implement appropriate measures in the construction process to prevent and mitigate risks wherever possible.

To guarantee the structural integrity of our turbines, we carry out continual functional hazard analyses within the construction process. Based on the analysis results, we integrate safety functions and adapt them to the new system types to take new operating parameters into account.

In addition to the functional and operational safety of the Nordex Group systems, the aspect of the general public safety of our products is a fundamental concept in our development work. Most turbines are located in freely accessible public spaces and must therefore be designed with maximum safety awareness. Any component failure can pose a direct risk to people and/or public infrastructure and the environment. For this reason, we are in close contact on safety issues with the authority responsible for our products, the market supervisory authority under European law, located in Hamburg, Germany.

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For more information please refer to the chapter "Occupational Health and Safety," p. 94 ff

For these reasons and, of course, to ensure very high availability of Nordex Group turbines, we developed a P2P program. In this project, we identify possible future failures through the comprehensive recording and targeted analysis of a turbine's operating data. For example, vibrations can be used to find emerging failures in the drivetrain, such as transmission problems. This highly precise observation enables us to prepare measures to repair or replace a component before damage occurs. This improves the availability of the turbine and significantly reduces the risk of unplanned operating interruptions and the danger of uncontrollable consequences. At the start of 2021, we decided to continue this project indefinitely.

With the P2P program we identify possible future failures through the comprehensive recording and targeted analysis of a turbine's operating data.

Our service staff in Türkiye.



Our Products

Sustainable Products








Sustainability Strategy 2025 – Action Plan “Sustainable Products”

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
<p style="text-align: right;">■ Achieved</p>						
Goal 1: Provide fully recyclable blades by 2032						
Conduct R&D project to support the goal of producing recyclable blades in 2032	2032	Recyclability in %	100%	n/a	We increased the use of fully recycled PET foams, which reduced the use of balsa wood and PVC foams.	
Conduct research and trials into composite recycling and circularity/ participate in R&D partnerships for blade recycling	2025	Qualitative	–	–	We participate in research and development projects on blade recycling (e. g., EoLO-HUBs, RenerCycle and RE SORT).	
Provide material passport for blades	Ongoing	% of products sold that include such a document	100%	0%	In exchange with industry and research partners, we intend to develop a document that will include information on the material composition and other relevant characteristics of the blades, which will facilitate their end-of-life handling. We rescheduled the finalization to 2024.	
Conduct concept study on recycled content and increase use of recycled materials	Ongoing	Recycled content in %	tbd	>7%	During the data collection for our LCAs, concept studies have shown a recycled content of more than 7%. We are working to increase the recycled content and have therefore integrated sustainability requirements into our product development process. We are also in close communication with our suppliers.	

Remark: “Tbd” under “Indicator target” or “n/a” under “Status Quo 2023” means “not yet available” due to data constraints.

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Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
 Achieved						
Goal 2: Decrease carbon footprint of turbines by 25% by 2025						
Provide life cycle assessments (LCA) for all relevant turbine types	2025	% of all relevant products sold that are covered by LCA	100%	79%	During the reporting year, we calculated two LCAs for N149/5.X and N163/6.X wind turbines. With this, we are covering almost 80% of all commissioned Delta4000 turbines (MW) with LCA data.	
Performance and lifetime improvement measures, and tracking of carbon footprint implications for most relevant measures	2025 ¹	% of carbon footprint reduction	25%	28%	Extending the lifetime of a N163/5.X turbine from 25 to 35 years reduces the specific carbon footprint by 28%.	
Provide SF6-free switchgear option	Ongoing ²	Qualitative	–	–	In accordance with a revised EU F-gas regulation, we are planning the gradual introduction of SF6-free switchgear together with our suppliers.	
Goal 3: Keep customer satisfaction at a high level of 4 (scale 1–6)						
Conduct regular customer survey in Projects and Service area	Ongoing ³	Customer satisfaction rate	>4	Projects: 4.6 Service: 4.4	We conducted customer surveys in 2023. The Nordex Group was scored with a total customer satisfaction of 4.5 on a scale from 1 to 6 (1 = completely unsatisfied; 6 = very satisfied).	

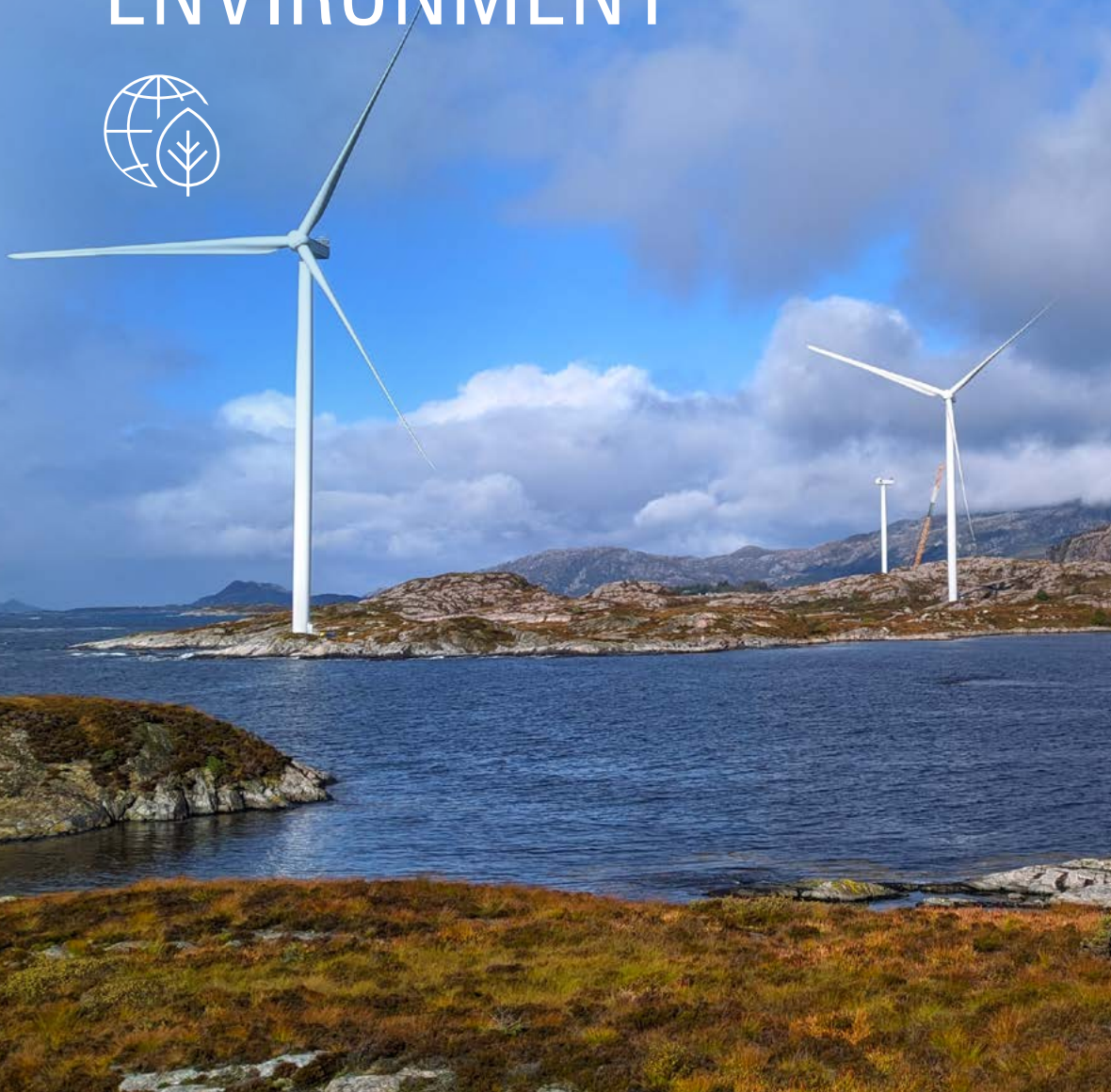
¹ The year of the planned implementation was changed from “ongoing” to “2025”.

² The implementation year to provide SF6-free switchgear option changed to “ongoing”. Due to the revised EU F-gas regulation, a cascaded implementation for SF6-free switchgears is proposed. The Nordex Group is working together with suppliers on a corresponding roadmap.

³ As surveys are conducted regularly for both areas, we changed the planned implementation of the measure to “ongoing”.

«

ENVIRONMENT



Going beyond our products’ impact on the energy transition, we aim to further improve our environmental impact by increasing energy and water efficiency, embracing biodiversity and cutting GHG emissions and waste wherever we can. Having submitted near-term and net-zero SBTs to the SBTi, we further acknowledge the importance of identifying and implementing impactful measures as part of the development of our Climate Action Plan.



Main Targets	Indicator	Baseline 2021	2023	Status Achieved ■
Define science-based targets (SBTs) in line with 1.5°C target ambition	Qualitative	–	–	
Achieve climate neutrality (scopes 1 and 2) by 2023 and continuously improve climate impact	scope 1 & 2 emissions in t CO ₂ e	Scope 1: 14,181t CO ₂ e Scope 2: 607t CO ₂ e	Scope 1: 53,876t CO ₂ e Scope 2: 584t CO ₂ e	
Achieve zero production waste to landfill by 2025	% landfill of total waste	17%	31%	
Reduce hazardous materials and minimize their hazard potential	number of hazardous materials	654	603	

For further details see p. 67 f, 75 ff

CLIMATE CHANGE AND DECARBONIZATION

Climate Change Mitigation and Adaptation

MANAGEMENT APPROACH

➤ GRI 3-3

» Every region of our planet is now affected by climate change. We see this clearly in the form of extreme weather events and increased forest fires, for example. The Nordex Group is tackling this challenge and acknowledges its potential to make a positive contribution to achieving the 1.5°C target in various ways. By developing, producing, selling and installing wind turbines, we contribute to the renewable energy transition. We help to mitigate climate change and internally manage physical and transition risks and opportunities related to climate change by adhering to the recommendations published by the TCFD as well as to EU Taxonomy requirements and monitoring forthcoming regulations in the markets where we operate.

We not only consider the requirements that affect the Nordex Group directly, but also those that relate to our key stakeholders and thus have an indirect effect on the Group. We have experienced increased demand from stakeholders such as investors and customers for reports on climate-related risks. The major advantage of wind-generated electricity over fossil fuels in conventional power plants is that only a negligible amount of climate-damaging CO₂ equivalent (CO₂e) emissions is produced. Our wind turbines therefore contribute to the avoidance of several million tons of GHG emissions year after year. The Nordex Group's scope 4 emissions quantify these avoided CO₂e emissions. In 2023, all Nordex Group turbines actively avoided a total of around 69.1 Mt of CO₂e emissions (2022: 60.7 Mt CO₂e).

The Nordex Group also affects the climate through its business activities and related GHG emissions. Our approach, targets and measures with respect to this climate impact are explained in the sub-chapter on "Greenhouse Gas Emissions and Renewable Energy Consumption."

RISKS AND OPPORTUNITIES

Climate change is already having a global impact today and is a major driver of far-reaching changes in nature, society and the economy. These result in both opportunities and risks for the Group and its business development. In the reporting year, the Nordex Group reviewed the results of the extensive climate-related risks and opportunities analysis which was conducted in 2022 in alignment with the recommendations of the TCFD, also taking into account the assessment requirements of the EU Taxonomy. These are based around four core elements: "Governance," "Strategy," "Risk Management," and "Metrics and Targets." We considered both transition and physical risks.

The project followed a four-step approach:

1. First, we conducted a gap analysis to assess the degree of alignment between the Nordex Group and the TCFD recommendations with the aim of identifying strengths, gaps and improvement areas for the four TCFD categories. The analysis showed that we have already covered most aspects at least partially, but we still need to work on a scenario analysis and specific risk management targets.

Environment

Climate Change and Decarbonization

2. Based on the gap analysis, we conducted a materiality analysis considering risks and opportunities across all TCFD categories. This involved the following departments: Sustainability, Risk Management, Product Strategy, Legal, Corporate Strategy, Public Affairs, Production, Sales, Logistics, Service, Sourcing, Project Management, Real Estate Management, Investor Relations and Finance. We qualitatively assessed probability as well as financial impacts by applying two individual five-point scales, looking at a long-term perspective of ten years (~2030 and beyond). Additionally, we carried out a quantitative analysis of financial impacts. Finally, we multiplied the two scores, producing a final risk or opportunity score. In total, we identified more than 20 climate-related risks and opportunities each.

3. Following the materiality analysis and thus the identification of relevant risks and opportunities, we performed a hotspot scenario analysis. The Nordex Group opted for the assessment of high-emission (temperature increase of 4°C to 5°C), medium-emission (2°C to 3°C) and low-emission (below 2°C) scenarios, which we defined based on publicly available scenarios of the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA). For the physical risks, we also completed a site-specific high-emission scenario. The analysis results provide us with an in-depth understanding of the impact that the identified risks and opportunities may have on our business activities, should they occur in the background of each GHG emission scenario. In particular, it became even more evident

that a high-emission scenario would lead to high impacts in terms of physical risks, highlighting once more the importance of significantly reducing GHG emissions.

4. Finally, we elaborated on response measures to counteract the identified risks and maximize benefits from the opportunities. We have summarized adaptation solutions in response to the main physical risks in a climate change adaptation plan which are updated on an annual basis.

The following table illustrates the main climate-related risks and opportunities in the field of “Climate Change Mitigation & Adaptation” based on the scenario¹:

Transition risks	Scenario with high impact (by 2030)	Response
Increased customer requirements (Market risk)	Low-emission scenario An increase in sustainability-related requirements that might result in lower project demand in case of non-compliance is expected.	› Accept risk
Remaining intermittency problem (Technology risk)	High-emission scenario Unsuccessful research into technologies like batteries not only leads to significantly less demand for wind energy projects, but also to increased use of fossil fuels and nuclear power stations. Grid stability is not strongly impacted due to little decentralized renewable energy production, but is affected by physical risks.	› Mitigate risk › Adapt to risk
Recycling/End of Life/ Circular Economy (Policy & Legal risk)	Low- and medium-emission scenario Recycling represents the main approach of our current commitment, with the required recycling rates, e. g., for rotor blades and hubs, steadily increasing. This results in a high financial impact, e. g., due to higher production costs.	› Adapt to risk › Accept risk

¹ Risks and opportunities that are found to potentially have a high impact on the business should one of the scenarios occur.

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Climate Change and Decarbonization

Physical risks	Scenario with high impact (by 2030)	Response
Extreme heat waves (Chronic & Acute risk)	High-emission scenario The company faces operational and maintenance delays due to extreme working conditions for the workforce, resulting in a need for more cooling systems. Essential regional and market shifts lead to further costs. Temperature-induced wind flow changes might lead to the disappearance or shifting of potential wind farm sites and an overall market decrease.	› Mitigate risk › Adapt to risk › Accept risk
Changes in precipitation patterns (Chronic risk)	High-emission scenario Heavy rain and its consequences disrupt reliable logistics, obstruct on-site operations in remote locations and might negatively impact buildings, depending on their structure. Moreover, heavy rain increases drag, slowing the rotational speed of the wind turbines, which results in decreased power production and hence reduced wind energy potential in certain areas.	› Mitigate risk › Adapt to risk › Accept risk
<p>Legend:</p> <p>Mitigate risk: Actively promote change toward a low-carbon society and business environment to reduce the likelihood of risk occurrence.</p> <p>Adapt to risk: Invest in local premises and products to avoid or reduce negative impacts from risk occurrence.</p> <p>Accept risk: Foresee the necessary budget for additional costs resulting from risk occurrence.</p>		
Opportunities	Scenario with high impact (by 2030)	Response
Development and/or expansion of low GHG emission goods and services (Product & Service opportunity)	Medium- and low-emission scenarios Changes in policies, technologies as well as consumer and investor preferences lead to a moderate (medium-emission scenario) or considerable shift (low-emission scenario) in demand for various low-emission goods and services. Consequently, demand for sustainable and green energy supply will moderately increase.	› Prepare for higher demand and provide the most recent technologies possible › Frequently check for subsidy schemes › Invest in smooth internal technology shifts and R&D
Use of public-sector incentives (Market opportunity)	Low-emission scenario Sustainability is anchored more firmly in subsidy policy, especially in markets that never had feed-in tariffs or other subsidies. Environmentally harmful subsidies are being phased out and used for future-oriented, social-ecological measures like onshore wind farm installations instead.	› Keep up with market evolution › Frequently check recent developments and subsidy schemes
Shift in consumer preferences (Market opportunity)	Low-emission scenario Along with policy changes, for example, consumers are more aware of sustainability, are changing their purchase preferences and are more loyal to companies with credible sustainability approaches. This includes using green energy, so energy utilities are expected to increase the share of renewables in their portfolio.	› Analyze and identify consumer preferences

Environment

Climate Change and Decarbonization



SUSTAINABILITY STRATEGY 2025

In the reporting year, the Nordex Group continued to pursue its goals for climate change mitigation and adaptation. Apart from reviewing the climate-related risks and opportunities initially identified in 2022 along TCFD recommendations, we have updated and extended the responsive adaptation solutions for the main physical risks.

For further information on the implementation of the measures, see Action Plan “Climate Change and Decarbonization,” p. 65f. «

Our Delta4000 N149/5.X at the Bedburg wind farm on the renaturalised Garzweiler minesite, Germany.



Environment

Climate Change and Decarbonization

GHG Emissions and Renewable Energy Consumption

MANAGEMENT APPROACH

7 GRI 3-3

» In keeping with the Nordex Group Sustainability Strategy, we take a holistic approach to climate change and decarbonization and make regular organizational and technical improvements to continually reduce climate-damaging emissions. It is a core goal of the Nordex Group to use energy efficiently and sensibly in both environmental and economic terms. This is particularly anchored in the Sustainability Strategy 2025 by committing to setting SBTs and to achieving climate neutrality (scope 1 and 2 emissions) by 2023. We are dedicated to continuously improving our energy efficiency, which is why our German production sites and office buildings have been certified according to ISO 50001 since 2014. Our energy management system also enables us to document our efforts for climate protection.

Assessing the Nordex Group's GHG emissions is integral to understanding and sustainably improving the company's climate impact. GHG emissions are classified as follows:

- » SCOPE 1 emissions are directly caused by the Nordex Group. We calculate these based on the fuel consumption of trucks and commercial vehicles, as well as the direct consumption of oil, gas, and diesel fuel to generate energy, taking into account the standard factors published by the UK's Department for Environment, Food & Rural Affairs (DEFRA). To calculate our scope 1 emissions, we include CO₂ as well as other greenhouse gases as CO₂e.
- » SCOPE 2 covers emissions produced by the consumption of purchased indirect energy. We calculated these indirect emissions based on consumption data for electricity and district heating. As the Nordex Group has covered its Group-wide electricity demand with electricity from 100% renewable energies since 2021, there were no electricity-based scope 2 emissions in the reporting year. The Nordex Group only procures district heating at one production site and the associated warehouse in Rostock, Germany. The district heating utility, Stadtwerke Rostock, provided us with the specific emissions factor. «
- » SCOPE 3 includes emissions produced by third parties during the provision of services. Due to their high complexity, the Nordex Group assesses these emissions retroactively for the previous reporting year in the context of an extensive corporate carbon footprint (CCF) analysis. The results of the CCF analysis presented in this report therefore refer to financial year 2022.

ENERGY

7 GRI 302-1, 302-3, 302-4, 302-5

» Forward-looking energy management plays an essential role in pursuing our goal of improving our climate impact. We therefore regularly conduct internal audits to review and optimize our processes. Additionally, we report on the most important environmental indicators, such as energy consumption and waste generation, to the Management Board and senior management on a quarterly basis. We also comparatively analyze similar production sites to identify potential for improvement, share and highlight internal success stories, and implement efficient measures at other plants.

In 2023, the overall energy consumption of the Nordex Group increased significantly by 54% to around 249,864 MWh compared to the previous year (2022: 162,213 MWh). The main driver for this development was the first full year of chartering a vessel. This vessel globally transports wind turbine components from production to project sites, thus accounting for around 122,013 MWh of direct energy consumption. In relative terms, our energy consumption increased correspondingly. Regarding the ratio between energy demand and installed capacity, we recorded an increase of approximately 11% to 34,449 kWh/MW (2022: 31,069 kWh/MW), and relative to revenues, an increase of around 35% year-on-year to 38,505 kWh/EUR million (2022: 28,490 kWh/EUR million).

Environment

Climate Change and Decarbonization

» Energy consumption in MWh

↗ GRI 302-1

	2023	2022	2021
Total energy consumption (direct and indirect energy consumption)	249,864.3	162,213.0	119,618.1
Total direct energy consumption	198,761.2	109,998.8	67,884.0
Gas	20,768.3	27,531.8	34,580.6
Heating oil	1,386.7	1,561.3	1,600.1
Diesel, gasoline, heavy fuel oil and ethanol	176,606.2	80,905.6	31,703.3
Total indirect energy consumption	51,103.1	52,214.2	51,734.0
Electricity	46,713.4	48,445.8	47,172.7
District heating	4,389.7	3,768.4	4,561.3
Total energy sold	0	109.8	18.5
Electricity sold	0	109.8	18.5

Energy consumption by installed capacity

↗ GRI 302-3, 302-5

	kWh/MW
2023	34,449
2022	31,069
2021	17,910

Energy consumption relative to revenues

↗ GRI 302-3, 302-5

	kWh/EUR million
2023	38,505
2022	28,490
2021	21,973

«

This increase highlights the relevance of implementing an ambitious climate action plan that incorporates effective energy-efficiency measures. Our progress in this regard is explained in the “Sustainability Strategy 2025” section of this chapter.

Achieving 100% Green Electricity

Since 2021, we have obtained 100% of our purchased electricity from renewables. For this purpose, the Nordex Group mainly uses green electricity tariffs and power purchase agreements (PPAs) at production sites and large offices, with such contracted green electricity eventually accounting for 71% of the total electricity consumption.

For the remainder of gray electricity consumed at all locations where direct switching to green electricity sources is not yet possible due to country-specific restrictions and leasing conditions, the Nordex Group obtains energy attribute certificates (EACs).¹

In addition to common requirements relevant to compliance with initiatives like the Greenhouse Gas (GHG) Protocol and CDP, the Nordex Group applies a variety of quality criteria in the context of the EAC procurement process. The obtained EACs are verified by third-party labels and predominantly originate from wind- and solar-PV-based electricity. In 2023, the procured EACs covered 29% of the total electricity consumption. «

¹ This applies not only to the locations considered in the scope defined for this report’s environmental KPIs, but also to numerous smaller offices and over 385 service points.

Environment

Climate Change and Decarbonization

GHG EMISSIONS

↗ GRI 305-1, 305-2, 305-3, 305-4, 305-5

» We strive for low energy consumption and the use of energy sources with low GHG emission intensity. In an effort to change our business activities for the better and reduce the CO₂e emissions that these release, we use a two-fold analytical approach: we investigate our scope 1 and 2 emissions at the sites with the highest impact for the reporting year, and we thoroughly analyze the corporate carbon footprint, including scope 3 emissions, for the entire Nordex Group retroactively for the previous year.

Scope 1 and 2 Emissions

In the reporting year, scope 1 emissions across the Group rose by about 98% to 53,876 t CO₂e versus the previous year (2022: 27,164 t CO₂e), predominantly due to increased transport activities by the vessel the Nordex Group chartered in mid-2022. Excluding the impact of the vessel, the vehicle fleet expansion caused an increase in scope 1 emissions by about 10%. Indirect market-based scope 2 emissions increased by 16% to 584 t CO₂ (2022: 501 t CO₂), resulting from a higher need for district heating in Rostock. Location-based scope 2 emissions amounted to 25,951 t CO₂e in 2023.

In relation to installed capacity, scope 1 and scope 2 emissions increased by around 42% to 7,508 kg CO₂/MW (2022: 5,299 kg CO₂/MW). Relative to revenues, our activities emitted around 8,393 kg CO₂/EUR million in 2023, which is an increase of 73% compared to the previous year (2022: 4,859 kg CO₂/EUR million).

Given this increase, the Nordex Group is placing more emphasis on implementing GHG emission reduction measures developed within the context of the Climate Action Plan. Our progress in this area is explained in the "Sustainability Strategy 2025" section of this chapter. «

» Greenhouse gas emissions in t

↗ GRI 305-1

	2023	2022	2021
Scope 1 (CO ₂ e)	53,876	27,164	14,181
Scope 2 (CO ₂)	584	501	607

Greenhouse gas emissions by installed capacity

↗ GRI 305-4, 305-5

Emissions (Scopes 1+2) / by installed capacity	kg CO ₂ / MW
2023	7,508
2022	5,299
2021	2,214

Greenhouse gas emissions relative to revenues

↗ GRI 305-4, 305-5

Emissions (Scopes 1+2) / revenues	kg CO ₂ / EUR million
2023	8,393
2022	4,859
2021	2,716

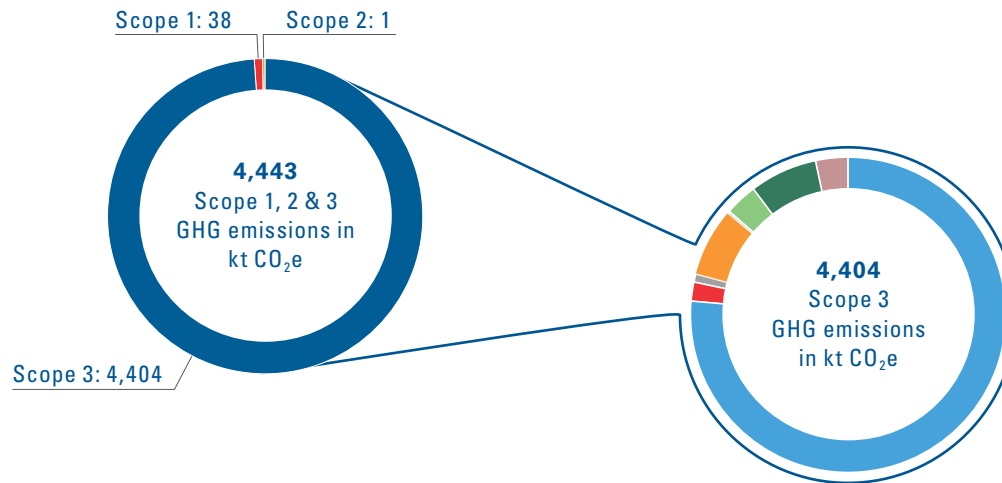
«

Corporate Carbon Footprint 2022

We quantify our corporate carbon footprint (CCF) annually. Due to the complexity of this assessment, the results can only be published in the following year, so the sustainability report reflects the CCF of the previous reporting year.

