



ESG report

2023

novar

Getting new
energy done.



Dear readers,

It is with pride and dedication that we write this foreword to introduce NOVAR's first ESG report. Our company is committed to advancing renewable energy and thereby improving the world. To achieve this, we initiate, realize, and maintain large-scale green energy systems for large energy consumers, never shying away from challenges. We are 'fixers' who get new energy done. We embarked on our ESG initiative, realizing that our pursuit of sustainable energy aligns with the pursuit of a better world.

Our vision and the role of renewable energy

Our 'Affordable Energy Initiative' shows our efforts to push as much fossil energy out of the market as possible. We aim to produce at the lowest cost while relieving the energy grid with smart flex services to the benefit of local consumers.

However, our renewable energy projects offer more than just clean energy. We strive for a holistic approach, focusing on biodiversity, responsible procurement of materials, and numerous other environmental improvement initiatives. This aligns with the growing emphasis from both governmental bodies and financial institutions on circularity and environmental improvement. We are aware of our responsibility to not only produce energy, but to do so in a way that respects and enriches the communities and environments we touch.

"Affordable renewable energy - our core business - isn't just about pricing; it's about smart solutions. Through our subsidiary Repowered, we offer flexible and intelligent energy options, ensuring availability at the right time and place, making energy more accessible and beneficial for everyone."

Gerben Smit, CEO

Affordable Energy Initiative

Produce as much renewable energy as possible to push fossil out of the market and make renewable accessible to all. Optimize production profiles on demand through flex services, direct off-take & storage.

Goals for 2030

1. 4 GWP installed capacity of renewable energy
2. Realize projects nearby or directly to large consumers matching their energy profiles, in an effort to optimize supply and demand
3. Each new solar project includes a strategy for optimizing profile and avoiding loss of production
4. Cooperate with all DSO and TSO that require cooperation on congestion services

Planned actions for 2024

1. Carry out double materiality assessment
2. Make all assets 'smart' for congestion management and flex services

KPI's	Description
Amount of installed capacity in GWp	
Congestion services	Number of CBC agreements
% of newly built Novar PV parks with Battery Energy Storage Systems (BESS)	
% of Direct line Power Purchase Agreements (PPA)	Directly feed-in production by end-consumers

Strategic decisions and materiality assessment

Novar's ESG strategy will be informed by a materiality assessment, carried out in 2024 in collaboration with partners such as PwC. This assessment will be deepened in 2025 and helps us identify areas where we can make the most significant impact—from reducing greenhouse gases, enhancing biodiversity, to ensuring well-being at the workplace. The materiality assessments may influence the KPIs that have been set.

That said, our employees are our greatest asset. Fostering their well-being is as crucial as any technological investment we make. Initiatives to enhance employee well-being include comprehensive health programs, mental health support and fostering a workplace culture that promotes work-life balance. These efforts are vital for maintaining a resilient workforce that can drive our sustainability goals forward.

Challenges and anticipation in regulatory landscapes

Navigating the complexities of global markets requires foresight and flexibility. Our proactive approach in these areas is not just about compliance but about leading by example—anticipating changes and embedding resilience into our business model.

As we expand internationally, we are conscious of the diverse challenges and opportunities that different markets present. Our projects in countries such as Germany, France, and Sweden are tailored to respect local environments and contribute positively to local communities. Each project is an opportunity to learn and adapt, ensuring that our growth never comes at the expense of our values.

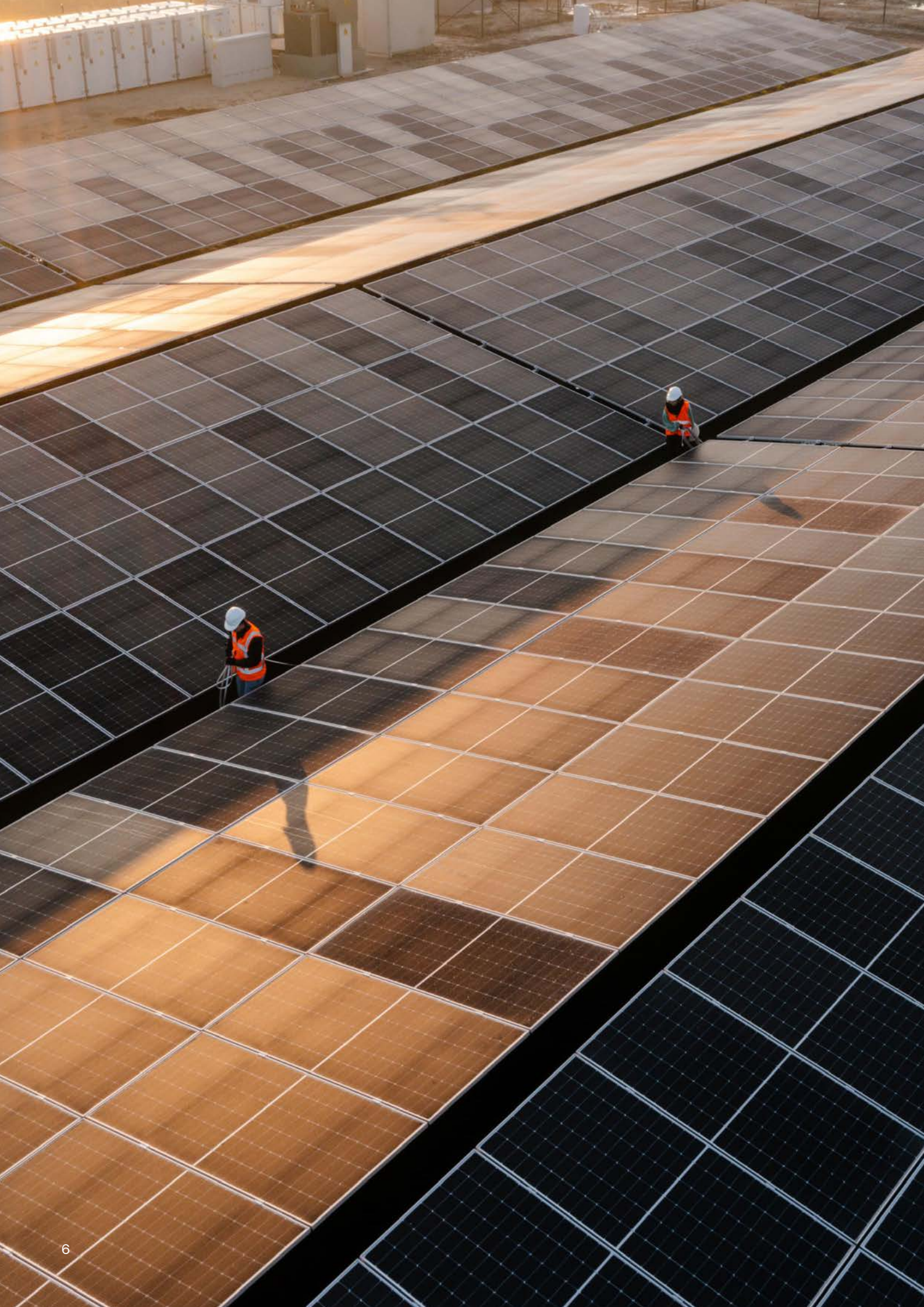
We joined the IMVO (International Corporate Social Responsibility) coalition in the renewables sector, to collectively address and prevent risks of human rights violations and environmental damage. We also lead the way in enhancing biodiversity within our projects, conducting studies for eco-certification and sponsoring biodiversity research such as our collaboration with the University of Groningen.

