

ESG report 2024

novar

Getting new
energy done.

ESG report 2024



Staying the course – even as the rules change

In 2025, the European Union rewrote the ESG playbook. By narrowing the scope of the Corporate Sustainability Reporting Directive (CSRD), companies like Novar – with fewer than 1,000 employees – were suddenly no longer required to comply with the directive. But while the rules changed, our ambition did not.

Going beyond megawatts delivered

As a company dedicated to accelerating the energy transition, our role goes beyond megawatts delivered.

We develop renewable ‘green’ energy systems to advance decarbonisation, but our impact stretches further; across ecosystems, communities, and supply chains. That’s why we have continued our ESG efforts with undiminished ambition, despite the regulatory shift.

2024 was a year of foundation-building. We completed an in-depth Double Materiality Assessment (DMA) and a series of CSRD gap analyses. These served not only as technical tools, but as strategic catalysts. They helped us sharpen our focus, define priorities and engage with stakeholders in meaningful dialogue about what truly matters. Our thanks go to all our partners whose insights helped shape the outcome.

“Even as regulations shift, our ambition remains unchanged. ESG is not a checkbox exercise, it’s about aligning our strategy with the long-term value we want to create. From biodiversity to cybersecurity, from human rights in our supply chain to the mental wellbeing of our team, we see these themes not only as responsibilities but as opportunities to lead. As we expand across Europe, consistency, credibility and local engagement are now more essential than ever.”

Gerben Smit, CEO

Map the risks and opportunities

The DMA identified key relevant topics for Novar: particularly value chain transparency in relation to circularity and human rights, employee wellbeing - including mental health, safety and inclusiveness and cybersecurity as a growing operational and reputational risk. The DMA helped us map the key topics and embed them into our decision-making.

While these issues are complex, we see them not just as obligations; they are also opportunities. Better supply chain governance can lead to stronger partnerships. A safer, more inclusive workplace boosts retention and performance. Proactive cybersecurity protects both data and trust. At Novar we retain ownership of our energy assets, which reinforces our sense of long-term responsibility. That means these ESG themes are not abstract policy areas; they shape how we design our projects, choose our suppliers, and engage our people—now and for decades to come.

International expansion

In 2024, we also made concrete progress on our international ambitions. During this year Novar established local teams in Germany, France and Sweden. We initiated new projects and acquired existing projects in these countries. This expansion marks an important step in scaling our impact beyond the Netherlands. Entering these markets not only increases our renewable energy footprint; it also brings us into closer dialogue with diverse policy environments, stakeholders and communities.

So logically, our decision to continue on the CSRD path is also linked to our international expansion. These are markets where expectations around sustainability, governance and transparency are only increasing. It strengthens the relevance of our ESG approach and underlines the need for consistency, credibility, and local engagement as we grow across Europe.

Value created for people and planet

In our view ESG is not just about data, it's about alignment. Asking ourselves the right questions: Are we ready for what's coming? Are we building the right systems, culture and leadership to sustain impact; not just in megawatts, but in value created for people and planet?

This report marks our progress. Some themes - like biodiversity and safety - are firmly embedded in how we work. Others - such as circular procurement and Scope 3 emissions - are in earlier stages of maturity. But across the board, I can say we are moving forward with purpose.

I want to thank our colleagues, partners and stakeholders for their commitment and challenge. Together, we are not just building green energy systems but a company that can stand the test of time while contributing to a more just, inclusive and sustainable society.

Gerben Smit

CEO, Novar



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Double Materiality





Strategic insights from the Double Materiality Assessment

In 2024, Novar completed an extensive Double Materiality Assessment (DMA) in preparation for CSRD-aligned sustainability reporting. This effort marked a significant step forward in identifying and prioritising the ESG topics that matter most, both to Novar and to its stakeholders. As director operations Paul van Velzen reflects: “It was a massive undertaking, valuable, but incredibly demanding.”

From obligation to opportunity

Originally initiated to ensure compliance with the CSRD framework, the DMA process became a catalyst for introspection and strategy refinement. The approach was thorough: a benchmark against peers, fifteen in-depth stakeholder interviews and a structured stakeholder survey formed the foundation. This yielded a dataset of over 400 potential disclosure points, covering more than 40% of all CSRD indicators.

However, a major regulatory shift changed the playing field. In 2025, EU policymakers scaled back CSRD obligations for companies under 1,000 employees. This meant Novar was no longer strictly required to report on the full CSRD scope.



“We now have clarity on what matters most, both internally and externally. This allows us to sharpen our ESG narrative, focus our investments and avoid the trap of box-ticking. Our aim is to tell a credible story, grounded in action, not just data.”

Paul van Velzen,
director operations

Rather than abandon the process, Novar made a deliberate choice: to move forward on its own terms. “We chose the middle road,” Paul explains. “Not full compliance, but not walking away either. We report on what’s materially relevant, based on stakeholder input and our own convictions.”

A refined reporting focus

This approach led Novar to define a focused set of themes, rooted in the DMA outcomes but tailored to where Novar can lead with substance. Topics that scored high in stakeholder relevance and strategic importance – such as biodiversity, circularity, cybersecurity and supply chain transparency – remain central.

Conversely, themes that were harder to operationalise, like ‘Affordable Energy’, will be addressed narratively but without KPI targets. Health and safety will be broadened to include not just Novar’s own workforce, but also subcontractors and installation partners, recognising shared responsibility across the value chain.

Noteworthy insights from the stakeholder engagement included:

- Climate-related construction risks: The need for design adaptations in response to stronger storms.
- Circular economy: External stakeholders expect greater transparency around material reuse and end-of-life practices.
- Battery concerns: Public perception around safety and noise – even when technically unfounded – makes this a reputational issue.
- Value chain accountability: Increased pressure to scrutinise labour practices in the supply chain, beyond formal adherence to sector covenants.

Looking beyond compliance

The DMA and CSRD preparation consumed a substantial portion of Novar’s ESG resources in 2024. While the reduced regulatory burden may be seen as a ‘missed opportunity’ at policy level, Novar’s leadership views the journey as worthwhile. In 2025 and beyond, Novar will continue to evolve its ESG strategy with stakeholder trust, operational relevance, and long-term value creation at the core.

ESG Category	Thematic Chapter	KPIs in Strategic Framework	Page
Environmental	CO ₂ Reduction	Scope 1 GHG emissions (tCO ₂ e/MWp) Scope 2 GHG emissions (tCO ₂ e/MWp) Scope 3 GHG emissions (tCO ₂ e/MWp) GHG intensity reduction (%) GHG absolute reduction (MWh) Renewable Energy Production (MWh)	12
	Biodiversity	Biodiversity Quality Index per park % of parks with biodiversity plan Average species count per ha Total ha under active biodiversity measures	18
	Circular Economy	# of projects with circular design plan End-of-life recovery rate (%) Circular procurement rate (%)	46
Social	Occupational Health & Safety	% of employees covered by H&S management system # of work-related accidents / frequency index # of work-related ill health cases Absenteeism rate	32
	Employee wellbeing, diversity & inclusion	Wellbeing score Retention rate (%) Average training hours per employee Gender pay gap (%)	26
	Affected Communities	# of projects with participation plan	38
Governance	Ethical Business Conduct	# of confirmed corruption/bribery incidents % of employees trained in Code of Conduct Average invoice payment term	28
	Value Chain Transparency	% of suppliers reporting on ESG topics % of critical suppliers in scope	44
	Cybersecurity	% of employees trained in cybersecurity awareness # of cyber incidents (by severity)	48

CO₂ reduction





CO₂ reduction: a longer commitment

Sustainability is not just embedded in Novar's business model; it also shapes the way we manage and reduce our own carbon footprint. In 2024, our efforts to better quantify and steer our climate impact, focused on building robust CO₂ reporting capabilities, understanding our emissions baseline and preparing for targeted reductions in the years to come.

Establishing a baseline: Scope 1 & 2

Business controller Erwin de Ruiter: "In late 2024, Novar implemented a carbon accounting tool- 'Carbon+Alt+Delete' - to calculate emissions across Scope 1 and Scope 2. Supported by consultants from Kyden we gathered operational data such as:

- Kilometres driven by our lease and pool vehicle fleet
- Electricity use across our offices
- On-site energy use outside solar production hours
- Business travel (notably air travel linked to international projects)



“Much of our footprint comes down to electricity, which makes data collection manageable. But the real challenge is keeping sustainability front of mind across rapid technical growth. Whether it’s fleet data, on site energy use or EPC emissions, we’re building systems that make carbon transparency part of how we work.”

Wouter de Roos, technical expert

This process provided us with our first comprehensive Scope 1 and 2 baseline. While these scopes represent only a portion of our total footprint, they offer a clear starting point for identifying reduction strategies.”

Scope 3: A longer-term commitment

Calculating Scope 3 emissions - covering indirect emissions from upstream and downstream activities - remains a complex challenge. Novar made a conscious decision not to rush this process. Rather than applying industry averages, we are committed to a detailed and accurate approach, which will require deep collaboration across our value chain.

