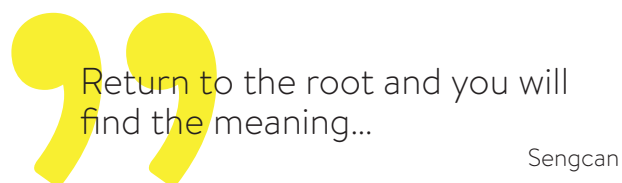


# SUSTAINABILITY AT PANTAFLIX



## FOREWORD BY THE MANAGEMENT BOARD

DEAR READERS,

For PANTAFLIX, 2023 was marked by significant strategic decisions. On the one hand, we understood more than ever how important it is to return to our roots and focus on the core expertise of PANTAFLIX, namely the production of movies and series in the high-end sector, as we have been doing successfully for more than a decade. On the other, we are leveraging the dynamics of our sector, the media and entertainment industry, and deploying Artificial Intelligence (AI) through our subsidiary Storybook Studios in order to redefine storytelling and make production processes more efficient. We combine proprietary technological innovations with creative visions in order to tap previously unknown opportunities. We are aware that every change brings with it new opportunities but also new risks. It is all the more important for us to shape our handling of AI responsibly and sustainably. Because sustainability remains a key component of our corporate philosophy. We recognize the importance of integrating social, ecological and governance aspects in our business strategies and decision-making processes.

At PANTAFLIX, we are firmly of the opinion that focusing on our roots not only strengthens our corporate identity but also supports our long-term sustainability strategy. After all, films and series have the potential not only to offer high-quality entertainment but also to promote important social discourse and raise awareness of sustainability themes. With this in mind, we invite you to scrutinize our sustainability report for 2023.

## SUSTAINABILITY STRATEGY

Focusing on our core expertise, namely the production of high-quality films and series, as well as the integrated use of AI in the production of film and series content, has further reinforced our identity as a company and our commitment to ecological and social sustainability.

The sustainability strategy of PANTAFLIX essentially comprises issues and topics from the realms of the environment, society and corporate governance. The integration of AI in our production processes and the significant role of innovation in the successful, sustainable development of our business led us to the decision taken in the reporting year to extend the four ESG principles originally defined by one further aspect – “innovation”. This will enable us to generate value added for our stakeholders over the long term.



Responsibility for the PANTAFLIX Group’s sustainability issues resides with the Management Board. Stephanie Schettler-Köhler, sole CEO of PANTAFLIX AG, is responsible for implementing the sustainability strategy and corresponding measures designed to achieve our targets. The central point of contact in PANTAFLIX’S ESG governance structure is our ESG team which is located with PANTALEON Films. In addition, every film project has external employees working as green consultants.

## STAKEHOLDER ANALYSIS

As a global enterprise active in the media and entertainment sector, continual dialog with our stakeholders is paramount for us. As early as 2021, the most important stakeholder groups for PANTAFLIX had already been identified and their expectations and impact on the Group determined. Due to the decision to shut down the Platform business unit with the wholly-owned subsidiary PANTAFLIX Technologies GmbH, the existing stakeholder analysis was adjusted accordingly. B2B customers were therefore removed from the key stakeholder groups. This results now in the following key stakeholder groups:

INTERNAL STAKEHOLDERS:

Employees / interns / volunteers	Founder
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EXTERNAL STAKEHOLDERS:

Investors	Collaboration partners (for the production business)	Lenders / funding agencies
Society	Legislators	Indirect consumers
Auditors	Vendors	Media

MATERIALITY ANALYSIS

The main ESG spheres of action for the Group had already been determined for the media and entertainment industry in 2021 on the basis of the UN Sustainable Development Goals (SDG) and SASB requirements – Sustainability Accounting Standards Board.