Operational excellence and innovation

CO₂ reduction lies at the heart of our company. Reducing our own CO₂ emissions is a goal we work towards every day. Whether it's electrifying our fleet, promoting alternative transportation methods for our employees or reducing our own CO₂ emissions in the office, we are committed to minimizing our environmental impact.

Additionally, we focus on enhancing sustainability during the construction of our projects, aiming for more efficient logistics and the use of alternative fuels. While this may present challenges, we see it as an opportunity to further enhance our sustainability efforts.





Employee wellbeing

Our commitment to employee well-being is unwavering. We strive to provide a stimulating and supportive work environment where our employees can thrive and continue to grow. By investing in training opportunities and career development, we aim not only to attract talent but also to retain and nurture it.

As a growing company with international ambitions, we view diversity and inclusivity as essential to our future. By fostering a diverse and inclusive work environment, we aim to welcome new perspectives and experiences that help us grow and flourish as an organization.

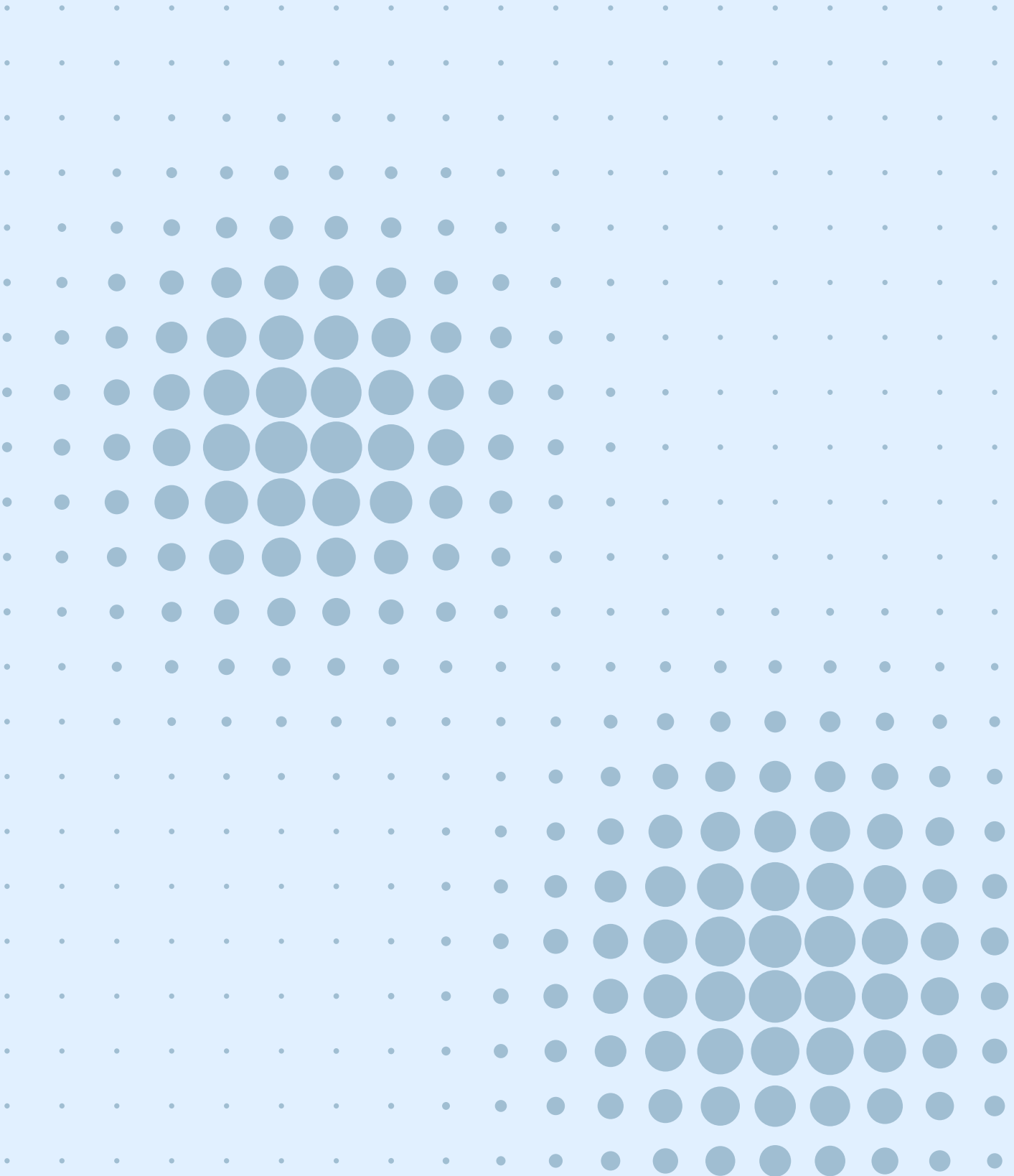
Looking ahead

As we look to the future, our focus remains steadfast on delivering energy solutions that are not only sustainable but also integral to global progress. We are excited about the possibilities that lie ahead and are committed to continuing our work with integrity, innovation and a deep respect for the planet and its people.

Warm regards,

Gerben Smit
CEO Novar

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Strategic framework

Novar's ESG strategy will be informed by rigorous materiality assessments, carried out in 2024 in collaboration with partners such as PwC. These assessments may influence the KPI's that have been set.



Environmental

Social

Governance

Environmental



CO₂ reduction

Addressing climate change and its consequences not only enhances resilience to environmental disruptions but also fosters fair and inclusive development pathways for both current and future generations. Many of our efforts this first year are focused on devising a robust method to determine our CO₂ emissions, particularly regarding Scope 3.

KPI	Description
Scope 1 GHG emissions in tons CO ₂ -e per MWp	GHG emissions from sources owned or controlled by the company.
Scope 2 GHG emissions in tons CO ₂ -e per MWp	Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the company.
Scope 3 GHG emissions in tons CO ₂ -e per MWp	Scope 3 encompasses emissions that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for, up and down its value chain.
% of CO ₂ offset by Guarantees of Origin (GoO) and Voluntary Emission Reductions (VER)	100% of the scope 1 and 2 emissions are offset by GoO's and VER's



Biodiversity and ecosystem

Biodiversity is declining globally. In The Netherlands especially on overexploited agricultural land. Our solar parks, which do not depend on soil fertility, present a unique opportunity to enhance biodiversity when properly managed.

KPI	Description
Quality of the flora on the parks	We use the grassland phase method to assess the flora in our parks, striving to achieve the highest possible phase for each location. This approach ensures that our solar parks support and enhance local plant biodiversity, contributing to a healthier ecosystem.
% of parks that have a park-specific transition plan report. This includes park-specific monitoring schedules and procedures standards, ecological construction procedures, and park-specific ecological maintenance-protocols. In these protocols standard procedures are mentioned and evaluated, as well as possible ecological improvements. These all evaluate the ecological status of the park and show what is good and what could/should be improved to promote and sustain biodiversity.	Transition plan on biodiversity and ecosystems (the company shall disclose its plan to ensure that its business model and strategy are compatible with respect to planetary boundaries of the biosphere integrity and land-system change and relevant targets outlined in the Post-2020 Global Biodiversity Framework of no net loss by 2030, net gain from 2030, full recovery by 2050, and the EU Biodiversity Strategy for 2030)

Social



Occupational Health and Safety

This underscores the importance of ensuring the health and safety of employees in the workplace. This contributes to human capital, reduces economic costs, fulfills social responsibility and supports sustainable development by preventing workplace accidents and occupational diseases.