That said, groundwork has already been laid. Our procurement team has begun requiring emission data from EPC partners for new solar parks, including diesel consumption and material transport emissions during construction. This initiative is expected to become standard in future contracts, beginning in 2025.



A Culture of Responsibility

When it comes to internal sustainability practices, much is already in place at Novar. A culture of conscious behaviour is embedded in our day-to-day operations, ranging from an all-electric vehicle fleet, office-wide energy-saving habits, to encouraging train travel with NS Business Cards. Wouter de Roos, technical expert at Novar: “Sustainability isn’t something we enforce, it’s just how we do things.”

Although no formal employee awareness programme was launched in 2024, the sustainability mindset is already intrinsic to our organisation. During team events such as the annual company retreat, choices like vegetarian catering are natural extensions of this culture.

Production vs. Reduction: The GHG accounting dilemma

As a developer and operator of renewable energy assets, Novar’s contribution to CO₂ reduction is significant – but complex to claim. Because Guarantees of Origin (GoO’s) linked to our clean electricity are typically sold to third parties, we cannot formally count the avoided emissions ourselves. This raises a philosophical question in GHG accounting: who gets to claim the impact? The impact is now claimed by the GoO owner.

Looking ahead, one potential lever is to retain a portion of our own GoO’s to offset our internal Scope 2 emissions. Since electricity use makes up a significant share of our footprint, this could drastically reduce reported emissions, without compromising project economics.

Goals and Outlook

While no formal reduction targets were set in 2024, we laid the foundation for a more focused ESG roadmap. Following the Double Materiality Assessment and in light of recent CSRD regulatory changes, Novar is currently redefining its ESG ambitions. A proposal is underway to identify core topics where we aim to lead, CO₂ reduction being one of them. Concrete targets will follow once that direction is approved. As Erwin de Ruiter notes: “Setting meaningful goals only makes sense if they’re realistic and backed by the whole company.”



“We now have a solid foundation in place for measuring our scope 1 and 2 emissions. That clarity helps, but we’re also realistic about the complexity of scope 3. If we move forward, we want it to be meaningful and robust. That reflects our broader ESG approach at Novar: not doing things for appearance’s sake, but because they truly matter.”

Erwin de Ruiter, business controller

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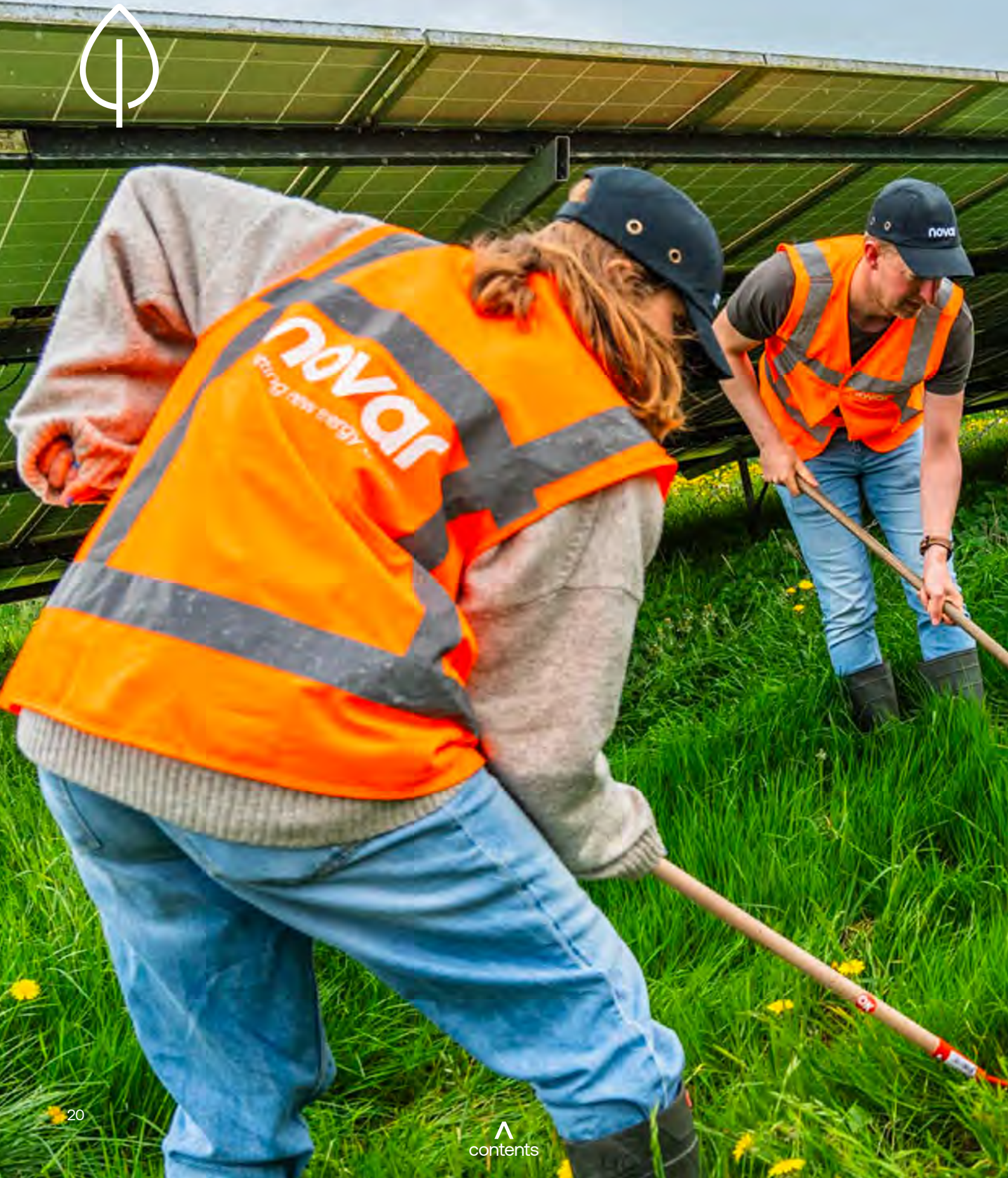
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Biodiversity





Ecology and Biodiversity

Ecological impact is not a side note; it is a strategic pillar embedded throughout Novar's value chain. Over the course of 2024, our dedicated ecology team – supported by biologists from Novar and Klaer – achieved meaningful progress in embedding biodiversity into solar park development, operations and maintenance.



“We’ve managed to cut ecological maintenance costs by up to 40% simply by rethinking how we handle mowed grass. That kind of efficiency proves you can align sustainability with solid asset management.”

Bernd Nijen Twilhaar, team lead
TCAM at Klaer

Ecological integration in new developments

A key achievement in 2024 was the successful ecological integration of the solar park Eemshavendijk. This plan was developed, approved by the executive board and implemented in the landscape design. Bernd Nijen Twilhaar, team lead TCAM (Technical, Commercial and Administrative Maintenance) at Klaer explains: “We now consistently apply ecological and landscape integration in new project developments, using local ecosystems as the blueprint for design. Features such as forest strips, native hedgerows, low-nutrient grasslands and pollinator habitats are selected to support target species like songbirds and beneficial insects. By aligning the park's edge zones with surrounding ecological structures, we stimulate natural connectivity.

Monitoring biodiversity gains

We continued our multi-year collaboration with the University of Groningen to monitor biodiversity across various solar parks. This research, now in its third year, uses standard protocols to assess flora, insects, birds, and mammals. Early results show a noticeable increase in biodiversity over time, particularly in ground flora due to soil nutrient depletion, which promotes species-rich grasslands.



While solar parks can contribute to an overall increase in bird observations, it is essential to consider the underlying shifts in species composition. Certain native meadow birds – species that rely on open grasslands for foraging and nesting – have been found to avoid areas in and around solar installations. Their decline in these habitats suggests a loss of suitable breeding grounds. At the same time, other bird species appear to benefit from the altered landscape, which partially explains the observed net gain in avian presence. This highlights the importance of looking beyond quantity alone. Detailed species-level monitoring reveals that biodiversity change is not merely a matter of numbers, but of which species are leaving and which are taking their place.

Notably, we've observed increased activity of native species such as hares, mice, and foxes, as well as the return of certain bird species. One example is the white wagtail (*Motacilla alba*), which attempted to nest under solar panel structures but failed due to lack of suitable space. In response, we designed and installed custom nesting boxes in 2024, turning observation into tangible habitat improvement.

Innovation in vegetation management

Ecological management can be costly. Bernd: “In 2024, we piloted a novel method to reduce maintenance expenses while enhancing biodiversity. At our Eekerpolder solar installation, we developed a grazing and mowing strategy using compressed grass bales that can temporarily be stored in shaded areas under panels. This avoids costly transport and disposal, allowed natural decomposition and reduced annual maintenance costs by up to 40%; equivalent to €60,000 per year, or €360,000 over a six-year period. We also experimented with reflective crystals known as ‘Lazarus elements’ to improve light penetration under panels. These showed early promise in encouraging plant growth in shaded areas and will be further evaluated in 2025.”



