

2020

Key Facts of Sustainability



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FOREWORD BY THE MANAGEMENT BOARD



JOSÉ LUIS BLANCO
Chief Executive Officer (CEO)

“While the pandemic understandably dominated headlines worldwide in 2020, the global community still needs to continuously focus on fighting climate change, one of the biggest challenges of our time and for generations to come.

At Nordex, we aim to achieve this goal not just by increasing the efficiency and sustainability of our products, but by pursuing a holistic approach covering all aspects of our business.



DR. ILYA HARTMANN
Chief Financial Officer (CFO)

“Sustainability is not only the core of our business, but also highly relevant to our financial transactions.

We therefore welcome the fact that our financial partners like banks and investors also increasingly see this aspect as being of highest importance.



PATXI LANDA
Chief Sales Officer (CSO)

“The green recovery approach to the ongoing pandemic in many countries clearly shows the ever-increasing significance of green energy.

It is therefore more important than ever before, both for us and for our customers, that we continue to focus on the sustainable and efficient production of our turbines.



WE ARE NORDEX

5 FACTS TO KNOW ABOUT



5,461

Installed Capacity
2020 in MW

2019: 3,090 MW

4,650.7

Sales Revenues
2020 in EUR million

2019: EUR 3,284.6 million

8,527

Employees in 2020
at the reporting date

2019: 6,880 employees

135kt CO₂e

Are avoided by a single
N149/4.0-4.5 turbine
over its 25-year lifetime

6.5g CO₂e

Are emitted per kWh electricity generated
according to our Life Cycle Assessment
of a wind farm with Delta4000 turbines



SUSTAINABILITY REPORTING 2020



Please click here for our
Sustainability Report 2020 (SR 2020)

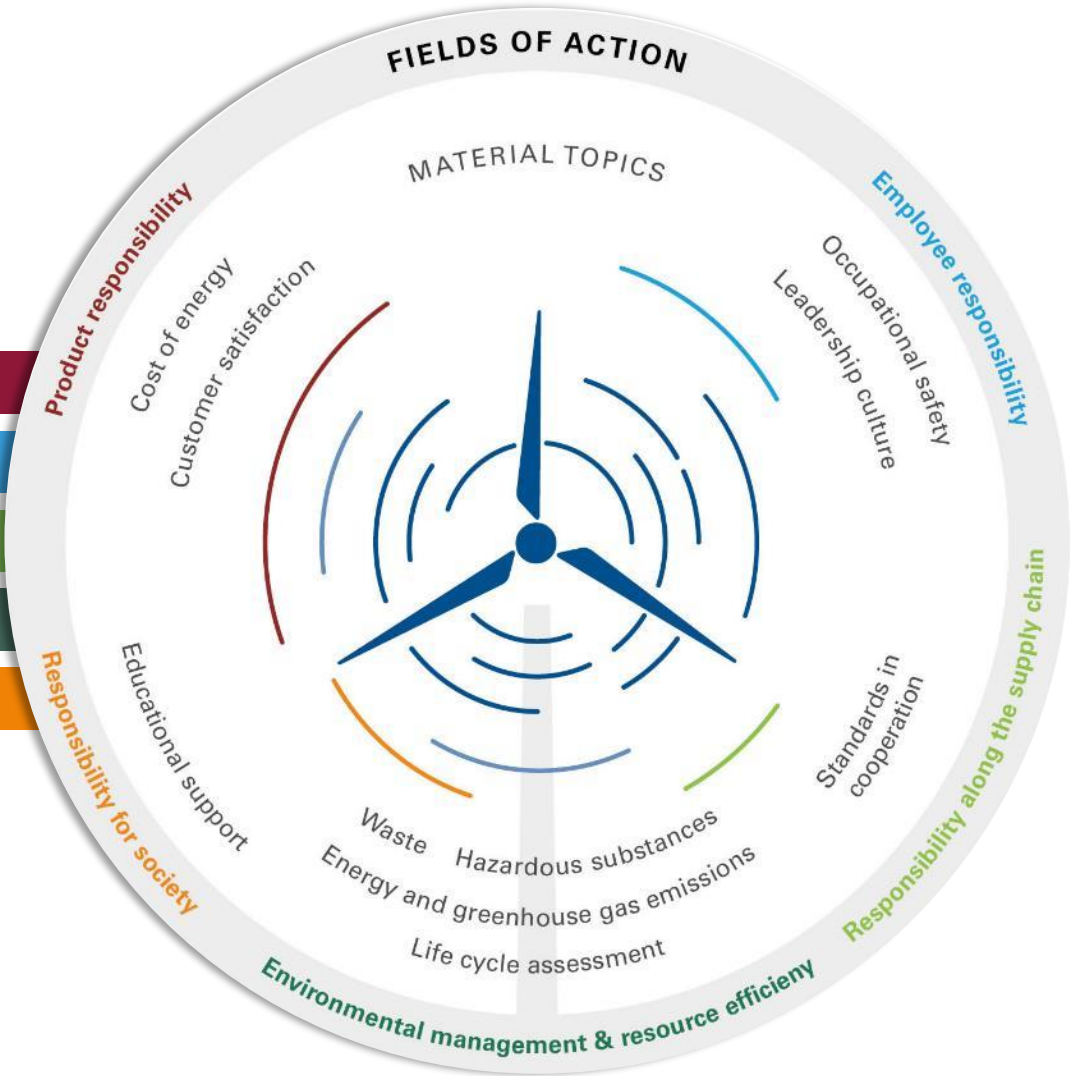
You can find our German version here:
Nachhaltigkeitsbericht 2020