PANTAFLIX operates in a sector which is always dynamic and characterized by technological innovations such as Artificial Intelligence (AI). The current shift in the media and entertainment industry therefore requires certain strategic adjustments which also affect our approach with respect to sustainability and ESG issues. For this reason, we extended the ESG principles already identified in the reporting year and added the sustainability aspect of “innovation” to our sustainability strategy. Within the ESG principles, we identified specific ESG issues that are key for us. The strategic update to the materiality analysis results in the ESG issues of current relevance:

ENVIRONMENTAL PROTECTION	EMPLOYEE WELL BEING	SOCIAL IMPACT	GOOD CORPORATE-GOVERNANCE	INNOVATION
Carbon footprint	Diversity & Inclusion	Supporting local communities	Combating corruption & Compliance	Sustainable AI
Reducing environmental pollution	Health & Safety		Data privacy & data protection	
Resources and energy efficiency				
Waste management	Further education & growth		Protection of children & adolescents	

**OUR GUIDELINES:****THE UN SUSTAINABLE DEVELOPMENT GOALS**

The 17 goals for sustainable development (UN Sustainable Development Goals – SDGs) serve as a guideline for the PANTAFLIX Group for its way of working and its daily business activities. Nine of the 17 goals were already identified in 2021 to serve as guiding principles for the Group in implementing its sustainability strategy. After adjusting the materiality analysis and the sustainability strategy accordingly, Goal 9 was added in the reporting year:

**3. GOOD HEALTH AND WELL-BEING**

**3.4** Reducing by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

**7. AFFORDABLE AND CLEAN ENERGY**

**7.3** Double the rate of improvement in energy efficiency.

**9. INDUSTRY, INNOVATION AND INFRASTRUCTURE**

**19.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.

**12. RESPONSIBLE CONSUMPTION AND PRODUCTION**

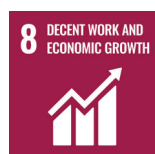
**12.5** Substantially reduce waste generation through prevention, reduction, recycling and reuse.

**15. LIFE ON LAND**

**15.1** Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.

**5. GENDER EQUALITY**

**5.1** End all forms of discrimination against all women and girls.

**8. DECENT WORK AND ECONOMIC GROWTH**

**8.5** Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

**8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

**10. REDUCED INEQUALITIES**

**10.2** Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

**13. CLIMATE CHANGE**

**13.2** Integrate climate change measures into strategies and planning.

**16. PEACE, JUSTICE AND STRONG INSTITUTIONS**

**16.b** Promote and enforce non-discriminatory laws and policies for sustainable development.

The following table shows a comparison of the main ESG indicators for PANTAFLIX for three years in succession (2021, 2022 and 2023). However, the column showing the increase or decrease in the figures only compares 2023 with the previous year. This comparison serves to create greater transparency and measurability for the implementation of our ESG measures:

The main reason for this lies in rising greenhouse gas emissions. However, with the current climate policies in place around the world, we are still far removed from preventing warming of more than 1.5 degrees. The more and the longer the 1.5 degree threshold is exceeded, the likelier we are to reach tipping points in the global eco system which will further accelerate the climate crisis.

## KEY ESG INDICATORS

### ENVIRONMENT

	2021	2022	2023	Δ (in %)
Electricity consumption <sup>1</sup>	9,295 kWh	10,248 kWh	10,777 kWh	+5.2%
Proportion of green electricity <sup>1</sup>	100%	100%	100%	–

### SOCIAL ASPECTS<sup>2</sup>

	2021	2022	2023	Δ (in p.p.)
Permanent contracts	78	71	85	+14
Fixed-term contracts	22	29	15	-14
Staff turnover <sup>3</sup>	28	6	59	+53
Proportion of women (excl. managerial positions)	44	53	50	-3
Proportion of women in managerial positions	14	27	75	+48
Proportion of women on Management Board	50	50	100	+50

### GOVERNANCE

	2021	2022	2023
Cases reported via the whistleblower system	0	1	0

1 Electricity consumption for the offices in Munich and Berlin combined.

2 The percentages for the “Social Aspects” area are always calculated and the data collected with respect to the reporting date of December 31.

3 The high staff turnover rate in 2023 is due to the strategic decision taken in 2023 to shut down the Platform business unit and merge three further companies with PANTAFLIX AG – with the resulting reduction in staff.

