



ESG Report
2024

Table of contents

<i>Message from our CEO</i>	3
<i>About our report</i>	5
<i>About Nofar Energy</i>	6
<i>Company holdings chart</i>	7
<i>Nofar Energy — driving global green growth</i>	8
<i>Operations around the globe</i>	9
<i>Setting strategic ESG goals and targets</i>	13
<i>Supporting the global transition to a low-carbon economy</i>	16
<i>Contribution to the UN’s Sustainable Development Goals</i>	18
<i>Nofar’s material topics</i>	20
<i>Dialogue with our stakeholders</i>	21
<i>Nofar’s values</i>	26
 <u>1.</u> Environment	27
<i>Environmental management</i>	27
<i>Risks and opportunities related to climate change</i>	28
<i>Energy storage leader</i>	29
<i>EV charging solutions</i>	30
<i>Energy consumption and GHG emissions</i>	31
<i>GHG emissions</i>	31
<i>Minimizing land use and negative environmental impact</i>	34
<i>Preserving biodiversity</i>	34
<i>Waste management</i>	36
<i>Water management</i>	38
<i>Compliance with environmental regulation</i>	38
 <u>2.</u> Social	40
<i>Respecting human rights</i>	41
<i>Building a fair and inclusive workplace</i>	42
<i>Employee development</i>	43
<i>Employee well-being</i>	44
<i>Workplace culture</i>	44
<i>Diversity, equality, and respect as the cornerstones of employment</i>	45
<i>Internal and external grievance mechanism</i>	46
<i>Managing workplace health and safety</i>	47
<i>Emergency preparedness and response plan</i>	50
<i>Responsible supply chain</i>	50
<i>Community contributions and support</i>	55
 <u>3.</u> Corporate governance	56
<i>Structure of the Board of Directors</i>	57
<i>ESG management</i>	59
<i>Managing Nofar’s risks</i>	59
<i>Ethical business practices at Nofar</i>	60
<i>Compliance with legal requirements</i>	64
<i>Prevention of bribery and corruption</i>	66
<i>Information security</i>	67
<i>Legal disclaimer</i>	67

Message from our CEO

We are pleased to present Nofar Energy's fourth Corporate ESG Report, reflecting another year of significant progress in our commitment to sustainability, transparency, and responsible global growth. As a leading international developer and operator of renewable energy and storage solutions, our mission remains clear: accelerating the transition to a low-emission, resilient energy economy, and supporting the world's path toward net zero.

2024 was a year defined by resilience, focus, and execution. The Iron Swords War continued throughout the year, creating ongoing uncertainty and affecting communities across Israel. A significant portion of our workforce was called to reserve duty, and we honor their dedication. We extend our deepest condolences to families who lost their loved ones. Despite these extraordinary circumstances, Nofar's teams, both in Israel and worldwide, continued to demonstrate exceptional professionalism, ensuring uninterrupted business continuity at a time when the energy sector is more essential than ever.

Against this challenging backdrop, Nofar achieved strong and accelerated growth. Our global project portfolio expanded to 2,428 MW of solar capacity and 2,127 MWh of storage, including systems connected, under construction, and nearing construction. We also executed financial closings in the UK, Germany, Italy, and Romania totaling approximately NIS 2 billion, reinforcing our international expansion.

2024 closed with projected first-year electricity revenues exceeding NIS 1.7 billion from connected and advanced-stage projects, demonstrating the strength, diversification, and maturity of our asset base. 2024 was also marked by intense construction activity and rapid grid connections across multiple territories. With more than 650 MW and 350 MWh slated for completion in 2025, we are positioned for another strong year of infrastructure deployment. These achievements enable us to look ahead with confidence and pride.

Beyond environmental impact, we continue to deepen our engagement in social responsibility and corporate governance, ensuring that our stakeholders, customers, investors, suppliers, employees, and communities alike benefit from long-term, sustainable value creation. Our key suppliers are required to meet Nofar's ESG expectations. Even in a year shaped by geopolitical instability and global economic uncertainty, Nofar remained steadfast in its vision: enabling cleaner energy, maintaining a sustainable supply chain, enhancing national and economic resilience, creating jobs, and contributing to public and planetary health.

We extend heartfelt thanks to our employees, partners, investors, and customers for their unwavering trust and support. The achievements of 2024 belong to our entire global team, whose dedication and professionalism continue to drive Nofar's success. As we approach the coming years, we remain committed to delivering on our ESG goals, advancing innovation, and leading the global transition to renewable energy. Together, we will continue to push boundaries, operate responsibly, and create meaningful impact for society, the environment, and future generations.

Sincerely,

Ofer Yannay

Director and CEO, Nofar Energy

About our report

Nofar Energy (the “Company”) is delighted to present its fourth ESG report to all of our stakeholders. This report provides a comprehensive look at the environmental, social, and governance impacts of our policies and practices. We supply renewable energy and help fight climate change. We believe that in addition to applying environmentally friendly technological solutions, we must conduct ourselves in accordance with ESG principles and practices throughout our activities and implement these principles and practices in our relationships with our stakeholders.

We are more devoted than ever to the creation of positive value for our stakeholders. We continue to invest resources to manage and measure our ESG impacts, while adopting more action steps to manage and improve Nofar’s performance in all aspects. As part of our commitment, we continue to promote several initiatives designed to meet the UN’s Sustainable Development Goals (SDGs), which will be further discussed throughout this report.

This report covers the Company’s ESG activities across Israel, Romania, Serbia, Italy, the UK, Poland, the USA, and other countries. This report is prepared with reference to the Global Reporting Initiative (GRI) Standards. Nofar is dedicated to continuing and striving to improve our work, and we are committed to sharing our progress with our stakeholders on an annual basis. For further questions regarding this report or other ESG matters that may involve the Company, please contact:

Noa Beit Dagan
Chief Operating Officer, Nofar Energy
noa@nofar-energy.co.il

About Nofar Energy

O.Y. Nofar Energy Ltd., established in 2011, is a publicly traded global independent power producer and developer specializing in renewable energy projects, including battery energy storage, utility-scale solar, and floating and rooftop solar.