This document is a concise summary of the Key Facts contained in our Sustainability Report 2020 and communicates our progress on predefined targets.

The key facts are broken down according to our five strategic fields of action:



It also integrates our highlight this year, the Corporate Carbon Footprint analysis, as well as our contribution to the Sustainable Development Goals of the United Nations (SDGs).








A photograph of a wind farm with several white wind turbines. The scene is reflected in a calm body of water in the foreground. A line of trees separates the water from the turbines. The sky is clear and blue.

SUSTAINABILITY TARGETS OF OUR SUSTAINABILITY STRATEGY (2019-2021)



Further Information
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Fields of Action	Material topic	Goals
 Product Responsibility	Cost of Energy (COE)	Continuously reduce cost of energy
	Customer Satisfaction	Achieve a satisfaction rating of more than 4 (1=very unsatisfied; 6=very satisfied)
 Employee Responsibility	Occupational Safety	Reduce accidents to a Lost Time Injury Frequency (LTIF) of less than 3.5 per 1 million working hours (new target 2020)
	Leadership Culture	Further strengthen leadership culture and values; continue established programs and processes for employee development; promote diversity in the Company
 Responsibility along the Supply Chain	Supply Chain	Optimize the supplier due diligence process
 Environmental Management & Resource Efficiency	Waste	Avoid and reduce waste by 10%
	Hazardous Substances	Reduce hazardous substances and minimize their hazard potential
	Energy & Greenhouse Gas Emissions	Procure 100% of the electricity we consume from renewable energy sources
	Environmental Life Cycle Assessment	Improve the environmental footprint of wind turbines
 Responsibility for Society	Educational Support	Support education initiatives in the region of our sites



PRODUCT RESPONSIBILITY



Further Information

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5,461

Installed Capacity 2020 in MW

2019: 3,090 MW

>32,000

Overall MW installed capacity in over 35 years

2019: >28,000

4.4

Satisfaction rate of Service and Sales Departments in 2020 (6=very satisfied)

2019: Satisfaction rate of 4.4 in Service Department, not rated for Sales in 2019

2020 Target Achievement

✓ Cost of Energy (COE)

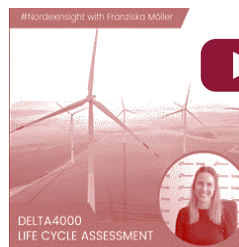
The Nordex Group was again able to achieve its goal of ongoing reductions in the cost of energy.

✓ Customer Satisfaction

An analysis of the Service Area in the reporting year resulted in an overall satisfaction rate of 4.4. In the Sales Area, we also achieved an overall satisfaction rate of 4.4.