KPI	Description
% Of employees who are covered by the company's health and safety management system based on legal requirements and/or recognized standards or guidelines	Novar is VCA certified. We are looking into ISO 45001 certification. VCA relates to the contractor's (Novar) HSE Management System for the benefit of its own employees, temporary employees and the employees of subcontractors.
The number and rate of recordable work-related accidents	The number of occupational accidents (within the reporting period) that resulted in (almost) immediate death
The number of fatalities as a result of work-related injuries and work-related ill health	This is expressed within VCA in IF (Injury Frequency). This uses the number of accidents with absence per 1,000,000 manhours worked, expressed as an accident frequency index. (Number of lost time injuries in the reporting period x 1,000,000 / Total hours worked in the reporting period) If the total number of hours worked is not known, the number of hours worked per employee (full-time units FTE) is set at 1600 hours.
The number of cases of recordable work-related ill health	As per Article 9 of the Working Conditions Act Section 1: (The employer immediately reports work accidents that result in death, permanent injury or hospitalization to the designated supervisor [Dutch Labor Inspectorate]) Section 2: (The employer shall keep a record of reported occupational accidents and of occupational accidents which resulted in absences exceeding three working days and shall record the nature and date of the accident)
The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	As per Article 9 of the Working Conditions Act Section 1: (The employer immediately reports work accidents that result in death, permanent injury or hospitalization to the designated supervisor [Dutch Labor Inspectorate]) Section 2: (The employer shall keep a record of reported occupational accidents and of occupational accidents which resulted in absences exceeding three working days and shall record the nature and date of the accident)



Employee wellbeing

Our vision is to be a leading organisation where employee wellbeing is central and integrated with our ESG objectives. We aim to create a culture where the well-being of our employees goes hand in hand with environmental protection and social responsibility.

KPI	Description
Yearly employee engagement survey –satisfaction rate	<p>Survey design: for all employees within Novar</p> <ul style="list-style-type: none"> • Data Collection: using a digital platform, ensuring anonymity • Result Analysis: In number of participants and overall outcome • Reporting: report to management • Action Plan: Develop initiatives to address any issues highlighted in the survey to improve workplace conditions.
Employee retention rate	% of employees who stayed on-staff from the beginning of the year compared to the end of year (1 year). This does not include new employees who were hired during that time.
% of employees that participated in regular performance and career development reviews (broken down by employee category and by gender)	% staff engaged in systematic evaluations of their work performance and discussions about their career progression. Categorizing data by employee type and gender, to ensure inclusivity and equal growth opportunities for all employees.
Average # of training hours per person for employees, by employee category and by gender	Amount of time each employee within Novar spends in training sessions, segmented by their role within the company and gender. This metric is essential for assessing the extent of investment in employee development and ensuring equitable access to training across different groups within the organization.

ESG Strategic framework

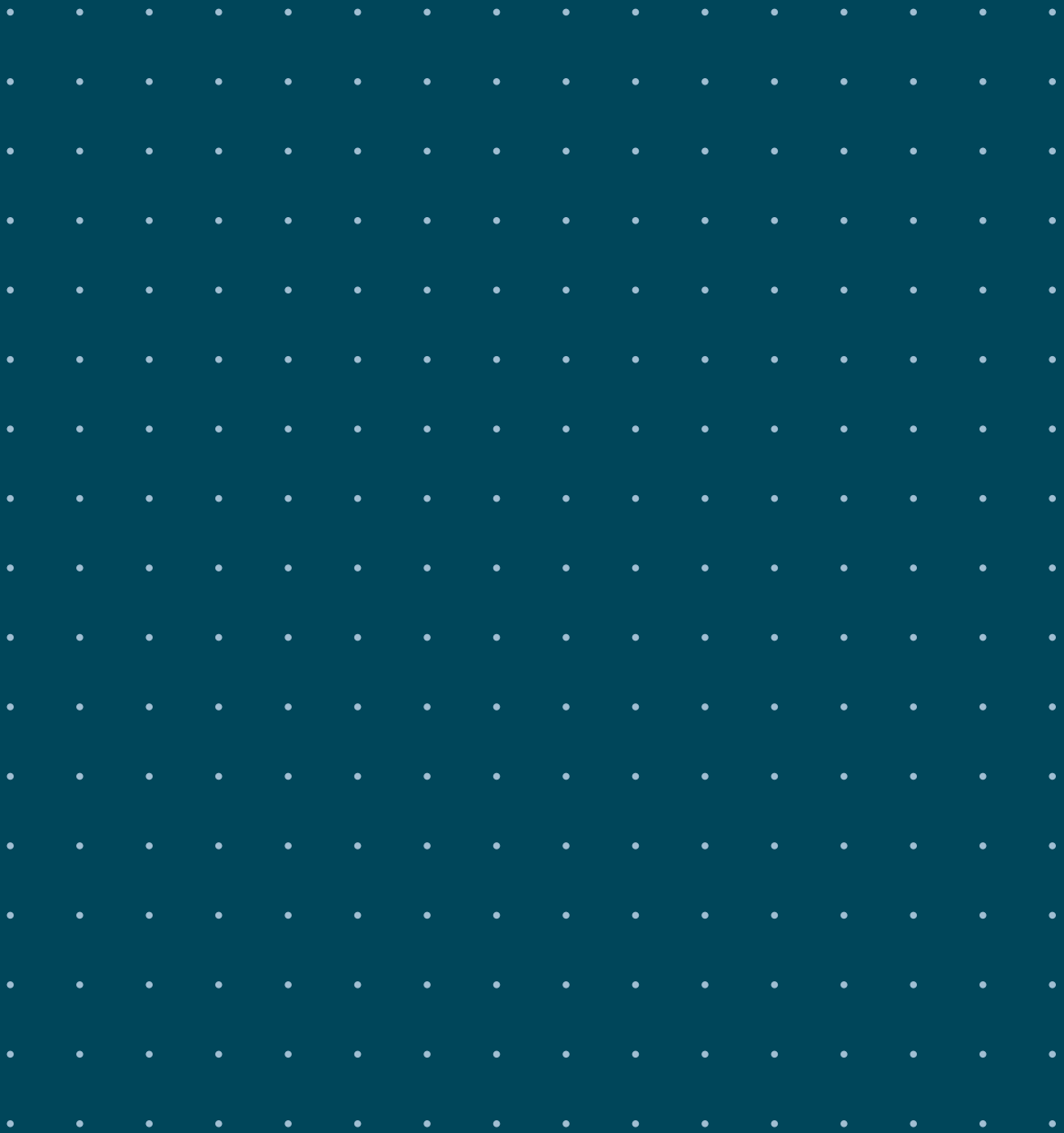
Social



Diversity and inclusion

In transitioning to sustainable energy, we recognize that diversity and inclusion (D&I) are crucial for innovation, resilience, and success. Our D&I vision emphasizes that sustainability is about protecting the planet and creating an inclusive world. Promoting diversity within our organization and integrating inclusive practices into our processes and decision-making better positions us to meet sustainable energy challenges and positively impact society.