Since becoming a publicly traded company on the Tel Aviv Stock Exchange (TASE: NOFR) in 2020, Nofar has experienced rapid and consistent growth, building an extensive portfolio of projects and subsidiaries across ten countries. These include the UK, Spain, Italy, Romania, Israel, Poland, Germany, the USA, Serbia, and Greece. With over 13 years of expertise, Nofar Energy invests in and owns major renewable energy and energy storage projects worldwide, leveraging its global leadership and deep expertise in the energy storage sector.

Nofar operates in three primary areas: C&I (commercial and industrial), Utility-scale, and Storage projects. Nofar's comprehensive approach encompasses all stages of project execution — development, permitting, financing, construction, and maintenance — ensuring high standards across the value chain. By retaining ownership stakes in a substantial share of its projects, Nofar demonstrates its commitment to long-term clean energy investments.

Nofar Energy's business model is built on strategic partnerships that drive its renewable energy expansion globally. Nofar partners with local developers who contribute essential regional expertise in project identification, development, and execution. This collaborative approach allows Nofar to effectively adapt to diverse markets, optimizing project outcomes and accelerating its international reach. In Israel, Nofar collaborates with kibbutzim and real-estate companies, establishing joint ventures that enable shared ownership and leverage available land for sustainable infrastructure and efficient land use. Nofar's diverse portfolio includes ground-mounted, floating, and rooftop solar projects, as well as energy storage systems, with a combined production capacity in the thousands of MWh across Israel, Europe, and the USA.

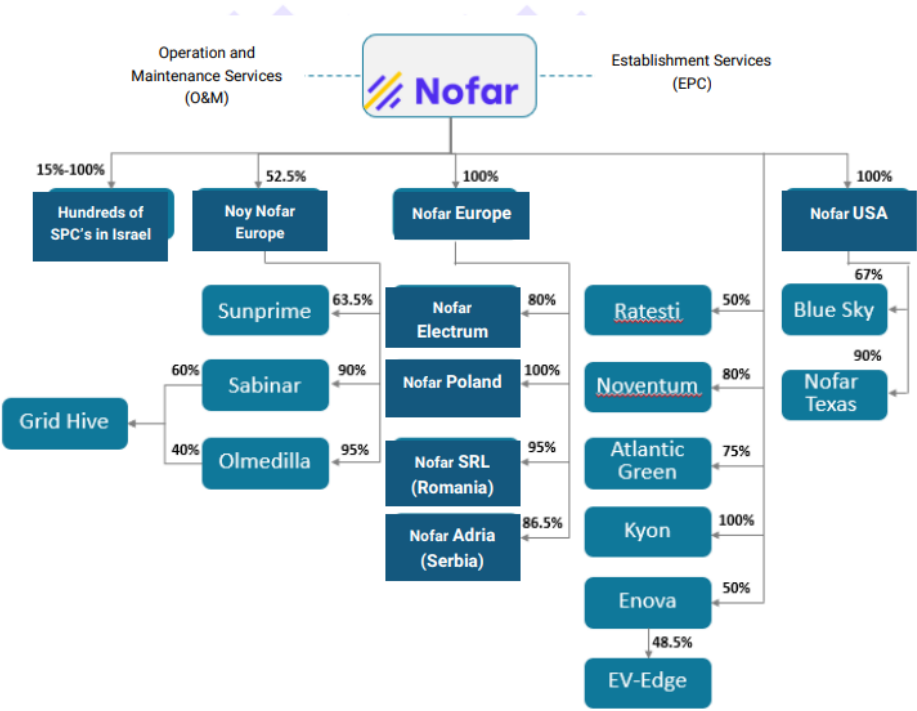
Beyond energy production, Nofar actively supports Israel's transition to a decentralized energy market by expanding its renewable projects and storage capabilities. In recent years, Israeli authorities have taken steps to promote renewable energy, aligning well with Nofar's ambitions. The company's efforts focus primarily on C&I projects in Israel, Italy, and the USA, while its European ventures often include large-scale projects connected to ultra-high-voltage grids.

Nofar has continued its partnership with Milgam Group Ltd. through Enova Energy, which focuses on developing solar and storage systems for the municipality sector as well as producing and selling electricity from renewable sources, energy storage systems, and electricity suppliers. As part of its growth strategy, Nofar has

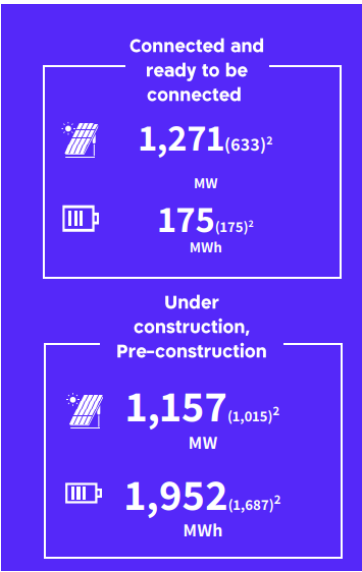
strengthened its position in the electric vehicle (EV) charging market by establishing charging stations that are powered by electricity generated from its renewable energy systems. The Company made significant progress in 2024, expanding its project backlog, growing its international asset portfolio, and enhancing its storage capabilities, both as standalone systems and in conjunction with solar projects.

Nofar integrated all of its global platforms into consolidated ESG reporting, ensuring comprehensive insights and data representation across its operations. Additionally, Nofar has implemented significant organizational streamlining to improve efficiency and drive business growth. These efforts reduce resource use, enhance productivity and employee satisfaction, and demonstrate fiscal responsibility.