“Some ground-nesting birds are absent now, but others like the white wagtail are adapting and even thriving; especially when we provide targeted nesting opportunities like the new nest boxes.”

Jade Sinkgraven,
support ecology





“We see that biodiversity increases over time, especially in parks where soil depletion is applied consistently. It’s not just about planting flowers, but about creating the right ecological conditions year after year.”

Sara Bloem, support ecology

Lazarus elements

Lazarus elements are structures placed between solar panels made of reflective materials to increase the amount of light that reaches the ground underneath the panels. The name ‘Lazarus’ is symbolic; derived from the biblical figure brought back to life, because these elements aim to ‘revive’ or stimulate vegetation growth in shaded areas that typically receive little direct sunlight.

Purpose and Benefits:

- **Enhanced biodiversity:** More light under the panels allows for better vegetation development, supporting plant diversity and improving habitat quality for insects and other species.
- **Soil health:** Vegetation growth can contribute to soil stability and nutrient cycling.
- **Microclimate benefits:** Healthier ground cover can help regulate temperature and moisture levels under the panels.
- **Aesthetic and ecological improvement:** Especially important in regions with stricter ecological integration requirements.

How they work:

- Reflective materials are installed at specific angles or positions between rows of solar panels.
- These surfaces bounce a portion of incoming sunlight back onto the shaded ground.
- This increases photosynthetically active radiation (PAR) under the array, enabling growth of light-dependent plants even in partial shade.

Use at Novar:

At Novar, Lazarus are being piloted as a potential solution in parks where vegetation under panels is poor. Initial results in 2024 showed promise, and further evaluation is planned in 2025.

Targeted research and future focus

Several parks, including Groot Rode Haan were the focus of additional field studies in collaboration with Rijksuniversiteit Groningen, which confirmed both challenges and opportunities for improving ecological value. Based on these findings, we are now refining our strategy to focus efforts where the greatest gains can be made, particularly in transitioning monoculture sites to diverse habitats.

Going forward, we aim to internalize more monitoring processes and are exploring collaborations with students and citizen scientists to expand our reach while keeping costs manageable.

Education and stakeholder engagement

Our commitment to ecology extends beyond our parks. In 2024, we partnered with the Friesland Environmental Federation to support the national ‘Energy Rangers’ programme, which educates citizens on nature-inclusive energy projects. Novar contributed expert lectures, real-life case studies and joint workshops that also involved our own project developers, ensuring mutual learning and awareness.

Employee wellbeing & inclusion





Employee wellbeing & inclusion

At Novar, we believe that a resilient, inclusive and engaged workforce is essential for achieving sustainable impact. In 2024, we took significant steps to further embed wellbeing and diversity into our people strategy, while recognising there is still progress to be made.

Wellbeing as a Strategic Priority

HR director Judith Apeldoorn joined the management board in 2024: “Wellbeing is not a standalone programme at Novar; it is a mindset, embedded in our day-to-day culture and HR vision. While the formal wellbeing policy is still under development, we made tangible steps to support employee mental health and balance at work.”

One of the outcomes of the 2024 employee engagement survey is the ‘Less Stress Mindset’ programme. All managers participated in a two-part workshop covering the science of stress, brain function and practical tools to promote psychological resilience. These sessions were a key element of our wellbeing calendar and received strong feedback.

Quantitative KPI development for wellbeing is still in its early stages, although trends from surveys (such as leadership quality and psychological safety) provide initial insight. The ambition is to move toward structured monitoring and evaluation over time.

Learning, Leadership & Development

In 2024, we continued to invest in learning and leadership as key drivers of engagement and retention:

- A new Learning & Development platform - 'GoodHabitZ' - was rolled out, offering digital training modules for personal development across various domains. Uptake, however, remains a challenge, with "lack of time" cited as a common barrier. We want to further embed this in the training pathways for employees and motivate them - together with their managers - to incorporate it into the performance review cycle, as well as to encourage its use in the context of their own personal development.
- A leadership programme for all Dutch managers and directors was delivered, focusing on key competencies such as psychological safety, effective dialogue, and team trust.
- Nearly twenty employees undertook individual assessments to better understand their development needs as part of personal development and the talent management process
- Technical training was also expanded, though a job-specific curriculum is still in development.
- A structured talent review process was introduced to support succession planning and to identify development priorities.



Diversity & Inclusion (D&I)

D&I is gaining strategic importance as Novar continues to expand internationally. In 2024, we completed a baseline assessment of diversity across the company. A D&I working group was active, but broader alignment and policy development are still in progress.

Key developments:

- English has been introduced as the internal working language across the company, with key HR documents translated to support inclusion.
- Diverse international hires were made across country teams, though not yet as part of a formalised D&I recruitment policy.
- Our positioning as an inclusive employer is being revisited in the context of employer branding and talent attraction.
- We see D&I not just as a regulatory matter, but as a societal responsibility and a value driver, especially as we grow across Europe.

Judith states: “In the coming years, we aim to integrate D&I more deeply into leadership training, team development and hiring processes. The follow-up actions from our ESG policies will help ensure that we approach D&I in a more structured way.”

Challenges & capacity

There has been a strong focus on recruitment in the countries, with the hiring of country managers and the establishment of structures that enabled local employees to get started in 2024. While recruitment capacity was increased - particularly to support international hiring - executing the full HR and ESG agenda remains demanding in a fast growing organisation. This is a known constraint and part of ongoing resource planning.

Our culture & commitment

A new HR vision and strategy has been drafted and is currently pending approval by the management board. Once finalised, it will serve as the foundation for Novar’s next phase of inclusive and sustainable growth.



“Every day, we are building an organisation where people work with pride and purpose. By embedding wellbeing and inclusion into our strategy, we not only create a stronger workplace but contribute to the wellbeing of the society we operate in.”

Judith Apeldoorn, HR director



Occupational health & safety





Occupational health & safety

Novar took significant steps to strengthen its occupational health and safety (OHS) framework. Building on its VCA** certification – obtained in 2023 – the company has laid the groundwork for a more integrated, internationally recognised system. This marks a strategic shift toward ISO 45001 and alignment with future requirements under the Safety Culture Ladder (SCL).

From operational compliance to strategic integration

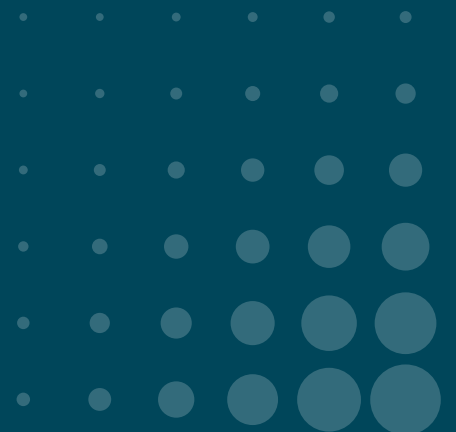
HSE manager Mariette Kraak comments: “Novar’s current VCA** framework has proven effective in managing day-to-day safety on construction sites. Still, the company has recognised the need to more fully embed occupational health and safety across the organisation. While we are not there yet, we estimate that approximately 85% of the required structure is already in place.”

In response, 2024 saw the launch of a roadmap toward ISO 45001 certification; a globally recognised occupational health and safety standard that focuses on continuous improvement, employee wellbeing, and risk management. The move also reflects growing expectations from international partners and clients, for whom ISO 45001 serves as a benchmark for professional HSE governance.

Key focus areas and prepared decisions

Several strategic priorities were prepared and adopted by Novar’s leadership during 2024:

- ISO 45001 preparation: Initial audits, gap analyses and system development have begun. Formal certification is scheduled for 2025.
- Digital risk management: Introduction of digital tools like RiskID for risk assessments (RI&E), and the integration of training records into Novar’s HR platform (AFAS).
- HSE audit cycle: A structured internal audit programme was developed to monitor compliance, project-level risks and corrective actions across sites.
- Contractor safety: HSE requirements are now systematically included in procurement and contractor documentation, reducing ambiguity and enhancing accountability.
- Mental health & workload: HR at Novar took up their role with programmes such as Less Stress Mindset and leadership training, which were deployed company-wide to address psychosocial workload and resilience.



Wellbeing initiatives were also visible on a smaller scale, such as ergonomic adjustments to workstations and support for gym visits. The company also implemented its heat policy during the hotter periods in the summer.

Mariette: “We will place greater emphasis on proactive safety planning, explicitly incorporating the principle of the duty to verify. Additional structure will be introduced at Tier One level to ensure that contractors are equally aligned with our safety expectations. In 2025, we will intensify our focus on awareness across all layers of the organisation. The broader ambition is to strengthen both safety consciousness and psychosocial wellbeing; key foundations for sustainable employability.”