In contrast to the GHG emissions analysis referred to in the previous section, this analysis covers all production, office and service premises across the Group regardless of their size, as well as all relevant emissions categories in scopes 1, 2 and 3 that are classified in the GHG Protocol Corporate Standard.

For the CCF 2022, we consulted primary data wherever possible in order to calculate the GHG emissions generated and used cost-based emission factors where this data was not available. Taking into account both upstream and downstream processes, our business activities generated around 4,443 kt CO₂e in 2022 (2021: 3,506 kt CO₂e). As expected, the vast majority of GHG emissions occur in scope 3 (99%), while emissions from scope 1 and scope 2 make up only approximately 1% and less than 0.01%, respectively, of the corporate carbon footprint. The low share of scope 2 emissions shows that our success in switching to entirely green electricity, as well as the implementation of energy-efficiency measures, is delivering positive results.



Scope 3 categories

■ Purchased goods and services	3,373 kt CO ₂ e
■ Capital goods	79 kt CO ₂ e
■ Fuel- and energy-related activities	44 kt CO ₂ e
■ Upstream transportation and distribution	304 kt CO ₂ e
■ Waste generated in operations	2 kt CO ₂ e
■ Business travel	10 kt CO ₂ e
■ Employee commuting	1 kt CO ₂ e
■ Downstream transportation and distribution	146 kt CO ₂ e
■ Use of sold products	301 kt CO ₂ e
■ End-of-life treatment of sold products	143 kt CO ₂ e

The ratios between the scopes suggest that we should take a closer look at the GHG emissions created in our upstream and downstream value chain. One category is predominant in scope 3, where “Purchased Goods and Services” (category 1) account for around 76%. In this category, high-emission raw materials for turbine construction play a substantial role. We identified category 4 “Upstream Transportation and Distribution,” category 9 “Downstream Transportation and Distribution,” category 11 “Use of Sold Products,” and category 12 “End-of-Life Treatment of Sold Products” as further positions with a relatively high impact. We consider these to offer the greatest potential for reducing GHG emissions and will therefore make them the focus of our subsequent assessments.

Environment

Climate Change and Decarbonization

RISKS AND OPPORTUNITIES

» The Nordex Group has faced increased customer expectations in recent years. This is mainly because the reduction of Nordex' GHG emissions is a driver for these stakeholders to lower their supply-chain-related scope 3 emissions. Investors tend to have similar requests in response to the growing reporting regulations. Under the effective Sustainable Finance Disclosure regulation, investors are required to integrate ESG factors such as climate-related risks into

their investments or portfolios. They are therefore increasingly interested in the Nordex Group's CCF. At the same time, we rely on new technologies and on suppliers that reduce emissions in their business operations and use less CO₂-intensive materials.

As mentioned in the previous chapter on "Climate Change Mitigation and Adaptation," the Nordex Group conducted a comprehensive assessment of climate-related risks and opportunities in the

reporting year. This analysis illustrated that these growing requirements may rather be perceived as a chance to drive positive change in close collaboration with key stakeholders.

The following table illustrates the main climate-related risks and opportunities in the field of "GHG Emissions and Renewable Energy Consumption" based on the scenario analysis¹.

Transition risks	Scenario with high impact (by 2030)	Response
Increased pricing of GHG emissions (Policy & Legal risk)	<p>Low-emission scenario</p> <p>There is political support for the establishment of carbon pricing. For instance, predicted carbon taxes of more than USD 100 per ton will result in significant cost increases across the company's business activities, especially indirectly through the supply chain, e. g., the impact of carbon-intensive elements like steel sourcing and logistics.</p>	<ul style="list-style-type: none"> › Adapt to risk › Accept risk
<p>Legend:</p> <p>Mitigate risk: Actively promote change toward a low-carbon society and business environment to reduce the likelihood of risk occurrence.</p> <p>Adapt to risk: Invest in local premises and products to avoid or reduce negative impacts from risk occurrence.</p> <p>Accept risk: Foresee the necessary budget for additional costs resulting from risk occurrence.</p>		
Opportunities	Scenario with high impact (by 2030)	Response
Use of supportive policy incentives (Energy Source opportunity)	<p>Low-emission scenario</p> <p>The Nordex Group is experiencing a strong policy shift with measures supporting a rapid move away from fossil fuels towards the expansion of sustainable energy as well as the diversification of the energy supply.</p>	<ul style="list-style-type: none"> › Frequently check for subsidy schemes

¹ Risks and opportunities that are found to potentially have a high impact on the business should one of the scenarios occur.

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SUSTAINABILITY STRATEGY 2025

Although our business model creates high climate-related value through its annual scope 4 emissions, the Nordex Group aims to actively reduce GHG emissions both within its own business activities and in the up- and downstream value chain. In the reporting year, one of the main achievements on the road to combating climate change has been the submission of near-term and net-zero SBTs¹ for validation by the SBTi.

To meet our third climate goal – “Achieve climate neutrality (scopes 1 and 2) by 2023 and continuously improve climate impact” – we continued to develop a climate action plan for scopes 1 and 2 in 2023. For the same year, we will start to bridge the time until we can fully avoid our business-related GHG emissions by means of buying high-quality carbon

¹ Both SBTs are in line with the 1.5°C target ambition.

offsets for our remaining scope 1 and 2 emissions in early 2024. Furthermore, we adopted and published a global Green Electricity Policy in the reporting year.

For further information on the implementation of the measures, see Action Plan “Climate Change and Decarbonization,” p. 65f. «

Our Delta4000 N149/5.X
in Sweden.



>20

measures to reduce GHG emissions have been identified in the context of developing a Climate Action Plan for scopes 1 and 2.

Environment

Climate Change and Decarbonization







Sustainability Strategy 2025 – Action Plan “Climate Change and Decarbonization”

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
<p>■ Achieved</p>						
Goal 1: Manage and adapt to climate risks and opportunities						
Conduct a climate risk and opportunity assessment in alignment with TCFD	2022	Qualitative	–	–	In 2022, the Nordex Group conducted a thorough assessment of climate-related risks and opportunities in alignment with the recommendations of the TCFD. In 2023, we reviewed this assessment.	
Develop and analyze a climate change adaptation plan	2023	Qualitative	–	–	In 2023, we updated and extended the responsive adaptation solutions for the main physical risks.	
Goal 2: Define science-based targets (SBTs) in line with 1.5°C target ambition						
Commit to setting SBTs (via commitment letter)	2021	Qualitative	–	–	At the end of December 2021, we officially committed to setting SBTs and achieving near- and long-term GHG emissions reductions in keeping with the criteria of the Science Based Targets initiative.	
Develop, verify, and communicate SBTs	2023	Qualitative	–	–	Taking 2022 as the base year, the Nordex Group has developed near-term and net-zero SBTs and submitted them for validation to the SBTi at the end of 2023. They are expected to be confirmed in 2024.	

Environment

Climate Change and Decarbonization

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
 Achieved						
Goal 3: Achieve climate neutrality (scopes 1 and 2) by 2023 and continuously improve climate impact						
Develop a Green Electricity Policy (scope 2) for all sites globally	2023	Qualitative	–	–	After a final review of the criteria defined in 2022, we developed and published a globally applicable Green Electricity Policy in 2023. With this policy, the Nordex Group underlines, among other things, our continued commitment to exclusively using green electricity within our operations.	
Develop and implement a climate action plan	Development: scopes 1 and 2 by 2022, scope 3 by 2023	Reduction of GHG emissions in % ²	tbd ¹	–	In 2023, we continued cross-departmental collaboration to develop impactful measures to significantly reduce scope 1 and 2 emissions, with more than 20 measures identified. As the company's vehicle fleet accounts for a large share of GHG emissions, we have strengthened collaborative efforts to increase the share of electric vehicles. Additionally, we have developed an action plan for reducing scope 3 emissions and have intensified cross-departmental exchange to identify feasible, yet impactful measures to reduce GHG emissions across the value chain.	
Compensate for remaining GHG emissions (scope 1 and 2)	Annually, from 2023 onward	% of remaining GHG emissions compensated ³	100%	100%	For 2023, we will start to bridge the time until we can fully avoid our business-related GHG emissions by means of buying high-quality carbon offsets for our remaining scope 1 and 2 emissions in early 2024.	

¹ We plan to publish the indicator target in 2024 as soon as the SBTi confirmed our science-based targets.

² The indicator was adjusted from previous “% of energy consumption & GHG emissions reduced”.

³ The indicator was redefined from “t of GHG emissions compensated”.

Remark: “Tbd” under “Indicator target” or “n/a” under “Status Quo 2023” means “not yet available” due to data constraints.

«

ENVIRONMENTAL PROTECTION

MANAGEMENT APPROACH

↗ GRI 3-3, 306-1, 306-2, 303-1, 303-2

» As a wind turbine manufacturer, the Nordex Group focuses on generating electricity from wind in an efficient, environmentally friendly way. In addition to a major contribution to climate protection, we thereby pay a lot of attention to comprehensive environmental protection throughout the entire life cycle of our systems – from development, through sourcing, production and operation, including maintenance, to dismantling and recycling. Our overarching aim for the years to come is to further improve the environmental footprint of our wind turbines and our entire company.

Our Health, Safety and Environment (HSE) department is responsible for operational environmental protection. We have implemented an integrated quality, occupational safety, health protection and

environmental management system that is applied across the entire Nordex Group, including all worldwide production sites, wind farms under construction, wind farms under maintenance and office sites.

This management system is certified according to the relevant ISO standards 9001:2015, 45001:2018 and 14001:2015, and contributes to enhancing the environmental protection performance of the Nordex Group. Around 96% of employees are under the scope of the management system, which means that entities carrying out significant operations have received external certification. Moreover, it enables us to meet our compliance requirements and environmental objectives in line with the principles defined in our QHSE Policy. As indicated in the section on “Climate Change and Decarbonization,” we regularly conduct internal audits to review and optimize our processes with the aim of continuous improvement. We also regularly report on the most important environmental indicators, such as energy consumption and waste generation, to the Management Board and senior management.

WASTE REDUCTION

Waste reduction plays a special role in environmental protection at the Nordex Group. Waste reduction refers to our waste and waste-related impacts as well as the reuse and recycling of waste. In terms of our environmental footprint, the relevance of the waste we produce depends mainly on the volume and type of waste, as well as the disposal methods we employ.

We primarily differentiate between hazardous and non-hazardous waste, which we manage responsibly and reduce where possible. The company follows an approach that considers each factory type individually: rotor blades, nacelles and concrete towers. Due to the inherent differences in their materials and production processes, a standardized approach to waste management and especially waste reduction is not always feasible.

Environment

Environmental Protection

The generation of both hazardous and non-hazardous waste is one of the most heavily reviewed and controlled environmental aspects at our factories. At all of our sites, we collaborate with authorized service providers specializing in waste management to handle the waste generated. Internally, we continuously track our waste generation at the site level and at a consolidated corporate level on a quarterly basis. In this internal documentation, the Nordex Group differentiates not only between hazardous and non-hazardous waste, but also between various waste recovery and disposal methods in accordance with the GRI Standards. Wherever possible, we refer to the site-specific waste treatment allocation provided by our service providers. However, in some cases we need to resort to country-specific averages. The quantities of each waste type are included in the Nordex Group's annual "Identification and Evaluation of Environmental Aspects Process." Based on this assessment, each factory type annually redefines waste reduction targets and measures to supplement the company's corporate goals. In turn, both the objectives and the control of waste generation KPIs are externally audited in accordance with the ISO 14001:2015 standard.

The Nordex Group considers hazardous waste to be the most relevant type of waste, despite the substantial difference in quantity compared to non-hazardous waste. Waste of chemical origin, such as the adhesives and solvents found in paints, cleaning products, the resins for our rotor blade production, as well as contaminated materials that have had contact with such materials are counted as hazardous waste. While their use and appearance differ between the factory types, the Nordex Group acknowledges the challenge of recovering such waste across all areas and therefore assesses options for avoiding disposal and landfilling in particular.

Non-hazardous waste accounts for the larger share of total waste generated by the Nordex Group's operations. At nacelle production sites, this mainly relates to supply material and consists of cover waste such as plastics, wood, and cardboard used for packaging and other transport supplies. Non-hazardous waste at our concrete tower factories mostly comprises concrete residues.

Waste Reduction – Key Figures

With a total of 29,340 t in 2023 – 28% recovered, 72% disposed of and less than 1% stored on-site (2022: 48% recovered, 38% disposed of, 14% stored on-site) – the waste volume increased by 13% in comparison to 26,051 t in the previous year.

This mostly resulted from a significant increase in production activities at our concrete tower factories as well as the Indian rotor blade factory. At the latter, a significant share of waste resulted from the cleanup of remaining waste left by the previous site owner.

In contrast, relative waste generation decreased in comparison to 2022, which can also be traced back to the significant increase in installations and revenues in the reporting year. The volume of waste per installed capacity (per MW) therefore sank by around 19% to 4,045 kg/MW (2022: 4,989 kg/MW). Our waste relative to revenues decreased to 4,521 kg/EUR million, which is 1% less than in the previous year (2022: 4,575 kg/EUR million).

These developments show that the efforts we defined in our Sustainability Strategy 2025 and respective progress in pursuing our targets across all production areas are integral to maintaining this trend. Shifting towards significantly higher recovery rates will be another key focus point over the next few years. Our measures in the context of "waste reduction" are explained in the "Sustainability Strategy 2025" section of this chapter. «

Environment

Environmental Protection

» Waste production in t

[GRI 306-3](#)

	2023	2022	2021
Total waste	29,340	26,051	21,407
Hazardous waste	10,225	5,971	1,802
Non-hazardous waste	19,115	20,080	19,605

Waste diverted from disposal, by recovery operation in t

[GRI 306-4](#)

	2023
Hazardous waste	550
(Preparation for) Reuse	370
Recycling	180
Composting	0
Other/Unknown recovery operations	0
Non-hazardous waste	7,587
(Preparation for) Reuse	983
Recycling	5,777
Composting	28
Other/Unknown recovery operations	799

Waste directed to disposal, by disposal operation in t

[GRI 306-5](#)

	2023
Hazardous waste	9,638
Incineration (with energy recovery)	9,281
Incineration (without energy recovery)	42
Landfilling	316
Other/Unknown disposal operations	0
Non-hazardous waste	11,343
Incineration (with energy recovery)	2,313
Incineration (without energy recovery)	92
Landfilling	8,913
Other/Unknown disposal operations	25

Waste stored on-site in t

(not disposed of or recovered yet in 2023)

[GRI 306-3](#)

	2023
Total	223
Hazardous waste	37
Non-hazardous waste	185

Waste production by installed capacity

[GRI 306-3](#)

	kg / MW
2023	4,045
2022	4,989
2021	3,205

Waste production relative to revenues

	kg / EUR million
2023	4,521
2022	4,575
2021	3,932

«

Environment

Environmental Protection

REDUCING THE ENVIRONMENTAL EFFECTS OF HAZARDOUS MATERIALS

» Hazardous materials can be employed in a wide variety of ways, particularly in the operational departments, to ensure high quality and reduce the need for potentially extensive maintenance. However, to avoid negative effects on people, the environment and shared natural resources, we must guarantee that we use and transport these materials in a legally compliant way at all times. During the development process in our production plants and our material specification activities, we use an evaluation process to check whether the hazardous materials we plan to purchase are compatible with our company guidelines. This analysis and the standardized approval processes we have defined enable us to eliminate potentially critical material and avoid possible challenges at an early stage in the process. They also lay the foundation for handling hazardous materials safely.

In accordance with legal requirements, we regularly check whether material substitutions are possible to reduce the overall number of hazardous materials as well as their respective water hazard class, thus reducing the extent of any potential environmental damage. Such substitutions can make it easier to develop occupational safety, environmental, and health protection measures, while also simplifying logistics processes and reducing operating expenditure and administrative effort. We employ a range of measures at our production sites to protect our employees, partners and the environment against hazardous materials. For example, our special ground seals and collection sumps actively reduce the risk

of hazardous materials coming into contact with the environment. Furthermore, we have established an emergency system and spill kits for the safe handling of hazardous materials, which are available at all Nordex Group sites globally.

We pay extremely close attention to handling hazardous materials in an environmentally friendly way and to safely transporting these materials to project sites and regional service points. As a result, training courses play an integral role for the safe handling, disposal, storage and transportation of hazardous materials.

In the reporting year, the Nordex Group harmonized the global evaluation process for new hazardous materials. The evaluation performed in late 2022 has been used as the basis for project activities to reduce hazardous materials throughout the reporting year.

Hazardous Materials – Key Figures

In line with our Sustainability Strategy, we particularly focus on materials at water hazard level 3, such as isolated topcoats in rotor blade production. As defined by the Water Resources Act, water hazard classes describe the hazard potential of materials in relation to groundwater. We divide materials into three classes ranging from 1 (slightly hazardous to water) to 3 (highly hazardous to water). At the end of 2023, we registered 763 (2022: 982) active materials (including materials not subject to labelling), 603 (2022: 765) of which were classified as hazardous materials and 61 of which were in water hazard class 3 (2022: 53). The increase in water hazard class materials reflects a systemic review of data sheets, where it was found that suppliers

had changed the water hazard class information. In contrast, the general decrease in hazardous and other active materials results from a general review confirming that multiple materials have ceased to be used.

In 2023 we revalidated the Nordex Group's Black and Grey List and incorporated it into a Hazardous Materials Company Standard. The cadaster of blacklisted chemicals was refreshed against these requirements again in 2023. The cadaster allows us to identify and monitor plans to eliminate the use of hazardous materials. In the reporting year, eleven materials were confirmed as no longer used with all remaining stock removed from the factories. We continue to work on remaining hazardous materials in 2024 to include greylisted and other hazardous materials.

Additionally, we started to assess the air emissions resulting from our painting and cleaning activities – namely, volatile organic compounds (VOCs) – in the context of rotor blade production, retrospectively to the previous year. As the legal reporting period differs from the reporting period for this report, the following numbers refer to the previous year: In 2022, a total of 219t of VOCs (2021: 234t) and – relative to the production output of rotor blades – 121 kg/MW was generated (2021: 142 kg/MW)¹. ◀

¹ Due to data availability constraints, data for the blade production site in India was extrapolated based on average data from the Spanish blade facility.

Environment

Environmental Protection

WATER EFFICIENCY

Water efficiency refers to the Nordex Group's water impact management, particularly when we source water from water-stressed areas, and to our approach to reducing water consumption in our operations and administration activities. The water in question is third-party water supply as well as surface water and groundwater, which we use, for example, for cleaning, cooling, and irrigation purposes, as well as for mixing concrete for tower production. With regard to the overall scope of this report, the share of rainwater remains unchanged at around 1% of our water demand in the reporting year. The Nordex Group's water withdrawal consists entirely of fresh-water regardless of the initial water source. Unless water consumption takes place in concrete tower production or adiabatic cooling systems, we usually discharge the used water via the local sewage system, where dissolved particles are filtered, and the water is treated to produce fresh water again. In India alone, we collect the water in basins and treat and filter it in on-site sewage treatment plants

before we eventually use it as fresh water for irrigation purposes. Since most of our production activities do not require water for manufacturing purposes, our water demand remains relatively low. We therefore do not consider water withdrawal to be a material factor. However, we are aware that excessive water use can impact local communities in areas facing high water stress. In the reporting year, our analysis showed that 56% (2022: 60%) of our total water withdrawal increasingly took place in areas with high or extremely high water stress. This share mainly resulted from the operations at the Indian rotor blade facility located in an area that faces extremely high water stress. In the reporting year, we have started to address this with initiatives such as harvesting rainwater to recharge the groundwater aquifer.

Water Efficiency – Key Figures

Overall, our absolute water withdrawal in the reporting year increased compared to the previous year by around 14% to approximately 151.7 MI (2022: 133.5 MI). This development was impacted mainly by the increase in production activity and elevated water demand for mandatory irrigation at our sites in India.

Water withdrawal per installed capacity sank by around 18% year-on-year to 20.9 m³/MW (2022: 25.6 m³/MW). Relative to revenues, water demand decreased by 0.3 % to 23.4 m³/EUR million (2022: 23.5 m³/EUR million). Total water consumption decreased by 5% to 17.6 MI in 2023 (2022: 18.6 MI), which indicates that we are feeding more water back into the water cycle than in the previous year through more efficient use of water at our concrete tower production sites, for example. However, we are aware of the importance of impactful measures to reduce our water intake, which we are developing and implementing in the context of the Sustainability Strategy 2025.

Environment

Environmental Protection



One of 72 turbines, type N149/5.X, for the Øyfjellet wind farm in Norway.

5%

decreased water consumption
in 2023 compared to 2022.

Water withdrawal, wastewater discharge and consumption in megaliters (MI)

↗ GRI 303-3, 303-4, 303-5

	2023		2022		2021	
	All areas	Areas with water stress ¹	All areas	Areas with water stress ¹	All areas	Areas with water stress ¹
Water withdrawal total	151.7	85.4	133.5	80.6	99.1	47.3
Third-party water supply	62.0	0	64.6	12.5	69.5	18.4
Surface water	1.2	0	0.7	0	0.8	0
Groundwater	88.5	85.4	68.1	68.1	28.9	28.9
Water discharge total	134.1	85.4	114.9	72.1	69.1	41.6
Water consumption total	17.6	0	18.6	8.5	30.0	5.7

¹ High or extremely high water stress following the Aqueduct Water Risk Atlas of the World Resources Institute (WRI)

Water withdrawal by installed capacity

↗ GRI 303-3

m³ / MW

2023	20.9
2022	25.6
2021	14.8

Water withdrawal relative to revenues

↗ GRI 303-3

m³ / EUR million

2023	23.4
2022	23.5
2021	18.2

Environment

Environmental Protection



With the effective Advanced Anti-Icing System, our Nordex turbines can efficiently deliver clean electricity even in icy conditions.

REDUCING LOCAL ENVIRONMENTAL IMPACTS

» The Nordex Group seeks to minimize any negative impacts our activity might have on local communities, such as population displacement, light emissions, soil contamination, sound emissions, dust generated, visual impressions and shadows. To do so, we engage in appropriate dialog with local communities and comply with building requirements and regulations when we develop and construct our wind turbines. In order to fulfill its environmental responsibilities, the Nordex Group documents all actual and potential environmental incidents. We also report near-miss incidents and analyze them in detail so that we can take preventive measures and minimize

environmental risks. We then grade the recorded incidents based on their environmental impact. We differentiate between four rates of severity (SR):

- › SR 1: No or low environmental impact
- › SR 2: Moderate environmental impact
- › SR 3: High environmental impact
- › SR 4: Massive environmental impact

Significant environmental incidents include all incidents in severity categories 3 and 4. In the reporting year, the Nordex Group recorded 0 (2022: 0) significant environmental incidents. «

Biodiversity Protection

➤ GRI 304-1, 304-2

» The Nordex Group defines biodiversity as the variety of life in all forms, including diversity within and between species and the diversity of ecosystems. Biodiversity protection involves avoiding, mitigating and addressing any significant negative impacts our products and services might have on the natural environment, including habitats and species, terrestrial, marine and other aquatic ecosystems, and the ecological complexes of which they are a part. We also seek to identify initiatives that can support preserving biodiversity.

Protecting biodiversity is an integral aspect of our product development, and we also take it into consideration when commissioning new operational sites. To the best of our knowledge, we do not operate facilities located in or near protected areas or areas with high biodiversity value. However, we are aware of the impact we may have on local flora and fauna irrespective of the prevailing biodiversity value. We intend to recultivate local flora around our sites as well.

Following the principle “Planting a tree, growing a future,” our colleagues at the nacelle facilities in Brazil and India, for instance, planted more than 600 trees and about 300 further plants, thus working together to raise awareness of environmental issues. «

Environment

Environmental Protection

RISKS AND OPPORTUNITIES

» The Nordex Group collects and assesses environmental information on a regular basis. This analysis covers our production sites, wind farms under construction, wind farms under maintenance, and office sites. We evaluate all of our global activities, products, and services to determine whether they might have a negative environmental impact due to normal or abnormal conditions or potential emergencies.

We assess environmental impacts according to their environmental risk, which we determine based on the following criteria and their probability of occurrence:

- › Air pollution
- › Toxic/harmful to water
- › Soil contamination
- › Noise
- › Depletion of resources
- › Impact on habitats or species
- › Legal or regulatory requirements
- › Stakeholder pressure

We use the analysis results as a basis for improving our environmental protection measures. At the Nordex Group, identifying the environmental aspects and impacts of our activities is an annual ongoing process as required by ISO 14001:2015. Some of the most critical environmental aspects include the transportation, storage, and disposal of hazardous materials at our production sites under exceptional operating conditions or in emergencies. We reduce

the risks here through effective preventive measures, well-educated and well-trained employees, as well as a variety of protection systems.