Company holdings chart



Nofar Energy — driving global green growth



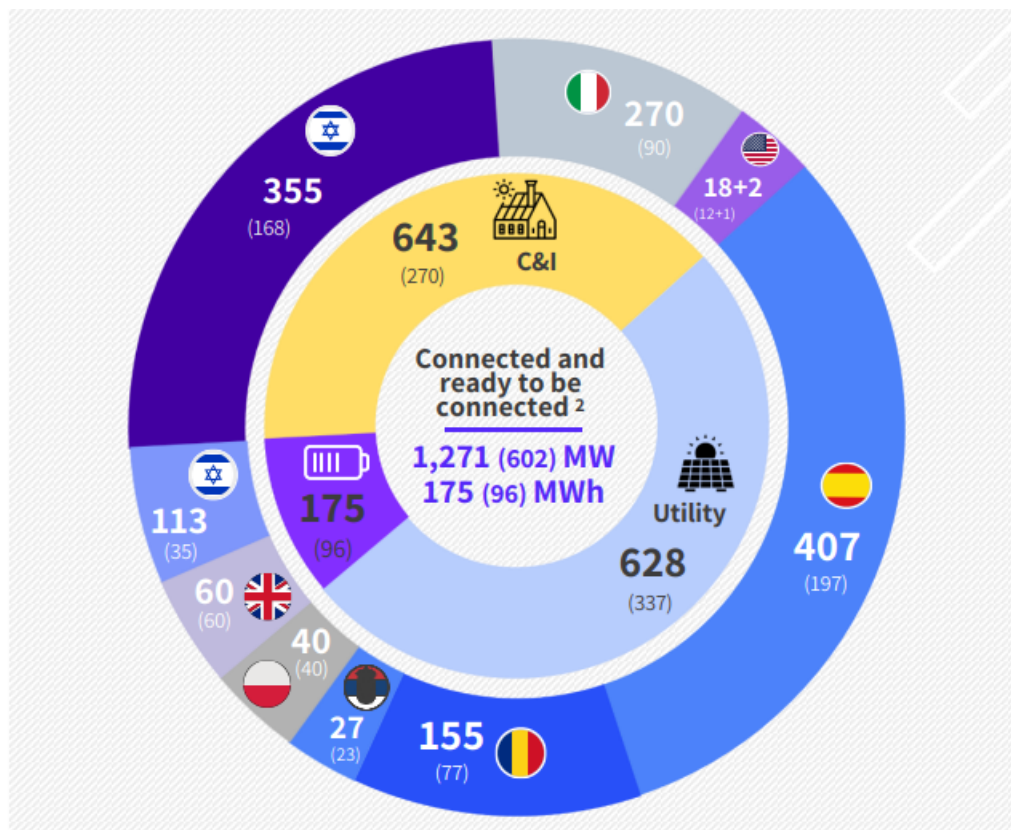
100% data. Company's share in parentheses.

As of 2024, Nofar Energy had 1,271 MW of solar energy and 175MWh of storage capacity of projects connected and ready to be connected, across eight territories, strengthening its leadership in the green-energy sector. This capacity reflects Nofar's commitment to providing clean, accessible electricity worldwide. Nofar Energy continues to scale its renewable energy model, driving sustainable progress and creating long-term value in every market it serves.

Operations around the globe

A robust portfolio of active and upcoming energy projects¹

Green energy is a global matter — and so are we. Nofar Energy operates in Europe, North America, and the Middle East, leading the global transition to renewable energy.



¹ Including projects that are connected and ready to be connected, based on 100% holdings (Company share in parentheses). For full details on the Company's projects portfolio, please see the [2024 Periodic Report](#).

Israel

Nofar's activity in Israel revolves around two key areas: construction and operations and maintenance (O&M). The Company constructs solar systems, storage systems, and electric vehicle (EV) charging stations, either directly or through subcontractors. This process, known as EPC (Engineering, Procurement, and Construction), involves full planning, licensing, procurement, and construction until systems are connected to the grid. Nofar's focus in Israel is primarily on dual-use platforms and behind-the-meter storage facilities. Most of these projects are developed through joint ventures, often with partners with significant property holdings, such as kibbutzim and real-estate companies, which serve as a significant growth driver for the Company. A smaller portion of these systems is owned by third parties or the Company itself. In addition to construction, Nofar provides ongoing operations and maintenance services for systems it has built. These services are primarily for systems owned by the joint-venture companies, although a small share is provided for third-party systems. As of its most recent report, Nofar operates and maintains connected systems with a combined capacity of 355 MW, and 113.2 MWh of storage. An additional 400.4 MW and 1,793 MWh of storage are in various stages of development. The growth in project development and investment within Israel in recent years has also led to a corresponding increase in construction and maintenance activities.

Spain

Nofar Energy's operations in Spain are conducted through Noy Nofar Europe, in collaboration with local developers who hold between 5% and 10% of the interests in the projects. Nofar owns two major solar projects: Olmedilla (169 MWp) and Sabinar (238 MW). Nofar is also working to expand the Sabinar project using the existing substation. Power purchase agreements (PPAs) have been signed for both projects, covering the sale of most of the electricity produced for periods ranging from 3 to 9 years. In September 2024, the electrification of the Sabinar II project was completed and electricity began flowing into the grid, alongside continued development of the Sabinar III project.

Romania

In 2022 and 2023, Nofar established Nofar Energy SRL, a local platform responsible for initiating, developing, purchasing, constructing, and financing solar and wind projects in Romania. One of the key projects, the Ratesti solar project (155 MW, 50% owned by Nofar), was connected to the grid in 2023 and is currently in the commissioning phase. During 2022–2024, Nofar acquired several additional projects in Romania, including Iepuresti (169 MW), Corbii Mari (256 MW), Ghimpati (146 MW), and Slobozia (72 MW). In 2024, construction commenced on the Iepuresti, Slobozia and Ghimpati projects.

UK

In 2021, Nofar Energy established two platforms in the UK in partnership with local developers: Noventum, focused on solar and wind project development, and Atlantic Green, which specializes in battery energy storage systems (BESS). Atlantic Green owns several key projects, including Cellarhead, which has a 300 MW connection point and a storage capacity of up to 624 MWh. The project has received the necessary approvals to begin construction, and EPC and O&M agreements were signed with the contractor in 2024. Another project, Buxton, with a 30 MW connection and a 60 MWh storage capacity, was connected to the electricity grid in 2024. Atlantic Green also has exclusivity over the Toton project, which is in the advanced development stage, with a 130 MW connection and 260 MWh of storage capacity, but is pending resolution of the Connection Reform process. Atlantic Green is negotiating further acquisitions of storage projects. In November 2024, a financing agreement was signed with a consortium of leading international and Israeli banks to fund the construction of the Cellarhead project.