Incident data and site Monitoring

In 2024 Novar reported:

- Zero serious injuries or lost-time incidents
- One minor injury requiring first aid
- Three near-miss events and two environmental incidents

Workplace inspections were standardised across major projects, though inconsistent on others, prompting action plans for 2025. A total of 28 structured inspections were recorded on flagship sites such as Avermieden.

Culture and Leadership

In line with Novar’s broader focus on sustainable employability, all managers participated in leadership training to better understand their role in promoting safe and healthy working conditions. Installing safety ambassadorship and a multidisciplinary QHSE team is planned for 2025 to further strengthen oversight and internal communication.

Additionally, Novar has committed to:

- Enhancing its dialogue with workers’ council (Ondernemingsraad)
- Formalising reporting protocols
- Increasing awareness of risk reporting and peer-to-peer feedback

Looking ahead

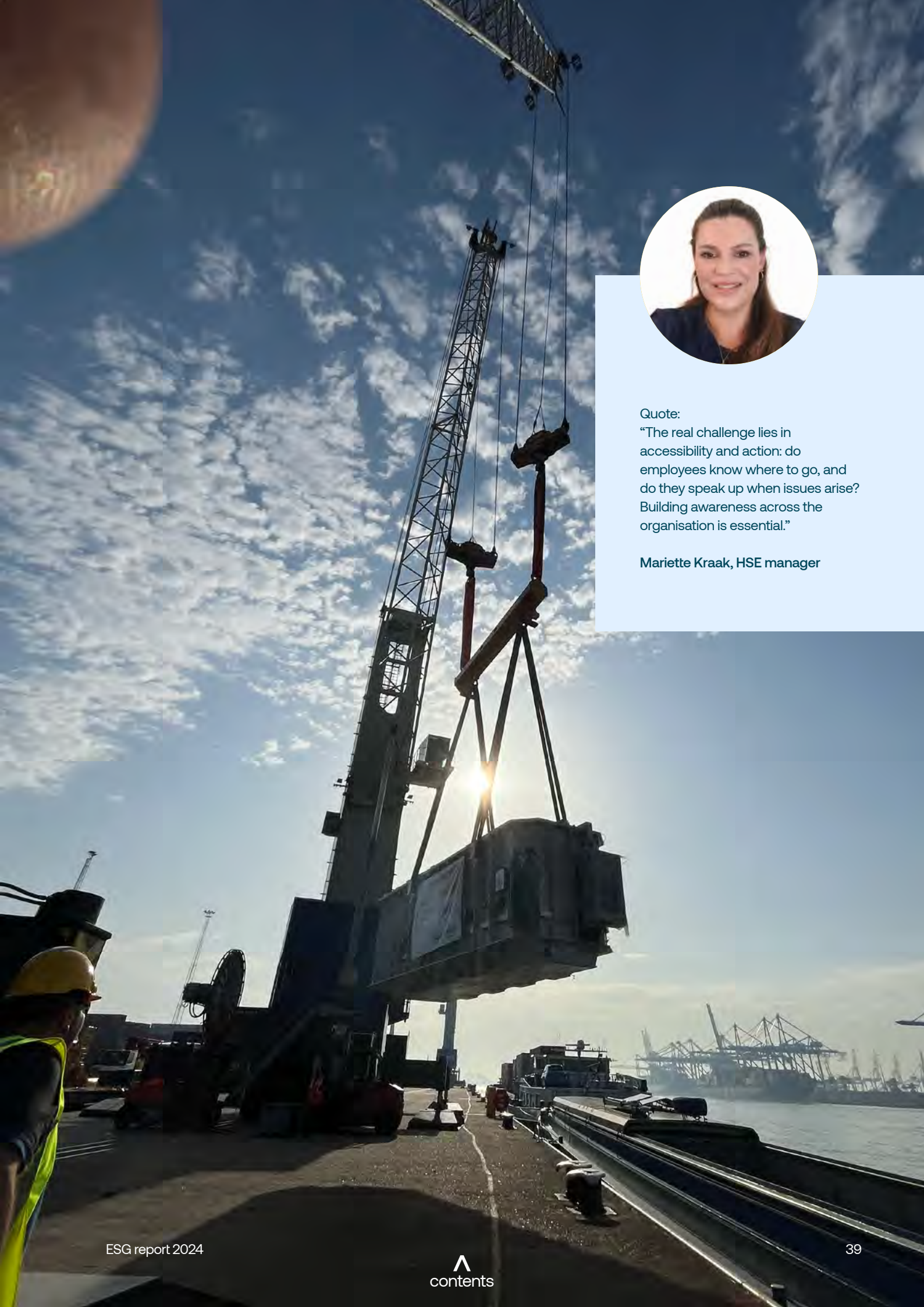
In 2025, Novar will continue to professionalise its OHS approach by:

- Seeking ISO 45001 certification
- Rolling out a centralised learning environment for all safety and health training
- Establishing a dedicated cross-functional safety team
- Scaling digital tools to enhance compliance and monitoring

Mariette: “The real challenge lies in accessibility and action: do employees know where to go, and do they speak up when issues arise? Building awareness across the organisation is essential. In close collaboration with HR, the workers council and the confidential advisor, we are working to ensure that Novar remains a safe and trusted place to work. This requires collective awareness, shared responsibility and a strong foundation of knowledge at every level of the organisation.”

These actions reflect Novar’s ambition to create not only a safer workplace, but also a more resilient and responsible organisation. Occupational health and safety is no longer viewed as project-by-project compliance, but as a company-wide, continuous responsibility.

VCA** is a Benelux wide certification level for companies with operational staff working in high-risk environments, often with subcontractor coordination responsibilities. The double asterisk (VCA**) indicates the advanced level of certification, which is intended for organisations that manage subcontractors and execute work involving high-risk activities.



Quote:

“The real challenge lies in accessibility and action: do employees know where to go, and do they speak up when issues arise? Building awareness across the organisation is essential.”

Mariette Kraak, HSE manager

Affected communities





Community engagement & spatial integration

Participation has of course always been a core element of project development. The year 2024 marked a strategic shift in community engagement: from site-based dialogue to area-based collaboration. The aim is no longer to simply inform and mitigate, but to co-create value with local stakeholders in a way that aligns with wider spatial, ecological and social objectives.

During 2024, Novar adopted a more holistic, area-based development approach. This means engaging not only landowners, neighbours and municipalities, but also involving water boards, farmers' organisations and nature stakeholders, long before the technical layout of a solar park is defined.

From stakeholder to an area-based approach

"We've started thinking of solar parks not as a goal in themselves, but as a tool to solve other – wider – area-based challenges," explains Liza Koch, environmental manager at Novar. These challenges go far beyond the energy transition alone. Novar recognises that local and regional authorities are often working under pressure to meet a broad set of environmental objectives; many of which are shaped by European policy frameworks.

Broader challenges such as:

- Water retention and flood prevention are critical priorities under the EU Water Framework Directive, which requires member states to restore and maintain healthy water systems by 2027. Solar developments can contribute through integrated water storage or buffering measures.
- The EU Biodiversity Strategy and Birds and Habitats Directives demand concrete action on nature restoration and the protection of vulnerable ecosystems. This includes preserving habitat continuity and enhancing ecological value in project zones.
- Climate adaptation efforts – such as improving soil health and resilience to drought – are increasingly urgent in agricultural landscapes. Solar parks can offer a temporary or long-term alternative for over-stressed land, reducing irrigation needs and enabling soil recovery.



“The most powerful solar projects are those that solve more than one problem. We’re not just placing panels; we’re rethinking the role of land.”

Liza Koch,
environmental manager

- At the economic level, diversifying farmer income is a growing concern. Land lease models or multifunctional land use offer alternative revenue streams that can help safeguard rural livelihoods in the face of changing regulations and market conditions.

By actively engaging with these challenges, Novar aims to develop projects that align with multiple public interests, not just energy production. This mindset is at the heart of our shift toward area-based development, in which solar becomes not an isolated intervention, but a strategic enabler of broader ecological and social goals.





Laying the cultural and strategic Foundation

Key developments in 2024 included:

- A training programme on strategic participatory engagement, completed by all project managers, not just environmental managers. This broadened awareness of how to engage with stakeholders based on shared interests
- Greater emphasis on early stakeholder alignment, especially when commissioning impact assessments. For example, environmental studies are now increasingly co-designed with local representatives to ensure credibility and acceptance
- Increased focus on landscape integration, walkability and recreational co-use; residents often value this more than purely a financial participation
- Stronger attention to trust-building: showing consistency, transparency and openness. Essential since full consensus is seldomly reached

“Complete support for a solar park is rare,” says Liza. “But even critical residents can say: I may not like the project, but at least it was done the right way and we were seen.”