## ENVIRONMENTAL PROTECTION

Responsibility for the environment concerns all of us, both as private individuals and as a company. It is no longer just about preserving the future for coming generations. Rather the issue is whether we can go on living at all in the same way as we have done in the past. The consequences of climate change are indeed becoming increasingly noticeable, and global warming is now advancing faster than ever before.

Only an immediate, drastic reduction in CO<sub>2</sub> emissions can help to prevent an environmental catastrophe. PANTAFLIX therefore regards the monitoring and reduction of carbon emissions as one of the most important ESG issues, and thus plans and implements measures to reduce them.

## CARBON FOOTPRINT

Environmental responsibility forms part of our identity. At PANTAFLIX, we therefore already decided in 2022 to implement specific measures to monitor and reduce the CO<sub>2</sub> emissions for which we are responsible. For this reason, the Management Board introduced the CO<sub>2</sub> calculator for companies from KlimAktiv for the first time in 2022 to calculate the Corporate Carbon Footprint (CCF). The CO<sub>2</sub> calculator allows transparent registration and calculation of all direct and indirect emissions in accordance with the internationally recognized Greenhouse Gas Protocol Standard. Besides CO<sub>2</sub> emissions, this CCF takes account of all further greenhouse gases in the Kyoto Protocol. For better comparability, these are converted to CO<sub>2</sub> equivalents (CO<sub>2</sub>e) in accordance with their global warming potential relative to CO<sub>2</sub>. The emissions for 2023 were calculated for the main offices in Berlin and Munich and for all production projects carried out in 2023. In the reporting year, we caused 208.7 tons of CO<sub>2</sub>e (previous year: 389.2 tons of CO<sub>2</sub>e). This corresponds to a significant decline by comparison with the previous year. The reason for this is that fewer production projects were carried out in the reporting year than in the previous year.

## RESOURCES & ENERGY EFFICIENCY; WASTE MANAGEMENT

We operate in the film and media sector which consumes many resources and generates greenhouse gas emissions. By converting to production methods that conserve more resources, we can make an effective contribution to climate protection. Climate protection and environmental protection are therefore key issues for us as the producers of high-end entertainment.

Since 2021, we have committed to the ecological “Green Motion minimum ecological standards” set out by the “Green Shooting” working group for our productions and at our main locations. These standards serve to achieve production methods in German cinema, TV and online/VoD productions that are more protective of the climate and resources. After the conclusion of the real-world lab in 2022 in which PANTAFLIX also participated with the production of TRAUZEUGEN, the sustainability criteria on which the minimum ecological standards were based, were adjusted and tightened. The ecological standards are divided into five spheres of action:

1. General specifications
2. Use and consumption of energy
3. Transport
4. Accommodation and meals
5. Use and consumption of material.

These five areas contain both mandatory and advisory requirements. The mandatory requirements must be observed for productions realized to these standards. The advisory requirements are not to be seen as strict regulations but rather as an appeal for ecologically sustainable production methods. In addition, as of July 1, 2023, the ecological standards were made a prerequisite for funding as part of film funding from the federal government and states, meaning that they became mandatory for submitting an application. As of January 1, 2024, the advisory requirement, “Efficient lighting equipment in the studio” was converted to a mandatory requirement. Consequently, there are currently 22 mandatory requirements (until the end of 2023, there were only 21). To enable a production to be awarded the “Green Motion” label, the parts of the production realized within Germany must meet at least 16 of the 22 mandatory requirements (as from July 1, 2024, at least 18).

As a player in the film and media industry, it is not only our paramount responsibility to make an active contribution towards climate protection. Environmental protection measures contribute towards reducing our costs, among other things by lowering waste or wastewater volumes and cutting energy consumption. For that reason, we are optimizing our operating processes and sequences both in our productions and in our everyday office work.