KPI	Description
The gender distribution in number and percentage at top management level amongst its employees	Tracks the composition of Novar’s upper management, highlighting the count and proportion of individuals of different genders holding top-level management positions. Vital for assessing gender diversity and equality within the leadership hierarchy
The distribution of employees by age group: <ul style="list-style-type: none"> • under 30 years • 30-50 years • over 50 years 	Provides Novar insights into the age diversity of the organization and supports workforce planning and generational diversity initiatives. Measurement based on employees on payroll (including external hire) December 31st.
The male-female pay gap, defined as the difference between average gross hourly earnings of male paid employees and of female paid employees expressed as a percentage of average gross hourly earnings of male paid employees	Applied formula: (average gross hourly earnings of male paid employees - average gross hourly earnings of female paid employees) / average gross hourly earnings of male paid employees. Only consider full time employees.
The ratio of the annual total compensation ratio of the highest paid individual to the median annual total compensation for all employees	Compares the total yearly earnings of the highest paid individual to the median earnings of all staff, offering insight into the company’s pay equity and compensation structure. Based on base salary, bonuses, stock options, pension contributions, and any other financial benefits.



ESG Strategic framework

Governance



Ethical Business Conduct

Ethical business practice goes beyond regulatory obligation, it defines our corporate identity, it is the foundation of our decision-making protocols, it guides our interactions with stakeholders and it shapes our overarching business strategies.

KPI	Description
# and nature of confirmed incidents of corruption or bribery	
% of employees who successfully and timely completed the (Ethics) Code of Conduct training on an annual basis	Percentage of employees that have successfully and timely completed an online training on the ethics code of conduct
The average time the company takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated, in number of days	



Supply Chain transparency

Supply chain transparency in the renewable energy value chain is crucial for various reasons, encompassing social, environmental, and economic aspects. Novar has a responsibility preventing or mitigating the negative social and environmental impact globally.

KPI	Description
% of (1) entity's facilities and (2) Tier I suppliers' facilities participating in an audit program or equivalent third-party audit programs for integrity of supply chain and resources	100% of critical suppliers (refers to Novar's suppliers policy)

CO₂ Reduction





Planned actions for 2024

1. Define future proof CO₂ calculation tool
2. Determine scope 1, 2, and 3 baseline
3. Determine a realistic number for CO₂ emissions reduction percentage
4. Set up en start of actions on top 3 scope 1 CO₂ emitters
5. Apply consultancy to determine our scope 3
6. Engaging Novar employees in the climate change topic through training- and awareness programs

CO₂ Reduction Initiatives at Novar

At Novar, we are taking significant steps in our CO₂ reduction initiatives by actively calculating and understanding our emissions across scopes 1, 2, and 3. We monitor direct, indirect and emissions throughout the company's supply chain. Our commitment to sustainability extends beyond our direct operations, reflecting our dedication to responsible global practices.

Last year marked the beginning of our efforts to establish concrete baselines for emissions through internal assessments. While sometimes based on assumptions regarding our operations, these measurements have provided us with a clearer understanding of our impact and have shown clear areas for improvement.



“The formal ESG process has just begun, and our first step is to accurately measure our Scope 1, 2, and 3 emissions. Surely we continue with awareness initiatives like ‘Warm Sweater Day,’ but our main goal this year is to redefine and standardize these metrics to ensure we’re on the right track.”

Loes Tuin, business controller

Scope 1 Emissions: Direct Control

For scope 1, Novar controls direct emissions, including those from company vehicles and office operations. From the onset, we chose to use electric cars. A notable example of our commitment is the strategic shift from air travel to rail travel for company trips, significantly reducing travel-related emissions. Additionally, our commitment can be seen in smaller initiatives such as our “Warm Sweater Day” at the offices, where we lower heating levels to save energy. For Christmas we offer our employees the choice between a sustainable Christmas gift package or the option to plant trees. We are continuously exploring ways to improve and accurately measure these direct emissions to further minimize our environmental footprint.

Scope 2 Emissions: Purchased Energy

Scope 2 covers emissions from the energy purchased and consumed by Novar. Although we are still familiarizing ourselves with the intricacies of these scopes, we are committed to improving the accuracy of our measurements. As a rapidly growing organization, reducing our Scope 2 CO₂ emissions will be a continuous challenge. Our goal is to align these outcomes with internationally recognized standards.



Scope 3 Emissions: Supply Chain Impact

Scope 3, involving emissions from the company's entire supply chain, remains the most challenging to address due to its complexity and the scale of external operations influencing it. However, Novar is teaming up with our investor DIF to adopt a more standardized approach to calculating these emissions. By increasing transparency in our supply chain and integrating stringent environmental and human rights standards into our procurement processes, we aim to tackle these emissions head-on.

Our proactive approach includes regular assessments to refine our strategies and ensure alignment with our sustainability goals. By joining the IMVO (International Corporate Social Responsibility) covenant signed by all major players in the Dutch renewables industry, we gain the leverage to enact collective actions that amplify our impact. This collaborative effort includes governments, NGOs, and industry peers, enhancing our ability to influence broader industry practices and achieve significant environmental outcomes.

Strategic Procurement and Collaborative Efforts

Our approach involves developing systems that can be adopted by multiple companies to optimize procurement processes, reducing the environmental footprint across the sector. We engage in international chains where much of the production and resource extraction occurs worldwide. The covenant aims to ensure that our solutions for environmental challenges do not come at the expense of other nations within our supply chain.

While initial assessments may not show perfect scores, they provide a starting point for ongoing progress. Every year, we strive to drive positive changes throughout our supply chain, setting higher benchmarks for sustainability and responsible business practices.

A major component of our strategy involves due diligence—ensuring we understand and mitigate the impacts of our supply chain partners.

This not only helps us comply with the covenant but also sets a benchmark for industry practices. With significant imports from regions like China, particularly from areas with known human rights challenges, it's crucial for companies like Novar to lead by example, advocating for improvements and ensuring our operations help rather than harm.

The dialogue around CO₂ reduction is broadening at Novar, with the company examining not only its direct impact but also how it can influence its supply chain towards greater sustainability. This effort aligns with our broader ESG goals, emphasizing biodiversity, employee well-being, and a holistic approach to sustainability. Through our proactive efforts, collaborative initiatives, and strategic procurement, we are committed to making a significant, positive impact on the environment and society.



“Signing the IMVO Covenant is a crucial step for us. It ensures that our international operations, particularly in the renewable energy sector, don't solve local problems at the expense of communities and environments elsewhere. This collaborative effort with governments, NGOs, and industry peers is key to fostering sustainable and responsible business practices.”

Jeroen Vogel, manager financial planning & analysis



Biodiversity





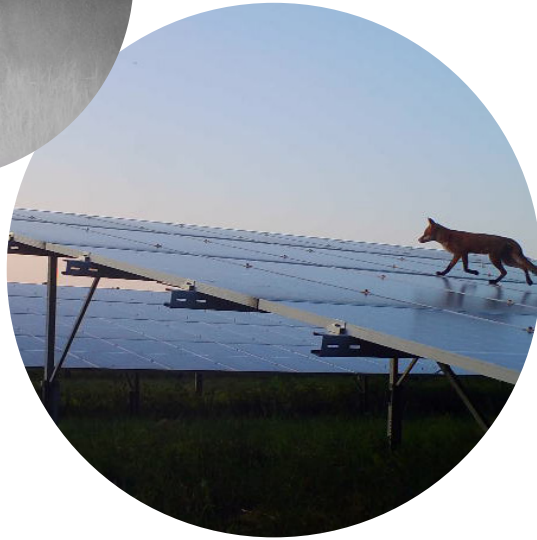
Eco-Policy: Pioneering Developments in Solar

Our roots lie in ground-mounted solar parks, where we identify substantial opportunities to benefit the environment. We are currently even researching possibilities to extend these to our roof mounted installations. Our journey began several years ago when we chose to advance our ecological policies. Recognizing the potential for rapid and efficient value addition, we embraced this challenge.