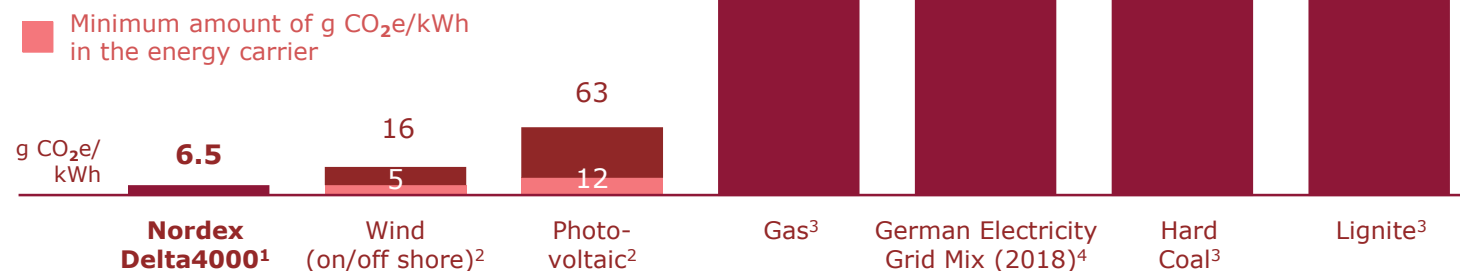
Nordex's turbines are providing clean and safe energy
in more than 40 countries
around the globe



Click [here](#) for a
#NordexInsight on LCA
with Franziska Möller

The Life Cycle Assessment (LCA) of a wind farm with Delta4000 turbines shows that only