## REDUCING ENVIRONMENTAL POLLUTION

The protection of our environment is a key issue for the PANTAFLIX Group. Germany produces huge quantities of waste, including household waste, commercial waste and industrial waste. Although Germany is one of the exemplary countries in Europe for separating waste, a considerable proportion of this waste ends up in landfills or is incinerated in a process that is harmful to the environment. Waste pollutes our rivers, seas, forests and meadows. We therefore avoid causing waste, we separate our garbage and our processes are paperless as a matter of principle.

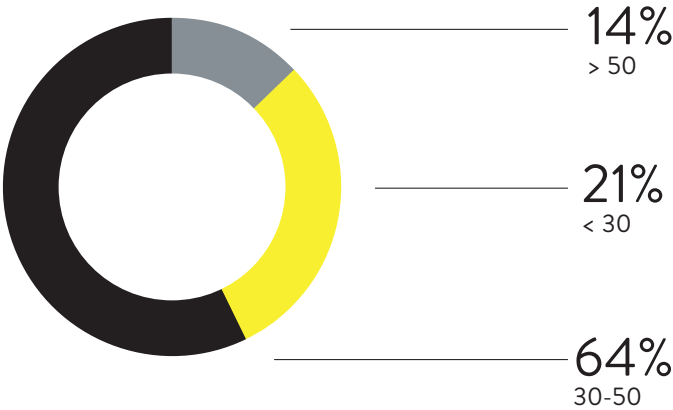
SOCIAL ASPECTS

At PANTAFLIX the focus is on people. To be able to create entertainment, keep consumers spellbound and inspire them, everybody in the working environment must feel at ease, regardless of their gender, nationality, culture, age or disabilities. To us, it is important that we contribute our share not only towards protecting the environment but also towards an open, fair society. It is therefore for us a statement of the obvious but at the same time a duty to prevent any kind of discrimination. The Management Board considers it a top priority to oppose discrimination, bullying and harassment and ensure that our corporate values are upheld and the company is open and just.

EMPLOYEE WELL-BEING  
DIVERSITY & INCLUSION

Our zero tolerance policy leads to two principles that serve as a guide in our everyday life at PANTAFLIX: diversity and inclusion. We are convinced that diversity of culture, knowledge and personalities harbors great potential to create high-end entertainment. In 2021, we undertook to include the themes of diversity and inclusion in all aspects of our business activities. Consequently, in 2022, we joined the “Diversity Charter”. The Diversity Charter is an initiative of employers to promote diversity in companies and institutions. The aim of the initiative is to advance the recognition, appreciation and inclusion of diversity in the working environment in Germany. It was launched in December 2006 by four companies and it is supported by the Federal Government Commission for Migration, Refugees and Integration. Federal Chancellor Olaf Scholz is the patron of the initiative. Our film and series productions grapple constantly with current social issues because we want our range of entertainment to make an active contribution towards reducing all kinds of discrimination. No quota system for the productions has been defined as yet but each project is analyzed separately. We want to promote diversity not only at PANTAFLIX for our employees but also in our audience and society. We want our range of content and our story-telling style to play a major role in boosting and championing diversity. As of December 31, 2023, the PANTAFLIX Group had 37 employees (permanent staff excl. project staff). This equates to a 30.2% reduction in the number of employees by comparison with the previous year (December 31, 2022: 53).