Italy

Nofar's operations in Italy are conducted through Sunprime, which focuses on the development, planning, licensing, construction, and operation of solar-energy systems on rooftops and ground-mounted systems. Most of these projects are secured through tenders run by the Italian Electricity Services Authority (GSE) for selling electricity through differential agreements (Contracts for Difference). In 2024, Sunprime installed over 100 MW of photovoltaic (PV) plants, of which 62 MW on rooftops and over 40 MW ground mounted. In July 2024, Sunprime finalized a second round of investment of €204M to finance 200 MW of PV plants already ready to build. An additional 200 MW are in preliminary development phases. Over the course of 2024, Sunprime brought its PV plant project design process fully in house, and its EPC team grew to 50 people.

Germany

In 2023, Nofar assessed the electricity market in Germany and identified it as a promising investment opportunity. In late 2023, Nofar published a tender for the BESS supply and BOP works for a 104.5 MW / 209 MWh project; in 2024, Nofar examined the bidders and proposals, and negotiated and finalized agreements for the BESS supply and BOP contractor. Nofar also signed a tolling contract (Flexibility Purchase Agreement) with a European utility company, and was in the final stages of financing agreement with a European bank. During 2024, Nofar continued to assess new projects in Germany.

Poland

Nofar operates in Poland primarily through Electrum Nofar, a corporation in which Nofar Europe holds an 80% stake and Electrum sp. z o. o. holds 20%. Electrum is recognized as one of Poland's leading EPC contractors, specializing in engineering, construction, maintenance, and management of large-scale energy systems, particularly in renewable energy projects such as wind farms and solar installations. Electrum Nofar has a project backlog totaling approximately 712.4 MW of solar and other projects at various stages of operation, construction, and development. Notable projects include the Krzywinski project (20 MW), which is already connected to the grid, and the Dziewoklucz project (19.7 MW), which is awaiting necessary upgrades from the grid administrator for its connection. In addition, the company has around 3,094 MWh of storage capacity. Electrum Nofar is working to identify and initiate further solar and wind projects throughout Poland.

USA

Nofar Energy operates in the USA through its subsidiary, BlueSky, in which it holds a 67% stake. BlueSky is dedicated to the initiation, development, licensing, financing, management, construction, and ownership of solar projects on commercial building rooftops, as well as storage systems. The company primarily collaborates with real-estate investment trusts (REITs) that own extensive portfolios of commercial real estate. These partnerships focus on installing solar systems on the rooftops of the properties and selling the electricity generated to tenants at rates based on retail prices.

Serbia

Nofar Europe has formed agreements with local developers to establish a joint initiation platform focused on solar projects in Serbia. The group successfully completed the acquisition of two solar projects with a combined capacity of approximately 26.6 MW. During 2024, the project reached mechanical completion.

Greece

In 2022, the Company conducted a thorough analysis of the energy market in Greece and subsequently entered into conditional agreements to acquire storage projects totaling approximately 1,356 MWh, which are currently in the initial stages of development. During 2024, Nofar remained in ongoing contact with the projects' developers and continued to monitor the Greek market and regulatory landscape.

Setting strategic ESG goals and targets

Nofar Energy views the transition to a low-emission economy as an opportunity to foster independence, create wealth, generate employment, and enhance both planetary and public health. Aligned with this vision, Nofar has set strategic ESG goals that integrate environmental, social, and governance factors into its core business strategy and activities. Nofar has updated its business strategy over the years to reflect the evolution in the renewable energy markets and its maturity. In response to these developments, the Company's organizational structure changed over the course of 2023–2024, in order to support and promote the strategy and its effective execution.

Recognizing ESG concepts as one of the drivers of its development and growth, in 2023 Nofar made the decision to review and revalidate its ESG goals for closer alignment with its current business strategy and organizational culture, using 2023 as the baseline year. The new goals were developed in collaboration with key stakeholders and approved by Nofar's CEO. The ESG goals are integrated into all operations, with the Company's global platforms and headquarters fully embracing its ESG policy.²

Our commitment to the environment

Nofar is dedicated to producing clean, renewable energy as part of its mission to eliminate harmful emissions and address the global climate crisis. Nofar is rapidly growing its global operations, by expanding its solar energy generation and storage capacity. Clean energy solutions lead to significant accumulated avoided emissions over time, achieved through the adoption of sustainable practices, and Nofar aims to increase these emission savings substantially in the future. Concurrently with its significant growth, Nofar remains committed to reducing the environmental impact of its operations by reducing Scope 1 and 2 emissions. Nofar plans to gradually expand the measurement of its Scope 3 emissions through 2028, setting new targets as progress is made.

Nofar demonstrates its commitment to environmental stewardship through investments in storage solutions, EV charging infrastructure, and initiatives to address climate change, including efforts to protect biodiversity and prevent ecosystem decline. Nofar also prioritizes the sustainable use of materials and the implementation of responsible supply-chain practices. Guided by its vision, Nofar aims to lead the global transition to renewable energy by driving innovation and promoting sustainable growth in electricity generation and storage.

² All numbers refer to 100% holdings of the projects.

Goal	2024	2028
Capacity of renewable power connected and ready to be connected (GW)	1.27	5.0
Capacity of storage connected and ready to be connected (GWh)	0.17	3.5
C&I dual-use capacity connected and ready to be connected (MW)	549	1,500
GHG — Scope 1 emissions (tCO ₂ e)	864	Zero By 2030
GHG — Scope 2 emissions (tCO ₂ e)	1,454	-30% by 2030
GHG — Scope 3 emissions (tCO ₂ e)	214	TBD according to Scope 3 measurements in 2025
Accumulated avoided emissions since 2021 (MtCO ₂ e) ³	1.8	6.0

Our commitment to society

Nofar is dedicated to supplying clean energy and promoting shared value with its stakeholders: employees, partners, vendors, and the communities in which it operates. The Company ensures the safety and well-being of its employees and contractors' workforce.