“Integrating ecological management into our solar parks from the design phase is key. By involving ecologists early on and continuously monitoring biodiversity, we ensure that our projects not only minimize environmental impact but also actively enhance local ecosystems. This commitment to biodiversity is now a standard practice at Novar and is supported by regular assessments and dedicated funding.”

**Sander Leone, teamlead
development**



Planned actions for 2024

1. All Novar parks that are permitted and haven't been build yet will have a 0-measurement
2. A few selected operational parks, equivalent to one-third of the total number of parks, will be monitored to spread the costs and distribute our focus.
3. Monitored parks (3) will receive landscape adjustments and an ecological management plan, based on the monitoring
4. Promote and engage in ecological research on our solar parks

Design Phase: Initiating Ecological Excellence

From the outset, our policy mandates the inclusion of an ecologist in the design phase of every project. This initiative transcends mere compliance, aiming to enhance our park - and installation - designs to be both eco-friendly and efficient. Each solar park receives a bespoke management plan from inception, ensuring each step contributes to sustainability.

Construction and Beyond: Building with Diligence

Our approach to construction emphasizes prudence and environmental stewardship. We prioritize soil protection, eschewing heavy machinery that could compact top layers and damage future meadows. This strategy extends beyond damage prevention to include rigorous impact monitoring from the beginning. Baseline - zero - measurements establish a reference point, enabling us to evaluate the efficacy of our green interventions.

Ongoing Monitoring: Upholding Our Commitments

Our ESG reporting framework transforms monitoring into an enduring commitment. We ensure continuous oversight of all projects, whether new or existing, to uphold our stringent ecological standards. Dedicated budgets are allocated to refine and enhance parks, even post-completion.

Our KPI's focus on maximizing biodiversity, transforming our solar parks into thriving habitats. Utilizing methodologies such as monthly inspections and the grass seed index (see table below), we track our progress, striving to convert overutilized agricultural lands into vibrant ecosystems.

At Novar, ecological management has been integral to our operations for years now. Early on, we recognized the potential to create significant added value for the environment and local communities. We can safely say that ecological management has become a standard practice, and we are committed to institutionalizing Ecological Excellence within all our projects.



“Our monitoring process involves conducting detailed assessments of plant, insect, and mammal life within our solar parks. Ecologists visit three times a year to study specific plots, tracking changes in vegetation. Additionally, we use wildlife cameras to capture the presence and movement of various animals, providing valuable insights into the local ecosystem.”

Jade Sinkgraven, ecological monitoring

Grassland Phase	Description
Grassland Phase 0 (G0) - Grass monoculture	Very uniform grassland with almost exclusively species such as English ryegrass and/or rough meadow grass, and bird's-foot trefoil or creeping bent.
Grassland Phase 1 (G1) - Grass mix	Grassland with English ryegrass, rough meadow grass, creeping bent, and bird's-foot trefoil being dominant. In addition to small herbs such as creeping buttercup, daisy, common mouse-ear, and common chickweed are present.
Grassland Phase 2 (G2) - Dominant stage	In this stage, there are many herbs present, with characteristic species being goat's beard, yarrow, and common knapweed. Often, a dominant species will start to emerge.
Grassland Phase 3 (G3) - Grass and herb mix	In this stage, the herbs are highly variable, and many species are present. Most species no longer stand out due to the high density and variety. The grasses of Phase 1 and 2 are still present, but now interspersed with a variety of herbs. Characteristic species include cow parsley, common vetch, meadow buttercup, smooth hawk's-beard, creeping buttercup, red clover, narrow-leaved meadow-rue, and burnet saxifrage.
Grassland Phase 4 (G4) - Flower-rich grassland	At this stage, the grass is no longer dominant, and herbs clearly outweigh. Characteristic species include yarrow, red clover, smooth hawk's-beard, common daisy, common mouse-ear, and common knapweed.
Grassland Phase 5 (G5) - Scrubland	This stage is very sparse, with almost no grass species present. Characteristic species include common sorrel, creeping cinquefoil, common knapweed, and birdsfoot trefoil.



A pivotal role in ecological research

Novar has taken a pivotal role in spearheading an extensive ecological research project in collaboration with the University of Groningen (RUG) and the provincial government. This initiative examines the impact of solar parks on biodiversity and ecological values, illustrating Novar's dedication to sustainability and embodying a core aspect of their ESG goals.

A few years ago, the project was catalyzed by an accidental but nonetheless intriguing encounter with a buzzard at one of Novar's sites. This highlighted a knowledge gap regarding the interaction between solar parks and local wildlife. The encounter led to a partnership with Head of Research Raymond Klaasen of the University of Groningen (RUG), sparking the realization that a more comprehensive study was necessary to understand and mitigate any negative ecological impact. The ecological research is carried out at various parks in the province of Groningen. All developers participate in the research by opening their parks to the researchers.

Enhanced local biodiversity

Preliminary results from the five-year study are promising, showing that well-designed and managed solar parks can significantly enhance

local biodiversity. The study found that solar parks with diverse vegetation, support higher populations of certain species - such as mice and butterflies - than surrounding agricultural areas. Some bird species also thrive better within these richer habitats compared to traditional farmlands.

However, the research also revealed challenges, such as the absence of certain ground-nesting birds like the skylark. These findings are vital as they provide specific directions for modifying project designs to support a broader range of species.

Novar's collaboration with academic institutions and other stakeholders in Groningen is crucial for the success of this project. It allows for a collective approach to developing innovative



“Our partnership with Rijksuniversiteit Groningen and the province on ecological research, highlights our dedication to sustainability. This project underscores that well-designed solar parks can significantly enhance biodiversity, proving that renewable energy development and ecological care can go hand in hand.”

David de Jong, marketing strategist

solutions that benefit not only the company but also local communities.

Committed to design in future projects

The insights gained from this study are pivotal for Novar to meet its sustainability objectives and to assert a leadership role in the public discourse on sustainable development and ecological management. We are committed to using this knowledge to design and manage future projects that positively impact both energy provision and biodiversity. This proactive approach to environmental stewardship is set to position Novar as a model for others in the industry, driving forward the integration of ecological considerations into the renewable energy sector.



Employee wellbeing





Planned actions for 2024

1. Employee engagement survey 2024 + research on tooling + decision on recurring questions related to the KPI satisfaction rate.
2. Implementation Learning & Development platform with e-learning around personal development
3. Overview of training curriculum per job
4. Create agenda with employee well being related topics plus planning a follow up mental resilience workshop following the workshop "Balance in your Work".
5. Perform 0-measurements on all KPI's

Diversity and inclusion

1. Implement Learning platform where employees can receive a training on D&I and promote this training amongst our employees.
2. Investigate improving recruitment practices: How to make the recruitment process more inclusive
3. Develop 0 measurements for all KPI's

Enhancing Employee Wellbeing at Novar

We have undergone significant developments in recent years, driven by our commitment to sustainability and employee growth. Recognizing that our employees are central to our mission, we have taken and will take deliberate steps to ensure their wellbeing and development are prioritized, thereby enabling us to collectively achieve our sustainability goals.

Novar stands out due to the intrinsic motivation of our employees toward sustainability. This dedication is essential to our ethos. We nurture this drive, making it a core component of our organizational culture. Regular assessments and feedback ensure that our employees remain engaged and motivated.

Balancing work and personal life

Good corporate citizenship at Novar means creating conditions that allow employees to

perform their tasks effectively while maintaining a healthy work-life balance. Following Novar's expansion, this includes training managers to support and coach their teams, ensuring a conducive work environment. Given our young workforce, we recognize the need for continuous development among both employees and managers.