Outlook: scaling area-based development

In 2025, Novar aims to further embed area based development as standard practice. That means:

- Engaging with local nature and environmental organisations from the outset
- Identifying multi-stakeholder opportunities (e.g. combining solar, nature development and water buffering)
- Collaborating with municipalities that are willing to look beyond rigid search area boundaries, to achieve the multi layered opportunities
- Continuing to develop tenders that combine energy production with visible co-benefits for local ecosystems and communities

Projects may encounter resistance or fall outside official search areas, however, Novar remains committed to dialogue-driven development. In the coming year, the challenge will lie in finding partners and public bodies willing to stretch conventional planning boundaries in favour of integrated regional impact.

Value Chain Transparency





Value Chain Transparency: from commitment to action

As a renewable energy developer, Novar recognises that our sustainability footprint extends well beyond energy production. In 2024, we made significant progress in embedding ESG criteria into our procurement practices, driven by the need for measurable impact, financial transparency and alignment with stakeholder expectations.

Under the leadership of procurement advisor Tijs van Haasteren, Novar initiated a structured approach to supply chain sustainability. Drawing from his experience at TenneT and deep expertise in sustainable procurement, Tijs helped translate broad ESG ambitions into tangible clauses within supplier contracts.

Key 2024 milestones:

- Environmental impact measurement: Contracts for major projects such as Eekerpolder and Bellingwolde now require suppliers to provide environmental impact assessments using the MKI (MilieuKostenIndicator) methodology. This includes emissions to air, water and soil, offering a baseline for future performance comparisons.
- Green finance integration: Novar secured improved lending conditions on the basis of ESG performance criteria, such as panel longevity (25-year product guarantees) and the

exclusion of harmful substances (e.g. PFAS-free solar panels). These conditions reduced cost of capital while aligning with investor requirements around green bonds and low-risk portfolios.

Responsible sourcing

Novar has also taken steps to mitigate risks associated with social issues in the global solar supply chain; particularly forced labour in regions linked to polysilicon production. While full auditability remains a challenge due to complex global sourcing, Novar:

- Includes supplier Codes of Conduct requiring upstream ESG audits
- Has excluded certain panel brands associated with human rights violations
- Works only with Tier-1 suppliers large enough to withstand third-party scrutiny

Full traceability remains a longer-term goal. As Tijs notes: “We’re realistic; 100% certainty is not feasible today, but we expect our suppliers to be transparent and verifiable. That’s our starting point.”

Circularity and Lifecycle Impact

Novar is also broadening its focus from initial production emissions toward circularity and end-of-life recovery:

- Lifecycle expectations for panels, foundations and battery systems are being incorporated into project design and procurement processes
- Recycling and decommissioning requirements are being explored for future tenders
- Biodiversity integration, local seed sourcing and biofuel-based construction (HVO-100) are now part of standard sustainability specifications

These elements will become part of a more detailed sustainability annex in supplier contracts starting in 2025, with plans to introduce measurable tender criteria for circularity and CO₂ reduction.

Looking ahead

While Novar does not yet require third-party verification of supplier sustainability claims, the groundwork is being laid for a more rigorous framework. The 2025 ambition includes:

- Expanding MKI-based CO₂ calculations to more asset classes (e.g. battery systems)
- Defining minimum environmental thresholds for key components
- Including end-of-life and recycling plans in project tenders
- Enhance Biodiversity per project

This maturing approach to value chain transparency is not just about compliance, it’s about risk mitigation, financial performance, talent attraction and reputation. As Tijs explains: “It’s no longer just about the product. It’s about the story behind the product and we want that story to stand up to scrutiny.”



“We’re moving sustainability from a feeling to something measurable, certifiable and comparable, so it no longer depends on good intentions alone. By integrating methods like the MKI and including clear sustainability clauses in supplier contracts, we create transparency in the chain and reduce risks. It’s not just about reporting anymore; it’s about using procurement as a real lever for change.”

Tijs van Haasteren,
procurement consultant

Cybersecurity





Building cyber resilience

As a developer and operator of renewable energy systems, Novar works at the intersection of digital infrastructure, physical assets and critical energy networks. This position comes with growing exposure to cybersecurity threats, ranging from phishing attacks and ransomware to state-level risks targeting energy infrastructure. In 2024, Novar sharpened its focus on cybersecurity as a key ESG priority, preparing for its future role as a NIS2-critical entity under EU law.

IT and OT: two systems, one risk landscape

Novar distinguishes between its IT environment (for office operations and communication systems) and OT environment (for operational technologies in the field, such as inverters, routers and monitoring tools). Both systems have historically evolved independently, with OT receiving less structural attention during Novar's early growth phase. This was in part because Novar initially focused on developing solar parks, rather than building them. As the company transitioned to constructing solar parks at scale, the OT environment became central to its operations, and with it, the need for more robust oversight and protection.

In 2024, this changed. Novar began taking deliberate steps to unify and secure both domains through identity-based access, structured protocols and endpoint visibility. "We no longer view cybersecurity as a back-office function," says Allert Knapper, Head of IT. "It's now embedded in how we think about operational risk."

Foundation through awareness and policy

In 2024, Novar's cybersecurity model was primarily policy-driven, supported by technical basics and end-user training. Key elements included:

- Security awareness programme: Introduction of a platform offering mandatory training modules to all employees. The focus was on phishing, password hygiene and recognising social engineering attempts, still considered the biggest risk factor in Novar's digital ecosystem.
- Identity and access management: User access was further centralised within a unified identity system, using conditional policies to control login behaviour based on location and risk level.
- Endpoint security: All devices were protected by layered endpoint defence, including system-level monitoring, antivirus measures, and real-time firewall enforcement.
- OT security: Remote infrastructure at energy parks was only accessible through managed connections, governed by strict procedural agreements with service providers. Maintenance technicians received access only after completing site-specific inductions, safety validation, and digital authentication through secure mobile credentials.

Additionally, Novar carried out its annual penetration test, covering both digital entry points and physical access to buildings. Findings were systematically addressed and monitored.





Scaling up to zero trust

While the 2024 foundation provided structure, Novar recognised the need for deeper, proactive monitoring. In late 2024, preparations began for a company-wide upgrade. Key developments include:

- Onboarding of a dedicated Managed Service Provider (MSP) to manage and improve endpoint protection, incident response and threat monitoring.
- Deployment of enhanced ransomware detection tools, replacing basic antivirus with SOC-grade (Security Operations Center) capabilities. This solution enables automated alert handling, reinforced by human review of anomalies.
- Implementation of a zero trust architecture, starting with a baseline study: analysing application use, data flows and behavioural patterns on each endpoint. Based on this, access will be redefined dynamically; not per app, but per data flow and context.
- Improved infrastructure integration across cloud-based applications, with the goal of reducing fragmented data and access risks across systems.

Alert explains: “We are deliberately moving from static controls to continuous, adaptive verification. Cybersecurity is no longer just about keeping people out, it’s about understanding who’s in and what they need or do not need anymore.”

Sector collaboration and future readiness

Novar recognises that cyber threats do not respect organisational boundaries. The company actively participates in:

- The Cybersecurity Working Group of Holland Solar, formed in 2024 and focused on industry-wide awareness, standards and media engagement.
- The ISAC (Information Sharing and Analysis Center); a trusted environment for real-time threat intelligence sharing between energy producers.

In 2025, Novar will likely be designated as a critical entity under the EU’s NIS2 directive, which introduces stricter requirements for cybersecurity governance, incident response and reporting. The company is actively preparing for this shift, aligning its infrastructure and protocols with the expected compliance criteria.



“We’re moving from scattered systems and user-based trust to a unified, Zero Trust architecture. That shift is essential, not just for compliance, but to prepare Novar for the evolving threat landscape. From SSO and endpoint monitoring to cyber awareness and OT access protocols, we’re building a resilient digital foundation to match our role as a critical energy provider.”

Allert Knapper,
head of IT

A new risk landscape

“The cybersecurity landscape is evolving rapidly. We see a rise in AI-driven social engineering attacks, where realistic fake domains, cloned websites and deepfake emails bypass traditional user filters” comments Allert. “And in parallel, we have to remain alert to supply chain risks, including potential vulnerabilities in imported hardware.”

Mitigating these risks requires both technical vigilance and behavioural resilience. That’s why Novar will continue to invest in:

- User training and simulation
- External audits and ethical hacking
- Smart design of systems and integrations
- Open dialogue with peers and regulators

Cybersecurity at Novar is not just a protective layer; it’s part of building trust in a sector that underpins the energy transition. By scaling up its capabilities now, Novar aims to future-proof its systems, people and partnerships.