Nofar is committed to offering new job opportunities, to contribute to local economic development, and has adjusted its strategic goals to reflect this ambition. Nofar is committed to protecting human rights across all operations, including its supply chain. As part of its engagement with local communities and commitment to their well-being, Nofar prioritizes responsible disposal of hazardous materials from C&I rooftops sites.

³ Emission savings are based on full project ownership and projected emission intensity in the relevant countries, with targets dependent on the realization of these projections. The baseline is derived from avoided emissions in 2021–2024.

Goal	2024	2028
Occupational safety — fatal accidents (including contractors)	0	0
Accumulated responsible disposal of hazardous materials within the community (K tons)	2.7	1.4
Local economic development (number of jobs)	299	300

Our commitment to corporate governance

Nofar is dedicated to strong corporate governance, upholding the highest standards of integrity, transparency, and accountability in all aspects of our operations. Nofar has a wide set of policies and procedures that support and promote the integration of ESG considerations into the Company's routines and strategic processes. The Company develops dedicated work plans to achieve this integration and the ESG strategic goals.

Promoting gender equality within our executive management and board is a key priority for the Company.

Goal	2024	2028
Gender diversity in the board and executive management (% women)	18%	25%

Supporting the global transition to a low-carbon economy

Nofar is committed to advancing the global transition to renewable energy by contributing to global renewable energy goals and supporting efforts to reduce greenhouse-gas emissions. At the core of this commitment is a dynamic and adaptive approach designed to respond to evolving environmental and market challenges. Nofar is shaping its global strategy and guiding its implementation across various platforms, ensuring a cohesive vision across its international operations. Our initiatives include promoting dual-use solar projects, integrating storage facilities, and leading behind-the-meter storage in Israel. These efforts aim to efficiently harness renewable energy while minimizing land use and reducing pollutants. Aligned with the Paris Agreement and COP 28 targets, Nofar is dedicated to the sustainable transition from fossil fuels to green energy, while ensuring that human rights and a just transition remain central to our approach.

Nofar's business model leverages a "platform model" approach, aiming to expand renewable energy projects efficiently and strategically in different countries. This model focuses on the following elements:

Market leadership: Maintaining our position as one of the leading companies in the field of renewable energy in general, and solar energy and storage systems in particular.

Project expansion: Deepening the activity of our platforms, increasing the Group's backlog of projects, and expanding the Company's project portfolio abroad.

Platform development: Building a platform with the principle of strong and experienced local management, personnel with expertise in the local market, and operational efficiency. The degree of independence of the platform in relation to headquarters in Israel is determined according to the need for local knowledge, personnel costs in the various countries, the platform's capacity for rapid growth, and the ability of the Group's senior management to maintain effective oversight.

Global reach: Developing the Company's portfolio of storage projects and using the storage technology in different territories, both in combination with solar systems and as independent systems.

Community resilience through Nofar's microgrid solutions

In 2023, the Company successfully operated the first microgrid system in Israel. Nofar Energy has proactively developed a cutting-edge microgrid pilot project, designed to strengthen Israel's power infrastructure and ensure energy resilience during emergencies and outages. This initiative emerged in response to the growing need for reliable electricity in times of crisis, particularly highlighted in Israel by the disruptions that followed the events of October 7th. The microgrid system, powered by renewable energy and featuring autonomous operation capabilities, provides a critical backup solution that continues to function independently even if the main grid fails.

Initial installations have been successfully implemented in several communities, starting with Kibbutz Shoval, which served as a launchpad for this transformative energy solution. These systems are equipped with advanced energy storage infrastructure, creating localized, self-sufficient power networks that operate efficiently within specified communities.



During 2024, Nofar continued to explore this field and conducted several additional trials at the Kibbutz Shoval site, including the synchronization of two diesel generators with the microgrid system to enable continuous operation during nighttime hours. The knowledge and experience gained from these activities form the foundation for the continued development of the microgrid model as a scalable and adaptable product suitable for a wide range of applications.

In addition to providing critical backup power, Nofar's microgrid system can generate ongoing savings and support economic stability. By leveraging renewable energy sources and efficient energy storage, the microgrids promise to deliver lower electricity costs, benefiting both local communities and the broader energy market. This forward-looking initiative exemplifies how private sector ingenuity can create public value, enhancing national energy security while promoting environmental and economic sustainability.

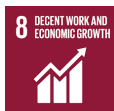
Following this pilot, in 2024 Nofar hosted the first session of the Introduction to Micro-Grid and Energy Security course. The course is designed to promote knowledge and understanding in the field of micro-grids and energy security.

Contribution to the UN's Sustainable Development Goals

In 2015, the UN published the “2030 Agenda for Sustainable Development.” This agenda comprises 17 Sustainable Development Goals (SDGs) aimed at addressing a broad spectrum of social, economic, and environmental challenges. In 2024, we reassessed our contribution to the SDGs to ensure our efforts align with these global goals. As a leading renewable energy company in Israel, Nofar’s operations align with several of the SDGs, as highlighted in this report and summarized in the table below.

SUSTAINABLE DEVELOPMENT GOALS	RELEVANT TARGET	OUR ACTIVITY
GOAL 7: ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL 	<p>7.1. Universal access to modern energy – by 2030, ensure universal access to affordable, reliable, and modern energy services.</p> <p>7.2. By 2030, increase substantially the share of renewable energy in the global and local energy mix.</p>	<p>Nofar produces clean and available energy. Installed capacity in 2024: 1.27 GW solar energy connected and ready to be connected. By 2028, the installed capacity globally is expected to increase to 5 GW, thereby helping to meet the goal of transitioning to renewable energies.</p>
GOAL 13: TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS 	<p>13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>	<p>Reducing greenhouse-gas emissions in the countries where it operates through the production of clean electricity.</p> <p>In Israel, Nofar integrates EV charging networks, helping to reduce carbon emissions and promote the adoption of electric vehicles.</p>
GOAL 8: PROMOTE SUSTAINED, INCLUSIVE	<p>8.5. By 2030, achieve full and productive</p>	<p>Nofar maintains a strong focus on recruiting and retaining qualified</p>

AND SUSTAINABLE
ECONOMIC GROWTH,
FULL AND PRODUCTIVE
EMPLOYMENT AND
DECENT WORK FOR ALL



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

personnel, emphasizing diversity and equal opportunities in the workplace.