Diversity, inclusion, and healthy work practices

Diversity and inclusion are integral to Novar's work culture, though we acknowledge there is room for improvement. In the coming years, we are setting goals to enhance diversity within our workforce and foster a more inclusive environment. Additionally, we promote healthy work practices, such as flexible working hours and remote work options, contributing to better work-life balance and reduced stress. In addition to the work-life balance training given in 2023, we are exploring methods to address stress and prevent burnout, recognizing its increasing relevance.

Personal development and career growth

Investing in the personal development of our employees is a priority. We are introducing platforms like Good Habits, offering over 150 personal development courses accessible to all employees. This initiative for 2024 allows employees to work on their personal and professional growth, aligning with their career aspirations. Furthermore, we are implementing development assessments for high-potential employees to tailor their growth paths more effectively.

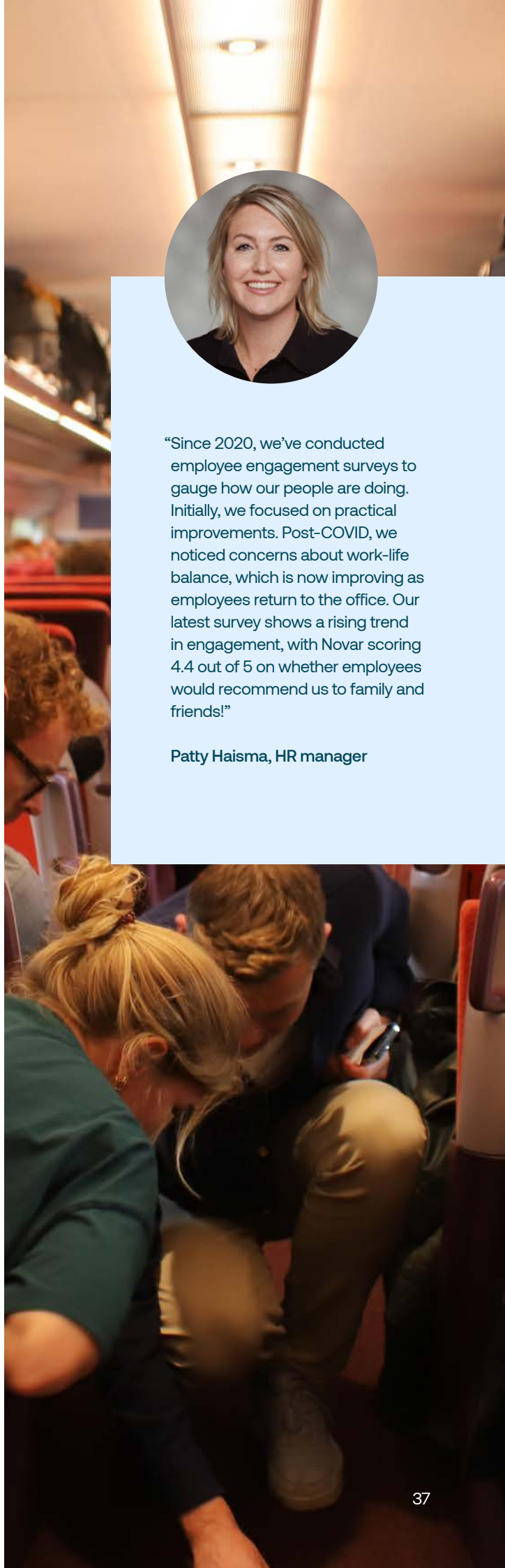
Proactive Occupational Health Initiatives

Our comprehensive approach targets both the physical and psychological well-being of our team, ensuring that everyone - from office staff to field workers on our PV and battery installations - operates in the safest and most supportive environment possible. We leverage cutting-edge technology and continuous training to maintain a safe working environment. This includes regular updates to our safety protocols and investment in the latest safety equipment. Training sessions are not just



“Since 2020, we've conducted employee engagement surveys to gauge how our people are doing. Initially, we focused on practical improvements. Post-COVID, we noticed concerns about work-life balance, which is now improving as employees return to the office. Our latest survey shows a rising trend in engagement, with Novar scoring 4.4 out of 5 on whether employees would recommend us to family and friends!”

Patty Haisma, HR manager



about compliance; they're about empowering our employees with knowledge and skills to handle their tasks safely and efficiently.

Mental Health: A Pillar of Occupational Health

Recognizing the critical role mental health plays in occupational safety, Novar has instituted programs that address psychological hazards at work. Stress management workshops, access to mental health professionals, and policies that promote work-life balance are integral to our approach. By tackling these issues head-on, we help prevent burnout and foster a supportive workplace culture.

We constantly evaluate and improve our occupational health strategies. This proactive approach ensures that we stay ahead of potential health risks posed by new technologies and working methods.

Building a great place to work

Our commitment to employee wellbeing also strengthens our employer value proposition. Part of our teambuilding effort is the annual 'strategic trip', which employees find highly valuable and that also aims to foster connection. By nurturing a supportive and inclusive work environment, we enhance our attractiveness in the competitive job market. We are continually improving our recruitment strategies and tools, including the introduction in 2024 of a referral bonus program, to attract and retain top talent.

Enhancing employee wellbeing is not just a goal but a fundamental aspect of our operational strategy. By prioritizing employee development, engagement and a healthy work environment, we aim to create a sustainable and thriving workplace. Our commitment to these principles is evident in our continuous efforts to improve and innovate, ensuring that Novar remains a great place to work while achieving our broader sustainability objectives.





“In the past two to three years, we’ve seen a shift in focus from safety to health within our field. Unlike immediate safety issues, health problems such as psychosocial workload (PSA), accumulate over time. Often becoming apparent only when it’s too late, leading to significant impact on both employees and the company. Our goal is to proactively address these risks, such as prolonged sitting and excessive screen time, through ergonomic improvements and open communication.”

Hein Kooi, QHSE manager

Novar's Proactive Occupational Health initiatives

Our commitment to occupational health goes beyond compliance; it's about proactively fostering a healthy, vibrant workplace. Our comprehensive approach targets both the physical and psychological well-being of our team, ensuring that everyone - from office staff to field workers on our PV and battery installations - operates in the safest and most supportive environment possible.

Our policies focus on accident prevention and occupational disease prevention while promoting HSE awareness, and strive for continuous improvement in safety, quality and healthy working conditions. We leverage cutting-edge technology and continuous training to maintain a safe working environment. This includes regular updates to our safety protocols and investment in the latest safety equipment. Training sessions are not just about compliance; they're about empowering our employees with knowledge and skills to handle their tasks safely and efficiently.

Mental health: a pillar of occupational health

Recognizing the critical role mental health plays in occupational safety, Novar has instituted programs that address psychological hazards at work. Stress management workshops, access to mental health professionals and policies that

promote work-life balance are integral to our approach. By tackling these issues head-on, we help prevent burnout and foster a supportive workplace culture.

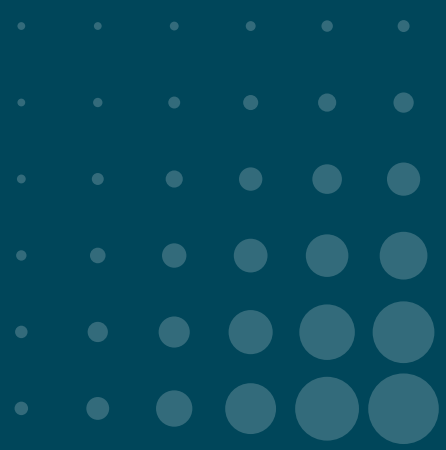
Building a healthier tomorrow

We constantly evaluate and improve our occupational health strategies. This proactive approach ensures that we stay ahead of potential health risks posed by new technologies and working methods. Our commitment to continuous improvement in occupational health is integral to our ESG goals, reflecting our dedication to sustainability in every aspect of our operations. By investing in our employees' health, we're not just enhancing their well-being; we're building a more resilient and dynamic Novar for the future.