Furthermore, limited treatment options for some waste types might pose challenges and generate additional costs, which we will address through dedicated research and adjustment measures. Additionally, the Nordex Group acknowledges that the development of new locations in emerging markets might entail environmental risks due to lower legal requirements. To avoid the occurrence of these risks, the company focuses on conducting internal and external audits on a regular basis and on establishing Group-wide standards, and consistent reporting, among other measures.

These risks could also be viewed as environmental opportunities, however. By setting and maintaining ambitious environmental protection targets, such as reducing waste and hazardous materials, we can demonstrate compliance with our stakeholders' increasing requirements while promoting environmentally friendly behavior in the regions where we operate. Finally, in view of these targets, we also consider environmental aspects to be closely connected to quality and safety aspects. By focusing on reducing scrap and the need for rework, the Nordex Group can produce even higher quality products while posing less potential harm to the environment and improving health and safety conditions in our manufacturing processes.



SUSTAINABILITY STRATEGY 2025

In the reporting year, the Nordex Group continued its efforts to develop measures to achieve its five environmental protection goals, with the aim of eliminating the landfilling of waste, improving the recovery rate and reducing waste generation. The Nordex Group's production areas continue to develop feasibility studies and local action plans, while also continuing to collaborate with local stakeholders and implement some measures. As part of our efforts to reverse the current trend of increasing waste disposal, we successfully met the milestone of defining our Corporate Green Packaging Policy. Furthermore, we made progress towards reducing waste generation relative to production output in our concrete tower and nacelle production areas. We also initiated several measures for improving water efficiency and reducing hazardous materials, such as assessing substances of concern, which resulted, among other things, in the substitution and thus notable reduction of Substances of very high concern (SVHCs) and other hazardous materials.

For further information on the implementation of measures, see Action Plan "Environmental Protection," p. 75ff. «

Environment

Environmental Protection









Sustainability Strategy 2025 – Action Plan “Environmental Protection”

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
<p>»</p> <p style="text-align: right;">■ Achieved</p>						
Goal 1: Achieve zero production waste to landfill by 2025						
Complete feasibility study of landfill reduction options	2023	Qualitative	–	–	All production areas have started to formalize feasibility studies of landfill reduction options based on a template provided by the concrete tower production area. Due to baseline changes following the factory closures in 2022, planned completion is expected in 2024.	
Develop and implement local action plans to eliminate landfilled waste	Development: 2023 Implementation: 2025	% of landfill of total waste	0%	31%	Various individual initiatives were developed and implemented at the sites which are yet to be consolidated into local action plans. The Spanish rotor blade factory, for instance, joined the Navarra Zircular association in 2023 and is participating in a study to maximize resource efficiency as a result.	
Goal 2: Increase waste recovery rate by five percentage points by 2025 (baseline recovery rate of 2021: 55%)						
Define and implement a Corporate Green Packaging Policy	2023	Qualitative	–	–	We have included the Corporate Green Packaging Policy in the Corporate HSE Company Standard introduced in 2023.	
Complete feasibility study of site-specific reuse and recycling options	2023	Qualitative	–	–	Due to baseline changes following the factory closures in 2022, the completion of feasibility studies specific to the three production areas is expected in 2024.	
Develop and implement local action plans to increase reuse and recycling	Development: 2023 Implementation: 2025	% of recovery of total waste	60%	28%	In all production areas, we have continued to develop actions to increase reuse and recycling at the sites. For the area of concrete tower manufacturing, the Nordex Group has integrated such actions into a high-level reduction plan of Environmental Aspects.	

Environment





Environmental Protection

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
 Achieved						
Goal 3: Reduce waste generated per MW produced – specific to production areas: for blades by 5% and for towers and nacelles by 10% by 2025						
Develop and implement local action plans to improve resource efficiency during testing and manufacturing processes	Development: 2023 Implementation: 2025	Qualitative	–	–	In 2023, analyses were performed to ensure that only the minimum volumes of concrete were used in the concrete strength testing process, whilst ensuring that standards were met.	
Ensure a more efficient use of hazardous materials to decrease hazardous waste through training campaigns and process adjustments	2025	Qualitative	–	–	We plan to kick off a project for this in the coming years.	
Goal 4: Reduce hazardous materials and minimize their hazard potential						
Assess use of substances of concern (SOCs; incl. substances of very high concern [SVHCs]) according to legal requirements	2023	Qualitative	–	–	In 2023, we incorporated additional legal requirements into our Black and Grey List as part of the new Company Standard for Hazardous Materials. We finished reconciling the materials in circulation in the company and the Black and Grey List with all applicable legal requirements.	
Develop and implement an SVHC substitution plan	Development: 2023 Implementation: 2025	Percentage of SVHCs substituted	100%	n/a	In 2023, we continued to develop substitution plans with the aim of eventually eliminating all blacklisted materials incl. SVHCs. 11 materials were removed through product generation change. 38 were re-evaluated in line with legal cadasters and removed from the lists. We also started to conduct Engineering and Quality trials with the aim of replacing maintenance chemicals, paints and thinners.	
Decrease hazardous materials in use based on the Black and Grey Lists	Ongoing	Number of materials excluded or substituted	–	11	We are continuously looking for ways to eliminate hazardous materials, and we actively seek to reduce both the total number of these materials and their hazard levels. A working group made up of representatives from all divisions and production areas meets at least once a month to steer the project, and the reduction in blacklisted materials is included as a KPI for all areas.	

Remark: "n/a" under "Status Quo 2023" means "not yet available" due to data constraints.

Environment

Environmental Protection

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
						 Achieved
Develop and implement product-specific global cross-site and local action plans to reduce VOC emissions in blade production by 5% per produced MW	Development: 2023 Implementation: 2025	% VOCs per produced MW reduced ¹	5%	15%	The Spanish blade factory has completed all planned adjustments to reduce VOC emissions. The Indian blade factory will analyze and evaluate how to implement such ambitions in the coming years.	
Goal 5: Increase water efficiency						
Develop and implement measures for reduced water withdrawal, esp. in high-water stress areas	2025	m ³ /MW installed	tbd	20.9m ³ /MW	We have already kicked off analyses and initial measures to reduce water withdrawal.	
Analyze and expand rainwater usage globally to additional sites	2025	% rainwater used	tbd	1%	In 2023, the concrete tower factories continued to investigate the applicability of rainwater collectors despite being located in rather dry areas. The same applies to our rotor blades and nacelle factories in India.	

¹ The Indicator was redefined from "kg of VOCs (reporting year) / kg of VOCs (2021)".

Remark: "Tbd" under "Indicator target" or "n/a" under "Status Quo 2023" means "not yet available" due to data constraints.

«

WELCOME TO NORDEX

SOCIAL



We provide fair and attractive working conditions and a progressive company culture. At #TeamNordex, our values of Integrity, Respect, Collegiality and Ownership are at the forefront. In 2023, we focused on training development and fostering awareness of diversity and inclusion at the Nordex Group. In addition, we significantly reduced our risk and the lost time injury frequency (LTIF) from 1.5 to 1.2 in 2023.



Main Targets	Indicator	Baseline 2021	2023	Status Achieved
Reduce accidents to a lost time injury frequency (LTIF) of < 1.5 by 2025	LTIF	3.2	1.2	
Develop a comprehensive mental health strategy by 2023	qualitative	–	–	
Achieve a minimum of 25% female representation in management positions ¹ by 2025	Female leader share	17.1%	18.9%	
Reduce the voluntary turnover rate ² to below 5 percentage points of the market average by 2025	Deviations voluntary turnover (from market average) ³	2021: n/a 2022: +1.47%	–1.95%	

¹ Includes women in positions on M1 to M4 level; all management positions are evaluated with Mercer according to the IPE (International Position Evaluation) methodology.

² Nordex mid-term voluntary turnover rate (weighted) in 2023: 3.99%, Mercer mid-term voluntary rate (weighted): 5.94%.

³ Market average = The mid-term voluntary turnover rate (mid year 2023), per country, weighted 95% accuracy as global number (Mercer).

For further details, see p. 94 ff, 105 ff

FAIR AND ATTRACTIVE EMPLOYER

The Nordex Group employs 10,133 people worldwide in Europe, Asia, South America, North America, and Africa.

» The Nordex Group depends largely on the commitment, experience and passion of our employees to achieve our goals. The People & Culture department (P&C, responsible for human resources) manages and takes responsibility for activities and initiatives to promote the satisfaction and motivation of our 10,133 employees worldwide. Most employees are based in Europe, followed by Asia, South America, North America and Africa. The department is committed to providing effective customer service to all other departments and employees through the timely delivery of innovative, high-quality P&C systems, processes and services. At the Nordex Group, we focus on professional personnel management in all aspects of collaboration. The department continually supports our employees and managers from the recruitment phase through the systematic integration and promotion of individual professional development, to the fair arrangement of employment exit options. Our main processes and measures regarding “fair and attractive working conditions” are summarized in the first section of this chapter.

At the Nordex Group, we provide tools, opportunities and support for professional development, including global training courses, talent and leadership

programs, and individual consultation. Our corporate values of Integrity, Respect, Collegiality and Ownership serve as a framework for the respectful behavior of each individual in our community, thus providing the basis for operational excellence. These values are the principles of our work ethic and our interaction with one another, and provide all employees around the globe with guidance for their actions alongside our internal rules and guidelines. In addition, our corporate values form the basis for our ten Nordex Group Leadership Principles, which describe how we at Nordex Group want to lead, motivate and inspire all employees. We communicate these guiding principles to all managers in worldwide training courses. Our main processes and measures regarding “employee development” and “leadership and company culture” are summarized in the second and third sections of this chapter.

In our global company where people with a variety of different geographical backgrounds and cultures collaborate, the P&C department promotes diversity topics, equal opportunities and equal treatment in the workplace. Our main processes and measures regarding “diversity and inclusion (D&I)” are summarized in the last section of this chapter. «

Employee Numbers and Development

As of 31 December 2023, the Nordex Group had 10,133 employees (+11% compared to the previous year, 2022: 9,111) comprising 8,424 men (83%) and 1,709 women (17%). We employ people worldwide. Most of our employees are from Europe (68%), followed by Asia (12%), South America (11%), North America (7%), and Africa (1%). A total of 3,131 new employees joined the company in 2023 (2022: 2,784). Most of them were employed in Europe (54%), followed by Asia (29%), South America (8.3%) and North America (8.2%). In South America, we faced an employee decrease of around 32% in total. In Asia, we increased our total number of employees by almost 111%, due to investment in new plants in India. Most of our active employees are between the ages of 30 and 50 (67%), and we have 5,168 (51%) blue-collar employees and 4,965 (49%) white-collar employees. Most of the employees at the Nordex Group have a full-time contract (97%) and are employed permanently (95%).

Further details on employee numbers and their development are provided in the appendix of this chapter (following GRI 2-7, 2-8, 401-1, 401-3, 405-1), see p. 105.

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Fair and Attractive Employer

Fair and Attractive Working Conditions

MANAGEMENT APPROACH

➤ GRI 3-3

» The Nordex Group offers fair and reasonable working hours, fair compensation, and various employee benefits. We strive to attract and retain high potential employees and reach a high level of employee satisfaction by ensuring attractive working conditions and respecting the legal rights of our employees around the world.

Promoting fair and attractive working conditions is relevant not only to positioning the company as an employer of choice, but also to having a positive impact on society and carrying out the necessary work with high quality staff to develop technology for the time of the energy transition. The company also invests in countries with lower labor standards. Not only for this reason, we continue to establish targets and measures for fair and attractive working conditions in line with our Sustainability Strategy 2025. We have implemented policies to achieve our goals as an employer, including Human Rights and Diversity and Inclusion policies. The P&C department at Nordex Group evaluates and implements these policies as described below. We are also conducting projects to further improve working standards for all our employees worldwide in the coming years.

The specific criteria for remuneration and benefits differ in the individual countries and locations where the Nordex Group operates. It makes sense to harmonize offers and conditions in some areas, such as training, onboarding, leadership principles, corporate culture and working conditions. In other areas, however, we strive to provide individualized benefits, such as local sports activities, get-togethers, or subsidies for public transportation. «

Insights into Global P&C Processes and Projects Digitization at P&C

The Nordex Group recognizes the immense value of digitalizing its human resources processes and has implemented a global cloud-based system, SAP Success Factors, for various P&C processes. This includes Annual Appraisal talks, Recruiting and Onboarding processes, Data Management, and Training and Development.

To further reduce paper usage, the Nordex Group is currently working on a project to implement a cloud-based Digital Document Management System for document creation, signature and storage. This system will significantly reduce resource consumption and increase efficiency in P&C processes.

Employer Branding Campaigns

Employer Branding is a key focus area for Nordex' P&C department to attract and retain talent. The company continuously improves its recruitment process by creating a better candidate experience through harmonizing recruitment activities globally, creating dedicated landing pages and managing

talent pools. The Recruitment Guideline has been updated to include internal best practices and guidance to maintain the quality of new hires.

The Offboarding process has been updated to improve retention. Diversity & Inclusion is an important pillar of Nordex' Employer Branding strategy, integrated into different areas, projects and initiatives.

VAMO Program – Employee Participation Program

As well as driving sustainable wind energy through their work, Nordex Group employees also had the opportunity to financially support green energy by investing in bonds for the Val aux Moines wind farm in France in 2020. This enables our employees to support the company's progress while enjoying the advantages of an exclusive investment that we set up with the best possible conditions and minimized risk. For each bond purchased, we guaranteed an annual interest payment of 6% for a fixed period of four years. After four years, employees will be repaid the original investment as well as the interest. This opportunity was open to all Nordex Group employees in EU countries as well as the UK and Norway with a permanent contract in 2020. The program runs from 2020 to 2024.

Remuneration – Salary Grouping and Benefits

We continued to update and analyze the grading of management positions using a consistent methodology. Our analysis involved assessing recent organizational changes and their impact on positions and departments in quarterly grading workshops, paying specific attention to all growing country organizations. Management grading is the basis for various

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global topics (job titles, bonus policy, salary levels, etc.), and it helps to structure our management and expert positions.

Stock Options Program – Long-term Incentive for Management and Experts

We managed the third allocation of stock options in our global stock options program, a long-term incentive for all of our management and expert positions. This program aims to foster identification with the company, give our management and expert employees more opportunities to participate in our success, and reward long-term working relationships. Program participants can purchase shares at a predetermined price after a waiting period of four years and if the stock price increases.

RISKS AND OPPORTUNITIES

In 2023, a total of 3,131 new employees joined the company (2022: 2,784). The Nordex Group continues to face the challenge of responding to fierce competition in the wind industry and a skills shortage, as well as in its personnel management. The lack of skilled staff as well as fluctuation in management and key positions can lead to problems in managing teams and to project delays. Recruitment challenges are highly dependent on their specific regional markets.

Our employer branding and evaluation measures help us to identify weaknesses and reasons for leaving. To this end, we encourage employees to report on their work experiences, write reviews and participate in surveys, and we have started to implement a global offboarding process.

Thanks to our retention initiatives and harmonized offboarding process, we have managed to reduce the voluntary turnover rate down to 8.03% (2022: 11.31%). We will keep fostering employee engagement and retention policies.

The Nordex Group sees risks relating to labor in locations situated in countries without proper labor laws and to the use of labor and suppliers from countries with few or low labor standards. To mitigate these risks, we are increasing awareness of our Human Rights Policy and Code of Conduct for Contractors and Suppliers. Looking at the unstable job market, we also see some opportunities. Applicants are now more likely to apply for jobs in sustainable areas and companies that have a positive impact on the environment and society.



SUSTAINABILITY STRATEGY 2025

» In the reporting year, we continued working to improve our P&C digitization processes and smart working to foster our goal of being an attractive and innovative employer and reduce the voluntary turnover rate to five percentage points below the market average by 2025. To measure this goal, we defined the voluntary turnover rate compared to the global manufacturing market average as an indicator. If we compare our mid-term turnover rate (3.99%,) to this

year's mid-term market average of 5.94% (Mercer¹), we are above the target as we are 1.95% percentage points below the average. We are aware that there is still a need to continue fostering employer engagement to reach our goal by 2025.

In 2023, we additionally focused on the goal of "promoting sustainable commuting and business travel and establish a global concept on sustainable mobility." In 2023, we have made progress in all the measures we have taken as part of our strategy. An interdepartmental project team continued to elaborate on options to consistently increase the share of electric vehicles. Since the Nordex Group has the largest corporate vehicle fleet in Germany, we have updated our German Company Car Guideline. With this update, the Nordex Group specifically commits to promoting electric mobility by providing higher budgets for hybrid vehicles and the highest budgets for pure electric vehicles. Conventional vehicles must stay below an updated CO₂ limit.

In addition, we have formed a global mobility task force. Within this task force, we coordinate sustainability criteria for commuting and business travel, such as integrating them into a globally applicable business travel policy. Another focus in the area of mobility is the bike infrastructure at our German offices. The Nordex Group's commuter survey showed that 34% of employees are at least somewhat satisfied with

¹ The mid-term voluntary turnover rate (mid year 2023), per country, weighted 95% accuracy as global number (Source: Mercer).

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the bike infrastructure in Germany. Another 14% are rather dissatisfied while more than half (52%) are rather neutral. We launched a project to introduce a company bicycle leasing offer for employees to further promote the use of sustainable means of transport on the way to work.

For further information on the implementation of measures, see Action Plan "Fair and Attractive Employer," p. 91 ff. «

Employee Development

MANAGEMENT APPROACH

➤ GRI 3-3, 404-1, 404-2, 404-3

» Employee development programs and training are essential for positioning the Nordex Group in a highly competitive and dynamic market. They help ensure that our employees remain well trained, feel a sense of belonging in the company, and are encouraged to grow. Proper training also ensures effective and safe working conditions both on and off site.

>85%

of all possible Compass Dialogs took place.

We are certain that our employees want to learn new things every day and take responsibility for their own development. Every person has their own aspirations and goals. Whatever it is that drives them is also apparent in their preferred career development path, and we support them in fulfilling these goals in various ways. As part of the Sustainability Strategy 2025, we intend to continue and optimize the established employee development programs and processes.

Talent Development and Recruitment

In preparation for recruitment training for managers, the Nordex Group has established a Recruitment Guideline that harmonizes the recruitment process. The guideline is designed to clarify, simplify, and standardize our processes for anyone involved in the recruitment process. It includes success stories, approaches, techniques, tips, and templates to help us to continue to bring on board qualified people in the future.

Compass Process

The core process in the area of employee development is the Compass process, which supports our employees with professional feedback and enables us to expand and consolidate our feedback culture in a standardized and harmonized way across the whole Nordex Group. It consists of three steps:

- » During the Compass Dialog, which takes place annually between January and March, our employees receive specific feedback on their performance over the preceding year. Following

this, they work with their managers to define a realistic, personal development plan that meets the needs of the employee and the company.

- » During the second quarter, we gather the results of the Compass Dialogs in development meetings, which are referred to as Compass Conferences, and discuss them in the management teams. This provides us with a cross-departmental overview of the talented and high potential employees in the Nordex Group. Nominations for participation in the UPWIND Management Trainee Program also take place during the Compass Conferences. Compass Conferences are mandatory for salaried employees and take place on a needs basis for industrial workers.
- » Compass Dialog offers employees and managers the opportunity to initiate and maintain a process of continuous feedback.

To support Nordex Group employees in navigating their careers, we set up an online platform that provides access to all information and materials relating to the Compass process, including Compass e-learning courses and guidelines that can be found on our intranet.

The P&C department tracks the completion of Compass Talks and supports employees and managers in the process. With this structured approach, we ensure that we take into account the development wishes and expectations of our employees.

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In the reporting year, 85% of all possible Compass Dialogs took place, with managers holding discussions with a total of 5,050 employees (2022: 75%, 3,692 employees). «

The annual employee appraisal talk as part of the Compass process is documented in the "Performance & Goals" module to:

- › improve employee performance through ongoing feedback
- › gain insights into the performance of the organization as a whole
- › develop the team, recognize talent, and arrange for improvement measures
- › spend less time on administrative tasks and more time on training and providing valuable feedback that fosters and improves engagement and productivity.

Further Training

Technical Training Center

The Global Technical Academy (GTA) in Hamburg is the Nordex Group's leading technical training institution for service. There are local academies in Spain, France, the UK, South Africa, Türkiye and the USA. More than 80 Nordex Group trainers at the GTA worked with a total of 2,445 (2022: 1,852) participants in 2023, including participants from our subcontractors and customers. The average training hours per participant amounted to around 27 hours in 2023 (2022: 23) for in-person or remote training sessions and to around 3.3 hours for e-learning sessions (2022: 2).

The Nordex Group offers basic training courses attended by all service employees each year, as well as specialized training courses for each turbine generation. New service technicians must complete a basic training course to qualify for participation in these specialized modules.

The GTA in Hamburg follows the "train the trainer" approach to set global standards and pass them on to the local academies. With the help of "train the trainer" and trainer qualifications, more than 25 trainers have been qualified to conduct basic technical and specialized component training courses. We rolled out a blended learning approach throughout 2023. Virtual reality courses create further training efficiency while maintaining a high level of quality.

Junior Engineers Program

We created the Junior Engineers program to give young talents a chance to develop their personal strengths and knowledge of the renewable energy business. The program involves continuous learning and exciting projects that empower the participants. It is a learning journey full of personal and professional development. The Junior Engineers are full members

Participants in remote or in-person training conducted through the GTA or by GTA trainers	Average training hours per person			
	In-person or remote 2023	In-person or remote 2022	e-learning 2023	e-learning 2022
Blue-collar employees	42:49	42:21	5:19	2:40
White-collar employees	11:23	10:37	2:15	1:35
Customer participants	17:35		1:25	
Sub-contractors/customer participants	27:49	15:58	2:03	1:40
All participants	26:52	22:58	3:29	2:05

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The N163/5.X turbine is installed at the Janneby citizen wind farm in Germany.

of the team from day one. They rotate through different projects and teams, taking on responsibility and enjoying the benefits of working for a large player in the global energy sector. The candidates have high potential, excellent academic grades, honorary awards and international experience. They stand out at all levels, both academically and in terms of competence. The program collaborates closely with universities such as the Public University of Navarra (UPNA) Renewable Energy Chair. More than 50 candidates took part in this comprehensive selection process, 12 of whom were accepted into the program in 2023.

e-onboarding

Our employees have the opportunity to learn about all important topics and areas of our Nordex Group from day one through our e-onboarding courses.

In 2023, 574 white-collar employees¹ (2022: 156) participated in our voluntary e-onboarding courses (participation rate: 47%).

¹ We changed in 2023 the scope of data and include interns, trainees and student workers of white-collar employees in e-onboarding participation rates.

RISKS AND OPPORTUNITIES

Good training and development opportunities for existing employees in the Nordex Group are both an opportunity and a necessity for good human resources management and the maintenance of operations. We have not faced any material risk in 2023.



SUSTAINABILITY STRATEGY 2025

» The Nordex Group has set itself the goal of optimizing its existing talent programs and providing additional programs for employee development. We focused on improving the functionality and processes of our Learning Management System. Further measures relating to this goal are described in the respective section under “Leadership and Company Culture” and “Diversity and Inclusion.”

For further information on the implementation of measures, see Action Plan “Fair and Attractive Employer,” p. 91 ff. «

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Leadership and Company Culture

MANAGEMENT APPROACH

↗ GRI 3-3

» We transmit our Nordex Group Leadership Principles through our globally rolled-out Trust.Listen.Lead. Leadership Development Program. Our goal is to create a uniform understanding of leadership across different countries and cultures on how managers lead, motivate and inspire people at the Nordex Group.

Presenting our corporate values is of central importance when onboarding new employees at the Nordex Group. We aim to further foster our #TeamNordex approach by ensuring that all new employees embody our values from the very beginning.

Beyond our onboarding process, our values are integrated into our globally established Trust.Listen.Lead. Training program in all countries where the Nordex Group has locations. Another management development training program for talented employees is the UPWIND program.

Management Development Training

Trust.Listen.Lead. – Nordex Group Leadership Training

This program for new managers takes learning curves into account, which are helpful for creating sustainable learning effects. We offer different modules – virtually and in-person – with learning nuggets as homework over a period of approximately eight weeks. We expanded the program in the reporting year to include subjects such as unconscious bias, leadership in diverse intercultural environments, and emotional intelligence. During this course, we work together on many management basics while also covering other topics that we have identified as essential to team leadership at the Nordex Group.

The course is divided into two parts. The virtual Part I is composed of four modules and allows participants to learn in a multicultural, international environment, sharing experiences with colleagues from other countries. The in-person Part II gives them the chance to further learn face-to-face, strengthen social ties and create a greater bond, also sharing experiences at the local level.

From January to September, 24 virtual training courses with about 240 new managers were conducted in the new program (2022: 113). Twenty in-person training courses with 133 new managers were held in the same period. In total 133 new managers completed the Trust.Listen.Lead. program.

Trust.Listen.Lead. represents the core principles that guide how we at the Nordex Group lead, inspire, treat and motivate our people. This training is an essential foundation for every manager at the Nordex Group, covering the basics of a harmonized approach to leadership within our company.

Another leadership development program targets all managers who have attended the foundation program once and are now seeking further development or have been in their role as a leader for a couple of years in another company. We plan to roll out a Trust.Listen.Lead. Refresher Program for these individuals in 2024. We are also implementing a new Trust.Listen.Lead. Advance Program for those in senior management who are willing to develop further leadership skills.

UPWIND – The Management Talent Program of the Nordex Group

Each year, the UPWIND program identifies and develops high performance employees with clear potential to hold a future managerial role with strategic impact on their department or the company as a whole. This global management talent program aims to support these talents both as a group and individually as they move towards filling key positions, thus seeking to increase the proportion of internally appointed managers. We strive to improve our Talent Management training every year, which is why we

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have updated the content to include topics the current participants considered important. This includes intercultural training while still providing foundational training and sharing human-centered approaches.