8.8. Protect labor rights and promote safe and secure working environments.

GOAL 15: PROTECT,
RESTORE AND PROMOTE
SUSTAINABLE USE OF
TERRESTRIAL
ECOSYSTEMS,
SUSTAINABLY MANAGE
FORESTS, COMBAT
DESERTIFICATION, AND
HALT AND REVERSE LAND
DEGRADATION AND HALT
BIODIVERSITY LOSS



15.5. Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.

Nofar Energy conducts environmental impact assessments and implements dual-use land strategies to protect local biodiversity in all its projects. Nofar prioritizes environmental preservation, adhering to regulations and minimizing resource use across its operations.

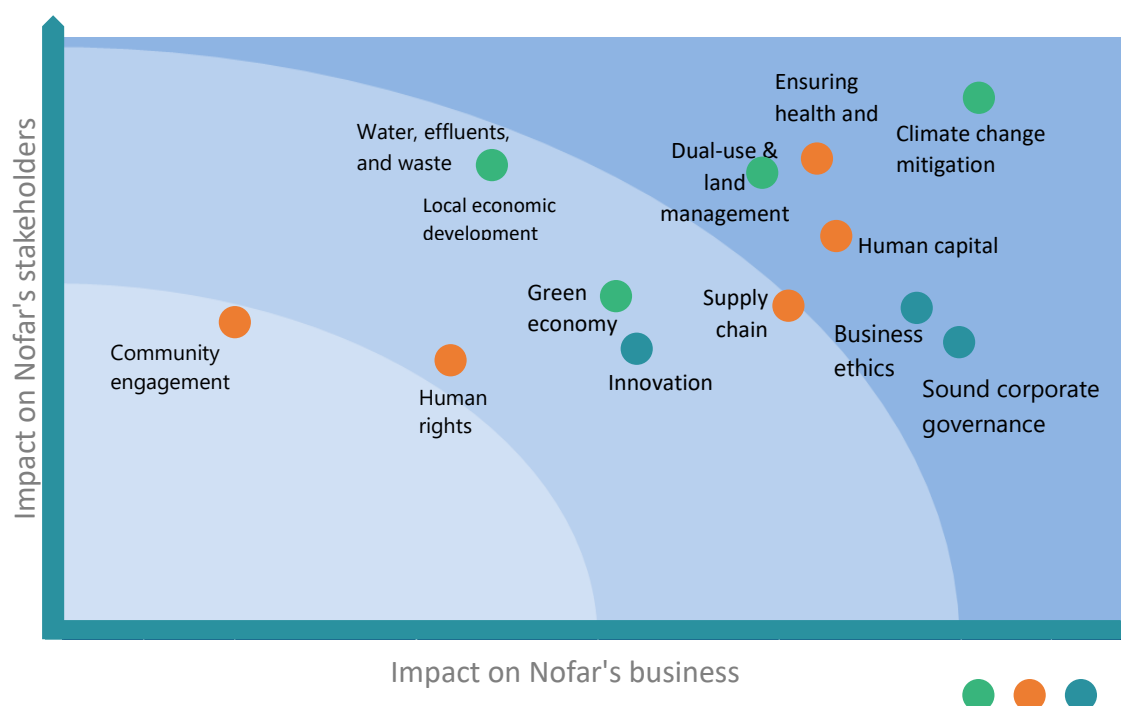
Nofar's material topics

At Nofar, we maintain an ongoing dialogue to identify the governance, environmental, and social issues that are most material to our business and stakeholders, aiming to enhance our impact and performance.

As part of preparing this ESG report, we reviewed and confirmed our material topics, following the GRI Standards process. This involved identifying relevant topics in the renewable energy sector through sector overviews and benchmarking reports from leading global companies. The process of conducting a materiality assessment began in 2021, laying the foundation for our ongoing commitment to aligning with industry standards and addressing the most significant ESG issues.

The methodology used to identify the material topics included several key steps. First, topics relevant to the renewable energy sector were identified through a sector overview, which included benchmark research of the most significant topics as reflected in reports issued by four leading Israeli and global companies. This was complemented by a review of the common topics and concerns raised by stakeholders, as reflected in investors' ESG ratings that surveyed companies' ESG performance. In addition, analysis of the main topics covered by global reporting standards (GRI, SASB) was conducted.

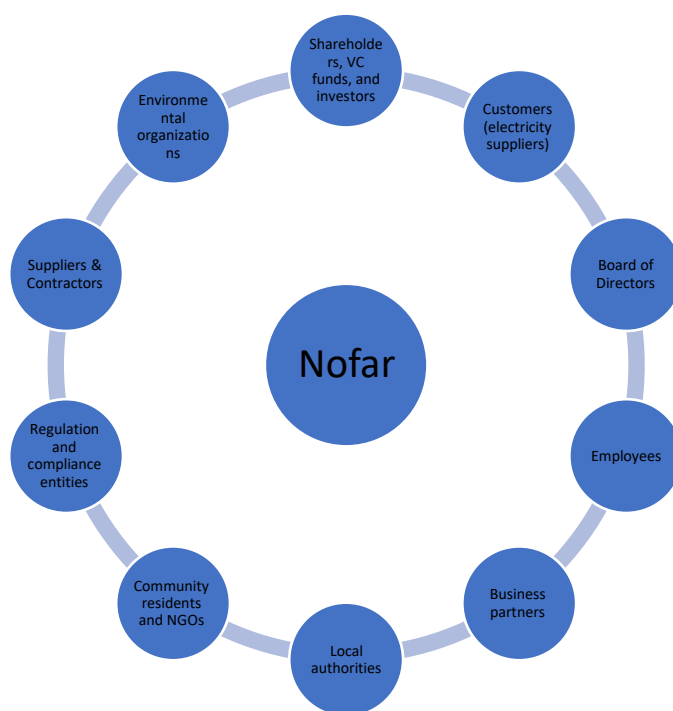
The initially selected topics were then discussed with executives, and the identified topics were rated and prioritized by Nofar to ensure alignment with both company objectives and stakeholder interests. In 2024, the Company decided to maintain the same topics as in the preceding year, as no significant changes had occurred.