6.5 g CO₂e
are emitted per kWh
electricity generated





EMPLOYEE RESPONSIBILITY



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2020 Target Achievement



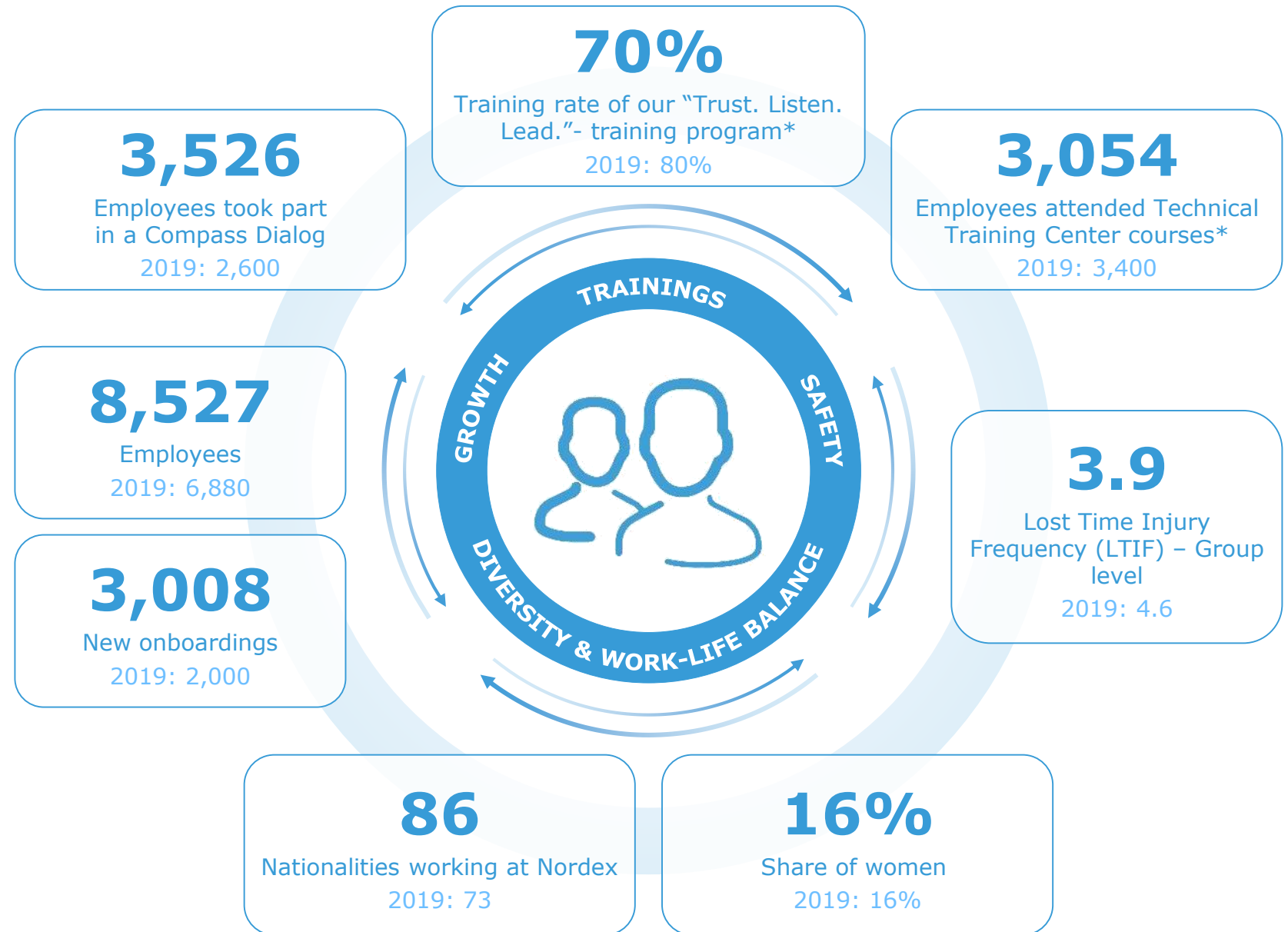
Occupational Safety

We achieved our target (LTIF <5) and reduced the Group-wide LTIF to 3.9 by the end of 2020.



Leadership Culture

Despite Covid-19, 70% of all managers completed the globally standardized "Trust. Listen. Lead." training program which communicates our values and leadership principles.



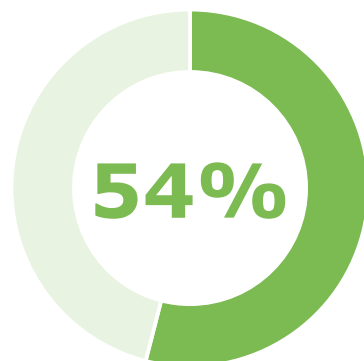


RESPONSIBILITY ALONG THE SUPPLY CHAIN



Further Information
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Nordex engages in Wind Europe's working group 'Sustainability in the Supply Chain' and aims to further improve sustainable supply chain standards in the wind energy sector.



Share of sourcing expenditures with suppliers with their head office or production sites in Europe
2019: 56%



Number of suppliers Nordex worked with
2019: 6,500



Conducted audits of Nordex-specific component suppliers as well as construction and service-related suppliers
2019: 188

2020 Target Achievement

➔ Supply Chain

We revised and harmonized the supplier qualification process in the reporting year.

Supplier content of origin in %*

	2020	2019
Germany	29.5	26.7
Europe (excluding Germany and Spain)	16.4	14.7
Africa	8.9	2.9
Turkey	8.7	6.8
China	8.6	11.4
Spain	7.9	14.7
America (excluding Brazil)	7.7	8.8
Brazil	7.3	7.6
Asia (excluding China)	5.1	6.3
Australia	0.0	0.1

An aerial photograph of a white wind turbine with red-tipped blades, positioned in the foreground. The turbine stands in a vast, green agricultural landscape. In the background, there are rolling green hills, a small farm with several buildings, and other wind turbines visible on the horizon under a clear sky.