EMPLOYEES BY AGE IN%



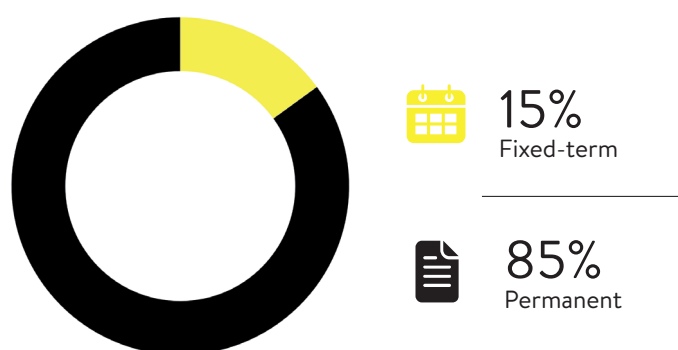
EMPLOYEES BY GENDER IN%



MANAGERS BY GENDER IN%



## FIXED-TERM AND PERMANENT CONTRACTS FOR PERMANENT EMPLOYEES



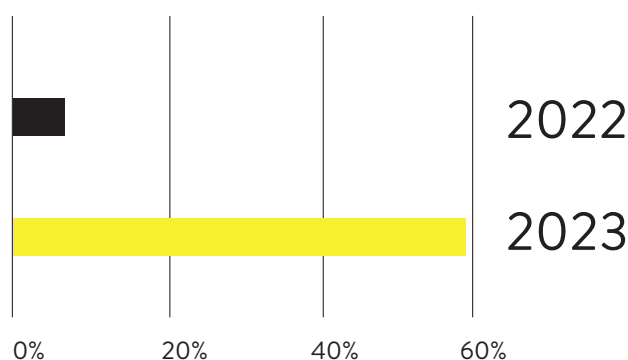
## HEALTH & SAFETY

The health and safety of its employees enjoys the highest priority in the PANTAFLIX Group. Comprehensive health and safety measures are in place to ensure that employees can work in a safe, healthy working environment. Besides health and safety at the workplace, the well-being of all our staff is a key issue for us. Employees are therefore offered flexible working hours to improve their work-life balance and promote both their psychological and physical health. At PANTAFLIX, we had already broken down the rigid “9 to 5” concept before the pandemic year (2020). Our employees can work in their home offices two days a week. In this way, young families, above all, can more easily reconcile work and family life. We also offer our staff the chance to take part in online fitness programs and use job bikes.

## FURTHER EDUCATION & GROWTH

Growth on a personal and professional level contributes to the sustainable success of PANTAFLIX. The subject of staff growth remains relevant in the reporting year. Our employees know that they can talk openly about their needs and wishes during regular performance reviews. Various voluntary but also mandatory seminars were offered in the reporting year on diverse subjects including environmental issues – energy savings measures, green production – but also on other topics such as data protection and first aid. On average, between 30% and 50% of all employees participated in the various offers of training. The PANTAFLIX Group also offers younger people the chance to gain their first professional experience through internships, voluntary work and dual study courses.

## STAFF TURNOVER (ACCORDING TO SCHLÜTER) YEAR ON YEAR\*



\* The high staff turnover rate in 2023 is due to the strategic decision taken in 2023 to shut down the Platform business unit and merge three further companies with PANTAFLIX AG – with the resulting reduction in staff.

## SOCIAL IMPACT

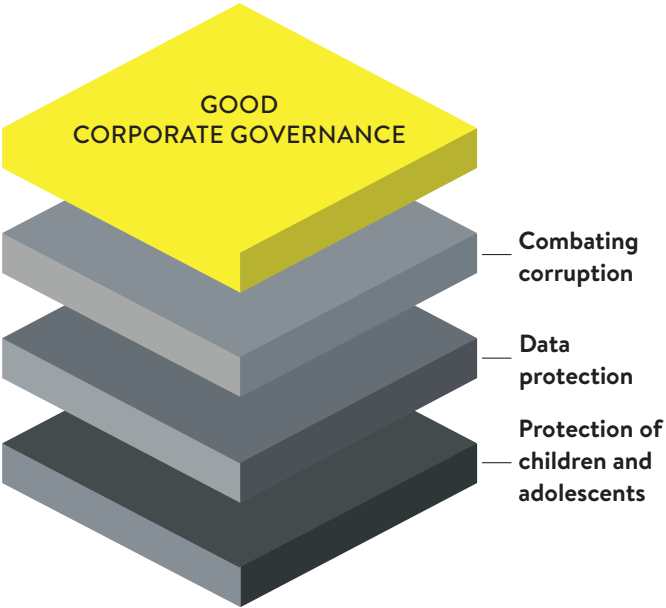
### SUPPORT FOR LOCAL COMMUNITIES

In the PANTAFLIX Group, the concept of “good neighborliness” constitutes a core value that determines how we work and treat our stakeholders. We know how important it is to nurture positive relationships and generate a feeling of community – among our team members, partners, customers and society in general. At the heart of the concept of good neighborliness is the conviction that we all live together and our actions impact our fellow men and women. We believe that we can give something back and exercise a positive influence on society. We support initiatives that promote social and environmental sustainability, education and cultural enrichment. We also encourage our employees to volunteer and participate in neighborhood activities.