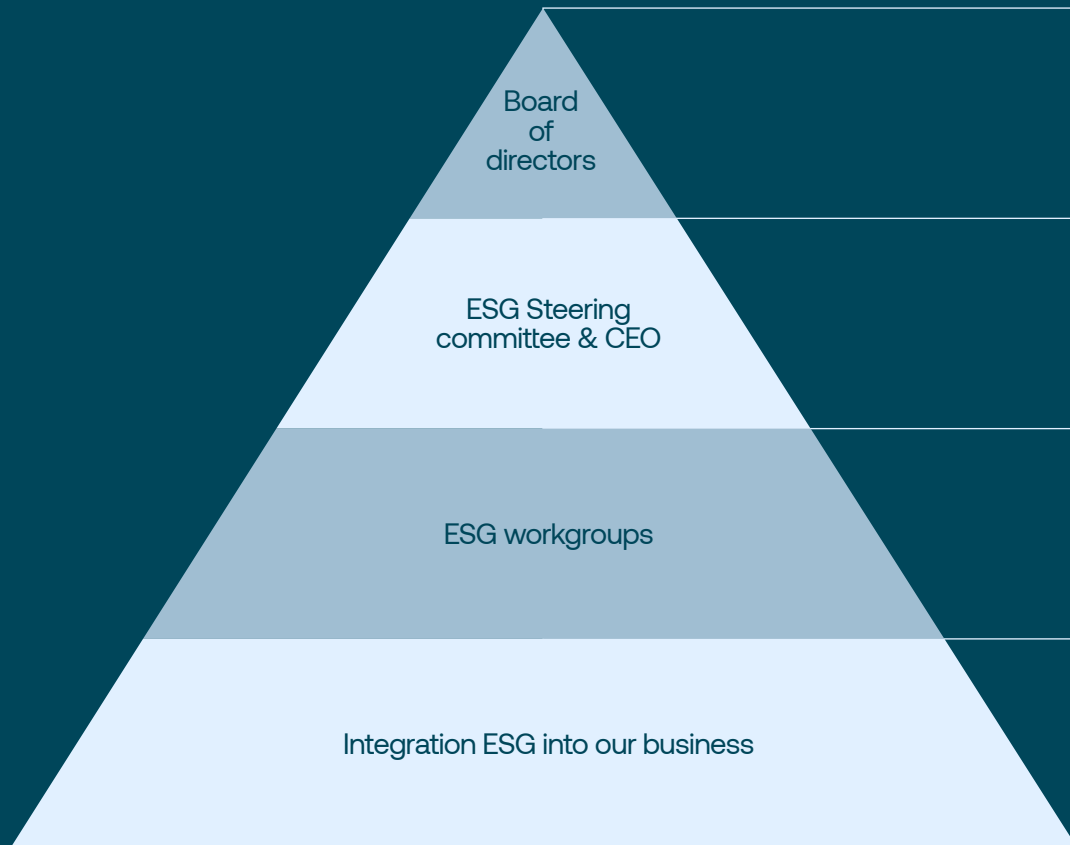


Advancing & measuring our goals





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).

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.

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

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graph TD; ESG[ESG Management] --> Workgroups[Workgroups]; ESG --> Leadership[Leadership]; Workgroups --> Reps[Representatives across all departments participate in ESG workgroups on eight prioritized subjects:]; Reps --> List1[1. Biodiversity & Ecosystems]; Reps --> List2[2. Own Workforce]; Reps --> List3[3. Supply Chain Transparency]; Reps --> List4[4. Circular Economy]; Reps --> List5[5. Affected Communities]; Reps --> List6[6. Climate Change]; Reps --> List7[7. Business Conduct]; Reps --> List8[8. Cyber Security]; Leadership --> Leaders[Leaders across our ESG, engineering, operations and project management departments are responsible for overseeing adherence to our policies];
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ESG Management

- Workgroups**
Representatives across all departments participate in ESG workgroups on eight prioritized subjects:
 1. Biodiversity & Ecosystems
 2. Own Workforce
 3. Supply Chain Transparency
 4. Circular Economy
 5. Affected Communities
 6. Climate Change
 7. Business Conduct
 8. Cyber Security
- Leadership**
Leaders across our ESG, engineering, operations and project management departments are responsible for overseeing adherence to our policies

Novar's Double Materiality Assessment

In anticipation of upcoming reporting obligations under the Corporate Sustainability Reporting Directive (CSRD), Novar conducted a comprehensive Double Materiality Assessment (DMA) in 2024. This analysis is a cornerstone of our ESG strategy and provides the foundation for transparent, relevant and forward-looking sustainability reporting.

Approach and Methodology

The DMA was carried out in accordance with the EFRAG guidelines and supported by Position Green, a specialized software platform that ensures transparency, traceability, and consistency throughout the process. The analysis covered all three entities – Novar, Klaer, and Repowered – tailoring the assessment where necessary to reflect their differing value chains.

The DMA process followed five key steps:

1. Context Analysis – Mapping our activities, value chain and stakeholder landscape from an ESG perspective.
2. IRO Long List – Identifying a comprehensive list of Impacts, Risks, and Opportunities (IROs) based on benchmark studies, internal policies and stakeholder insights.
3. In-Depth Qualification – Assessing impact and financial materiality using both qualitative and quantitative indicators.
4. Management Review – Validation of the findings by Novar's CSRD Steering Committee, chaired by the COO.
5. Documentation – Preparing for audit and embedding materiality insights into ESG strategy.

Stakeholder Engagement

Stakeholder involvement played a central role in the assessment. We engaged a wide range of internal and external stakeholders through interviews and structured surveys. This included shareholders, financiers, suppliers, customers, industry bodies, local community representatives and academic partners. In total, 15 deep-dive dialogues were conducted, followed by a survey that captured stakeholder perspectives on all relevant ESRS themes.

Materiality Scoring

Materiality was assessed from two complementary angles:

- Impact Materiality: How Novar's operations affect people and the environment (inside-out).
- Financial Materiality: How external developments could financially impact Novar (outside-in).

Each IRO was evaluated on dimensions such as severity, likelihood, financial magnitude and human rights relevance. The result was a prioritization of the most material themes, with Novar management reserving the right to adjust, based on strategic insight and rationale.

Outcomes

From an initial pool of 109 IROs, 64 were deemed material:

- 18 negative impacts
- 19 positive impacts
- 13 risks
- 14 opportunities

These were mapped against ESRS sub-themes, leading to the following classification:

- 10 sub-themes material from an impact perspective
- 4 sub-themes material from a financial perspective
- 12 sub-themes material from both perspectives

One company-specific topic – cybersecurity – was added as material due to the increasing relevance of digital resilience in the energy sector.

Strategic Relevance

The findings of the DMA were formally adopted by Novar's CSRD Steering Committee and now serve as a guiding framework for our ESG actions. The outcomes not only ensure CSRD compliance but also inform risk management, stakeholder dialogue and long-term value creation across our operations.



Insights from the CSRD readiness process

In 2024 Novar engaged consultancy firm Kyden to strengthen its ESG foundation with a focus on the Double Materiality Assessment (DMA) and associated CSRD readiness work. Kyden specializes in impact-driven consultancy and regulatory implementation. Kyden principal consultant Wouter van Twillert – part of the project team – reflects on the process and the broader value it delivered.

From compliance to strategic value

Novar initially commissioned Kyden to bring its ESG work in line with the CSRD requirements. Although a first version of the DMA and strategic ESG plan already existed, Novar's leadership expressed the desire to go beyond check-the-box compliance. "Novar made a conscious choice: not just to meet the letter of the law, but also the spirit of it," says Wouter. "Even now that CSRD compliance no longer strictly applies, they're putting extra focus on several material themes. That's a clear signal of intrinsic commitment."

The updated DMA was more than an instrument to be compliant: it became a catalyst for dialogue with stakeholders, including investors, financiers, employees and local communities. This was key to embedding ESG priorities in Novar's operational and strategic DNA.

Key activities delivered by Kyden

Over the course of the engagement Kyden:

- Facilitated a full **Double Materiality Assessment**, aligned with EFRAG guidance
- Structured and documented **stakeholder dialogues** to capture external expectations
- Conducted multiple **gap analyses** to assess current performance versus CSRD standards
- Led strategic workshops to connect **KPI development** with the most material themes

Sharpening focus on critical themes

The DMA revealed a number of areas where Novar could deepen its impact, even as a renewable energy company:

- **Value chain transparency:** Human rights, labour conditions and circularity emerged as high-priority topics, amplified by input from key stakeholders such as DIF Capital Partners and Rabobank.
- **Biodiversity and local communities:** While these were already on Novar's radar, the DMA brought sharper focus and alignment with stakeholder concerns.
- **Cybersecurity:** Identified as both a business risk and a governance priority, now actively being integrated into ESG oversight.

Wouter reflects: "The DMA triggered important conversations. Not just about how Novar impacts the world, but how the world impacts Novar. That dual lens creates clarity and momentum."

Cultural readiness and strategic maturity

Kyden noted that Novar's culture is already strongly impact-oriented. Paradoxically, Novar's inherently sustainable business model sometimes leads to less focus on adjacent ESG themes. There is still room for growth in formalising policies, particularly around diversity, inclusion, and circularity. The process helped uncover these gaps and convert them into forward-looking priorities.

Measuring and owning impact

A significant outcome of the collaboration was the calculation of Novar's first CO₂ footprint, covering Scope 1 and 2 emissions. Scope 3 calculations are now in preparation. This milestone is especially relevant given Novar's core business in carbon reduction.