ENVIRONMENTAL MANAGEMENT & RESOURCE EFFICIENCY



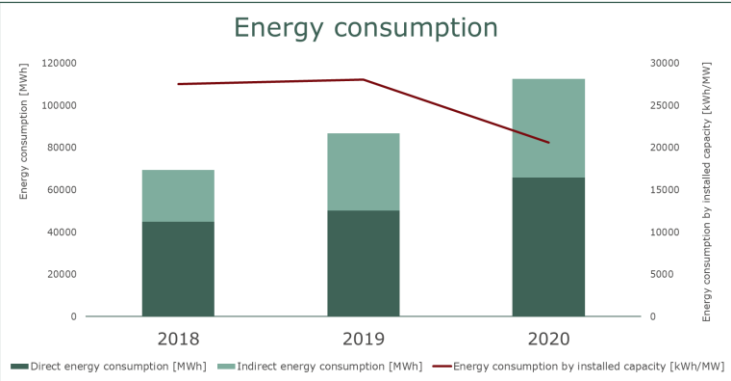
Further Information

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Environmental Management

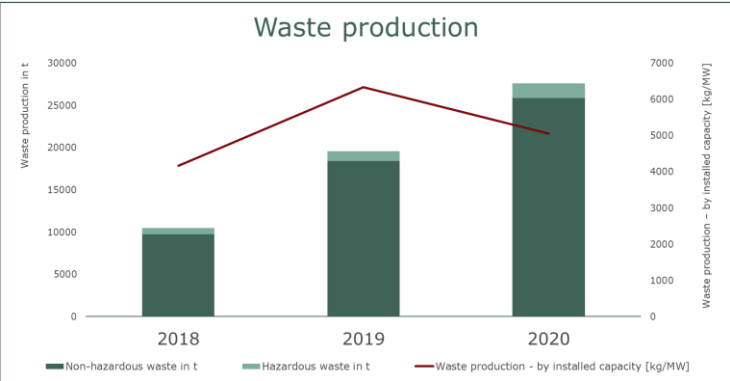
20,634

Energy consumption by installed capacity (kWh/MW)
2019: 28,096 kWh/MW



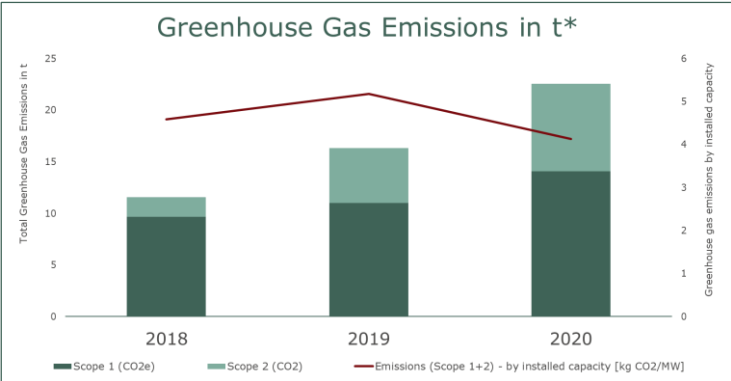
5,053

Waste production by installed capacity (kg/MW)
2019: 6,345 kg/MW



4,135

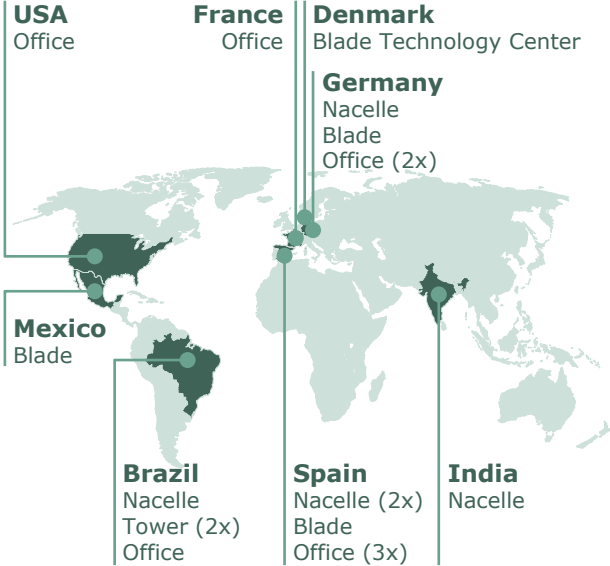
Greenhouse Gas emissions by installed capacity (kgCO₂/MW)*
2019: 5,182 kg CO₂/MW



Scope for Environmental Data Production and Office Sites

The consumption key figures on this page relate to the Nordex Group's active production sites as well as to all office sites with 80 or more employees.