Planned actions for 2024

1. Safety, health, and well-being on the agenda during management meetings.
2. Provide a training and education (platform).
3. Ergonomic improvements (screen) workplace.
4. Complete O-measurements for all KPI's
5. O-measurement Safety Culture Ladder (SCL) through self assessment

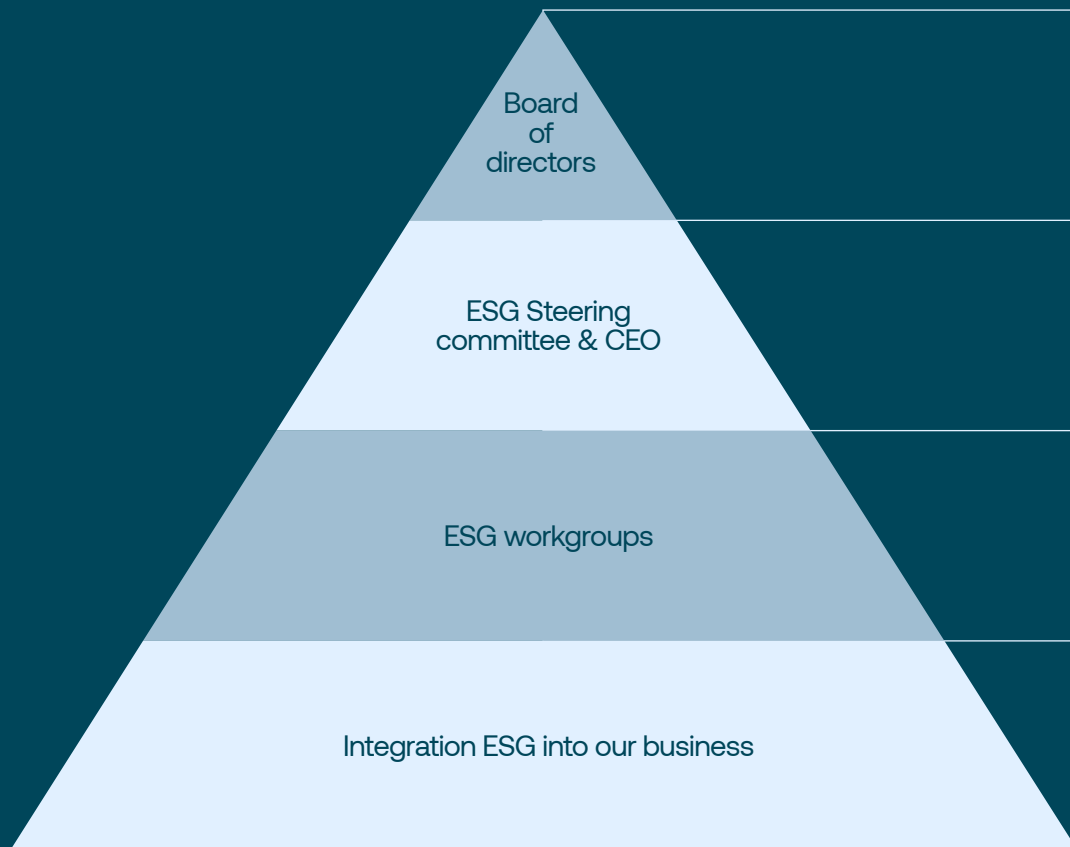


Advancing & measuring our goals

A hand is pointing towards a grid pattern, likely representing a data visualization or a goal-tracking tool. A small globe icon is visible on the grid. The background is blurred, showing a grid pattern and a hand pointing.



ESG governance structure



Integrating ESG into our business

Policy statements

Our policy statements outline the framework for our ESG initiatives and set the standards expected of our team members and business partners. For example our policy statement for Safety, Health, Well-being, and Environment (HSE).

Establishes strategic guidelines, monitors ESG outcomes, assesses the ESG strategy annually and when necessary, and guarantees that the business operates in an ethical and responsible manner.

The CEO holds responsibility for ESG-related matters and decisions. The Steering Committee (EC) endorses significant ESG initiatives and tracks advancement towards the 2030 Goals.

Eight workgroups develop and manage the implementation of ESG strategies, acting as specialists in incorporating ESG considerations into broader business goals. They regularly evaluate and document progress towards the 2030 Goals.

Novar incorporates ESG into our operations through various governance structures, such as policies and committees.

Workgroups

Representatives across all departments participate in ESG workgroups on eight prioritized subjects:

1. Affordable energy
2. Climate change
3. Biodiversity & ecosystems
4. Employee wellbeing
5. Occupational safety and health
6. Diversity and inclusion
7. Ethical Business conduct
8. Supply chain transparency

Leadership

Leaders across our ESG, engineering, operations and project management departments are responsible for overseeing adherence to our policies

ESG roadmap

From ESG strategy to compliant ESG reporting.

2024

Bring transparency

2025

Integrated report
and external assurance

2026

Fully compliant with
Corporate Sustainability
Reporting Directive (CSRD)
regulation

- Approval of 2030 goals + 2024 actions
- Embrace main focus themes
- Inclusion of ambition and goals in annual report
- Double materiality analysis
- Alignment with various questionnaires such as the ones from our shareholder DIF and the IMVO covenant

70%

- First trial run for the mandatory audit
- Overperform on main focus themes and meet minimum requirements on other themes
- (Monthly) reporting on set goals 2030
- Reconsideration of 2030 goals
- Define 2025 actions
- Engagement plan on ESG