"There's a certain irony in being a decarbonisation company without a carbon baseline. But now that this data is in place, Novar can move from principle to practice."

Wouter van Twillert,
principal consultant, Kyden.

Stakeholder perspective: CVC DIF



Michelle Amory,
Director of Sustainability at CVC DIF

CVC DIF – Novar’s investment partner – plays a critical role in shaping and challenging the company’s sustainability strategy. In 2024, CVC DIF and Novar intensified their collaboration on sustainability, particularly in the areas of decarbonisation, governance and value chain responsibility. Michelle Amory, Director of Sustainability at CVC DIF, shares her perspective on Novar’s progress and priorities during the holding phase of the investment.

A structured sustainability framework

CVC DIF applies a rigorous and evolving sustainability evaluation framework to all portfolio companies. Each year, Novar is assessed using a tailored sustainability scorecard built around six strategic pillars: Environmental Stewardship, Climate Resilience, Supply Chain & Community, Safety, Employee Potential and Responsible Business Conduct.

In 2024, CVC DIF introduced “Supply Chain” into its pillars, reflecting the growing global emphasis on human rights and transparency.

Amory notes: “What used to be a bit of a blind spot for the renewables industry is now non-negotiable. Companies must have clear insight into their supply chains—particularly in solar, where upholding human rights is essential.”

Human rights and supply chain scrutiny

One of the most material items of attention for CVC DIF in 2025 is the presence of forced labour in global solar supply chains. As part of a broader policy initiative, CVC DIF has created a human rights policy. For portfolio companies in the solar industry specifically, CVC DIF has created additional guidance materials. Expectations within this guidance include, among others:

- Detailed diligence on suppliers
- Tier 1 (and where possible & material tier 2) supplier mapping
- Thorough supply chain audits

Progress on decarbonisation

CVC DIF is also committed to achieving net zero alignment for 70% of its portfolio companies by 2030 as measured by the Net Zero Investment Framework. For Novar, this means building on the internal governance for Net Zero to adopt the following practices:

- Measuring Scope 1 and 2 emissions (already in place), and over time expanding coverage of Scope 3 emissions tracking
- Aligning performance with the Transition Pathway Initiative (TPI) methodology
- Setting a net zero target for 2050

Amory explains:

“CVC DIF has observed that many renewable companies are now implementing structured decarbonisation roadmaps. Novar is aligned with the TPI, which is a great first step. As the market matures, we expect to see emission reduction plans including for Scope 3 emissions.”

Business conduct as a maturity indicator

CVC DIF views responsible business conduct not just as compliance, but as an integral part of a professional organisation that delivers value to its stakeholders. Companies in CVC DIF’s portfolio are expected to meet high standards across governance, ethics, and sustainability integration.

Amory: “By the time of exit, we want portfolio companies to have strong performance across their respective financially material sustainability topics. That’s our signal to the market that sustainability is embedded in the business.”

Opportunities

CVC DIF sees an opportunity for Novar to lead, particularly by:

- Strengthening governance around climate and supply chain topics
- Taking an active stance in industry-wide human rights efforts
- Moving from compliance to impact in decarbonisation and lifecycle accountability

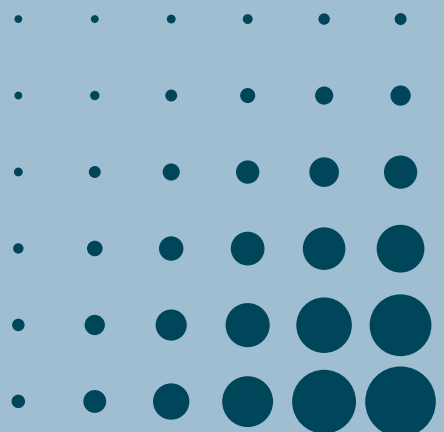
Amory concludes: “As expectations rise – both from regulators and capital providers – renewable companies like Novar need to stay ahead of the curve. That means turning sustainability from a reporting obligation into a business advantage.”

What is the TPI Methodology?

The Transition Pathway Initiative (TPI) is a global, investor-led framework that assesses how prepared companies are for the transition to a low-carbon economy. It evaluates:

- **Management quality:**
How well a company integrates climate risks and opportunities into its strategy.
- **Carbon performance:**
Whether the company’s emissions trajectory aligns with international climate goals (e.g. the Paris Agreement).

TPI alignment signals that a company is taking credible, science-based steps toward decarbonisation; an increasingly important benchmark for responsible investors.



The integration of ESG across our business

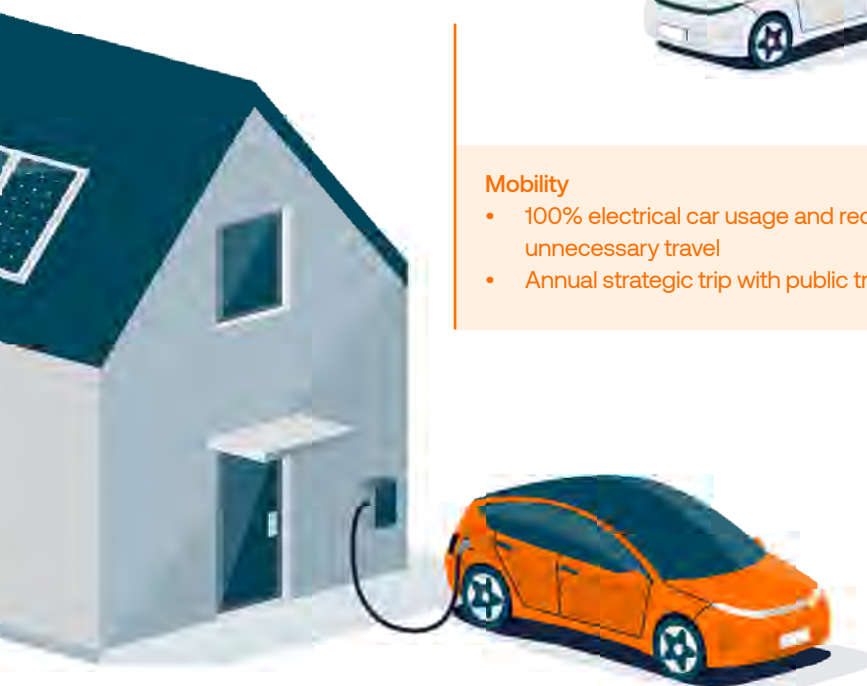
Novar integral: 'Affordable Energy Initiative'

- 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



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.



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:

Ecology

- Researched nutrient reduction through mowing and vegetation removal
- Developed ecological mowing method with a sheep farmer
- Collaborated with Wageningen University on mowing frequency
- Initiated project with Klaer to internalize ecological monitoring
- Explored student-led monitoring with University of Groningen



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

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



SDG commitments



Our ESG themes aligned with global goals

As Novar continues to grow and expand its impact, we remain guided by a clear ambition: to create long-term value not only through clean energy, but also through responsible operations that contribute to a more just and sustainable world. In 2024, our key ESG focus areas, such as CO₂ reduction, biodiversity, circular economy and employee wellbeing, were consciously aligned with the United Nations Sustainable Development Goals (SDGs).

These goals provide an international reference framework that helps us link local action to global priorities. For example:

- Our decarbonisation efforts contribute directly to SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).
- Biodiversity and nature restoration initiatives reflect our alignment with SDG 15 (Life on Land) and SDG 12 (Responsible Consumption and Production).
- Our focus on value chain transparency, cybersecurity, and ethical conduct is tied to SDG 16 (Peace, Justice and Strong Institutions).
- Social themes - such as occupational health, diversity, and community engagement - connect to goals including SDG 3, 5, 8, and 11.

By mapping our ESG efforts to the SDG framework, we strengthen the relevance, measurability, and accountability of our strategy. It is a way to look beyond compliance and to take responsibility for the broader impact we have on people, planet, and future generations.

Alignment with SDGs:

		3	5	7	8	9	10	11	12	13	15	16
		GOOD HEALTH AND WELL-BEING	GENDER EQUALITY	CLIMATE ACTION	DECENT WORK AND ECONOMIC GROWTH	INDUSTRIAL INNOVATION AND INFRASTRUCTURE	REDUCED INEQUALITIES	JUST SOCIETIES	CIRCULAR ECONOMY	CONSUMPTION AND PRODUCTION RESPONSIBILITY	LIFE ON LAND	PEACE, JUSTICE AND STRONG INSTITUTIONS
Environmental	Affordable energy											
	CO ₂ Reduction			✓					✓	✓		
	Biodiversity								✓	✓	✓	
	Circular Economy					✓			✓	✓		
Social	Occupational Health & Safety	✓			✓							
	Employee Wellbeing	✓			✓							
	Diversity and Inclusion		✓		✓		✓					
	Affected Communities							✓		✓		✓
Governance	Ethical business conduct				✓							✓
	Value Chain Transparency					✓			✓			✓
	Cybersecurity					✓						✓



Strategic framework

Novar's ESG strategy is informed by rigorous materiality assessments carried out in 2024 in collaboration with partners such as Kyden consultants.