Currently, around **85% to 95%** of materials used in a wind turbine are **recyclable**

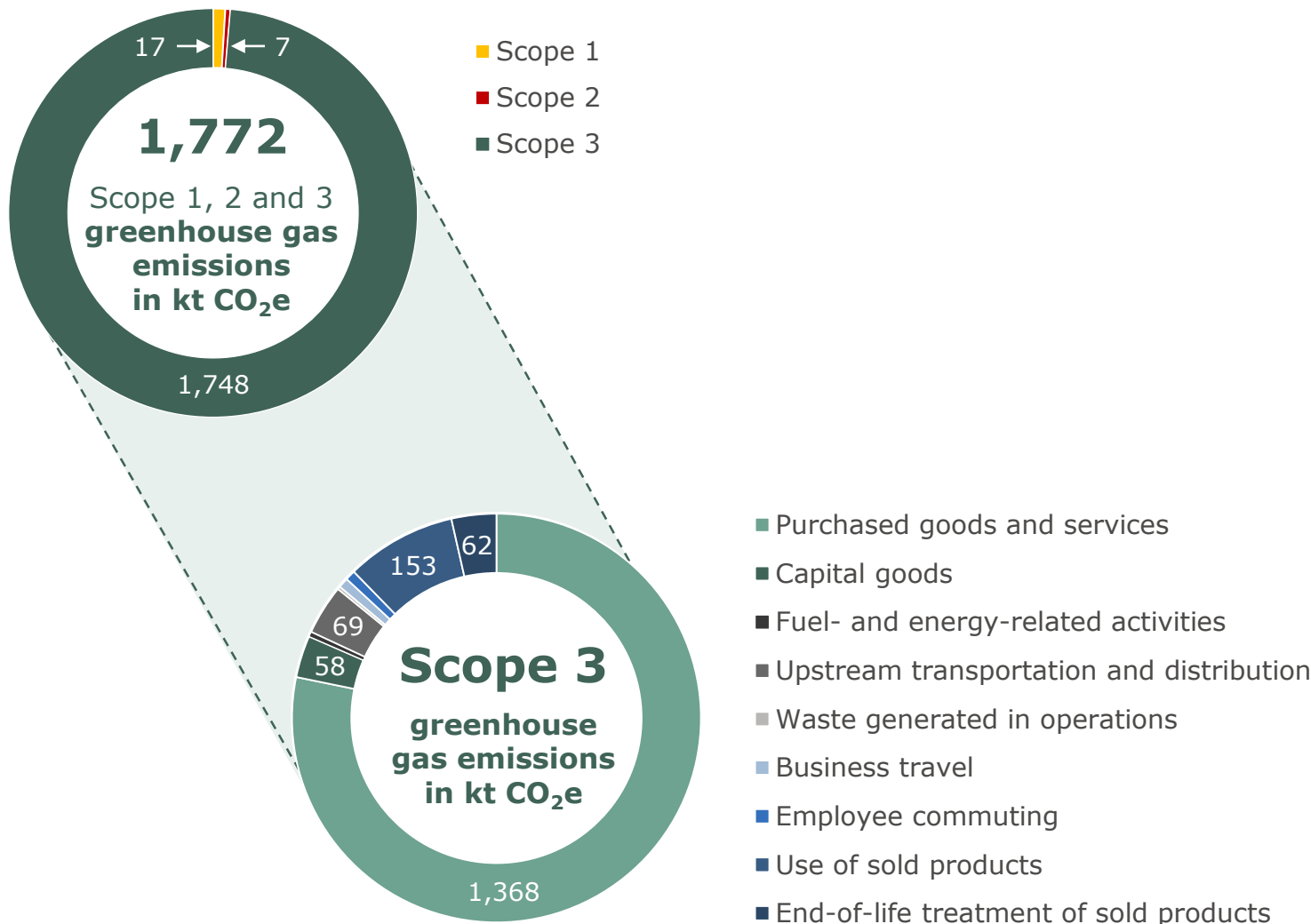


2020 Target Achievement

- ➔ **Waste**
The volume of waste relative to installed output fell by 20% compared to 2019. However, due to the strong increase in 2019, this figure is still 21% higher than the 2018 baseline value.
- ➔ **Hazardous Substances**
Nordex focused on completing our list of hazardous substances in Division Europe. Nordex excluded and substituted twelve hazardous substances on the basis of the Black and Grey Lists.
- ➔ **Energy & Greenhouse Gas Emissions**
65.1% of the overall amount of purchased electricity was generated from renewable resources in 2020 (2019: 73.5%). For Division Europe, 100% of purchased electricity is sourced from renewables. However, mainly due to increased production output in Mexico, where the electricity grid mix was consumed in the reporting year, the share across the Group fell. Nordex remain committed to the goal of achieving 100% by the end of 2021.
- ➔ **Environmental Life Cycle Assessment**
In 2019, we conducted a Life Cycle Assessment of a wind farm with our Delta4000 turbine. In 2020, we published an Environmental Product Declaration based on the study.