We are striving to integrate this program into our business as closely as possible by involving top management in a range of activities such as fireside chats, sponsorship for UPWIND projects, various types of input, and the final presentation by the UPWIND groups.

We put together groups that are as diverse as possible in order to create worldwide talent networks that enable participants to learn from different perspectives.

For the second time in a row, so many talented employees were nominated that we decided to start two UPWIND Groups, each with 12 participants. «

Unconscious Bias Training

In our Diversity and Inclusion Strategy and our Sustainability Strategy, we committed ourselves to a more diverse and inclusive organizational future. Our e-learning module is mandatory for all managers as well as all P&C colleagues globally who are responsible for recruiting and developing employees and teams. In this way, we aim to eliminate biases for and against particular things, people or groups. Our e-learning module explains unconscious biases, makes us more aware of them and, most importantly, shows us how to overcome them.

Intercultural Differences Workshop

At the Nordex Group, working with various cultures is a daily part of our work, enriching our diversity but also complicating communication. An Intercultural Differences Workshop was conducted for the first time last year within the UPWIND Groups 2022/2023, with positive feedback leading to its availability on demand outside of the Talent Management Program. Based on Erin Meyer's book "The Culture Map," the workshop helps employees and managers understand cultural differences, cope with them, and prevent misunderstandings.

RISKS AND OPPORTUNITIES

In a company with over 95 nationalities, of different gender identities, age groups, disabilities, political or religious beliefs, sexual orientations or other characteristics, every social group can be a target of conscious or unconscious bias. This can hinder teamwork and lead to unequal treatment and misconduct toward colleagues. This is where we see our e-learning as well as our workshop as an opportunity to raise awareness of possible unconscious bias, prevent any negative effects and improve team spirit within the Nordex Group.



At the Nordex Group, we enjoy a international working environment – our employees reflect on intercultural differences together in a workshop.

Social

Fair and Attractive Employer



Please find our D&I Policy on our webpage



SUSTAINABILITY STRATEGY 2025

» To foster leadership and promote its company culture, the Nordex Group has set itself the goal of optimizing its existing talent programs and providing additional programs for employee and management development, such as our Trust.Listen.Lead.Advance Program. In upcoming years, we will track the participation rate of new managers with a target of 80% participation. The measure for maintaining a minimum 40% participation quota for women in the UPWIND talent program will also generate synergies with diversity and inclusion (D&I) topics.

For further information on the implementation of measures, see Action Plan "Fair and Attractive Employer," p. 91 ff. «

Diversity and Inclusion

MANAGEMENT APPROACH

➤ GRI 2-30, 3-3, 401-3, 402-1, 405-1, 405-2, 406-1, 407-1

» At the Nordex Group, we consider diversity and inclusion (D&I) to be an important contributor to our success. We hold ourselves accountable for creating a diverse and inclusive workforce by implementing the principles and targets in our Diversity and Inclusion Policy and Human Rights Policy. These principles also take a central role in the Nordex Group Code of Conduct.

In 2023, we worked with the D&I Council to improve our workplace diversity and inclusion. We held a workshop to assess our current level and set goals for the year. Our strategy was structured into different workstreams to achieve our aim.

We monitor our D&I progress through a dashboard and share the numbers with the D&I Council every three months. We have set internal KPIs to achieve our objectives. To improve transparency, we created an internal D&I SharePoint with current numbers, initiatives and resources for employees to foster diversity and inclusion at Nordex. «

Unadjusted Gender Pay Gap

The Nordex Group conducted a gender pay gap analysis across all locations to gain insights into the differences in remuneration between male and female employees. The gender pay gap was calculated as the percentage difference between the average gross hourly base salary of male and female employees, divided by the average gross hourly base salary of male employees. The base salaries of each employee were recalculated to Euros and to the 100% full-time equivalent. The analysis revealed that male employees earn more than female employees. At management level, male employees earn 22% more than female employees, 14% in the white-collar category and 9% in the blue-collar category. Currently, the job levels do not group employees based on job families. As a result, different kinds of jobs, from support functions to direct business areas, are included in one level. The Nordex Group is currently in the process of comparing its job structures against its goal to ensure that most jobs are structured and thus comparable in order to get a better picture of the gender pay gap. At the same time, we are working to address imbalances in order to ensure that our employees are paid fairly.

18.9%

share of women at all management levels (2025 target: 25%).

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Fair and Attractive Employer



Diversity and Inclusion (D&I) Council

Nordex' D&I Council is a diverse group of leaders who contribute expertise from different departments and countries. The Council helps the D&I team to set realistic and achievable goals. It also helps ensure accountability for the implementation of our strategy, and provides governance and supervision on diversity and inclusion topics. All members of the council act as sponsors, advocates and role models.

The D&I Council meets every third month to discuss the initiatives and measures proposed by the D&I team for maintaining a diverse workforce and driving change in line with Nordex' values. To acknowledge the need for change in this area, the Nordex Group has approved further resources for improving diversity and inclusion (such as external advisory support). With these resources and the assistance of the D&I Council, the Nordex Group is undertaking an ambitious diversity and inclusion journey.

Nordex Group takes part in the annual "Pride Month," which provides a welcome signal for a more colorful, tolerant society and aims to protest against injustice.

Inclusion, Family and Work in Germany

The Nordex Group attaches great importance to reconciling professional and private life. In addition to standard parental leave models, we offer our employees flexible working time models and the option of remote working. In the reporting period, for example, 115 (2022: 119) employees in Germany took parental leave.

In the reporting period, the Nordex Group employed 49 severely disabled people in Germany (2022: 35) who had indicated their severely disabled status to their employer. At the Nordex Group in Germany, an inclusion agreement has been in force since 1 January 2022. The purpose of the inclusion agreement is to support the professional integration of severely disabled people and people with equivalent rights in the company. We have agreed to make improvements to various requirements, sometimes in addition to the legal requirements. For example, the Nordex Group has agreed to compensate employees with equivalent rights as disabled employees by granting them two days of special leave. We also agreed on further measures concerning internal and external qualification opportunities, improved integration into working life during working hours, mobility infrastructure, and mobile workstation options.

Social

Fair and Attractive Employer



For more information on our “notify!” whistleblower system see the chapter “Business Ethics, Compliance, and Integrity,” p. 118

Employees with disabilities in Germany¹

	2023	2022	2021
White collar	29	24	n/a
Management Board	0	0	n/a
Management positions (M1–M4)	1	2	n/a
Blue collar	20	11	n/a
Total	49	35	57

¹ A breakdown for 2021 data cannot be presented.

Employee Representation

The Nordex Group attaches great importance to safeguarding the interests of its employees and working constructively with employee representatives in a spirit of mutual trust. We take a constructive approach to discussions, with employee representatives in all countries where we are present, and promote collaboration based on mutual trust. While not all countries globally have a local works council, in Germany, for example, employee interests are protected by collective bargaining agreements that usually involve Group-wide or local works agreements. In Germany, co-determination law covers

approximately 98% of employees; this does not cover company managers at the corporate level. In the rest of Europe, the European Works Council (known as the SE Forum) represents all employees. In individual countries such as France, Sweden and Finland, local works council committees are also formed based on respective works agreements resulting from decisions made jointly with local employee representatives. Co-determination topics are managed by the P&C department together with the managers responsible.

Germany: The works council in Germany has information, consultation and co-determination rights in social, human resources and economic matters, and otherwise represents the general interests of the workforce. Both the works councils and employees are comprehensively informed about any significant operational changes by senior management and/or local management. Communication takes place through company meetings via the intranet and via telephone conferences.

If employees in Germany feel their salary scale grading is incorrect, they can lodge an appeal with an arbitration board that will review their grading and their complaint. The arbitration board comprises two employee representatives and two members of the local works council. In 2023, four complaints (2022: 12) were risen.

Including Nordex Group Germany GmbH, we had four local works councils (Hamburg, Nacelle production DMR and blade production GVZ in Rostock, Germany GmbH). There is also a Group works council at the group level and two general works councils at the company level (one for SE and one for Energy SE & Co. KG). Four cases of discrimination were reported using our “notify!” whistleblower system in accordance with the relevant Nordex Group works agreement.

Europe: We explicitly support the rights of our employees in the European Union and UK and provide all the representatives of country sites in Europe with the opportunity to exchange views and engage with senior management at least twice a year through the European Works Council. In the reporting period, there were no known cases of employees’ rights of association or collective bargaining being breached or endangered at any Nordex Group business sites.

Social

Fair and Attractive Employer

RISKS AND OPPORTUNITIES

Diversity is not only a moral imperative, but also a business imperative for the Nordex Group. Studies prove that organizations with executive teams of different genders and ages, with diverse cultural backgrounds and different lifestyles, have higher profits and longer-term value. In the past, neither the Nordex Group nor the wind industry as a whole put sufficient effort into driving diversity and inclusion, so we are just at the beginning of this journey. To be specific, the proportion of women in our workforce was 16.9%, and the share of women at the management level was 18.9% in reporting year 2023. In other words, women are currently still underrepresented in our management positions. These developments make it clear that the D&I Council must be even more vigorous in pursuing the diversity vision and goals of the Nordex Group.



SUSTAINABILITY STRATEGY 2025

» In the reporting year, we continued with our internal communications to create awareness of the D&I mission, vision and strategy and our journey to reaching our sustainability goal of “Achieving a minimum of 25% female representation in management positions by 2025.” Globally, women make up 16.9% of our workforce. We’re proud to say that the proportion of women in management has increased to 18.9% from 17.5% last year, with a target of 25% by 2025. This increase is due to initiatives, management commitment, and new policies in recruitment and development.

We launched the “re:think” communications campaign which consisted in different articles challenging thinking about stereotypes and biases.

Another big achievement has been our inclusion survey. The survey aimed to ask all Nordex Group employees to understand where we are today, strengthening what we have already achieved and focusing on areas in which we can improve. The survey focused on four categories with three indicators each: Safety & Access, Acceptance, Trust & Fairness, and Belonging. We will work on these topics with managers and P&C colleagues to continuously improve in our efforts to create a diverse and inclusive workplace and build the best “Team Nordex.”

Our goal was to maintain 40% female representation in our strategic talent development program, as we did last year. While we exceeded the quota in one group, we missed it in the other, resulting in overall representation of 37.5%.

For further information on the implementation of measures, see Action Plan “Fair and Attractive Employer,” p. 91 ff. «

We strive to build a workplace rich in diversity and fluid in inclusion. Where people from different backgrounds with different talents bolster creativity and innovation. This leads to the best decisions for sustainable growth.

Social

Fair and Attractive Employer



Sustainability Strategy 2025 – Action Plan “Fair and Attractive Employer”

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implement- ation
<p>»</p> <p>■ Achieved</p>						
Goal 1: Be an attractive and innovative employer and reduce the voluntary turnover rate to below 5 percentage points of the market average by 2025						
Increase smart working conditions for white-collar workers in offices wherever feasible (hybrid working model) to 80%	2025	% of white-collar workers in offices offered hybrid working model	80%	100%	We recommend a hybrid working model to our subsidiaries where legally possible. Since 2021, we have offered all white-collar employees in Germany the option to work three days a week in the office and two days from home as part of a Group Works Council agreement. This arrangement has been implemented in Germany and serves as a guideline for other countries.	
Implement a new learning management system and improve the existing Compass system (performance and goals module for all performance appraisals), with 80% of employees using the system annually	2022	Number of countries	–	All countries	Both systems have been implemented, so all countries now have access to the global modules offered by the Nordex Group. In 2023, at least 85% of employees used the performance and goals module.	
	ongoing	% of white-collar employees who performed the Compass Dialog	80%	85%		
Goal 2: Optimize talent programs and provide further programs for employee development						
Introduce a new leadership program with updated content and an inter-cultural setup by 2022. A minimum of 80% of new managers will participate in the program	2022	Qualitative	–	–	We developed the new leadership program in 2022. We will track the participation rate from 2024.	
	annually, starting from 2024	Participation rate (all new managers)	80%	n/a		
Maintain the participation quota for women in the UPWIND program at a minimum of 40%	ongoing	Female participation rate – UPWIND	40%	38%	In line with last year, we once again aimed for our target of 40% female representation in our strategic talent development program. This year, we reached an overall quota of 38% females in the talent program.	

Social





Fair and Attractive Employer

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
						■ Achieved
Develop and implement a new talent program to broaden training options	2025	Participation rate – new talent program	100%	n/a	We are currently working on a mentoring pool for mentors and mentees to ensure the best possible match and that the abilities of the mentor meet the mentee's needs.	
Develop and introduce unconscious bias training by 2022	2022	Qualitative	–	–	This measure was implemented in 2022.	
Implement training sessions for manager mentoring (manager mentoring program)	2025	% of managers covered (manager mentoring program)	100%	n/a	Projects will start in the coming years.	
Buddy program in 80% of the countries with more than 50 employees	2025	% of new white-collar employees participating	80%	n/a	The project starts next year together with an onboarding project. We have already tested the program in Spain and intend to implement it in further countries as part of the global onboarding project.	
Goal 3: Achieve a minimum of 25% female representation in management positions by 2025						
Conduct regular surveys and data analytics to monitor D&I	2022 » 2023 ongoing	Qualitative	–	–	In May, we conducted our first D&I survey which was distributed to 9,000 employees at the Nordex Group by email and QR code. The response rate was 17.6%.	
Communicate the D&I mission, vision and strategy internally and externally	2022	Qualitative	–	–	We created an internal and external D&I website, an internal Unconscious Bias Campaign (re:think) and a LinkedIn commitment to diversity and inclusion to create transparency about D&I topics.	

Remark: "Tbd" under "Indicator target" or "n/a" under "Status Quo 2023" means "not yet available" due to data constraints.

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Fair and Attractive Employer

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
						
Goal 4: Promote sustainable commuting and business travel and establish a global concept for sustainable mobility						
Revise Company Car Guideline	2023	Scope 1 CO ₂ emissions regarding company cars	–	9,783 t CO ₂ e	The Nordex Group, which has the largest corporate vehicle fleet in Germany, has updated its Company Car Guideline to promote electric mobility. The update includes higher budgets for hybrid and pure electric vehicles, while conventional vehicles must stay below an updated CO ₂ limit. This is part of an interdepartmental project team's efforts to consistently increase the share of electric vehicles.	
Integrate sustainability criteria into Commuting and Business Travel Policy	2023	Scope 3 CO ₂ emissions regarding commuter behavior and business travel	–	11,350 t CO ₂ e (2022) ¹	In 2023, a global mobility task force was formed to coordinate sustainability criteria for commuting and business travel. The task force aims to integrate these criteria into a globally applicable business travel policy.	
Establish/improve bike infrastructure standards (only in Germany)	2023	Satisfaction rate	–	34%	According to Nordex' commuter survey, 34% of employees are somewhat satisfied with the bike infrastructure in Germany, while 14% are rather dissatisfied and 52% are neutral. To promote the use of sustainable means of transport, the Nordex Group plans to launch a project to introduce a company bicycle leasing offer for employees in 2024.	

¹ We assessed this value in the context of the CCF 2022 analysis referring to GHG emissions from commuting and business travel covering all production, office, and service premises.

«

Social

Occupational Health and Safety

OCCUPATIONAL HEALTH AND SAFETY



Please find our QHSE Policy on our webpage

MANAGEMENT APPROACH

7 GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9

» Our employees' health and safety in the workplace is of the greatest importance to us at the Nordex Group and represents a key element of our Sustainability Strategy. Nordex Group employees involved in the production of wind turbines, the installation of wind farms, maintenance and service activities are exposed to a wide range of hazards with the potential to impact their physical and mental wellbeing. These include working in and around machinery on construction sites, working at height, working with electricity and hazardous materials, working remotely and in hot or cold environments. We continuously and systematically strive to further develop our safety culture and make our work environment safer. As a result, we consult with our own employees, works councils as well as our business partners and subcontractors in order to incorporate the widest possible range of knowledge into our daily work. We regularly communicate our performance in terms of occupational health and safety within the Nordex Group via the intranet, as well as in employee information sessions and management meetings.

Our QHSE Policy emphasizes the importance of management topics including occupational health and safety. All employees in leadership or supervisory roles are requested to share the QHSE Policy with their teams (employees and subcontractors).

We created a comprehensive Corporate HSE Manual in 2023 to incorporate the Policy, our 12 vision statements, responsibilities and arrangements for HSE throughout the Nordex Group. This has been communicated to all employees.

Strategic projects to improve HSE performance and culture have been consolidated into one program with regular reviews and status updates.

Certifications and Awards

In 2023, the Nordex Group maintained ISO 45001:2018 certification for its occupational health and safety management systems. Around 96% of employees are under the scope of the OHS management system, which means that entities carrying out significant operations have received external certification. The scope of operations comprises the design and manufacture of wind turbines (nacelles, hubs, concrete towers and blades), and the construction, commissioning and servicing of wind farms.

We use our certified processes in all countries in which we operate. All employees work within the occupational health and safety management system.

We were also externally recognized through the global award scheme organized by the Royal Society for the Prevention of Accidents (RoSPA). Nordex Group UK was again the winner of the Renewable Energy Sector Award. «

Insights into Nordex' Safety Culture

Our safety culture is underpinned by knowledge-sharing within the teams and the collaborative development of solutions. A monthly newsletter to all relevant staff provides updates on HSE topics and learnings. Our Safety Stand Downs and Lessons Learned processes ensure Group-wide learning for HSE experiences. In the event of an incident, these processes enable us to promptly notify all employees and other stakeholders carrying out similar tasks and support them with suitable countermeasures. This helps to prevent repeat incidents, minimizes the number of dangerous situations for our employees and partners, and highlights areas for optimizing our safety training, processes and product design.

Social

Occupational Health and Safety

The Safety Notifications process covers three different levels of communication (Safety Information Letter, Safety Notice, Safety Alert) based on an incident's severity and type. These documents advise on health, safety or environmental changes to operating practices, products or documentation.

Safety Walk & Talks are another key component of the Nordex Group's health and safety culture. This constructive dialog between managers and employees on how to carry out work as safely as possible supports the safety culture across the entire Nordex Group. To ensure focused discussions, we require all managers to complete the Safety First Leadership Training.

Our teams and subcontractors focus on identifying and reporting near misses and unsafe actions, which we investigate in a transparent way so that we can deploy corresponding corrective measures. This complements the risk assessments carried out in the field. We conduct reviews and audits of our suppliers and subcontractors. We collaborate with our existing and potential subcontractors to incorporate them into our HSE culture, but at the same time we enforce our standards.

We set up a HSE governance system to ensure standardized occupational health and safety activities around the world. This includes periodic audits as well as meetings between the responsible parties on the division and country levels.

Engagement for a Global Wind Industry Safety Culture

We aim to establish a culture of health and safety throughout the wind power industry, so our involvement extends beyond our own company to include industry specific initiatives such as the international working group on Wind Industry Safety Culture. We are a member of the Global Wind Organization (GWO) to drive the highest standards and actively participate in continuous improvements. Furthermore, as a member of the WindEurope board and the SafetyOn committee, we are constantly contributing to the improvement of occupational health and safety performance within the global industry.

We integrate the following seven principles of safety (which we developed together with other members of the wind industry in a VDMA Safety working group) into our HSE systems:

- › We value personal health and safety above all else
- › All injuries can be prevented – we plan for safety
- › Management at all levels is accountable for safety and leads by example
- › Everyone looks out for each other no matter who they work for
- › Safe behavior is recognized, acknowledged and praised
- › ZERO tolerance for safety breaches
- › Everyone has the authority to STOP any unsafe work



Working at heights training in our GWO-certified Nordex Group Global Technical Academy, Hamburg.

Social

Occupational Health and Safety

Occupational Safety Committees

Organizations in each country establish Occupational Safety Committees in accordance with locally applicable laws and internal best practices. The general managers of each site or country chair these committees; regular participants include occupational safety specialists, safety administrators, representatives of the workforce (works councils in some countries) and other specialists where relevant, such as works doctors.

Way Forward to “Zero Accidents” – Our Performance Measures

» The Nordex Group pursues a long-term target of zero occupational accidents. We therefore regularly measure our performance against a range of parameters to continually review the effectiveness of the measures taken to improve our safety culture. We use a mix of leading and lagging indicators. Leading indicators such as training, valid PPE (personal protective equipment) and other plant and equipment inspection status, safety awareness communication, reporting of unsafe acts and conditions, and management “Safety Walk and Talks” are proactive

safety measures. We are focusing more on leading indicators to drive improvement in safety culture at our sites.

Lagging indicators such as “near misses” and first aid incidents are important to understand trends and risks. One of the most important parameters is the number of occupational accidents per million working hours: the Lost Time Injury Frequency (LTIF) rate. This key figure includes all work accidents that result in one or more working days lost. The indicator is based on an estimation of the hours worked by internal employees and subcontractors. This estimation accounts for site and country-specific regulations regarding weekly hours worked and the inclusion of holidays, for example. The LTIF indicator has been part of the incentive-based remuneration program for our management since 2021, helping us move closer to the goal of “zero accidents.”

In 2023 we standardized our internal reporting using the HSE Scorecard implemented in late 2022. We also incorporated the distribution of HSE information to technicians into the Nordex Group learning management system, utilizing employee profiles to focus on information relevant to the technicians.

Corporate LTIF Target Achieved

The goal defined in our Sustainability Strategy 2025 is to further reduce occupational accidents and achieve an LTIF below 1.5 at the Group level by 2025. The success of these efforts is reflected in an LTIF of 1.2 in 2023. We continue to harmonize our Nordex Group processes using internal success stories from all our activities and implement programs to raise awareness of risk and gather feedback from incidents.

Due to the low number of significant incidents, there was no correlation in causes that gave rise to specific initiatives or communication campaigns.

Analyzing all injury cases remains a driver for general HSE awareness campaigns. The Nordex Group had no fatalities to report in 2023. «

LTIF of 1.2
in 2023

Social

Occupational Health and Safety

Significant Occupational Accidents¹

↗ GRI 403-9

	Employees				Service provider			
	2023	2022	2021	2020	2023	2022	2021	2020
Nordex Group (Overall)	9	7	8	3	14	15	15	16
Africa	0	0	0	0	0	0	3	2
Asia (incl. Australia)	2	0	0	0	3	0	1	2
Europe	3	2	3	1	6	10	6	5
North America	3	3	3	1	2	4	3	1
South America	1	2	2	1	3	1	2	6

¹ Significant accidents include actual accidents with severity 3 and 4. The recorded accidents are rated by means of a classification system. We differentiate between four rates of severity (SR):
 SR 1: No injury, or slight injury or health impact
 SR 2: Moderate injury or health impact
 SR 3: Severe injury or health impact
 SR 4: Fatal injury or extreme health impact

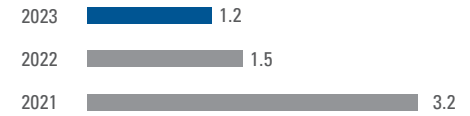
Training our Employees

We offer programs and training courses worldwide that increase the participants' safety awareness and qualifications. We have our own academies, but we also provide training through subcontractors globally. We base the training at our own academies on Global Wind Organization (GWO) standards and offer certified training courses through our academies in Türkiye and Germany (training courses from the Technical Academy are described in the chapter "Fair and Attractive Employer," p. 83 ff).

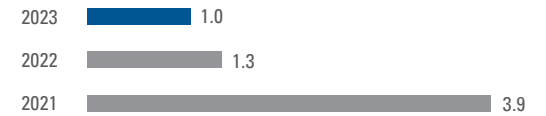
We continued and initiated further training and safety awareness programs in 2023: from monthly safety awareness programs in specific production areas like our "Back to Basics" for the Nacelle area to the "360 degree" HSE transformation project for bringing the same principles into the Service and Tower global functions, to global programs for all our employees such as our "Take your time" campaign on key health and safety topics. Our main programs were described in our Sustainability Report 2022 (see p. 103).

Lost Time Injury Frequency (LTIs / 1,000,000 work hours)

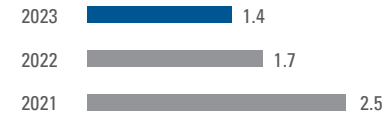
Nordex Group (incl. service provider)



Internal



External



RISKS AND OPPORTUNITIES

The safety of our employees, business partners and the general public – which is ultimately driven by the safety of our processes, products and services – remains a top priority across the Nordex Group. The issue of occupational safety is becoming more important not only to our employees and customers, but also to the general public. Damage to wind turbines and the potential consequences of this are being viewed increasingly critically, which can also harm the reputation of the Nordex Group and lead to financial burdens.

Social

Occupational Health and Safety

The industrialization of new projects (especially through manufacturing, installation and service) poses an increased risk of accidents because many new employees and service providers have to become familiar with the Nordex Group's safety rules and products as the Group grows.

Though the company has made improvements and achieved a high standard of occupational health and safety, we still strive to reduce the number of incidents in order to maintain the trust of our employees and partners. Parallel to this, we continue to harmonize and standardize the processes of the occupational health and safety organizations on a global level. At the Nordex Group, quality and safety aspects go hand in hand with environmental aspects. For example, we aim to reduce waste and hazardous materials through our measures and targets for

#TeamNordex took part in the HCOB Run in Hamburg's Hafencity for the 11th time in 2023.



environmental protection in manufacturing. We also focus on reducing scrap and the amount of reworking that is required. This leads to better products from both a quality perspective and a health and safety perspective when we are working on these processes, so it has a positive impact on health and safety in general as well.



SUSTAINABILITY STRATEGY 2025

» In the reporting year, we continued several measures to reach our goal of reducing our LTIF to below 1.5 on a global level by the end of 2025 and creating a safe working environment for all our employees and partners. The global LTIF in 2023 matched the 2025 target primarily due to improvements in all areas of the business, especially within the nacelle factories and in Division International. While most of the occupational health and safety measures from the Sustainability Strategy Action Plan to be implemented by 2025 had already kicked off in 2022, we achieved our milestone of focusing on the HSE perspective in product and equipment design. Each design project and sub-module now has a dedicated HSE specialist responsible for HSE tasks within the project. We also developed and implemented a safety awareness program to present an award to the best preventive action in each quarter.