Dialogue with our stakeholders

Nofar perceives its stakeholders as vital allies and partners to its success and future development. Nofar's various stakeholders have different expectations from the Company, according to their unique needs. Nofar strives to build and strengthen long-term relationships with its stakeholders, based on understanding and trust. Therefore, the Company accords high importance to listening to stakeholders' expectations and conducts an ongoing dialogue via the various channels presented below.

Nofar regularly engages with its key stakeholders, encompassing the entire supply chain, including companies, contractors, consultants, raw-material suppliers, lenders, landowners, and customers, as well as partners in the energy production industry, employees, regulators, and government authorities, all of whom play a vital role in the Company's success.



Employees:

Nofar maintains a regular, open dialogue with its employees through formal and informal channels.

Responsible party at Nofar: Management, human resources, office managers

Nofar's main goal: Employees' professional skills, personal development, satisfaction, and retention

Dialogue channels: Regular meetings and conversations with managers at different levels, Safety Committee meetings, daily company-wide communication (via e-mail and WhatsApp groups), company policies (e.g.,

sexual harassment prevention policy), company retreats, anonymous inquiries and complaints box, meetings with the CEO, visits and regular meetings with subsidiaries' staff abroad, participation in conferences and exhibitions

Main issues raised in the dialogue: Involvement and participation, inclusion and diversity, labor relations, learning and development, safety and health, personal development and enrichment, business development

Business partners in Israel:

The working model is based on partnerships with local landowners (owners of rooftops, fields, agricultural land, reservoirs, and fences), who benefit from the shared value of the ventures Nofar establishes on their land. These partnerships are built on transparency, fairness, and cooperation, from the conception stage to the operation stage. In Israel, Nofar usually operates through partnerships with kibbutzim, where it develops and builds its facilities.

Responsible party at Nofar: Company management, business development managers, project managers, partnership and property managers

Nofar's main goal: Maximizing shared value, building trust-based relationships, creating business advantages

Dialogue channels: Regular contact with business partners / kibbutz management, annual meetings, ongoing dialogue with relevant startups in the renewable energy sector

Main issues raised in the dialogue: Shared value, utilization of land resources, energy efficiency, implementation of innovative technologies, increasing efficiency in work processes

Business partners abroad:

Among Nofar's global partners are local joint ventures and subsidiaries that engage with landowners, leaseholders, and local entrepreneurs.

Responsible party at Nofar: Company management, business development managers, directors of subsidiaries

Nofar's main goal: Maximizing shared value, maintaining agreed schedules, building trust-based relationships, creating business advantages

Dialogue channels: Regular meetings with partners, EPC contractors, and landowners; landowners' public participation in development processes; regulatory processes; recruitment of local management; local regulatory conduct

Main issues raised in the dialogue: Shared value, utilization of land resources, energy efficiency, implementation of innovative technologies, increasing efficiency in work processes

Procurement suppliers and contractors:

The Company's suppliers consist of three main categories: suppliers of essential equipment (panels, converters, storage systems, construction infrastructures, etc.), project operation contractors, and service providers. The Company's project managers maintain regular contact with project operation contractors, including visits to the facilities during construction work.

Responsible party at Nofar: Purchasing manager, chief operating officer, project managers

Nofar's main goal: Ensure smooth procurement processes and maintain high safety standards, business ethics, and compliance with contracts

Dialogue channels: Contractual engagements, bidding, and negotiating; routine visits and audits in various projects; round-table discussions; safety training and workshops

Main issues raised in the dialogue: Implementation schedules, pricing, workers' safety, workers' rights, business ethics, anti-corruption

Regulatory and governance bodies:

Responsible party at Nofar: Company management, business development, licensing, municipal field manager, subsidiary company managers, legal department

Nofar's main goal: Ensuring compliance with regulatory requirements and minimizing environmental damage while contributing to the green-energy economy

Dialogue channels: Ongoing dialogue and work meetings; submission of environmental impact reports; submissions of clarifications to hearings and calls for proposals; intensive work with planning and construction committees; participation in conferences, seminars, and joint workshops

Main issues raised in the dialogue: Compliance with regulatory requirements, reducing environmental damage, technological innovation, energy efficiency

Shareholders, investors, and financiers:

Responsible party at Nofar: Company management, investor relations, legal department

Nofar's main goal: Maximizing shared value, maintaining discretion

Dialogue channels: Reports in the Magna system, regular work meetings, investor conferences, tours and visits to the Company's sites, investor relations mini-site on the Company's website

Main issues raised in the dialogue: Economic performance, corporate governance, business ethics, anti-corruption, work plans, strategy

Government, local community, and authorities:

The main government entities that affect the Company's operations are the Ministry of Energy, the Israel Electricity Authority, distribution and transmission system operators, the Israel Securities Authority, the Nature and Parks Authority, the Ministry of Environmental Protection, the Planning Administration, the Ministry of Agriculture, the Ministry of Health, the Government Water and Sewage Authority, the Antiquities Authority, and regional drainage authorities. The Company complies with the demands of regulators and government authorities, and believes in transparency and openness in all its dealings.

Responsible party at Nofar: Company management, marketing department, project managers

Nofar's main goal: Creating shared value for the community and reducing negative impacts caused by the Company's operations

Dialogue channels: Hearings and public participation processes, workshops and conferences with regional councils near production sites, sponsorships and voluntary activities with NGOs and relevant social organizations

Main issues raised in the dialogue: Local economic development, promoting the welfare of local communities, reducing environmental damage, donations and sponsorships

Environmental organizations:

Responsible party at Nofar: Company management, marketing

Nofar's main goal: Promoting a green economy and reducing environmental impacts

Dialogue channels: Open channel for public inquiries and complaints, lectures at seminars organized by environmental bodies

Main issues raised in the dialogue: Reducing negative environmental impacts, dual use of land (e.g., roofs, reservoirs), promoting renewable energy

Energy suppliers and electricity companies:

Nofar's main customer in Israel is the Israel Electric Corporation (IEC), in addition to local electricity suppliers, mainly kibbutzim. Nofar's subsidiaries abroad enter into PPAs with third parties or sell the electricity in the electricity markets.