* In the graph (Greenhouse Gas Emissions in t) we only show our Scope 1 and 2 emissions as Scope 3 emission data in the sustainability report published in March 2021 was only related to business travel. For our comprehensive report on Scope 3 emissions see the Corporate Carbon Footprint analysis of 2019 (see following slide).

Highlight of 2020 Report: Corporate Carbon Footprint Analysis of 2019



The Corporate Carbon Footprint (CCF) analysis includes all greenhouse gas emissions that are directly and indirectly caused by a company along the whole value chain.

In 2020, Nordex conducted a comprehensive retrospective analysis of the Nordex Group's corporate carbon footprint for 2019 that includes the entire upstream and downstream value chain.

Since the beginning of 2020, the Nordex Group has a **long-term collaboration with the University of Hamburg** as part of the 'Climate, Climatic Change, and Society (CLICCS)' excellence initiative, which among other things addresses the definition of science-based emission reduction targets in accordance with the Paris Climate Agreement.

135 kt CO₂e
are avoided by a single N149/4.0-4.5 turbine over its 25-year lifetime

Background: Scope of Greenhouse Gas (GHG) Emissions

What are Scope 1, Scope 2 and Scope 3 emissions?

Scope 1: Caused by Nordex directly

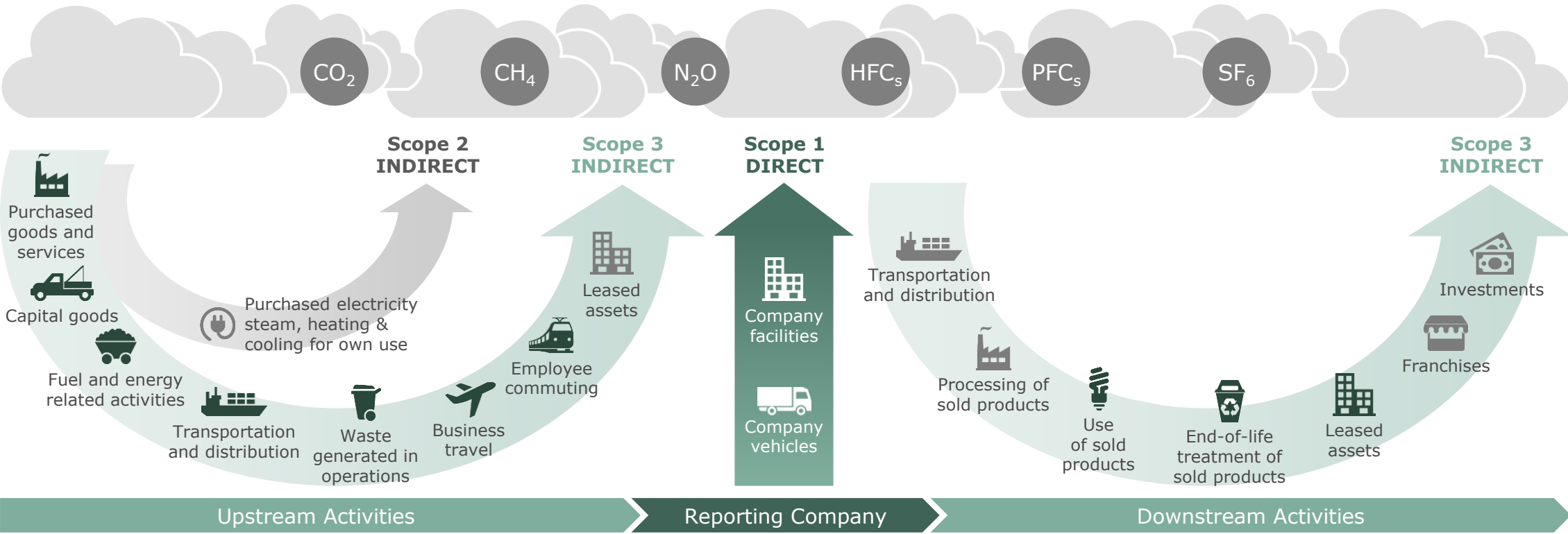
Fuel consumption by company cars, trucks & commercial vehicles. Direct consumption of oil, gas & diesel fuel to generate electricity