We have not yet reached our goal of “developing a comprehensive mental health strategy by 2023,” but we expanded our local initiatives comprising employee support for anyone affected by concerns about any issue (work, relationships, finances, etc.), as well as surveys and the allocation of responsibilities. We implemented a comprehensive mental health and wellbeing awareness program for employees in 2023, including intranet articles, newsletters and safety contacts for work teams.

We also continued working toward our third goal of “Reducing accidents in the supply chain.” We have processes in place to evaluate our contractors on health and safety issues. The HSE community developed requirements within the “HSE Agreement for Contractors” to ensure Nordex’ safety rules are fulfilled by contractors. Finally, a first trial to include selfreporting of LTIF on a monthly basis has started with one of our main subcontractors. Once rolled out to all main subcontractors, this initiative will provide us with greater transparency regarding the safety culture across our subcontractor base.

For further information on the implementation of measures, see Action Plan “Occupational Health and Safety,” p. 99f. «

Social

Occupational Health and Safety



Sustainability Strategy 2025 – Action Plan “Occupational Health and Safety”







Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implement- ation
<p>»</p> <p>Goal 1: Reduce accidents to a lost time injury frequency (LTIF) of less than 1.5 per 1 million working hours by 2025</p>						
Conduct employee training and safety campaign for continuous improvement in safety for each activity and production	2025	Qualitative ¹	–	–	Several global and local safety awareness and improvement campaigns exist covering all areas of the Nordex Group (see Management Approach). By 2025, we intend to improve the coordination of these campaigns to increase their alignment, harmonize their branding, and reduce overlap.	
Retain ISO certification for occupational health and safety management system (ISO 45001)	annually	Qualitative	–	–	In 2023, Division Europe successfully resecured its ISO 45001:2018 certification covering all activities. The certificate for Nordex' International division remains valid until 2024.	
Focus on QHSE perspective in product and equipment design	2022	Qualitative	–	–	Each design project and sub-module now has a dedicated HSE specialist responsible for HSE tasks in the project. In addition, significant projects incorporate HSE into the core team.	
Update Nordex Group QHSE strategy to harmonize QHSE processes	2022	Qualitative	–	–	With the new position of Director Corporate HSE Strategy and Development on Nordex' global HSE level, we made new resources available to harmonize global HSE processes. We regularly hold strategy workshops to communicate our harmonized vision. We continued monthly HSE reviews and quarterly HSE workshops with the HSE team to drive the global harmonizing process.	
Develop and implement safety awareness program to award the best preventive action in each quarter	2023	Qualitative ²	–	–	The safety awareness program was defined. The judging committee met for the first time in November 2023 to judge the best preventive actions in Q3. All cases reviewed showed excellent risk reduction in the company and for employees. However, an initiative to reduce waste cutting and handling at the blade factory in Lumbier, Spain was selected as the winner as it eliminated a wide variety of different risks, affecting a number of team members and was promoted by the production team members and supervisor.	

¹ Indicator was changed to “qualitative” as no global indicator represents all local training sessions and safety campaigns at the Nordex Group.

² The indicator has been changed to “qualitative” as the goal of the Nordex Group awareness program is to reduce the number of accidents, which is already represented by the LTIF indicator at target level.

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Occupational Health and Safety

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
 Achieved						
Goal 2: Develop a comprehensive mental health strategy by 2023						
Launch campaigns that promote measures to reduce psychosocial risks	2022	Qualitative	-	-	Several campaigns already existed or had already been launched at country level in 2022.	
Foster a healthy workplace in offices, production, wind farms, and remote environments	2025	Qualitative	-	-	The mental health and wellbeing program was rolled out to all employees throughout 2023, with intranet articles as well as visually appealing newsletters and safety contacts for use in work teams. This has been supplemented by local initiatives offering employees resources such as expert presentations and exercises.	
Goal 3: Reduce accidents in the supply chain						
Evaluate suppliers (contractors) on safety issues	2022	Qualitative	-	-	Contractors are evaluated on HSE requirements throughout supplier approval procedures and project phase audits.	
Implement training sessions to ensure Nordex' safety rules are fulfilled by 3rd parties	2023>2025	Qualitative	-	-	All requirements for contractors are contained within the "HSE Agreement for Contractors" document which is included in the supplier contract. For example, this document includes requirements regarding stop work authority, reporting, training, health and wellbeing, substance abuse, plant and equipment, working at height, the permit system and controls for high risk work.	
Include LTIF targets in all subcontractor contracts	2025	Qualitative	-	-	A requirement to report monthly LTIF to the Nordex Group has been launched as a trial with a main subcontractor who works for Nordex Group in Europe/Latin America.	

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Social

Corporate Social Engagement

CORPORATE SOCIAL ENGAGEMENT

↑ GRI 413-1

The Nordex Group is a dynamic company operating in over 40 countries. In addition to our economic goals, we are committed to the principles of using global resources responsibly, protecting the climate, and ensuring people can enjoy prosperous and fulfilling lives as set out in the United Nations 2030 Agenda for Sustainable Development. As part of this commitment, we are connected to the communities in which we and our customers operate, and we engage in local projects to meet their specific needs. We aim to foster sustainable social and economic development through educational initiatives, wealth creation, local job creation and hiring local suppliers.

Our social engagement activities focus on supporting public and private institutions for training and professional development, which are active in the fields of renewable energy and climate protection, as well as on social and humanitarian aid projects and organizations. We established a Group-wide Donations Policy to manage these activities.

In 2023, the Nordex Group made various financial and in-kind donations to local and regional aid organizations close to Nordex Group sites and wind farms. To foster education, we continued the Education and Socio-Economic Development (SED) Project in South

Africa and support of women's career in Türkiye. In Brazil, the Nordex Group was involved in several projects with a focus on health, community gardening and circularity. The following section explains these selected projects in more detail.

Community Relationship Projects

SOUTH AFRICA

Nordex Education Trust

In South Africa, the Nordex Group accompanied its market entry with the foundation of the Nordex Group Education Trust, which holds a 20% stake in Nordex Energy South Africa (NESA). This trust supports disadvantaged population groups as well as projects in the fields of school education, sports, culture and community work by providing scholarships and grants for study, research and training. Over the past few years, we have helped numerous non-governmental organizations, schools and universities, as well as sports and cultural associations, thus establishing robust partnerships in all the communities in which we operate. In 2023, our activities through

the Nordex Group Education Trust targeted training and further education in various higher education institutions.

In the reporting year, one beneficiary completed her Degree in Dentistry and recently registered with the Health Professional Council of South Africa (HPCSA).

Socio-Economic Development Project (SED)

In 2017, NESA launched its SED. Focusing on four major topics – youth development, women's empowerment, early childhood education and support for disabled persons – the SED aims to help young entrepreneurs grow in all areas, and helps its beneficiaries to achieve economic independence. Through regular direct communication, we identify the most pressing needs of individual communities and tailor the SED program to them accordingly.

In the reporting year, NESA continued to respond to the needs of disadvantaged rural communities in South Africa. In 2023, we allocated funds for the job readiness project organized by the Sakhe Family Care Development Centre. This project aimed to increase the employability chances of local unemployed youth in Kouga Local Municipality, where more than 70% of the youth population is unemployed. The program

Social

Corporate Social Engagement

focused on imparting soft skills to 20 young people from the target population group, with the goal of reducing negative social incidences caused by joblessness and low self-esteem while increasing employment among beneficiaries. Notably, 16 of the participants were females, highlighting the program's commitment to promoting gender equality and empowering women. All participants were members of the local Xhosa-speaking community, reflecting the program's commitment to serving the diverse needs of the community.

Furthermore, in 2023 NESAs also donated funds towards a wheelchair repair center, which has helped to improve the lives of disabled individuals in communities with limited resources. Our donation aims to create a more inclusive and accessible environment for disabled individuals who face unique challenges in their daily lives.

In another program, NESAs awarded 16 grants for Enterprise and Supplier Development (ESD), which benefited black owned businesses.

In the years to come, we will continue to build on the success of our support programs and collaborations in South Africa. We intend to make an active contribution to new and existing scientific educational

projects, and to provide even greater support to people with disabilities by assisting institutions and special training programs.

BRAZIL

Community Garden Project

In Brazil, a community garden was built in collaboration with our customer at the Lagoa dos Ventos wind farm located in the northern state of Piauí. It was created entirely from recycled construction materials, and the seeds were donated by employees of the Lagoa dos Ventos wind farm. The garden is cultivated in accordance with organic farming methods. The goal of this project is to provide healthy and fully organic food to all employees and partners at the site.

Reuse Project Uibaí

At the Uibaí production site, we collaborated with our partner company Top Ambiental to launch a project for reusing fresh concrete for the production of precast elements. This enabled us to mitigate the environmental impact of our plant by reducing and properly disposing of waste while also lowering our costs for waste disposal and transport. The Nordex Group is creating opportunities for the company, which handles waste management and the sale of reused products, and for the community, which can buy bricks and other items. The project is designed to run for 6 to 10 years.

Ventos de Santa Eugênia / BA – Adopt a Local Artist

The philosophy of circularity is an integral part of the daily work routine on many of Brazil's construction sites and is also shared and implemented in cooperation with local communities.

One example of this is the "Adopt a Local Artist" project carried out by the HSE site team. Through engaging in dialog with residents and understanding their needs, the collaborative efforts resulted in creative ways to reuse the waste generated during construction.

Nordex Brazil primarily donated wood from packaging which was used for a variety of purposes, including the construction of fences, beehives, grain storage, and even for the manufacture of furniture. In addition, plastic leftovers were reused to make brooms, and the Sewing Woman's Association transformed old work clothes into bags.

The project went a step further by setting up an action plan to establish personal contacts with artisans and cooperatives in the region to further promote the reuse of waste. This inspiring project is a vivid example of how communities and businesses can work together to move towards a sustainable future.

Social

Corporate Social Engagement

Employee Tree Planting Campaigns in India and Brazil

The tree planting campaigns launched by our colleagues in Chennai, India, and Bahia, Brazil, embody our vision of sustainability and the importance of promoting shared values among our employees and collaboration.

At our Nacelle MHO plant in Chennai, India, the employees planted over 600 trees and nearly 270 plants, contributing to the ecosystem of the region. The initiative highlighted the importance of teamwork in promoting sustainability and environmental awareness.

In Bahia, Brazil, each tree was given a name plate representing the core values of the nacelle plant, linking sustainability to our company’s principles, and strengthening the connection between employees. This approach was similar to the “adopt a tree” workshop which was part of the environmental week in Brazil (For more information see “Sustainability Highlights,” p. 8). In this workshop, employees planted their own trees and took care of them with creative and innovative ideas. One such solution was the reuse of water from air conditioners to nurture the plants. This creative approach not only helped to conserve water but also demonstrated the importance of finding new ways to reuse resources.

These initiatives remind us that collective efforts can create lasting positive change. By investing in a more sustainable world and fostering a workplace culture that values collaboration and shared values, we are committed to preserving our planet for future generations.

In an effort to reduce waste and support local communities, we have donated materials from our construction sites to be repurposed in various creative projects, giving the materials a second life.

A Nordex Group employee in Brazil planting a tree and promoting environmental stewardship.



Social

Corporate Social Engagement



These talented women participated in this year's Wind Turbine Technical Workshop, where they gained hands-on experience and learned about the latest advancements in wind energy technology.



TÜRKIYE

Wind Turbine Technical Workshop for women

At Nordex, we strongly believe in the importance of female empowerment, particularly in the field of wind energy. We recognize the need to actively reach out to women and break down professional stereotypes that may inhibit their participation in this industry. To achieve this goal, we have developed a wind turbine technical workshop specifically for women studying energy or electrical engineering at universities.

This year, we received an impressive response from female students across the country, with 180 applicants requesting a spot in our workshop. After careful consideration, we selected 21 participants to attend our 3-day workshop at our academy in Izmir, Türkiye. During the workshop, our participants received comprehensive training in all aspects of wind energy, from engineering to project management. To provide a real-world perspective, we also arranged a visit to a wind farm owned by one of our investors.

We are thrilled to report that one of our participating engineers has already secured a position as a commissioner in the Türkiye service team and has joined the Nordex Group family. Overall, this project has been a great success in promoting gender diversity in the energy sector and inspiring young women to pursue careers in renewable energy and will be continued.

Social

Appendix: Employee Numbers and Development

APPENDIX: EMPLOYEE NUMBERS AND DEVELOPMENT

Employee Groups

↗ GRI 2-7, 2-8

		Total		Africa		Asia		Australia		Europe ¹		Germany		Spain		North America		South America	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total Employees	Total	10,133	9,111	109	119	1,264	600	27	18	2,162	1,879	2,709	2,401	2,021	1,789	747	692	1,094	1,613
	Male	8,424	7,619	78	89	1,170	535	26	18	1,951	1,701	2,139	1,907	1,459	1,323	651	614	950	1,432
	Female	1,709	1,492	31	30	94	65	1	0	211	178	570	494	562	466	96	78	144	181
Permanent Employees	Total	9,653	8,559	98	97	1,181	532	25	17	2,098	1,788	2,592	2,300	1,904	1,615	674	609	1,081	1,601
	Male	8,039	7,181	68	70	1,118	493	25	17	1,892	1,618	2,038	1,829	1,370	1,192	589	539	939	1,423
	Female	1,614	1,378	30	27	63	39	0	0	206	170	554	471	534	423	85	70	142	178
Temporary Employees	Total	480	552	11	22	83	68	2	1	64	91	117	101	117	174	73	83	13	12
	Male	385	438	10	19	52	42	1	1	59	83	101	78	89	131	62	75	11	9
	Female	95	114	1	3	31	26	1	0	5	8	16	23	28	43	11	8	2	3
Full-time Employees	Total	9,808	8,865	109	119	1,264	600	27	18	2,149	1,867	2,468	2,239	1,953	1,725	744	684	1,094	1,613
	Male	8,301	7,524	78	89	1,170	535	26	18	1,949	1,697	2,053	1,849	1,426	1,296	649	608	950	1,432
	Female	1,507	1,341	31	30	94	65	1	0	200	170	415	390	527	429	95	76	144	181
Part-time Employees	Total	325	246	0	0	0	0	0	0	13	12	241	162	68	64	3	8	0	0
	Male	123	95	0	0	0	0	0	0	2	4	86	58	33	27	2	6	0	0
	Female	202	151	0	0	0	0	0	0	11	8	155	104	35	37	1	2	0	0

¹ without Germany & Spain

Social

Appendix: Employee Numbers and Development

New Employees

GRI 401-1

	Age Group	Total		Male		Female		Share of Women in %	
		2023	2022	2023	2022	2023	2022	2023	2022
		Total	<30	1,311	969	1,181	851	130	118
	30-50	1,683	1,662	1,372	1,389	306	273	18.18	16.43
	>50	137	153	111	127	26	26	18.98	16.99
	Total	3,131	2,784	2,664	2,367	462	417	14.76	14.98
Africa	<30	4	3	3	1	1	2	25.00	66.67
	30-50	6	10	5	8	1	2	16.67	20.00
	>50	0	0	0	0	0	0	0	0.00
	Total	10	13	8	9	2	4	20.00	30.77
Asia	<30	578	119	553	102	25	17	4.33	14.29
	30-50	336	167	320	152	16	15	4.76	8.98
	>50	0	6	0	6	0	0	0	0.00
	Total	914	292	873	260	41	32	4.49	10.96
Australia	<30	1	2	1	2	0	0	0	0.00
	30-50	7	3	7	3	0	0	0	0.00
	>50	5	0	3	0	2	0	40.00	0.00
	Total	13	5	11	5	2	0	15.38	0.00
Europe (Without Germany & Spain)	<30	229	176	210	168	19	8	8.30	4.55
	30-50	352	288	312	245	40	43	11.36	14.93
	>50	32	27	28	23	4	4	12.50	14.81
	Total	613	491	550	436	63	55	10.28	11.20

	Age Group	Total		Male		Female		Share of Women in %	
		2023	2022	2023	2022	2023	2022	2023	2022
		Germany	<30	123	62	104	52	19	10
	30-50	361	156	273	114	88	42	24.38	26.92
	>50	50	35	36	27	14	8	28.00	22.86
	Total	534	253	413	193	121	60	22.66	23.72
Spain	<30	186	211	139	163	47	48	25.27	22.75
	30-50	314	408	198	303	111	105	35.35	25.74
	>50	29	52	27	43	2	9	6.90	17.31
	Total	529	671	364	509	160	162	30.25	24.14
North America	<30	116	107	108	104	8	3	6.90	2.80
	30-50	127	128	104	113	23	15	18.11	11.72
	>50	14	9	10	5	4	4	28.57	44.44
	Total	257	244	222	222	35	22	13.62	9.02
South America	<30	74	289	63	259	11	30	14.86	10.38
	30-50	180	502	153	451	27	51	15.00	10.16
	>50	7	24	7	23	0	1	0	4.17
	Total	261	815	223	733	38	82	14.56	10.06

Social

Appendix: Employee Numbers and Development

Employee Turnover

GRI 401-1

	Age Group	Average Active Employees		Male number of departures		Female number of departures		Turnover rate total in %		Total number of Voluntary departures		Voluntary leavers in %	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total	<30	2,046	1,823	444	559	64	99	24.83	36.09	186	258	9.09	14.15
	30–50	6,608	6,070	1,000	1,428	173	274	17.75	28.04	532	694	8.05	11.43
	>50	1,045	973	126	232	17	48	13.68	28.78	61	51	5.84	5.24
	Total	9,699	8,866	1,570	2,219	254	421	18.81	29.78	779	1,003	8.03	11.31
Africa	<30	16	19	0	1	0	1	0	10.53	0	1	0	5.26
	30–50	91	98	11	22	1	9	13.19	31.63	10	18	10.99	18.37
	>50	8	10	2	1	0	1	25.00	20.00	1	1	12.50	10.00
	Total	115	127	13	24	1	11	12.17	27.56	11	20	9.57	15.75
Asia	<30	311	148	26	21	4	4	9.65	16.89	23	25	7.40	16.89
	30–50	539	362	72	63	3	6	13.91	19.06	63	66	11.69	18.23
	>50	10	8	3	1	0	0	30.00	12.50	1	1	10.00	12.50
	Total	860	518	101	85	7	10	12.56	18.34	87	92	10.12	17.76
Australia	<30	2	1	0	0	0	0	0	0.00	0	0	0	0.00
	30–50	15	10	1	1	0	0	6.67	10.00	1	1	6.67	10.00
	>50	5	2	1	0	1	0	40.00	0.00	1	0	20.00	0.00
	Total	22	13	2	1	1	0	13.64	7.69	2	1	9.09	7.69
Europe ¹	<30	547	454	68	60	5	10	13.35	15.42	50	45	9.14	9.91
	30–50	1,365	1,166	164	151	12	22	12.89	14.84	131	119	9.60	10.21
	>50	143	131	20	37	3	6	16.08	32.82	15	8	10.49	6.11
	Total	2,056	1,751	252	248	20	38	13.23	16.33	196	172	9.53	9.82
Germany	<30	320	311	43	107	8	23	15.94	41.80	32	53	10.00	17.04
	30–50	1,744	1,803	133	557	43	93	10.09	36.05	128	238	7.34	13.20
	>50	528	534	43	127	8	35	9.66	30.34	24	18	4.55	3.37
	Total	2,593	2,648	219	791	59	151	10.72	35.57	184	309	7.10	11.67

¹ Without Germany & Spain

Social

Appendix: Employee Numbers and Development

	Age Group	Average Active Employees		Male number of departures		Female number of departures		Turnover rate total in %		Total number of Voluntary departures		Voluntary leavers in %	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Spain	<30	316	332	82	216	23	48	33.23	79.52	37	68	11.71	20.48
	30–50	1,383	1,310	154	319	62	91	15.62	31.30	102	107	7.38	8.17
	>50	227	186	17	40	2	4	8.37	23.66	7	8	3.08	4.30
	Total	1,926	1,828	253	575	87	143	17.65	39.28	146	183	7.58	10.01
North America	<30	206	195	58	69	3	2	29.61	36.41	34	50	16.50	25.64
	30–50	444	388	89	102	12	9	22.75	28.61	62	79	13.96	20.36
	>50	75	67	15	15	2	1	22.67	23.88	11	11	14.67	16.42
	Total	725	649	162	186	17	12	24.69	30.51	107	140	14.76	21.57
South America	<30	327	363	167	85	21	11	57.49	26.45	10	16	3.06	4.41
	30–50	1,027	934	376	213	40	44	40.51	27.52	35	66	3.41	7.07
	>50	49	35	25	11	1	1	53.06	34.29	1	4	2.04	11.43
	Total	1,403	1,333	568	309	62	56	44.90	27.38	46	86	3.28	6.45

The turnover refers to employees who have left the company, excluding interns, students, temporary staff, and trainees.

Parental Leave ¹

[GRI 401-3](#)

	Total			Male			Female		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Employees who took parental leave	115	119	177	80	80	131	35	39	46

¹ Refers to Germany.

Social

Appendix: Employee Numbers and Development

Diversity of Employees

[GRI 405-1](#)

	Gender / Age Group	2023	2022	2021
Management Board	Female	0	0	0
	<30	0	0	0
	30–50	1	2	2
	>50	2	1	1
	Total	3	3	3
Management Positions (M1-M4)	Female	98	82	75
	<30	0	0	1
	30–50	392	363	359
	>50	126	105	78
	Total	518	468	438
Blue Collar	Female	238	237	284
	<30	1,611	1,318	1,210
	30–50	3,106	3,029	3,080
	>50	451	428	504
	Total	5,168	4,775	4,794
White Collar	Female	1,471	1,255	1,140
	<30	655	606	196
	30–50	3,664	3,184	827
	>50	646	546	117
	Total	4,965	4,336	3,864

	Gender / Age Group	2023	2022	2021
Total	Female	1,709	1,492	1,424
	<30	2,266	1,924	1,406
	30–50	6,770	6,213	3,907
	>50	1,097	974	621
	Total	10,133	9,111	8,658

Diversity on the Supervisory Board

[GRI 405-1](#)

		2023	2022	2021
Supervisory Board	Female	2	2	2
	<30	0	0	0
	30–50	2	2	2
	>50	4	4	4
	Total	6	6	6

GOVERNANCE



Responsibility is at the core of our business. In line with our Sustainability Strategy 2025, we set goals to engage with and positively impact our supply chain, ensure responsible and ethical business conduct, as well as make ESG-oriented business decisions. One of the top achievements of this year in the field of regulatory compliance and preventing corruption is the launch of the new Code of Conduct e-learning and the kick-off of personal compliance country visits to foster our full commitment to ethical standards around the “Nordex Globe”.



Main Targets	Indicator	Baseline 2021	2023	Status Achieved
Anchor ESG risks in business decisions and increase transparency	qualitative	–	–	
Promote responsible and ethical business conduct internally and with our business partners	Employee training rate on prevention of bribery and corruption	2021: n/a 2022: 57%	46% ¹	
Zero tolerance of unethical behavior	Percentage of fulfilled ISO 37001 requirements	2021: n/a 2022: 72%	72%	
Engage with and positively impact the supply chain	qualitative	–	–	

¹ Training rate is lower than last year because of the new mandatory e-learning introduced in 2023. For further details, see p. 121 ff, 136 ff

Governance

Responsible Sourcing

RESPONSIBLE SOURCING

MANAGEMENT APPROACH

➤ GRI 2-6, 2-23, 2-24, 3-3, 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2

» Responsible sourcing means the secure and sustainable purchase of materials and services in order to ensure timely production and construction of wind turbines. We source products and services from numerous suppliers based in a wide range of countries and generate a significant share of value in our upstream production stages. Our Global Sourcing department ensures that the required products and services are sourced in the right quality, at the right time, and at the right cost.

At the Nordex Group, we are fully committed to a holistic approach towards sustainability. Therefore, we believe it is vital to ensure that our own environmental and social expectations are maintained throughout our supply chain. The Code of Conduct for Contractors and Suppliers forms the basis for this. We expect our contractors and suppliers to comply with it for the entire duration of their business relationship with the Nordex Group. Furthermore, though we have not yet become signatories to the initiative itself, the Principles of the UN Global Compact

on Human Rights, Labor, Environment, and Anti-Corruption provide fundamental guidance for our business activities. Our supplier due diligence covers all demands placed on our suppliers regarding finance, quality, compliance, human rights and environmental aspects along the supply chain.

Upholding human rights is vitally important to us. We strictly prohibit any kind of child labor, forced labor, modern slavery, discrimination, harassment or retaliation, and any kind of other unfair treatment of workers, as well as any further violation of human rights, as inter alia described in the German Supply Chain Act. In 2021, we investigated whether conflict minerals are sourced from conflict-affected or other high-risk areas (CAHRAs), and established due diligence measures to prevent the purchase of minerals from these areas. We also actively promote equal opportunities for and equal treatment of employees, as well as full compliance with regulations on freedom of association and collective bargaining.

Environmental protection and supply chain responsibility is an integral part of the supplier audits we conduct. We require the same attitude and action from our business partners and suppliers along our entire supply chain. «

Global Sourcing

Our Sourcing department covers three main areas of activity:

Components and Services

The Nordex Group has specialized teams for different components and services.

Centralized and Decentralized Sourcing

The Nordex Group sources components and services from globally active suppliers, where the collaboration is partially regulated through framework agreements. The majority of the company's annual sourcing activities is focused on two global sourcing centers in Germany and Spain, as well as regional sourcing centers in China, the USA, Brazil and India.