GOVERNANCE

We perceive good corporate governance as the key to securing our lasting success. The image of the Company, our reputation and good relationships with authorities are essential for prevailing in the market for the long term. Acting sustainably means, above all, complying with national and international laws and regulations. Our corporate culture is based on legality, integrity, trust and transparency. Our management style rests on three pillars to ensure that we satisfy stakeholders and their expectations.



COMBATING CORRUPTION & COMPLIANCE

In the PANTAFLIX Group, we combat and reject any form of corruption. Corruption destroys trust and the reputation of the company. Besides laws with which we have to comply, we are also committed to two codes of conduct – one code for employees and one for business partners – which contain our in-house rules and guidelines governing everyday business. Compliance with our core principles is not only important for us. We expect our business partners to act within the law and observe our rules of conduct. In the wake of updating our sustainability strategy, we also adjusted our codes of conduct in 2023 and extended

them to include the subject of Artificial Intelligence. PANTAFLIX also has a guideline for gifts and hospitality. Another seminar was held for the PANTAFLIX management in the reporting year on the subject of governance and compliance.

At PANTAFLIX, we promote a culture of trust. This also includes our offer to report concerns, questions or infringements on the assurance of confidentiality. Our Management Board is therefore happy to engage in a dialog. However, this will not be sufficient in the event of more complex cases. An option therefore exists to report potential breaches of the law or infringements of internal guidelines. This can be done by email ([compliance@pantaflix.com](mailto:compliance@pantaflix.com)) or phone (on +49-89-2323855118). We did not receive any reports in the reporting year.

DATA PRIVACY & DATA PROTECTION

For us as a media company, the subjects of data privacy and data protection are of great importance. Many of our productions are located abroad, however, and numerous business partners are headquartered in other European countries. For that reason, strict compliance with the EU General Data Protection Regulation (GDPR) is extremely important for us. That is why we have appointed a data protection officer for both staff and clients who acts as a point of contact for all questions relating to this subject. We work constantly on reviewing and adjusting the implementation of measures to protect personal data. A further mandatory seminar was held for staff in 2023 on the subject of data protection.

PROTECTION OF CHILDREN & ADOLESCENTS

Children and adolescents have not yet completed their development. Depending on their age, they may not be able to distinguish fictitious representations in films, series or podcasts from reality, or such representations may even trigger traumatic experiences. For this reason, it is not merely our obligation to follow all directives and laws on the protection of children and adolescents but this is a cause that is also close to our hearts.



## INNOVATION

### SUSTAINABLE AI

In an increasingly digitized world, Artificial Intelligence (AI) is playing an ever more important role in ensuring long-term success. For PANTAFLIX, sustainability is at the heart of our business practices, and that includes the use of AI. Our approach to Artificial Intelligence is focused on not only creating innovative entertainment experiences but also exerting a positive influence on the environment and society as a whole. PANTAFLIX recognizes the enormous potential of Artificial Intelligence (AI) to revolutionize our production process and put the company in an even more advantageous position. In doing so, we undertake to maintain the highest ethical standards and to create a responsible digital environment. We guarantee strict data protection measures as well as complete transparency in the use of personal data. Moreover, we recognize the important role that AI can play in boosting cost efficiency and promoting diversity and inclusion. We strive to ensure that our AI models are not only focused on a homogeneous user group but also take account of a broad range of needs and backgrounds. In this way, we can better reflect the perspectives and needs of our diverse audience, enhance the overall quality and at the same time preserve ethical integrity.

Overall, our aim is to find a balance between technological innovation and sustainability. By exploiting the potential of Artificial Intelligence, while ensuring at the same time that our use of it is responsible and sustainable, we are striving to make a positive contribution to the future of our industry and our world.