Environmental

Social

Governance

Environmental



CO₂ reduction

Tackling climate change and its impacts strengthens our ability to withstand environmental challenges while promoting equitable and inclusive development for present and future generations. In this second year, a significant part of our work has centred on establishing a solid methodology for calculating our CO₂ emissions.

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.
GHG intensity reduction	Decarbonisation levers, including actions and targets
GHG absolute reduction	Total energy consumption from non-renewable resources
Renewable Energy Production	Total fuel consumption from non-renewable resources



Biodiversity and ecosystem

Healthy land is vital for biodiversity and climate resilience, yet much of the Netherlands' agricultural ground has been depleted through intensive use. By taking plots temporarily out of production for solar projects, we create space for natural regeneration, allowing structure, organic matter and ecological value to recover for future use.

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)
Average number of plant and animal species per hectare in biodiversity-enhanced areas of the solar parks, based on field monitoring	Biodiversity Quality Index per Solar Park (Method: Average diversity is calculated using the Shannon-Wiener Index)
Total hectares of solar park area under active biodiversity enhancement, supported by local ecological monitoring	Hectares of solar park land actively managed for biodiversity, with outcomes monitored by local ecological experts

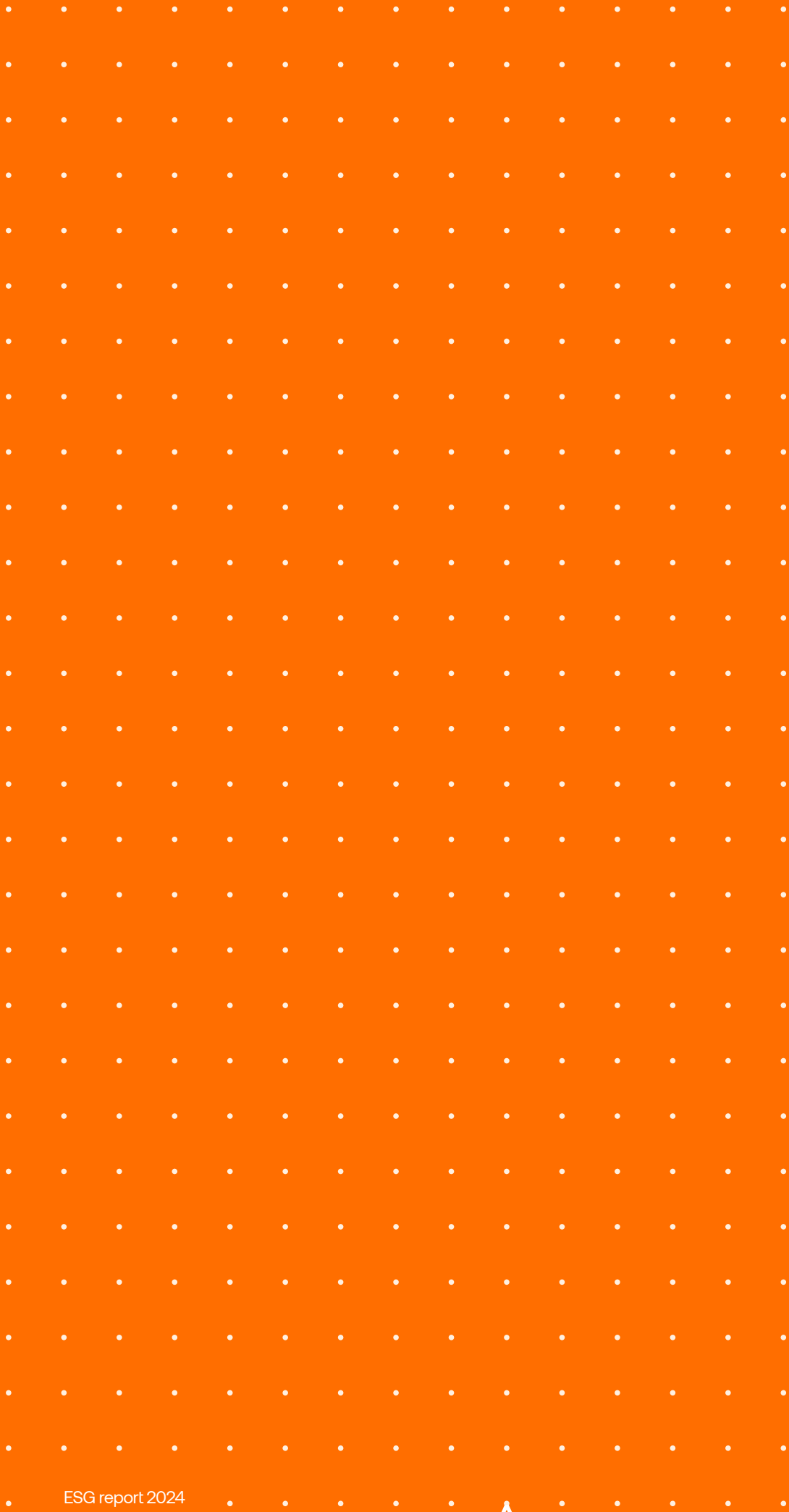
ESG Strategic framework



Circular Economy

Circular economy principles guide Novar in reducing waste, reusing materials and designing projects with end-of-life in mind. In 2024 we advanced our approach by mapping material flows and strengthening collaboration with suppliers to close resource loops.

KPI	Description
Number of Solar Park Projects with Circular Design Plans	Aligned with: ESRS E5-4 and E5-5 (Product design and circular business models)
End-of-life recovery rate (projected or actual)	Aligned with: ESRS E5-3
Circular procurement rate (% of procurement spend or volume covered by circularity criteria)	Aligned with: ESRS E5-2 and E5-4 (Product use phase and procurement)



Social

Governance

Social



Occupational Health and Safety

Occupational Health & Safety is a core element of Novar's operational responsibility. In 2024 we strengthened our policies, increased awareness and introduced more structured safety planning; ensuring that both employees and contractors work consistently under safe conditions.

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)
Absenteeism Rate (due to mental and physical health)	Percentage of working time lost to employee absence from mental or physical health reasons



Employee wellbeing & inclusion

We strive to be an organisation where employee wellbeing is a core part of how we operate and grow. Our ambition is to foster a workplace culture in which the health, safety, and engagement of our people are inseparable from our commitments to environmental stewardship and social responsibility.

KPI	Description
Employee Wellbeing Score: average score across wellbeing indicators (e.g., mental health, stress, work-life balance) from a standardized survey	Survey design: for all employees within Novar • 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.
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

Diversity and inclusion are essential drivers of innovation, resilience and lasting success. For Novar, sustainability means not only protecting the planet but also building an inclusive society. By fostering diversity within our teams and embedding inclusive practices into our processes and decision-making, we strengthen our ability to meet the international challenges of the energy transition while creating positive impact for the communities we serve.

KPI	Description
Percentage pay-gap between female and male 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.



Affected communities

In 2024 we strengthened our participation approach, shifting from site-specific dialogue to an area-based strategy that connects renewable energy development with broader local priorities such as water management, nature restoration and climate adaptation. By building trust, seeking shared interests and integrating community input into project design, we aim to create solutions that deliver value for both the energy transition and the people living in its vicinity.

KPI	Description
# Projects with participation plan	Number of projects that include a formal stakeholder participation plan

Governance



Ethical Business Conduct

Ethical business conduct underpins our decisions, shapes our relationships with stakeholders and informs the strategies that guide our growth. By embedding integrity into every aspect of our operations, we aim to build lasting trust and create long-term value for all we engage with.

KPI	Description
# and nature of confirmed incidents of corruption or bribery	Recorded number and type of confirmed corruption or bribery incidents
% 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
Average number of days taken to pay invoices from the start of the agreed payment term	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



Value Chain Transparency

Value chain transparency is key to ensuring that our growth is both responsible and sustainable. In 2024 we advanced our supply chain mapping, focusing on circularity, human rights, and ethical sourcing, making every stage more traceable, accountable and aligned with our ESG ambitions.

KPI	Description
% of Suppliers disclosing on key ESG topics. % of suppliers that provide data or disclosures on ESG topics (e.g. GHG emissions, labor rights, diversity, resource use), either via self-reporting or platforms like Ecovadis	100% of critical suppliers (refers to Novar's suppliers policy)

ESG Strategic framework



Cyber Security

As digital systems become ever more critical to our operations, cybersecurity has become a core element of our resilience. In 2024 we strengthened our defences across both IT and OT environments, enhancing policies, awareness and technical safeguards. These measures protect not only our data and infrastructure, but also the trust of our partners, customers and communities.

KPI	Description
% of employees trained in cybersecurity awareness	Percentage of employees completing cybersecurity awareness training
Number of cyber incidents or breaches (classified by severity)	Total number of cyber incidents or breaches, categorised by severity





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