Scope 2: Caused by Nordex indirectly

Indirect emissions due to purchased electricity and district heating

Scope 3: Caused by Nordex indirectly

Indirect emissions occurring in the up- and downstream value chain



RESPONSIBILITY FOR SOCIETY



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Some examples of our CSR initiatives

South Africa Project

Nordex accompanied its market entry with its Nordex Education Trust.

This foundation has a 20% stake in Nordex Energy South Africa and supports disadvantaged population groups and projects in the fields of school, education, and sports, culture and community work by providing scholarships and grants for study.



Research project NEW 4.0

Nordex is engaged in a partnership with the Hamburg University of Applied Sciences (HAW Hamburg).

To conduct research under realistic conditions, a wind farm with five Nordex turbines was put into operation.

As part of a cooperation under the project NEW 4.0, a lithium-ion battery storage unit was set up here.

**Taking on
Corporate Social
Responsibility**
at local level is part
of the way we see
and understand
ourselves

Industry Initiative RenewAfrica

Africa needs energy in order to grow and renewable energies are the most sustainable and cost-efficient way of ensuring access to energy.

RenewAfrica is an initiative launched by the RES4Africa Foundation with the support of 26 stakeholders, including Nordex.

The initiative aims to expand renewable energies on a large scale in Africa.



2020 Target Achievement

✓ Educational Support

In the reporting year, we supported education initiatives in Brazil, Pakistan, and South Africa, as well as several other locations

SUSTAINABLE DEVELOPMENT GOALS



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The UN Agenda 2030 adopted 17 global Sustainable Development Goals (SDGs) in 2015.

Nordex has integrated these objectives into its sustainability approach and sees potential for influence particularly in three SDGs:

Affordable and Clean Energy

Decent Work and Economic Growth

Climate Action

**Our business can make a
SIGNIFICANT
CONTRIBUTION!**

GOOD TO KNOW



Further Information
Memberships and Organization
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ESG-Rating Scores
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Standards and Certificates



The Nordex Group has implemented the following standards:

Environmental Management ISO 14001	Life Cycle Assessment ISO 14040/14044
Occupational Health and Safety ISO 45001/OHSAS 18001	Energy and Management ISO 50001***

Memberships and Organizations

Nordex is a member of various international and sector-specific associations. We play an active role in the following organizations:



Furthermore, Nordex is engaged in a partnership with the University of Applied Sciences (HAW Hamburg) and University of Hamburg.

* ESG = Environmental, Social, Governance

** Awarded to companies with an ESG performance above the sector-specific Prime threshold, which means that they fulfil ambitious absolute performance requirements.

*** Only Rostock, all other standards are Group-wide.

ESG*-Rating Scores

	Scale	Nordex Group
	A+ (best) to D-	B Prime**
	A (best) to D	B
	AAA (best) to CCC	A
	Risk Rating 0 (best) to 100	24.6/100 – Medium
	1-100 (best)	66/100 Gold

SOURCES

¹ Nordex (2020):
[LCA of a Nordex Windfarm with Delta4000 Turbines](#)

² German Federal Environment Agency (2021):
[Aktualisierung und Bewertung der Ökobilanzen von Windenergie- und Photovoltaikanlagen unter Berücksichtigung aktueller Technologieentwicklungen, Abschlussbericht](#)

³ German Federal Environment Agency (2019):
[Emissions scorecard of renewable energies. Joint agreement on emissions avoided in 2018](#)

⁴ German Federal Environment Agency (2019):
[Entwicklung der spezifischen Kohlendioxid-Emissionen des deutschen Strommix in den Jahren 1990 – 2018](#)

⁵ Greenhouse Gas Protocol (2019):
[Diagram of Scopes and Emissions Across the Value Chain](#)



CONTACT IMPRINT

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