Strategic and Operational Responsibility

The Strategic Sourcing department is responsible for supplier and material group management as well as for concluding framework agreements. The Operational Sourcing department handles day-to-day material and service management such as placing purchase orders and following up on deliveries. Moreover, the Strategic Sourcing department is involved in our cross-functional cost of energy (COE) program and closely collaborates with suppliers. All COE initiatives are analyzed regarding their compliance with occupational health and safety aspects, as well as with the applicable environmental regulations, before being implemented.

Governance

Responsible Sourcing

Supplier Engagement

» In many instances, our suppliers have specific expertise and long-standing experience, which is why we cooperate with them in areas such as product development and process design. We also communicate regularly with our suppliers at annual international congresses and our Nordex Group Global Supplier Conference, which took place in Shanghai in September 2023.

We want to positively impact our supply chains and ensure and promote compliance with law (especially human rights, environmental, and social standards) and ethical business practices in our supply chain within our sphere of influence, and want to actively reduce carbon emissions in the supply chain. «

Analysis of Conflict Minerals

In 2023, we continued to implement measures resulting from the outcomes of our assessment of the usage of conflict minerals. Although we identified a low risk of sourcing from CAHRAs in this assessment in 2021, and an extremely low amount

of 3TG (tin, tungsten, tantalum, and gold), we ask our suppliers to agree with point (iv) on Conflict Minerals in the Nordex Group Code of Conduct for Contractors and Suppliers, which addresses the usage of conflict minerals.

Our Suppliers

🔗 [GRI 2-6, 204-1](#)

The key materials, products and services the Nordex Group purchases are:

- » Direct materials: nacelle components, steel tower sets, concrete tower sets and concrete tower raw materials, rotor blade sets and rotor blade raw materials
- » Indirect materials: tools, equipment and ancillaries
- » Services: transportation, cranes and installation

In the 2023 reporting year, the Nordex Group worked with around 9,455 suppliers. Sourcing expenditure (purchasing volume) totaled EUR 6,215 million (2022: EUR 5,861 million)¹. The share of sourcing expenditure with suppliers who have their head office or production sites in Europe was 56.2% (2022: 55%). In this region, 29.9% (2022: 32.2%) of total sourcing expenditure was for products and services from German suppliers, while 7.4% (2022: 7.2%) was from

Spanish suppliers. The diversity of our other supply markets is reflected in our expenditure in Türkiye, America (without Brazil), China, Asia (without China), Brazil and Africa (see table on the right).

Supplier countries of origin in %

	2023	2022	2021
Germany	29.9	32.2	30.6
Europe (excluding Germany and Spain)	18.9	15.6	19.4
Türkiye	14.6	10.7	11.0
America (excluding Brazil)	9.0	10.4	10.5
China	7.7	8.5	7.8
Brazil ¹	5.9	8.0	4.8
Spain	7.4	7.2	8.1
Asia (excluding China)	5.9	6.9	5.2
Africa	0.2	0.4	2.2
Australia	0.5	0.2	0.4

¹ Please note that due to the implementation of S4 Hana (since 09.2023), Brazil has been omitted from the analysis, i.e., potential expenditures and new suppliers from/in Brazil are only reflected until 31 August 2023.

In 2023, we implemented compliance with the German Supply Chain Act, and take this occasion to strengthen our supply chain due diligence activities. We also strive to actively reduce carbon emissions in the supply chain.

¹ Please note that due to the implementation of S4 Hana (since 09.2023), Brazil has been omitted from the analysis, i.e., potential expenditures and new suppliers from/in Brazil are only reflected until 31 August 2023.

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Responsible Sourcing



Regarding the products and services that the Nordex Group procures from suppliers, our sourcing activities were distributed as shown in the table across the following areas:

Sourcing activity by area in %

	2023	2022	2021
Nacelles	26.7	26.7	31.1
Services	20.0	20.4	18.3
Towers	18.1	14.6	14.4
Rotor blades	14.4	14.2	15.4
Site Services	11.3	11.2	11.4
Other	9.5	13.0	9.3

Verification of Supplier Compliance with Values and Standards

» It is very important to us that our suppliers meet the requirements of the values and standards set out in the Group's Code of Conduct for the entire duration of their business relationship with the Nordex Group. To ensure this, we currently streamline the existing supplier quality auditing program with supplier due diligence measures and relevant aspects from the German Supply Chain Act.

The transport of wind turbines can be a challenge, even when disassembled. Here, a blade for one of our N163/5.X wind turbines is being transported at night time with the help of our trusted partners.

Alongside regular audits, we perform additional audits in case of deviations, such as noticeable quality issues, or in cases of relocations and process changes. The core aspects we review as part of each audit include the quality of products and processes and the upholding of human rights as well as statutory occupational health and safety standards. Our suppliers are also monitored against credit risk, based on their criticality for us, and might be subject to preventive measures against potential negative impacts on our business activities.

Our suppliers undergo a due diligence check before we engage with them, which addresses human rights, environmental aspects, quality, health and work safety, as well as financial and compliance aspects. The results classify each supplier based on its performance against the due diligence indicators, and define the frequency of the supplier's regular audits. If a current or potential supplier does not meet the requirements – in particular if they are found to violate human rights, forced or compulsory labor, or if serious shortfalls in occupational health and safety are identified – we can refrain entirely from working with the supplier.

Overall, in 2023, we conducted 166 audits of suppliers of Nordex-specific components and services (2022: 172). As in the previous year, we are pleased to report that we registered no human-rights related incidents in our complaints and reporting systems that were subject to disclosure requirements. We don't have any knowledge of terminations of any business relationships owing to human rights,

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Responsible Sourcing

environmental and corruption impacts as a measure related to cases received on our Whistleblower System. «

RISKS AND OPPORTUNITIES

The main challenge for the Global Sourcing department is to procure materials and services for the timely production, construction and servicing of wind turbines by the Nordex Group – at the planned cost and quality, and at all required sites, while ensuring compliance with social and environmental standards. The production and delivery reliability of our suppliers is a particular challenge here. On top of the challenges posed by the Covid-19 pandemic in the years before, the war in Ukraine still results in a increase in material, logistics and energy costs as well as ongoing disruption within the supply chain. We have been able to manage these risks and have put measures in place to mitigate them and increase resilience – our supply base is stable.

Due to high price pressure, we are increasingly shifting towards sourcing from best-cost countries, which entails two risks. Firstly, we occasionally face low social and environmental standards, particularly if the suppliers are based in emerging economies. We address this risk by enforcing our due diligence processes, including a supply chain mapping and the analysis and prioritization of supplier risks by sector, region and individual supplier risk profile. These abstract and concrete risk analyses are updated regularly, and are conducted in addition in case of significant changes in the supply chain or evidence-based. We expect our suppliers to act in accordance with our Code of Conduct for Contractors and Suppliers.

Secondly, longer transportation routes may increase emissions. To mitigate the negative impact of long transportation routes, we produce parts of our turbines, such as the concrete towers, near wind farms whenever possible, and purchase locally if economically feasible.

As part of our Global Cost of Energy Program (COE), we pool expertise across our organization to improve our competitiveness in the aforementioned aspects.



SUSTAINABILITY STRATEGY 2025

» In our Sustainability Strategy 2025, we have set three goals for responsible sourcing:

- › to ensure and promote compliance with laws (especially human rights, environmental and social standards) and ethical business practices in our supply chain within our sphere of influence,
- › to reduce carbon emissions in the supply chain (scope 3), and
- › to engage with and positively impact the supply chain.

The German Supply Chain Due Diligence Act will become effective for the Nordex Group from 1 January 2024. In 2023, we prepared for compliance with the upcoming legislation. We put in place the

required risk management system, updated relevant process and policy documents, including the Human Rights Policy, and set out a basis for the identification, implementation and monitoring of preventive measures and remedial actions in case of human rights and relevant environmental violations within the supply chain. We also continued to participate in industry working groups such as WindEurope and the Global Alliance for Sustainable Energy to work on sector-wide initiatives. To bundle and address our supply chain responsibility activities, we hired a new expert staff member as a subject matter expert in our Sustainability Management team. This role is fully designated to supply and value chain responsibility, to provide internal consulting, and to act as Human Rights Officer in accordance with the requirements of the German Supply Chain Act.

By defining SBTs for scope 3 emissions, the Nordex Group is determining the baseline for reducing carbon emissions in the supply chain. At the date of publication of this report, these SBTs are currently being verified by the SBTi. As the majority of our emissions are within our supply chain, we also set a supplier engagement target. Both the SBTs and the supplier engagement target will be published once the external verification is completed in 2024.

For further information on the implementation of measures, see Action Plan “Responsible Sourcing,” p. 115 ff. «

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Responsible Sourcing





Sustainability Strategy 2025 – Action Plan “Responsible Sourcing”

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
Goal 1: Ensure and promote compliance with laws (especially human rights, environmental and social standards) and ethical business practices in our supply chain within our sphere of influence						
Set up harmonized due diligence process for ESG topics (including onboarding, assessment, audits, continuous improvement)	2023	Qualitative	–	–	In 2023, we developed relevant measures to comply with the German Supply Chain Due Diligence Act (GSCA). In 2024, we are aiming to improve and streamline existing activities as we head towards a consistent and synchronized set of due diligence measures.	
Update Code of Conduct for Contractors and Suppliers (SCoC)	2022	Qualitative	–	–	We plan to finalize the revision of our SCoC in Q2/2024, while we checked compliance with new legislation in 2023.	
Ensure supplier commitment to the Code of Conduct for Contractors and Suppliers	2022	% of new suppliers committed to SCoC	100%	n/a	We have set up measures to ensure supplier commitment to the Code of Conduct for Contractors and Suppliers, which will enter into force with the finalization of updated SCoC.	
Assess all high-risk suppliers on ESG topics	2022	% of high-risk supplier assessment coverage	100%	n/a	We set up the methodology for identification, analysis and prioritization of high-risk suppliers in 2023, as part of the GSCA implementation, and also set up the first round of risk assessments, which will take place regularly from 2024 onwards.	
Conduct supplier assessment on conflict minerals to achieve full transparency about conflict minerals in the supply chain	2022	% of suppliers assessed on conflict minerals	100%	n/a	We conducted an assessment of selected suppliers in 2021/2022. In 2024, we plan to evaluate and update the assessment concept, defining next steps based on the provided information regarding conflict minerals.	
Audit all high-risk suppliers on ESG topics (via harmonized due diligence process for ESG topics)	2022	Number of audits total/ ESG-related audits and % of high-risk suppliers coverage	100%	n/a	In 2023, we started (see above), including information gathering from suppliers via questionnaires, and substantiation of the information. In 2024, we will continue to work on integrating ESG topics into the Supplier Quality Audit program.	

Remark: “n/a” under “Status Quo 2023” means “not yet available” due to data constraints. Data for 2023 not available due to GSCA-compliant restructuring of supplier risk management.

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Responsible Sourcing

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implement- ation
						■ Achieved
Train all high-risk suppliers on ESG topics	2023	% of high-risk supplier training coverage	100%	n/a	We started this project in 2023 by setting cornerstones for training sessions and briefing relevant staff and multipliers within our company, in order to develop a comprehensive ESG training course in 2024. This training course will consider mandatory compliance training modules that were set up in 2023.	
Risk analysis, preventive and remedial measures for suppliers (tier 2 and beyond) in case of substantiated knowledge (via harmonized due diligence process for ESG topics)	2023	Number of cases and % coverage for analysis/ measures	tbd	n/a	We set up the methodology and processes in 2023 as part of our preparations for GSCA compliance.	
Participate in sector initiatives	ongoing	Qualitative	–	–	In the WindEurope group, we work closely with different companies throughout the supply chain, from utilities and wind turbine manufacturers to tier 1 suppliers of main systems, to establish a shared approach to assessing sustainability within the entire supply chain.	
Embed legal requirements on ESG criteria and auditing in supplier contracts	2023	% of new contracts with updated ESG criteria	100%	n/a	We started this in 2023 as part of our preparations for GSCA compliance.	
Conduct capacity building with suppliers	2023	Number of corrective actions/ capacity actions/ number of overdue actions	tbd	n/a	We started setting up the methodology in 2023 as part of our preparations for GSCA compliance, and will begin implementation in 2024.	
Anchor business conduct in contracts with suppliers	2023	Number of supplier contracts including compliance agreement	tbd	n/a	We started this in 2023 as part of our preparations for GSCA compliance.	
Train suppliers in high-risk areas on our understanding of ethical business conduct	2023	Number of supplier employees who received compliance inductions	tbd	n/a	We started to set up the training contents in 2023 as part of our preparations for GSCA compliance, and will begin implementation in 2024.	
Assess all relevant tier 1 suppliers on ESG topics	2024	% of suppliers assessed on ESG	tbd	n/a	We started this in 2023 by clustering a comprehensive pool of suppliers following a sector and regional risk assessment (abstract risk analysis). We identified and prioritized high-risk suppliers, and carried out a closer risk assessment (concrete risk assessment).	

Remark: "Tbd" under "Indicator target" or "n/a" under "Status Quo 2023" means "not yet available" due to data constraints. Data for 2023 not available due to GSCA-compliant restructuring of supplier risk management.

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Responsible Sourcing

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
 Achieved						
Goal 2: Reduce carbon emissions in the supply chain (scope 3)						
Define goal for suppliers' commitment to science-based targets	2023	% of suppliers (by number or sourcing volume) committed to science-based targets	tbd	n/a	As supply-chain based scope 3 emissions account for the majority of our corporate GHG emissions, engagement with suppliers is the key to reducing such emissions. We will communicate a goal for suppliers' commitment to SBTs in 2024.	
Ensure certification of suppliers to achieve 100% certified sustainable forest balsa wood sourcing	2023	% of certified balsa wood	100%	100%	The Nordex Group already began exclusively supplying certified balsa wood in 2022.	
Assess energy consumption of suppliers and improve share of renewable energy in the supply chain	2024	% of renewable energy consumption by suppliers	tbd ¹	n/a	Project has not started yet.	
Goal 3: Engage with and positively impact the supply chain						
Develop ESG reporting for supply chain and implement this in awarding decisions	2023	Qualitative	–	–	We started this in 2023 by reviewing existing processes.	
Engage in initiatives with suppliers for waste reduction and recycling (e. g., packaging, reuse)	2024	Number of initiatives with suppliers on recycling/waste reduction	–	n/a	Project has not started yet.	
Define socially responsible sourcing criteria to improve socially responsible sourcing	2025	Qualitative	–	–	The task started in 2023 by reviewing existing decision-making criteria against those of the German Supply Chain Act.	

¹ Part of Nordex' Climate Action Plan for scope 3 emissions reduction. These indicators and indicator targets are planned to be tracked after goal setting.

Remark: "Tbd" under "Indicator target" or "n/a" under "Status Quo 2023" means "not yet available" due to data constraints.

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Governance

Business Ethics, Compliance, and Integrity

BUSINESS ETHICS, COMPLIANCE, AND INTEGRITY

Regulatory Compliance and Preventing Corruption

MANAGEMENT APPROACH

➤ GRI 2-16, 2-23, 2-24, 2-25, 2-26, 2-29, 3-3

Business Culture and Values

» Our company is committed to using resources in full awareness of our legal, social, environmental and economic responsibilities. We treat all people with whom we interact with a clear sense of social responsibility. We collaborate respectfully and honestly with our customers, suppliers, contractors and shareholders, as well as with our neighbors and local communities. All our business decisions and activities are based on our strict compliance with laws and regulations that are applicable in the countries where we do business, as well as on our strong company values.

Acting within the law and, moreover, acting with integrity forms the basis of our good reputation. This is an essential foundation for the trust placed in us by our customers, shareholders and business partners, as well as the public. It also ensures the sustainable success of the Nordex Group.

Our Values: Integrity, Respect, Collegiality and Ownership

Our corporate culture is based on our core company values of Integrity, Respect, Collegiality and Ownership, as well as on the principles and standards of good business practice set out in the company guidelines, leadership principles and especially in our Codes of Conduct for employees and suppliers.

Our Codes of Conduct for Employees and Suppliers

The Nordex Group Code of Conduct for Employees is our legally-compliant and ethical compass for doing the right thing, in the right way, at the right time, in all our activities and relationships. It represents the principles, standards and ethical expectations of the Nordex Group. It is the core document that sets out our top-level binding corporate rules for putting our core values into practice. It is part of the Nordex Group's robust corporate governance, and defines our role and empowers us in our responsibility to uphold our standards every day and in every situation – to support each other, to protect ourselves and the Nordex Group, to create ethical relationships, and to be committed to society and nature.

The Code of Conduct for Employees is binding for all employees, managers, executives and directors of the Nordex Group. In 2023, 70% of the target group showed their commitment to ethics by acknowledging our Code of Conduct. The role of Nordex Group employees and the additional responsibilities of the managers, executives and directors are highlighted, and it includes an ethical decision-making path to provide support before taking action when facing complex and/or ambiguous situations.



See our Codes of Conduct



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Business Ethics, Compliance, and Integrity

In addition to the Code of Conduct for Employees, we established a Code of Conduct for Contractors and Suppliers ("Supplier Code of Conduct"). It defines how we expect them to adhere to the principles of integrity and ethical, lawful conduct throughout the entire duration of their business relationship with us. In 2023, we started reviewing the Supplier Code of Conduct and related implementation and monitoring processes, to prepare for compliance with the German Supply Chain Act and other supply chain responsibility-related requirements such as those we anticipate for the upcoming EU Corporate Sustainability Due Diligence Directive.

Human Rights Policy

[↗ GRI 2-23](#)

Our business decisions and activities are subject to the demand to uphold human rights globally. This includes all of our investment commitments. We follow several guidelines for responsible business conduct, including the UN Global Compact which we intend to sign, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Conventions,

and the UN Universal Declaration of Human Rights. This stipulates zero tolerance for child labor, forced labor, discrimination and retaliatory measures.

The Nordex Group has a Human Rights Policy in place, as well as a Diversity and Inclusion Policy, all approved by our most senior executive (CEO). We commit to conducting our business in accordance with the above-mentioned ethical standards, our values and applicable laws. We strive to be open and fair in our dialog with stakeholders and to communicate effectively with external parties.

In 2023, we were preparing for compliance with the German Supply Chain Act (GSCA). As part of these efforts, we focused on the catalog of protected legal positions listed in the regulation:

- › Child labor
- › Forced labor and all forms of slavery
- › OHS and work-related health hazards
- › Freedom of association and the right to collective bargaining
- › Equality in employment
- › Fair wages
- › Destruction of vital natural resources through environmental pollution
- › Land rights (no eviction)
- › Security forces without adequate command structure or oversight to prevent harm

Any other behavior which directly interferes with other human rights is also in focus. We also address the environment-related aspects of the GSCA, which are mercury in products, persistent organic pollutants (Stockholm Convention on PoPs), waste handling and disposal, and the export and import of hazardous waste (Basel Convention).

One of our specific activities in this area is the development of a Modern Slavery Policy at Nordex Group level, which builds on the existing Modern Slavery Policies in Nordex regions such as Australia.

To identify the risks of any violations of the above, whether in the supply chain or in our own business entities, we are continuing to refine our risk analysis procedures and responsibilities, in particular by nominating dedicated, knowledgeable and locally-based staff to identify, reduce and mitigate the aforementioned risks. We have also nominated a Human Rights Officer, who oversees related due diligence processes, double-checks that they are being conducted in a meaningful way, and monitors the appropriateness and efficiency of preventive and remedial measures.

Overall, we do not tolerate or condone the abuse of human rights in any part of our business or supply chains, and we take all allegations of abuse seriously. We will work to effectively remedy any incidence of human rights abuse using our internal grievance mechanisms.



Please find our Human Rights Policy on our webpage

Nordex Group Code of Conduct –
the common yardstick for compliant
and responsible behavior.

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The Board of Nordex Group is responsible for ensuring adherence to these commitments, and our senior management bears responsibility for overseeing their implementation and ensuring that any breaches of this policy or any related policies and procedures are investigated. To guarantee compliance with the measures in the Human Rights Policy throughout the Nordex Group, we created a human rights questionnaire that must be completed and signed annually by each country's P&C representative or manager.

Preventing Corruption

➤ [GRI 2-15, 2-26, 205-1, 205-2, 205-3](#)

The Nordex Group has zero tolerance for any form of corruption. Every employee is responsible for effectively preventing corruption, and we expect the same from our business partners.

The Corporate Compliance department supports all employees, managers, executives and directors in all countries, departments and divisions to ensure they act in accordance with applicable laws, policies and guidelines as part of their compliance obligations.

The network of local compliance officers provides local support to further strengthen companies' ethical awareness.

The core task of Corporate Compliance is to implement an effective compliance management system that successfully promotes integrity and an awareness of corruption risks. This specifically includes the sustainable prevention of potential misconduct or maladministration relating to any form of corruption. The aim is also to uncover and put an end to violations of laws or internal regulations, to investigate suspected breaches in this regard and, if necessary, to intervene immediately. The compliance management system is continuously monitored and improved based on lessons learned.

The interdisciplinary Business Ethics Committee supports these efforts as part of its general purpose to promote the implementation of and compliance with our Codes of Conduct, to further develop and adapt the codes, and to manage investigations into possible material violations of the codes.

At the Nordex Group, we prevent, identify, evaluate and mitigate corruption risks at different stages in the value chain and its core processes and activities, especially in our sales and sourcing activities. We avoid any actual or potential conflict of interest, or even the appearance of it, that may adversely

influence the Nordex Group's business decisions. Where a conflict of interest cannot be prevented, it must be disclosed and managed accordingly. Donations are carefully assessed and approved by the appropriate Corporate Compliance and Global Sustainability departments.

Corruption risks are also taken into account when planning the annual internal audit. In this process, all Group companies are classified according to a risk-based ranking:

- › Corruption Perceptions Index (CPI)
- › Employee turnover
- › Assessment by specialist departments and the Compliance team
- › Economic development

The distribution of corruption risks within the Nordex Group mirrored the CPI. No significant corruption risks were identified in the reporting period. «

Fair Competition

➤ [GRI 206-1](#)

The Nordex Group conducts its business activities with integrity and in full compliance with all applicable laws, including competition laws. We equally expect this from our employees and business partners, especially from our suppliers and third parties acting on our behalf. To ensure such compliance, we train

Each of us is entrusted with the obligation to take care of and protect the assets and reputation that allow Team Nordex Group to embody the Nordex Group. We rely on them to successfully perform our daily work.

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and commit our employees within the framework of our Code of Conduct. We also require our subcontractors and suppliers to sign our Code of Conduct for Contractors and Suppliers as a precondition for doing business with us.

By the end of 2023, the Nordex Group was not involved in any pending competition law proceedings or in any such proceedings that were closed in 2023 (2022: 0).

Anchoring an Ethical Culture within the Nordex Group

At the Nordex Group, we continuously increase compliance awareness and review the effectiveness of the compliance management system. We spread an ethical culture by regularly communicating our compliance policies and regulations to all levels of the organization, supported by engaging and informative animated videos. We conduct annual Compliance Surveys worldwide and use the results and employees' insights to measure our performance and plan further initiatives.

In 2023, we launched a global initiative with our Compliance country visits, with the aim of informing Nordex Group employees about key compliance issues and increasing the visibility of our Corporate Compliance department and local Compliance Officers.

Among other things, anchoring our ethical culture leads to improved whistleblower reports and processes, a better understanding of compliance and an ongoing review of the implementation of the Code of Conduct for employees, and fosters ethical decision-making within the company.

Commitment and Training by Employees regarding Compliance issues

[GRI 2-24, 205-2](#)

We support our employees and managers by offering training courses on values, policies, guidelines and our Code of Conduct, and by providing advice on a case-by-case basis.

Training on competition law

Our e-learning program on competition law provides a basic understanding of the issues. It aims to explain the general antitrust principles that are applicable worldwide, and to sensitize managers and employees to antitrust matters, especially those working in risk-prone areas. The program provides examples, exercises and practical tips for dealing with competitively sensitive situations in a lawful way. This helps the target groups identify antitrust risks and become more aware of their own responsibilities so that infringements are prevented, and ensures that all

employees understand the risks of anti-competitive behavior. Managers and employees who are particularly exposed to risks also complete two modules covering proper conduct in the event of inspections by competition authorities and when involved in associations, especially when participating in association events. By the end of October 2021, the training had been rolled out to all managers worldwide as well as to other highly exposed target groups (about 1,500 employees in total). The training program was due to be completed by the end of October 2022 and will be rolled out again in an updated version in 2024. By the end of 2022, the training rate goal had been partially achieved, with a completion rate of more than 60%.

Training sessions on preventing corruption

» We inform all employees in detail of our Code of Conduct and the anti-corruption guidelines it contains through e-learning courses and instructor-led training sessions. All of our white-collar staff, 11 technicians and commissioners are required to complete an e-learning course on preventing corruption once every two years.¹ By the end of 2023, 4,176 employees had completed the updated course, representing 46%² of the target group (2022: 57%).

¹ In May 2023, we updated the old course to include real-life scenarios and quiz assessments in order to foster our zero-tolerance policy for all forms of corruption. It is available in six languages.

² Since all the target group had to complete the course again, the total training rates for the new implemented training are lower than last year. We are working towards increasing participation in the coming years.

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Number of employees¹ trained in the prevention of bribery and corruption (e-learning course on preventing corruption)

Region	2023	2022	2021
Africa	17	21	35
Asia (incl. Australia)	337	258	223
Europe (excl. Germany, Spain)	778	617	1,252
Germany	1,331	1,342	1,996
Spain	909	786	690
North America	308	215	338
South America	442	175	240
N/A ²	54	n/a	n/a
Total	4,176	3,414	4,774

¹ By risk-based target group
² Region "N/A" = Countries of employees could not be clearly assigned



Please find our Whistleblower Policy and the "notify!" system on our webpage

4,176

employees have completed the new e-learning course on preventing corruption since May 2023.