90%

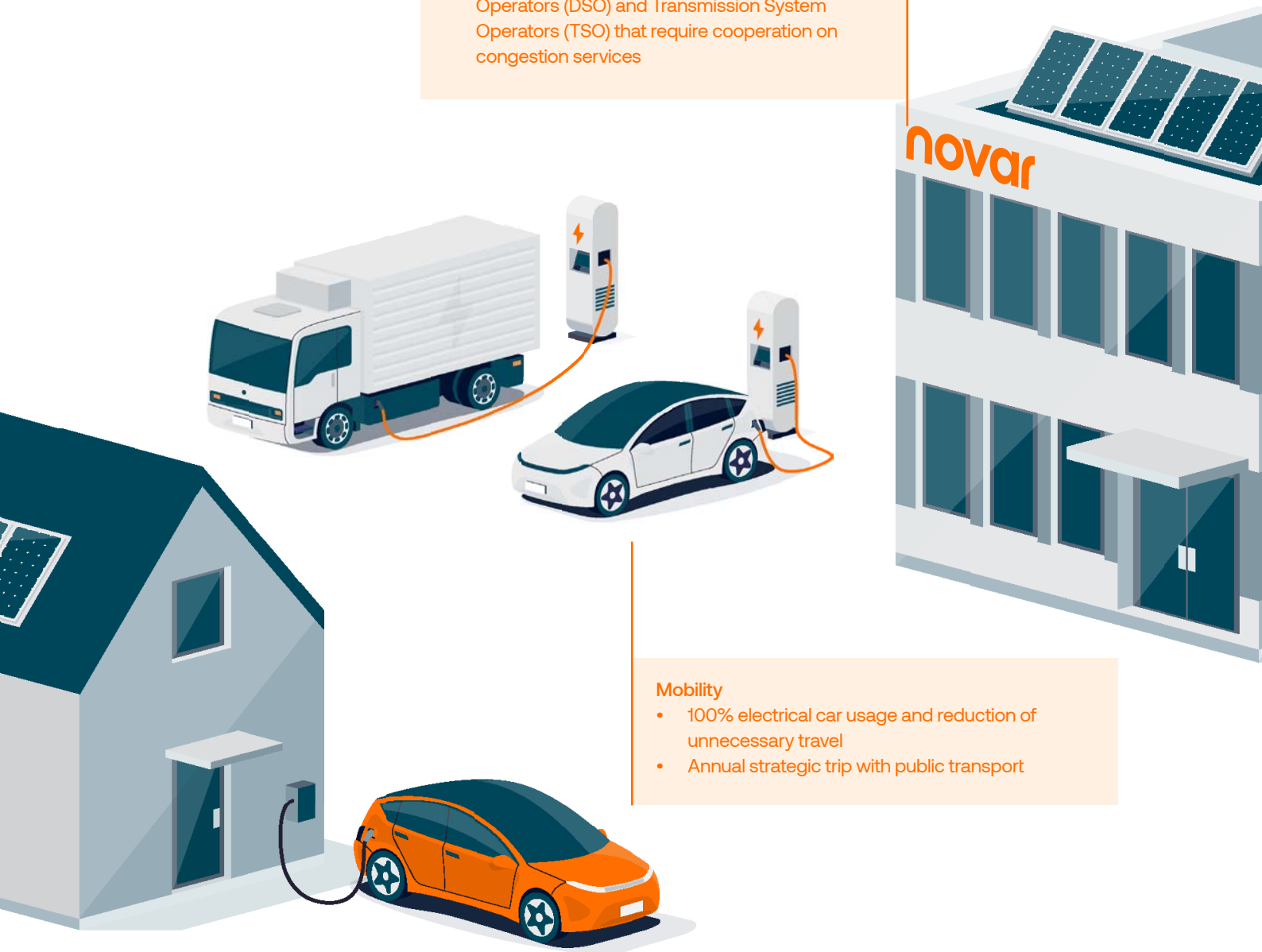
- First trial run for the mandatory audit
- Overperform on main focus themes and meet minimum requirements on other themes
- (Monthly) reporting on set goals 2030
- Reconsideration of 2030 goals
- Define 2025 actions
- Engagement plan on ESG

100%

The integration of ESG across our business

Novar integral: 'Affordable Energy Initiative'

- Realizing projects nearby or directly to large consumers matching their energy profiles
- Each new solar project includes a strategy for optimizing profile and avoiding loss of production
- Cooperate with all Distribution System Operators (DSO) and Transmission System Operators (TSO) that require cooperation on congestion services



Mobility

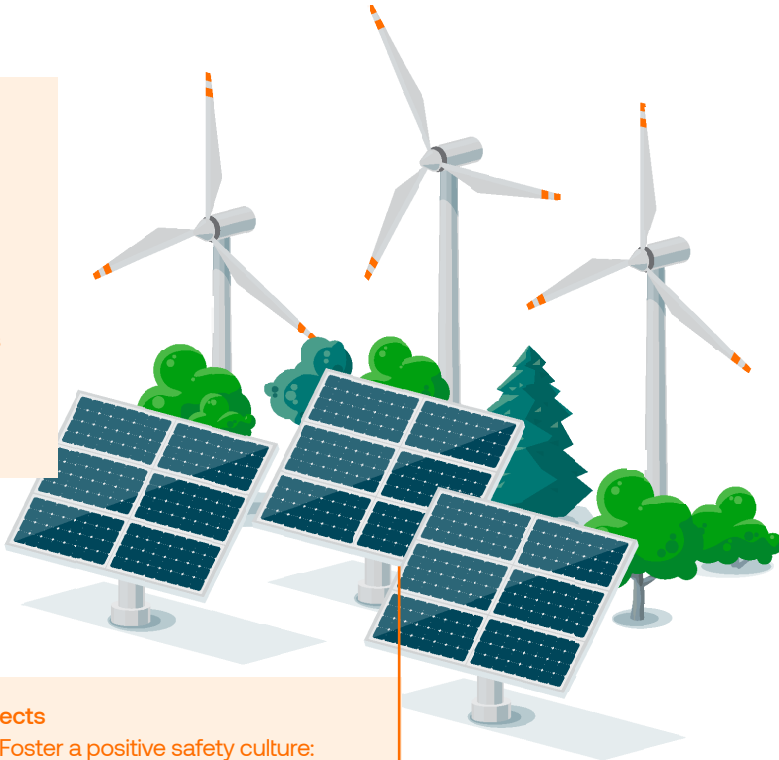
- 100% electrical car usage and reduction of unnecessary travel
- Annual strategic trip with public transport

At Novar, all our teams work hard to ensure our ESG effort is integrated into our daily operations and supply chains and make progress toward our 2030 ESG goals.

Here are some examples of what our team members are working on:

Office

- Reduce work-related absenteeism
- Actively engage employees in addressing safety and health risks.
- Incentivize carbon-reducing behaviors under Novar employees
- Completely offset remaining scope 1 and 2 emissions for power with Guarantees of Origins and for gas with Voluntary Emission Reduction
- Man/Woman ratio of the workforce equal to 60/40

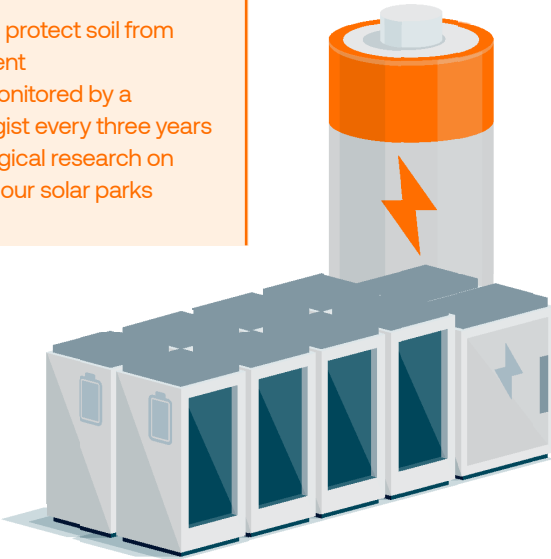


Projects

- Foster a positive safety culture: 0 work-related incidents
- Get commitment from on ethical labor practices and traceable materials
- Build with care: protect soil from heavy equipment
- All parks are monitored by a certified ecologist every three years
- Promote ecological research on biodiversity on our solar parks

HR

- Implementation of a multi accessible mental vitality programme for all employees.
- Facilitate all of employees to participate in training aimed at personal or professional growth
- Development of a platform for employees to share ideas and feedback on ESG initiatives, with a target of 80% employee participation.



SDG commitments





Priority Areas

The priority areas we have selected to fast track are connected to the following seven out of seventeen targeted Sustainable Development Goals (SDGs).

Alignment with SDGs:

		3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND
	Affordable energy			✓				
Environmental	Climate Change					✓	✓	✓
	Biodiversity & ecosystems					✓	✓	✓
Social	Occupational Health & Safety	✓			✓			
	Diversity & Inclusion		✓					
	Employee wellbeing	✓						
Governance	Ethical business conduct				✓	✓		
	Supply chain transparency				✓			







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Getting new
energy done.