Training sessions on the Code of Conduct and Compliance e-onboarding course

In 2023, we rolled out the new mandatory Code of Conduct e-learning, available in six languages. We will report on participation statistics as committed in our Sustainability Strategy 2025 from 2024 onwards.

Additionally, we raise awareness of corruption risks and enforce our rules for preventing, detecting and responding to them through compliance e-onboarding for new employees and compliance induction for managers.

The compliance e-onboarding is part of our onboarding program for new white-collar employees worldwide and focuses on preventing corruption at the Nordex Group right from the start. A total of 331 new employees received this voluntary training in 2023 (27.1% of the target group).¹

Compliance induction training for managers

The compliance induction for managers is aimed at all employees with managerial responsibilities worldwide. It emphasizes their specific role and responsibilities for preventing corruption. 355 managers received the training in 22 sessions in 2023. This means that a total of 1,107 Nordex Group managers currently employed have undergone this training in total (83% of the target group).

¹ We changed in 2023 the scope of data and include interns, trainees and student workers of white-collar employees in e-onboarding participation rates.

Further training sessions and statistics

As part of its Compliance country visits, in 2023 Corporate Compliance conducted 58 in-person training sessions at wind farms, offices and factories for a total of 704 participants in Türkiye, Pakistan, Brazil, Mexico, Colombia and Chile.

Additional training statistics and further compliance updates are reported on a regular basis to the Business Ethics Committee, Management Board and Supervisory Board.

"notify!" Whistleblower System

[GRI 2-4, 2-16, 2-25, 2-26](#)

» Nordex Group employees, our business partners' employees and the general public can use the "notify!" whistleblower system to report any suspected misconduct or maladministration in connection with the Nordex Group's business activities. There are three reporting channels available: getting in touch personally with the staff of Corporate Compliance, using an online reporting portal, or using a central hotline/email/postal address. Reports can be submitted anonymously wherever this is not restricted by country-specific regulations. When reporting in good faith, the company protects the whistleblower from retaliation.

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In 2023, we launched a new Whistleblower System Policy and Whistleblower System Company Standard, together with the Rules of Procedures document, in line with the German Supply Chain Act.

An information sheet outlines the main features of the whistleblower system and is issued in 22 languages so that every employee can easily access it in their native language. Posters including QR codes linked to the policy and reporting channels in local languages are displayed at wind farms and offices worldwide.

We follow up every report confidentially, independently and competently. There is a dedicated human resource for conducting internal investigations. The Corporate Compliance department validates all new reports. The Business Ethics Committee then discusses and evaluates the matter, which also steers any necessary investigations and consequences. We inform the Management and Supervisory Board on a regular basis about the reports received, and their status and resolution. We identified no critical reports during 2023, but the Business Ethics Committee received all reports.

In 2023, there were a total of 64 reports submitted through the three different reporting channels of the whistleblower system.

Compliance reports

	2023	2022	2021	2020
Reports received	64	46	48	51
Ongoing follow-up/ investigations (at the end of the reporting period)	4	4	20	27
Substantiated reports with improvement/ disciplinary measures initiated	10	5	7	18

Additionally, Nordex employees can seek advice on implementing the Nordex Group's compliance policies and practices for responsible business conduct by directly contacting the Corporate Compliance department. In 2023, we received 95 queries (2022: 52 queries).

Compliance with Laws and Regulations

[GRI 2-27](#)

In 2023, there were no significant incidents of non-compliance with laws or guidelines that resulted in fines or non-monetary sanctions.

To define whether or not an incident qualifies as "significant" within the aforementioned meaning, we have considered the severity of the impact both in terms of monetary and non-monetary aspects. For the purposes of this report, monetary impacts are considered to be significant if the impact of an individual incident exceeds an amount of EUR 2 million. With respect to non-monetary impacts, we have based our assessment on such (potential) impacts that are not directly measurable in terms of value, but which nevertheless may have a significant impact on our business activities, such as reputational aspects in general as well as potential impacts on the Nordex Group's future business development or significant specific business opportunities. «

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Further information on due diligence activities in the chapter “Responsible Sourcing,” p. 111 ff

RISKS AND OPPORTUNITIES

Integrity is a core value for trust-based, ethical and legally-compliant collaboration among employees, as well as with our customers, suppliers, all other business partners and the general public. As regulatory frameworks become ever more extensive and given the global extent of our business activities, legally-compliant conduct to prevent corruption, fraud and competition law infringements remains vitally important to the Nordex Group. Unlawful behavior and misconduct by employees and third parties acting on behalf of the Nordex Group can cause considerable damage – economically, legally and to the company’s reputation.

Violations of competition law can result in substantial sanctions for and claims against companies and may thus significantly jeopardize our current and future activities. We therefore identify and evaluate potential aspects relevant to competition before launching any business activity.

We apply a high degree of sensitivity both to contractual agreements and to any other kind of dealings with business partners and we will abstain from entering into or by any other means fostering any agreements or other behavior that unlawfully inhibit or restrict competition.

In markets with high price pressure, there is a risk of accepting offers that do not ensure that a supplier’s employees will be paid appropriately. Since this could be a human rights issue, the risk is mitigated by performing due diligence on suppliers and

contractors regarding previous unethical conduct, obliging suppliers to sign the Supplier Code of Conduct, and conducting supplier audits. Ongoing human rights risks analysis in 2023 confirms the findings of assessments in 2020/2021 and build on the information we gather from supplier questionnaires on human rights. In 2023, we refined the underlying supplier due diligence process. We plan to further integrate it with existing supplier auditing measures, and to complement it with the definition, implementation and monitoring of appropriate preventive and remedial measures.

#EthicsDetermineOurCourse: The initiative “Compliance Country Visits 2023” with employees from Mexico.



Governance

Business Ethics, Compliance, and Integrity



SUSTAINABILITY STRATEGY 2025

» At the Nordex Group, we have set ourselves the goal of systematically anchoring environmental, social, human rights and business ethics risks in our business decisions. To ensure responsible business practices, it is crucial to conduct a human rights and ecological risk analysis to identify potential risks. In 2023, we updated our ESG risk analysis and plan to align it with the European Sustainability Reporting Standards for the materiality analysis in 2024. This will enable us to consolidate a generic ESG risk profile for Nordex' activities, regions and partners.

While the process/measure to anchor ESG criteria in the sales gate process and implement a project risk assessment for high-risk wind farm projects has been postponed to 2024, we remain committed to raising awareness of human rights. As part of these efforts, the Nordex Group has appointed a Human Rights Officer. Based on our Human Rights Policy, P&C representatives and managers in Nordex' business regions and countries once again completed and signed a questionnaire to ensure compliance with the highlighted commitments.

To foster our goal of promoting responsible and ethical business conduct internally and with our business partners, we take measures to minimize the risk of our business partners (in this case: customers) not being compliant with ethical conduct. We have made good progress towards achieving our goal, as we have kicked off or implemented all defined measures. As a pilot project, the Nordex Group will assess customers from a compliance perspective on a regular basis. The Nordex Group created a new workflow on how to approach new customers. Based on our evaluation of this in 2023, we plan to launch a pilot process in 2024.

In addition, we have aligned internally to anchor ethical business conduct in contracts with customers. We decided to include a standard "Compliance Clause" in every customer contract. While we consider this measure fulfilled as soon as we are able to track the criteria in our contract processes, we strive to continuously develop and improve our compliance with the law clause in line with the development of our business. Internally, we focus on training and awareness activities for our employees. As a result, we track the employee training rate on prevention of bribery and corruption. As we started tracking this from the start with a new training program in 2023, the training rate is currently at 46% employee participation. The employee training course on preventing bribery and corruption was updated in 2023 to include real-life scenarios and quiz assessments to foster our commitment for preventing all forms of corruption.

In 2023, we focused on publishing new policies related to the whistleblower system, conflicts of interest, gifts and hospitality, among others; improving compliance integration in the sourcing and sales processes; and increasing the visibility of Corporate Compliance via communication campaigns. Additionally, a new training session based on the Code of Conduct has been rolled out in 2023 and will be tracked from 2024 onwards.

Our commitment to "zero tolerance" of unethical behavior is reflected in our efforts to improve the compliance management system. As part of our Sustainability Strategy 2025, we have included another sub-target/measure. Following the successful revision of the Nordex Group Code of Conduct in 2022, we have strengthened awareness of ethical business culture at the Nordex Group and aim to achieve 100% acknowledgement from our employees. To this end, we have rolled out a digital acknowledgement process in 2023, and as of the end of the year, 70% of employees have signed the Code of Conduct. While we have postponed our second measure to certify the Nordex Group with ISO 37001 to 2024, we remain committed to upholding ethical standards and preventing unethical behavior.

For further information on the implementation of measures, see Action Plan "Business Ethics, Compliance and Integrity," p. 132 ff. «

Governance

Business Ethics, Compliance, and Integrity

ESG Governance

MANAGEMENT APPROACH

➤ GRI 2-29

» We actively engage with our internal and external stakeholders to develop structural engagement processes. With this, we aim to ensure transparency as well as cooperative development and improvements regarding ESG topics.

Internally, this involves integrating sustainability into our business culture, as well as developing and strengthening governance structures and processes that enable the coordination and management of sustainability measures, including aspects of good governance such as board refreshment, independence and ESG-related remuneration.

Externally, we intend to meet our stakeholders' growing demand for information by engaging in a dialogue with our key stakeholder groups, monitoring environmental indicators, and enhancing and reporting on our sustainability performance. «

ESG Communication

Effective internal and external communication on ESG issues is a crucial part of ESG governance. It provides our stakeholders with information on how the Nordex Group meets ESG criteria and what risks and opportunities might arise for Nordex' investors, customers and partners as a result of our current sustainability performance. For internal stakeholders, ESG communication is used to create a common understanding of sustainability at the company. We seek opportunities for our employees to participate in sustainability issues and to develop sustainable solutions for our products and services as well as for our everyday work. We are committed to making sustainability activities transparent, anchoring sustainability even more deeply in our corporate culture, and further improving our ESG performance both internally and externally.

We focus on different sustainability reporting frameworks depending on the target group. While GRI standards provide a global framework for sustainability reporting to increase the transparency and comparability of sustainability performance, the Nordex Group makes use of other recognized approaches as well. These include ESG criteria that are largely defined by sustainability ratings, and the technical assessment criteria of the classification system of the EU Taxonomy Regulation (see chapter

EU Taxonomy). The European Sustainability Reporting Standards (ESRS), a key provision of the EU Corporate Sustainability Reporting Directive (CSRD), will also apply to the Nordex Group from 2024. Based on the draft proposals, we screened the new ESRS requirements in 2022 and 2023 and plan to apply them to our current reporting in the coming years. The ESRS are already serving as a framework for improving transparency.

Furthermore, our impact reporting on the UN's Sustainable Development Goals (SDGs) provides insight into the impact of Nordex' business activities on global sustainability issues.

Nordex' commitment to good sustainability reporting has been recognized with the "Building Public Trust Award" for best sustainability reporting in the "Taxonomy Reporting" category in October 2023. The award was presented at the Sustainability Congress in Berlin by the Sustainable Finance Research Group, led by Prof. Dr. Alexander Bassen, Chair of Capital Markets and Management at the University of Hamburg and Chairman of the Jury. The award recognizes the credibility, consistency, completeness, relevance and reliability of the information presented, as well as the quality of information integration and the use of innovative reporting approaches.

Governance

Business Ethics, Compliance, and Integrity

Anchoring Sustainability in our Corporate Culture

To further anchor sustainability within the company, we have strengthened various internal sustainability communication initiatives. For example, an introduction to Nordex' Sustainability department, strategy and activities is a fixed component of the onboarding process for new employees. In 2023, 311 new white-collar employees participated in this voluntary e-onboarding session (25.5% of the target group¹, 2022: 18.7%). In addition, employees are regularly informed about internal processes, sustainability topics and campaigns, ESG ratings, goals and progress regarding the implementation of our Sustainability Strategy 2025.

In 2023, we held a Sustainability and Health Day in Hamburg, offering a comprehensive range of information and a variety of activities that highlighted the many facets of sustainability for our employees. Addressing sustainability in combination with the company's health promotion efforts has proven to be sensible in the past, as health is also one of the key topics in our Sustainability Strategy.

Left: Our experts for the opening panel (from left to right: CFO Dr. Ilya Hartmann, Moderator and Director Sustainability Management, Dr. Sandra Pfeiffer, Dr. Matthew Johnson from University of Hamburg (Excellence Initiative Climate, Climatic Change, and Society – CLICCS) and Hamburg State Chairman from German Wind Energy Association Dr. Axel Röpke). Right: Nordex Group employees test their sustainability knowledge.

¹ We changed in 2023 the scope of data and include interns, trainees and student workers of white-collar employees in e-onboarding participation rates.

Sustainability and Health Day 2023 in Hamburg

Nordex' 5th Sustainability and Health Day was held at our head office in September 2023, featuring a rich variety of talks, workshops, hands-on activities and information stands covering a range of sustainability and health topics. More than 400 participants were registered for workshops and presentations, and many more colleagues participated in the open program sessions. Under the motto "Climate Action. Healthy Mobility.", this year's program focused on climate mitigation as well as sustainable and healthy mobility. In our main on-stage panel discussion featuring CFO Ilya Hartmann as well as external guests, we examined from different perspectives whether offering 'green products' exempts businesses from climate protection efforts.



Governance

Business Ethics, Compliance, and Integrity

Corporate Governance

[GRI 2-9, 2-10, 2-11, 2-13, 2-14, 2-15, 2-19, 2-20](#)

The Nordex Group believes that good corporate governance practices serve the long-term interests of stakeholders, strengthen the board and management, and further enhance the public trust that the company has earned over the past decades. Our corporate governance principles guide our daily actions, enabling us to achieve better results and pave the way for sustainable growth. They provide a framework that defines the roles, rights, and responsibilities of different groups within the organization, the board's role in risk oversight, public policy engagement, and the Nordex Group's commitment to sustainability. The German Corporate Governance Code (GCGC) adopted on 28 April 2022 and officially published on 27 June 2022 contains principles and recommendations for the consideration of environmental and social sustainability in the management and supervision of listed companies that the Nordex Group complies with. The declaration of conformity can be found in the Annual Report and in the corporate governance section on the company's website.

Working Practices of the Management Board

The Management Board leads the Nordex Group at its own discretion with the aim of achieving sustained improvements in enterprise value and of attaining the agreed targets. It conducts the company's business in accordance with statutory provisions and the provisions of the company's Articles of Incorporation and Rules of Procedure for the Management Board. In addition, it works in a spirit of trust with the company's other governing bodies.

The Management Board defines the long-term goals and strategies for the entire Nordex Group and determines the principles for the corporate policy derived from these. It coordinates and supervises all significant activities. It determines the range of products, develops and deploys executive staff, allocates resources, and makes decisions on financial management and Group reporting.

Supervisory Board

The Supervisory Board is responsible for monitoring and advising the Management Board. In accordance with the Articles of Incorporation, it comprises six members who are elected by the shareholders at the Annual General Meeting. The chairman of the Supervisory Board is not an executive at the Nordex Group. The Supervisory Board is directly involved in all decisions of fundamental significance for the company; it also consults with the Management Board on the company's strategic orientation and regularly discusses with it the progress being made on implementing business and Sustainability Strategy. The Supervisory Board also reviews the Sustainability Report (see also chapter "About this Report").

Governance

Business Ethics, Compliance, and Integrity

Diversity Policy for the Management Board

The Supervisory Board, together with the Management Board as required, addresses long-term succession planning by appointing to the Management Board internal or external candidates who are best suited in terms of their qualifications and personality. Selecting the most suitable internal candidates is based on the systematic human resources development of internal managers that comprises the following elements:

- › Identifying suitable candidates with different specialties, nationalities and genders at an early stage of the search process.
- › Systematically developing internal managers by enabling them to take on roles with increasing responsibility, preferably in different business areas, regions and functions. In this context, managers are fostered particularly through personalized measures such as coaching or systematic human resources development programs.

- › Training internal managers with regard to material company values to ensure that they act as a role model when upholding and implementing them.

This should enable the Supervisory Board to ensure sufficient diversity in terms of professional background and experience, cultural context, internationality, gender and age when appointing Management Board members. Irrespective of these individual criteria, the Supervisory Board is confident that only an all-encompassing assessment of individual candidates can ultimately determine appointments to the Management Board of Nordex SE. Overall, this is intended to ensure that the Management Board as a whole currently has the following basic desirable profile in terms of the diversity policy:

- › Extensive management experience in technical and commercial areas of work
- › International experience based on origin and/or professional activity
- › Balanced age structure to ensure the continuity of the Management Board's work and enable smooth succession planning

The target figure for the proportion of women on the Management Board was set by the Supervisory Board in 2020 at 25% by 2025 (current share in 2023: 0%).¹

¹ Further information on the targets for the proportion of women on the Management Board can be found in the Corporate Governance Statement of Nordex SE published in the Annual Report 2023.

Requirements profile for the Supervisory Board of Nordex SE (including Diversity Policy for the Supervisory Board)

The Supervisory Board seeks to achieve a composition that ensures it can provide high-quality supervision and advice to the Management Board at all times. The Supervisory Board takes the view that its ability to function efficiently – thus ensuring the sustainable development of the company – depends largely on its diversity in addition to professional and personal skills.

In light of this, the Supervisory Board has adopted a detailed profile of requirements for its composition. It includes a diversity policy and the Supervisory Board's objectives regarding its composition, skills and expertise, including expertise on sustainability matters relevant to the company as set out in the German Corporate Governance Code (GCGC) adopted on 28 April 2022 and officially published on 27 June 2022.

Governance

Business Ethics, Compliance, and Integrity



For more information see chapter “ESG Ratings” p. 28

The details of the requirements profile are published in the Annual Report and can be found in the Corporate Governance Statement of Nordex SE. The target figure for the proportion of women on the Supervisory Board was set in 2020 in accordance with section 111 (5) of the German Stock Corporation Act (AktG) at 16.67% by 2025 (current share in 2023: 33.3%).¹

Remuneration of the Members of the Management Board and Supervisory Board

Financial and non-financial performance criteria are considered in the remuneration system, and are only defined for the Management Board. Detailed information concerning the remuneration systems for the members of the Management Board and Supervisory Board can be found in the corporate governance section on the company’s website. A clear and easily understandable overview of the remuneration awarded and due in the 2023 financial year to current or former members of the Management Board and Supervisory Board is published in the company’s remuneration report.

RISKS AND OPPORTUNITIES

We believe that ESG governance topics offer opportunities and do not anticipate significant risks in sustainability communication or anchoring sustainability in our organization.

Transparent communication of sustainability performance is key to working with stakeholders on solutions and improvements. We use sustainability ratings to identify gaps and progress in ESG topics, which also reveal opportunities and risks. This helps us meet stakeholder demands.

For sustainability to be lived, employees must have a common understanding and be able to participate. Our employees consider sustainability important (see survey results, Sustainability Report 2021, p. 103 ff), but see room for improvement in some areas. We plan to continue raising awareness and create a platform for employees to work on sustainability at their sites through campaigns and projects. We will address employee suggestions to strengthen motivation and confidence in our sustainability activities.

The Nordex Group takes the view that transparency and effective corporate governance are critical, especially to a listed company like Nordex SE. Awareness of ESG issues has grown significantly among the general public and the investor community, and it

is expected to increase even further. Consequently, there are risks to not fulfilling transparency standards or good corporate governance principles. The Nordex Group is aware of these risks and works continuously to improve its transparency and ensure that all governance standards are met as far as possible. One significant risk can arise at the annual general meeting, when certain (qualified) approval rates are needed to pass resolutions on specific agenda items. The Nordex Group addresses this risk with a clear process involving active, early and transparent communication with investors and proxy voters. The Nordex Group provides a fact book to shareholders to help them understand complicated agenda items. This proved to be helpful for our investors regarding the resolutions about corporate actions and the remuneration report.

ESG ratings are increasingly important in the capital market, with good ratings having a positive influence on investment decisions. This can result in certain large investors being unable to invest in shares without a sufficient ESG rating.

¹ Further information on the targets for the proportion of women on the Supervisory Board can be found in the Corporate Governance Statement of Nordex SE published in the Annual Report 2023.

Governance

Business Ethics, Compliance, and Integrity



SUSTAINABILITY STRATEGY 2025

» The Nordex Group is committed to ensuring transparency, cooperative development and improvements relating to ESG governance. We have been in regular contact with our stakeholders and have emphasized the communication of key facts from our sustainability reporting. We have carried out measures and projects to raise awareness of sustainability and health, addressing our goal of anchoring sustainability in the company culture. One of our biggest local projects was the Sustainability and Health Day at our head office in Hamburg in September 2023. The Nordex Group has also conducted local activities at our various locations, including the “City-Cycling” initiative or charity runs. Further measures under these goals are planned to start by 2024 and 2025.

For further information on the implementation of measures, see Action Plan “Business Ethics, Compliance and Integrity,” p. 132 ff. «

Currently approx. 85% to 95% of the materials used in a wind turbine are recyclable. We have set ourselves the goal of offering fully recyclable rotor blades by 2032.









Governance

Business Ethics, Compliance, and Integrity



Sustainability Strategy 2025 – Action Plan “Business Ethics, Compliance, and Integrity”

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Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
						
Goal 1: Systematically anchor environmental, social, human rights, and business ethics risks in business decisions and continuously increase transparency with regard to risk identification, risk assessment, and risk management						
Carry out ESG risk analysis in order to update the assessment and consolidate a generic ESG risk profile (activities, regions, partners)	2023	Qualitative	–	–	The ESG assessment was carried out again in relation to Nordex’ sustainability focus topics as a foundation for the generic ESG risk profile. We plan to align the risk analysis according to the new requirements regarding the materiality analysis of the ESRS (CSRD) in 2024.	
Anchor ESG criteria in the sales gate process and implement project risk assessment to evaluate all high-risk wind park projects	2022 » 2025	Share of performed customer risk assessments	tbd	n/a	The project target achievements with respect to all ESG criteria have been shifted to 2025.	
Promote human rights as an important goal within the company, with 100% of managers signing the Human Rights Policy annually	ongoing	% of managers signing the Human Rights Policy annually	100%	100%	A questionnaire to commit to the Human Rights Policy was sent out to all managers or P&C representatives. 100% of managers (or P&C representatives) signed the Human Rights Policy in 2023.	
Goal 2: Promote responsible and ethical business conduct internally and with our business partners						
Conduct integrity and ethical due diligence for 100% of new customers	2023	% of new customers undergoing ethical due diligence ¹	100%	n/a	As a pilot project, the Nordex Group assessed customers from a compliance perspective on a regular basis. A new workflow was created to specify how to approach new customers.	
Anchor ethical business conduct in contracts with customers	2023	Share of new customer contracts including compliance clauses (in %)	100%	n/a	We prioritize ethical business conduct in our Nordex Group contracts with customers by including a standard “Compliance clause”. Our commitment to compliance with the law is an ongoing effort, and we continuously work to improve and update this clause to align with the evolving needs of our business.	

¹ The Indicator was slightly redefined focussing on “new” customers.

Remark: “Tbd” under “Indicator target” or “n/a” under “Status Quo 2023” means “not yet available” due to data constraints.

Governance



Business Ethics, Compliance, and Integrity

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implement- ation
						■ Achieved
Annual employee training on the Nordex Group Code of Conduct conducted by 100% of employees	2025	Training rate	100%	n/a	After the successful revision of the Nordex Group Code of Conduct in 2022, the training concept was rolled out in 2023. The training rate indicator will be tracked from 2024.	
Employee training on prevention of bribery and corruption completed by 100% of employees at two-year intervals	ongoing	Training rate	100%	46%	The course content was updated in 2023, with 46% of employees having now completed the updated training. All employees have to participate in the training again.	
Goal 3: Zero tolerance of unethical behavior						
Achieve certification of anti-bribery management systems (ISO 37001)	2022 » 2023	% of fulfilled ISO 37001 requirements	100%	72%	The assessment of sections of ISO 37001 and the gap analysis were completed, with 72% of requirements fulfilled by the end of 2023. The certification process has been shifted to 2025.	
New measure: Achieve 100% of Code of Conduct acknowledgement by Nordex Group employees	ongoing	Acknowledgement rate	100%	70%	A digital acknowledgement process was rolled out in 2023. This year, 70% of employees signed the Code of Conduct.	
Goal 4: Increase communication and transparency regarding ESG (environment, social, governance) performance						
Sign the UN Global Compact and maintain active status	2024	Qualitative	–	–	Project has not started yet.	
Goal 5: Anchor sustainability as part of all departments and the company culture						
Establish a worldwide Nordex Sustainability/SDG network for local sustainability solutions	2023 » 2025	Qualitative	–	–	Project has not started yet, and its implementation time is rescheduled to 2025 at the latest.	
Conduct an SDG campaign to promote ESG criteria and SDGs and their integration in the company culture	2025	Qualitative	–	–	Promoting sustainable development goals is part of various communication and training sessions, such as the monthly e-onboarding sessions, Welcome Days, and the Sustainability & Health Day. The project to systematically integrate SDGs into our company culture has not yet started.	

Remark: "Tbd" under "Indicator target" or "n/a" under "Status Quo 2023" means "not yet available" due to data constraints.

Governance

Business Ethics, Compliance, and Integrity

Measures	Year (planned implementation)	Indicator	Indicator Target	Status Quo 2023	Description of the measure	Implemen- tation
						<div style="display: flex; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #0070C0; margin-right: 5px;"></div> Achieved </div>
Offer sustainable alternatives in the business environment and set incentives for employees regarding climate-friendly and sustainable consumption	2023	Qualitative ¹	–	–	Small incentives for more sustainable working environments have already been introduced at various locations, e. g., daily vegan meal options at the German head office in Hamburg.	
Conduct measures and projects to raise awareness of sustainability and health topics	ongoing	Qualitative	–	–	Under the motto of “Climate Action. Healthy Mobility.” we organized our annual Sustainability and Health Day at our headquarters in Hamburg with various presentations, workshops and other activities. In addition, 143 #TeamNordex employees in Rostock and Hamburg participated in the CityCycling initiative, saving a total of 5,039kg CO ₂ in emissions.	

¹ The indicator was redefined to “qualitative” in 2023.

«

Governance

Data and IT/OT Security & Digitalization

Data and IT / OT Security

The exposure of any organization to threat actors in cyberspace has grown in recent years due to either organized crime or geopolitical actors. This is especially relevant for the energy ecosystem, where the threat landscape has increased in terms of the number of attacks and their sophistication. Also, regulatory requirements are becoming increasingly demanding. As a result, organizations need to consider both regulations and threat actors in their cyber security and information security strategy in order to remain actionable and pursue their company strategy efficiently.

During 2023, the Nordex Group performed an analysis of the company's status in cybersecurity and information security practices, aiming to identify specific gaps and requirements from our major shareholders, customers, legislations and market regulators. The analysis consisted of gathering cyber threat intelligence and carrying out offensive tests to outline the exposure window of the company.

As a result, the Nordex Group has implemented an information security and cybersecurity strategy for 2024, 2025 and 2026, which will be revisited yearly.

The aforementioned strategy was coordinated and approved by the Management Board. It emphasizes the need to comply with global standards and regulations, for example ISO 27001, ISO 22301, GDPR, NIS2 and IEC 62443. The Nordex Group has updated its policies, procedures and processes, which are applicable to the whole organization, in accordance with these standards, ensuring end-to-end compliance and cohesion in terms of information security.

The focus of the company in 2023 was to establish a security awareness policy, combining mandatory security training, continuous awareness articles posted on a regular basis and threat simulation campaigns executed on a quarterly basis. The company is also driving a Business Continuity Project in accordance with ISO 22301. Its aim, in combination with the Disaster Recovery Project, is to resume operations for the principal applications and features of the company within a time period of one month in the event of a major catastrophe. Moreover, we

are drafting contingency plans for critical processes at Nordex Group to be evaluated and implemented in 2025. As part of this, the company holds an ISO 27001:2013 certification and is considering undergoing the ISO 22301 certification process for 2025.

The company has implemented a series of technical measures to improve IT security. For instance, we have implemented a surface reduction program aiming to reduce the exposure of the company. The program relies on penetration test campaigns, regular vulnerability analyses and a life cycle management to correct or mitigate any identified vulnerabilities. Detection and resilience capabilities were improved thanks to, amongst other things, new monitoring capabilities at the end points as well as backup and rollback mechanisms. One essential safety feature is that the access to our wind farms is isolated from the backbone network through a series of mechanisms and redundant firewall solutions. In addition, resource access is managed from an independent platform supported by an intrusion detection system. Lastly, a security operation center is planned for 2024. All of these initiatives are being carried out in accordance with IEC 62443.

Governance

Data and IT/OT Security & Digitalization

Digitalization

Digitalization is one of the main pillars of a sustainable economy and is therefore key to the future of our industry. We are developing a comprehensive digitalization scheme for our business processes and working to digitalize parts of our business model. The Nordex Group strives for harmonized data management processes worldwide and implements leading practices and standard solutions that comply with legal and country-specific requirements.

We have already made significant progress in our strategy to digitalize our business. Tools such as SAP, ServiceNow, Upwise and databases have been introduced across the Nordex Group. We have been able to increase the acceptance of all tools, which in turn has a great influence on the success of our efforts. For this reason, we are continuously working on the digitalization of our learning and training formats as well as our standardized remote onboarding process.

We are continuing our digitalization journey for our own business processes by pressing ahead with our key strategic digitalization programs, OnePLM and AURA. OnePLM harmonizes merger-related product lifecycle management in a single system while also streamlining our core development, manufacturing, project management and servicing processes along the lifecycle of our turbines. In 2023, we successfully completed the migration for our latest turbine platform, Delta4000, and now have the foundations for any further development in one system.

AURA enables us to continue this journey of building the foundations of our company at Teamcenter with the SAP S/4 Hana software solution. This will optimize our business processes on a global scale along our entire value chain.

In 2023, we made significant progress by completing the global S/4 Hana template and rolling it out to Brazil as the first country.

In general, our application modernization programs aim to harmonize and reduce applications to make IT operations more sustainable. To achieve this, we introduced an Enterprise Architecture Platform in 2023 to gain a full view of our IT landscape and identify components that are obsolete or require modernization. In addition, we are exploring opportunities in Artificial Intelligence and have implemented the first use cases, while others are in the pilot phase to support our business processes.

When it comes to digitalizing parts of our business model, our customers play an important role as drivers of progress. The customer portal, digital wind farm reports, engineering, service and IT are the core components of this. We are currently reevaluating our Internet of Things (IoT) platform to create a comprehensive approach to enterprise data management in the cloud. This will enable us to provide data for all customer needs as well as for internal business optimization. You can find out more about our Predict to Prevent program for reliably detecting trends and our IoT platform for monitoring all Nordex Group turbines under service contracts in the chapter on “Sustainable Products.”

Governance

Public Policy

Public Policy

FINANCIAL ASSISTANCE

↗ GRI 201-4

Financial assistance beyond subsidies can include, but is not limited to, investment grants, research and development (R&D) grants, and government equity interests in Nordex SE. The Nordex Group itself receives no subsidies for its products. The remuneration our customers receive for the electricity generated using Nordex Group wind turbines is related to the business activities of our customers. Potential subsidies in the context of power generation depend on the respective state regulations.

Nordex' projects received R&D grants of EUR 1,896 thousand (2022: EUR 626 thousand) in Germany and EUR 119 thousand in Spain. For the first time, we received EUR 662 thousand tax relief under the German Research Allowances Act in 2023 in Germany and EUR 2,378 thousand for the sale of tax relief in Spain. These relate to company and joint projects in experimental, industrial and fundamental research that we are carrying out as part of specific technical programs defined by the federal government.

Our customers make regular use of export credit agency (ECA) financing instruments. As an exporter affected by this system, we support these guarantees by providing the necessary information and binding declarations. In doing so, we are also directly involved in the financial guarantees. In individual cases, we apply for our own supplier and production coverage to safeguard against specific risks associated with our customers' wind farm projects. In the reporting period, the Nordex Group generated new business worth EUR 573.8 million (2022: EUR 448.6 million) that was partly or wholly covered by ECAs.

In the reporting year, the Nordex Group received EUR 126 thousand in tax relief for 2021 in Germany under the German Electricity and Energy Tax Act. In 2023, the company applied for tax relief for 2022 in the amount of EUR 72 thousand. The payment for 2022 was still outstanding as of the date of this report. In addition, we applied for a grant to compensate enterprises with manufacturing activities for the rise in energy prices offered by the Spanish government for 2022. In 2023, the grant was approved in the amount of EUR 43 thousand for Nordex Group Spain. The Nordex Group has not received any awards or other benefits involving financial support.

POLITICAL CONTRIBUTIONS / LOBBYING

↗ GRI 415-1

As an international company active in manufacturing, installing, and servicing wind turbines, our business activities and projects are affected by several political and regulatory activities and decisions. Therefore, the Nordex Group represents and advocates for its interests with the respective stakeholders, either directly or through its engagement with sector-specific trade associations.

The Nordex Group manages its lobbying activities at a regional level, with global coordination at its head office. This means that advocacy work within the respective national/regional trade associations and with regional, national and local stakeholders is covered by the respective national or regional units of Nordex. Global coordination at the head office is undertaken by a senior staff function.

Some lobbying activities that concern corporate, international and supranational aspects are also covered by a coordinating staff function at the head office.

When it comes to financial assistance and political contributions, the Nordex Group has established a Group-wide Donations Policy that prohibits political donations and financial assistance to political parties or candidates seeking public office, for example.

FURTHER INFORMATION



GRI INDEX

GRI Standard	Disclosure title	Page	Note
GRI 1 Foundation 2021			
GRI Sector Standards			Not applicable
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
GRI 2-1	Organizational details	2, 13	
GRI 2-2	Entities included in the organization's sustainability reporting	10	
GRI 2-3	Reporting period, frequency, and contact point	10	
GRI 2-4	Restatements of information	10, 122	
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Activities and workers			
GRI 2-6	Activities, value chain, and other business relationships	2, 13, 111, 112	
GRI 2-7	Employees	105	
GRI 2-8	Workers who are not employees	–	Omission: Information on workers who are not employees not available.
Governance			
GRI 2-9	Governance structure and composition	128	
GRI 2-10	Nomination and selection of the highest governance body	128	

GRI Standard	Disclosure title	Page	Note
GRI 2-11	Chair of the highest governance body	128	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	17	
GRI 2-13	Delegation of responsibility for managing impacts	17, 128	
GRI 2-14	Role of the highest governance body in sustainability reporting	10, 17, 128	
GRI 2-15	Conflicts of interest	120, 128	
GRI 2-16	Communication of critical concerns	118, 122	
GRI 2-17	Collective knowledge of the highest governance body	17	
GRI 2-18	Evaluation of the performance of the highest governance body	–	https://ir.nordex-online.com/websites/Nordex/English/6000/corporate-governance.html
GRI 2-19	Remuneration policies	128	
GRI 2-20	Process to determine remuneration	128	
GRI 2-21	Annual total compensation ratio	–	Omission: Information on this indicator has not been collected to date.
GRI 2-22	Statement on sustainable development strategy	5	

GRI Index

GRI Standard	Disclosure title	Page	Note
Strategy, policies and practices			
GRI 2-23	Policy commitments	111, 118, 119	
GRI 2-24	Embedding policy commitments	111, 118, 121	
GRI 2-25	Processes to remediate negative impacts	118, 122	
GRI 2-26	Mechanisms for seeking advice and raising concerns	118, 120, 122	
GRI 2-27	Compliance with laws and regulations	123	
GRI 2-28	Membership associations	36	
GRI 2-29	Approach to stakeholder engagement	18, 19, 118, 126	
GRI 2-30	Collective bargaining agreements	92	
GRI 3: Material Topics 2021			
GRI 3-1	Process to determine material topics	19	
GRI 3-2	List of material topics	19	
GRI 3-3	Management of material topics	41, 48, 55, 59, 67, 80, 82, 85, 87, 94, 111, 118	
GRI 201: Economic Performance 2016			
GRI 201-1	Direct economic value generated and distributed	13, 15	
GRI 201-4	Financial assistance received from government	137	

GRI Standard	Disclosure title	Page	Note
GRI 204: Procurement Practices 2016			
GRI 204-1	Proportion of spending on local suppliers	112	
GRI 205: Anti-corruption 2016			
GRI 205-1	Operations assessed for risks related to corruption	120	
GRI 205-2	Communication and training about anti-corruption policies and procedures	120, 121	
GRI 205-3	Confirmed incidents of corruption and actions taken	120	
GRI 206: Anti-competitive Behavior 2016			
GRI 206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	120	
GRI 301: Materials 2016			
GRI 301-1	Materials used by weight or volume	41	Information regarding the life cycle assessment can be found on www.nordex-online.com/en/sustainable-products
GRI 301-2	Recycled input materials used	44	
GRI 302: Energy 2016			
GRI 302-1	Energy consumption within the organization	59, 60	
GRI 302-3	Energy intensity	59, 60	
GRI 302-4	Reduction of energy consumption	59	

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GRI Standard	Disclosure title	Page	Note
GRI 302-5	Reductions in energy requirements of products and services	59, 60	
GRI 303: Water and Effluents 2018			
GRI 303-1	Interactions with water as a shared resource	67	Water consumption is not a material topic for the Nordex Group.
GRI 303-2	Management of water discharge-related impacts	67	
GRI 303-3	Water withdrawal	72	
GRI 303-4	Water discharge	74	
GRI 303-5	Water consumption	74	
GRI 304: Biodiversity 2016			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	73	
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	46, 73	
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		N/A: no assessment was conducted in 2023. For results of our last assessment in 2022, see the Nordex Group Sustainability Report 2022 .
GRI 305: Emissions 2016			
GRI 305-1	Direct (scope 1) GHG emissions	61	
GRI 305-2	Energy indirect (scope 2) GHG emissions	61	

GRI Standard	Disclosure title	Page	Note
GRI 305-3	Other indirect (scope 3) GHG emissions	61	
GRI 305-4	GHG emissions intensity	61	
GRI 305-5	Reduction of GHG emissions	61	
GRI 306: Waste 2020			
GRI 306-1	Waste generation and significant waste-related impacts	67	
GRI 306-2	Management of significant waste-related impacts	67	
GRI 306-3	Waste generated	69	
GRI 306-4	Waste diverted from disposal	69	
GRI 306-5	Waste directed to disposal	69	
GRI 308: Supplier Environmental Assessment 2016			
GRI 308-1	New suppliers that were screened using environmental criteria	111	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	111	
GRI 401: Employment 2016			
GRI 401-1	New employee hires and employee turnover	106, 107	
GRI 401-3	Parental leave	87, 108	
GRI 402: Labor/Management Relations 2016			
GRI 402-1	Minimum notice periods regarding operational changes	87	

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GRI Standard	Disclosure title	Page	Note
GRI 403: Occupational Health and Safety 2018			
GRI 403-1	Occupational health and safety management	94	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	94	
GRI 403-3	Occupational health services	94	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	94	
GRI 403-5	Worker training on occupational health and safety	94	
GRI 403-6	Promotion of worker health	94	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	94	
GRI 403-9	Work-related injuries	94, 97	
GRI 404: Training and Education 2016			
GRI 404-1	Average hours of training per year per employee	82	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	82	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	82	

GRI Standard	Disclosure title	Page	Note
GRI 405: Diversity and Equal Opportunity 2016			
GRI 405-1	Diversity of governance bodies and employees	87, 109	For further information on the controlling bodies please also refer to the Annual Report 2023, p. 162.
GRI 405-2	Ratio of basic salary and remuneration of women to men	87	
GRI 406: Non-discrimination 2016			
GRI 406-1	Incidents of discrimination and corrective actions taken	87	
GRI 407: Freedom of Association and Collective Bargaining 2016			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	87, 111	
GRI 408: Child Labor 2016			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	111	
GRI 409: Forced or Compulsory Labor 2016			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	111	

GRI Standard	Disclosure title	Page	Note
GRI 413: Local Communities 2016			
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	101	
GRI 414: Supplier Social Assessment 2016			
GRI 414-1	New suppliers that were screened using social criteria	111	
GRI 414-2	Negative social impacts in the supply chain and actions taken	111	
GRI 415: Public Policy 2016			
GRI 415-1	Political contributions	137	The Nordex Group-wide Donations Policy precludes donations to political parties.
GRI 416: Customer Health and Safety 2016			
GRI 416-1	Assessment of the health and safety impacts of product and service categories	50	

EU TAXONOMY APPENDIX

Template 1 Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

EU Taxonomy Appendix

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

Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover (4)	Substantial contribution criteria				DNSH criteria (Do No Significant Harm)								Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2022 (18)	Minimum safeguards (17)	Category enabling activity (19)	Category transitional activity (20)			
				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)					Y/N	Y/N	Y/N
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Electricity generation from wind power	CCM 4.3	5,827.74	89.81	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	89.96			
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6	658.15	10.14	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	9.83			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6,485.89	99.95	99.95	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	Y	99.79			
Of which enabling		0.00	0																0			
Of which transitional		0.00	0																0			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.00	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL										N/A		
Turnover of Taxonomy-eligible activities (A.1+A.2)		6,485.89	99.95	99.95	0	0	0	0	0	0									99.79			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy-non-eligible activities (B)		3.18	0.05																			
Total (A + B)		6,489.07	100.00																			

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

EU Taxonomy Appendix

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

Economic activities (1)	Code (2)	Absolute CapEx (3) EUR million	Proportion of CapEx (4) %	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Proportion of Taxonomy-aligned CapEx; Year 2022 (18) %	Minimum safeguards (17) Y/N	Category enabling activity (19) E	Category (transitional activity) (20) T
				Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	123.86	76.80	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	66.84		
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6	18.88	11.71	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.81		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		142.74	88.51	88.51	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	74.65		
Of which enabling		0	0	0													0		
Of which transitional		0	0	0													0		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.10	0.06	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Sea and coastal freight water transport	CCM 6.10	0	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								22.94		
Acquisition of and ownership of buildings	CCM 7.7	7.54	4.67	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7.64	4.74	4.74	0	0	0	0	0								N/A		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		150.38	93.25	93.25	0	0	0	0	0								74.65		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		10.89	6.75																
Total (A+B)		161.27	100.00																

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

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

Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)							Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Minimum safeguards (17)	Category enabling activity (19)	Category transitional activity (20)	
				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)	Y/N				Y/N	E
		EUR million	%	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 from wind power	CCM 4.3	71.90	78.37	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	80.39				
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6	12.45	13.57	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12.98				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		84.35	91.95	91.95	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	93.38				
Of which enabling		0	0	0													0				
Of which transitional		0	0	0													0				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.15	0.16	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0				
Sea and coastal freight water transport	CCM 6.10	0.16	0.17	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0				
Acquisition of and ownership of buildings	CCM 7.7	1.07	1.16	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.37	1.50	1.50	0	0	0	0	0								N/A				
A. OpEx of Taxonomy eligible activities (A.1+A.2)		85.73	93.44	93.44	0	0	0	0	0								93.38				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities (B)		6.02	6.56																		
Total (A+B)		91.74	100.00																		

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, EL – Taxonomy-eligible activity for the relevant objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

AUDIT OPINION

7 GRI 2-5

INDEPENDENT PRACTITIONER'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT ON NON-FINANCIAL REPORTING¹

To Nordex SE, Hamburg

We have performed a limited assurance engagement on the Separate Non-financial Group Report of Nordex SE, Hamburg, (hereafter the "Company") for the period from January 1 to December 31, 2023 (hereafter the "Separate Non-financial Group Report").

Not subject to our assurance engagement are the external documentation sources or expert opinions referred to in the Separate Non-financial Group Report, which are marked as unassured.

RESPONSIBILITY OF THE EXECUTIVE DIRECTORS

The executive directors of the company are responsible for the preparation of the Separate Non-financial Group Report in accordance with §§ 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020

on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter referred to as the "EU Taxonomy Regulation") and the Delegated Acts thereunder, as well as with their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section EU-Taxonomy of the Separate Non-financial Group Report.

This responsibility includes the selection and application of appropriate methods for non-financial reporting methods as well as making assumptions and estimates for individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as we have determined necessary to enable the preparation of a Separate Non-financial Group Report that is free from material misstatement, whether due to fraud (manipulation of the non-financial report) or error.

The EU Taxonomy Regulation and the Delegated Acts contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. The executive directors have therefore set out their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted in this regard in the EU Taxonomy section of the Separate Non-financial Group Report. They are responsible for the reasonableness of this

interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently; the legal conformity of the interpretation is subject to uncertainties.

AUDIT FIRM'S INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

¹ PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the separate non-financial group report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.

RESPONSIBILITY OF THE ASSURANCE PRACTITIONER

Our responsibility is to express a conclusion with limited assurance on the Separate Non-financial Group Report based on our assurance engagement.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the company's Separate Non-financial Group Report, other than the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, are not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section EU-Taxonomy of the Separate Non-financial Group Report.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

During our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- › Obtaining an understanding of the structure of the Group's sustainability organisation and stakeholder engagement
- › Inquiries of the executive directors and relevant employees involved in the preparation of the Separate Non-financial Group Report regarding the preparation process, the internal control system relating to this process and disclosures in the Separate Non-financial Group Report
- › Identification of likely risks of material misstatement in the Separate Non-financial Group Report
- › Analytical procedures of selected disclosures in the Separate Non-financial Group Report
- › Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and in the group management report
- › Evaluation of the presentation of the Separate Non-financial Group Report
- › Evaluation of the process for the identification of taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Separate Non-financial Group Report
- › Inquiries into the relevance of climate risks

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

ASSURANCE OPINION

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the Separate Non-financial Group Report of the company for the period from January 1 to December 31, 2023 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the related Delegated Acts as well as the interpretation by the executive directors presented in the EU Taxonomy section of the Separate Non-financial Group Report. We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, which are marked unassured.

RESTRICTION OF USE

We draw attention to the fact that the assurance engagement was conducted for the purposes of the company and that the report is intended solely for the information of the company on the results of the assurance engagement. Consequently, it may not be suitable for any purpose other than the aforementioned. Accordingly, the report is not intended to be used by third parties to make (financial) decisions. Our responsibility is solely to the company. We do not accept any responsibility towards third parties. Our assurance opinion is not modified in this respect.

Frankfurt am Main, 20 February 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke ppa. Meike Beenken
Wirtschaftsprüferin [German public auditor]

GLOSSARY

AVOIDED CO₂e EMISSIONS This term – also referred to as Scope 4 emissions – describes the GHG emissions that are avoided through the generation of electricity by the entire Nordex wind farm fleet compared to the use of other energy sources (global electricity mix).

BLACK AND GREY LISTS Guidelines that define criteria for operating materials and hazardous materials not to be used within the Nordex Group to improve occupational health and safety, and environmental protection.

CARBON DIOXIDE EQUIVALENT (CO₂E) A measurement unit that is used to calculate the contribution of all greenhouse gases (GHG) to the greenhouse effect. To support comparison of their climate impacts, emissions of other GHGs such as methane or nitrous oxide are presented in CO₂-equivalents.

CLIMATE NEUTRALITY means achieving a net zero balance between greenhouse gas emissions and greenhouse gas absorption.

COE (COST OF ENERGY) describes the cost of converting a form of energy (e. g., wind power) into electrical energy.

CORPORATE CARBON FOOTPRINT includes all greenhouse gas emissions that are directly and indirectly caused by a company along the whole value chain.

E-LEARNING denotes online learning formats.

EMPLOYEES We define employees as people employed directly at the Nordex Group, excluding interns, trainees, students and apprentices.

ENGINEERING Research and Development company area.

GEARBOX The gearbox is located between the slow-rotating rotor shaft and the fast-rotating generator shaft. By using a gearbox, the generator shaft rotates up to one hundred times faster than the rotor shaft.

GENERATOR A wind turbine's generator converts mechanical energy into electrical energy.

HYBRID TOWER Extremely high tower construction made from combined steel and concrete segments.

INSTALLED CAPACITY This describes the maximum total output of all power plants (here wind turbines) installed in one area.

INVERTER Wind turbines are typically operated using variable rotor rotation speeds. An inverter adjusts the electricity supplied by the generator, with its variable frequencies and voltages, to the network frequency, phase length, and voltage required by the electrical network so that constant, grid-compliant electrical energy can be supplied to the network.

ISO 9001 Internationally recognized quality management standard.

ISO 14001 Internationally recognized environmental management standard.

ISO 14040 Internationally recognized standard that describes the principles and framework for life cycle assessment.

ISO 14044 Internationally recognized standard that describes requirements and guidelines for life cycle assessment.

ISO 45001 Internationally recognized occupational health and safety standard. It is the successor to the OHSAS 18001.

ISO 50001 Internationally recognized energy management standard.

Glossary

KILOWATT HOUR A kilowatt hour (kWh) is the amount of energy measured in kilowatts (kW) that is generated or consumed within one hour.

LIFE CYCLE ASSESSMENT (LCA) A method used to evaluate the potential environmental impacts of a product through its complete life cycle.

LOST TIME INJURY FREQUENCY The lost time injury frequency (LTIF) indicates the number of occupational accidents per million working hours that cause one or more days' absence from work.

MEGAWATT One megawatt (MW) equals 1,000 kilowatts.

MEGAWATT HOUR One megawatt hour (MWh) equals 1,000 kilowatt hours.

NACELLE The key components to convert wind power into electrical energy (drivetrain, generator, part of the electrical system, backup systems, etc.) are installed in the nacelle. The nacelle is mounted on the tower. The rotor, including the rotor blades, is attached to the rotor shaft in the nacelle.

NOMINAL OUTPUT The nominal output is a system's maximum generated electrical power specified by its manufacturer.

ONSHORE WIND TURBINE Wind power systems installed on land.

PHYSICAL RISKS describe direct and indirect acute (event-driven) and chronic (resulting from longer-term shifts in climate patterns) risks arising for the Nordex Group as a result of climate change.

PROJECT MANAGEMENT once handed over by Sales, the Project Management department assumes responsibility for a project until it is handed over to the customer, as well as internally to the Service department.

PYROLYSIS is a thermochemical process of converting organic compounds in the absence of oxygen under the influence of high temperatures, resulting in pyrolysis gases and pyrolysis oils.

REPOWERING refers to the replacement of wind turbines that are either about to reach or have already reached the end of their planned design life with more efficient turbines.

SCIENCE-BASED TARGET (SBT) refers to a greenhouse gas emission reduction target defined under consideration of the requirements defined by the latest climate science to meet the goals of the Paris Agreement.

SCOPE 4 EMISSIONS describe avoided CO₂e emissions.

SERVICE Nordex Service comprises a number of activities – from remote monitoring, preventive maintenance, on-site repairs and retrofitting additions, to the complete modernization of wind energy systems.

SF6-FREE SWITCHGEAR Switchgear that uses no sulfur hexafluoride as insulation medium.

STAKEHOLDER Stakeholders are both internal (e.g., employees) and external (e.g., customers, competitors, and the community) parties with an interest or concern in our activities and a relationship with our company.

TRANSITORY RISKS describe risks which arise for the Nordex Group as a result of the change towards a decarbonized economy.

UPWIND Management talent program of the Nordex Group

WATER STRESS refers to the situation when the available amount of water does not meet the water demand or when water quality is too poor.

WIND FARM Wind farms comprise multiple, jointly-operated wind turbines.

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We are setting our sights on a future worth living: In 2024, the Nordex Group will implement further measures from its Sustainability Strategy 2025.