Responsible party at Nofar: Company management, legal department

Nofar's main goal: Ensuring high-quality and continuous energy supply

Dialogue channels: Contracting processes, energy supply agreements

Main issues raised in the dialogue: High-quality, continuous, and reliable energy supply

Nofar's values

- ❖ Fairness and reliability: Nofar bases its business and social activities on partnership, driven by shared goals and strong internal relationships. Partnerships grounded in fairness and reliability support the achievement of professional results and goals. The Company prioritizes a fair and reliable environment for all stakeholders.
- ❖ Striving for excellence: Nofar values excellence and professionalism as essential to continuous improvement and long-term competitiveness. This commitment is reflected in every stage of product development, from conception to maintenance, upholding the highest standards. By fostering excellence, the Company enhances its internal culture and creates accountability among employees, partners, and customers. Nofar also emphasizes the development of employees' skills and knowledge.
- ❖ Teamwork: Teamwork is integral to Nofar's pursuit of excellence, requiring strong collaboration with internal and external partners. The Company encourages mutual support, open communication, and constructive criticism to reach its goals. Employees are expected to work together responsibly, professionally, and with respect, creating an atmosphere of trust and cooperation.
- ❖ Creativity: Creativity is at the heart of Nofar's operations, driving the initiation of diverse projects and the exploration of new market segments. The Company cultivates an environment that encourages continuous improvement in product quality and work procedures, challenging employees to ask critical questions and seek innovative solutions.
- ❖ Avoiding extraneous considerations: Nofar emphasizes the importance of integrity and professionalism among its employees by ensuring that decisions are based solely on organizational and professional considerations. Employees are expected to avoid any activities influenced by personal financial interests or the interests of relatives and others, thus upholding ethical standards within the Company.
- ❖ Commitment to sustainability: Nofar is dedicated to sustainability, encouraging employees to engage in practices that protect the environment and promote the responsible use of resources. This includes prioritizing energy efficiency and implementing measures that help reduce emissions.

Environment

2024 highlights

- 1,797 kilotons of CO₂e emissions prevented compared to conventional energy generation.
- 1,271 MW of clean electricity generation capacity.
- 1,157 MW of clean electricity projects in construction and pre-construction stages.
- 549 MW of dual-use land capacity developed by Nofar in Israel, Italy, and the USA.
- 2,786 tons of asbestos removed from roof installations and treated.

Goals and targets

- Prevent an estimated 6,000 kilotons CO₂e emissions by 2028.
- Achieve zero Scope 1 emissions by 2030.
- Reduce Scope 2 emissions by 30% by 2030.
- Expand reporting on Scope 3 supply-chain emissions by 2028.
- Forecast 5 GW of clean electricity generation capacity in 9 countries by 2028.
- Increase storage capacity to more than 2,500 MWh by 2028.
- Safely remove and properly dispose of approximately 1,440 tons of asbestos from outdated rooftops by 2028.

Environmental management

Nofar, a pioneer in the solar energy sector, advocates for sustainable alternatives to carbon-intensive energy sources, playing an active role in the global fight against climate change. Nofar promotes large-scale projects that primarily include solar power generation and energy storage. The Company continues to promote the development and installation of charging stations for electric vehicles on its partners' premises, using the electricity generated by its systems.

While our core activities naturally benefit the environment, Nofar recognizes its responsibility to maintain sustainability across its entire value chain. Committed to preserving the environment and natural landscapes, Nofar integrates environmental, social, and economic considerations into all aspects of its operations to safeguard both current and future generations.

Nofar's policy regarding environmental risk management, as outlined by the Company's management, focuses on adapting its systems to legal requirements to minimize possible adverse effects on the environment. Climate change is a central driver of the Company's business strategy, influencing critical factors such as sunlight hours and rainfall, which directly affect operations.

Risk management is mainly overseen by the CFO and the head of risk, through ongoing monitoring of regulatory developments relating to the Company's operations. Risk assessment is also performed by a third party. This methodology also enables us to identify business opportunities by understanding market trends, new relevant regulations and legislative procedures, etc. The Company conducts environmental assessments, as required by each country's regulations, and evaluates transition risks related to climate change.

Climate and environmental risk oversight is led by the chief projects officer.

Risks and opportunities related to climate change

Climate change represents a profound and systemic challenge that affects humanity as a whole. It is imperative for companies to play an active role in combating this crisis by taking steps to mitigate its effects and adapting to the impacts of climate change to enhance their resilience. This evolving landscape presents a range of risks. Nofar integrates the management of climate change risks and opportunities into its operating model, focusing on four key pillars to guide its strategy:

Physical risks: Extreme weather conditions present significant threats to Nofar's solar installations, potentially causing physical damage. To mitigate this risk, the Company conducts thorough analyses to ensure careful site selection and robust design. Additionally, Nofar is actively engaged in projects that utilize reservoirs and agricultural fields to minimize water evaporation, contributing positively to climate resilience.

Transition risks: As global energy markets transition towards sustainability, Nofar aims to leverage this shift by enhancing its offerings in renewable energy, positioning itself as a leader in the evolving landscape.

Biodiversity: Nofar acknowledges the risk of disrupting ecosystems and habitats from large-scale installations and mitigates impacts through dual-use land strategies, evaluations, and mitigation measures. For further information, see the “Preserving biodiversity” section.

Regulatory compliance: Nofar closely monitors regulatory changes in the countries where it operates, ensuring compliance with evolving standards related to electricity supply, pricing, water usage, and waste management. This proactive approach allows Nofar to adapt to new regulations while promoting ambitious global targets for a low-carbon economy.

Energy storage leader

The growing demand for renewable energy is driving the need for battery energy storage systems (BESS), to ensure reliable electricity supply and grid stability, bridging gaps during periods without generation (e.g., at night) and providing backup power. Nofar views energy storage as a key growth driver. Nofar operates in electricity storage through three key activities: renewable energy facilities with integrated storage, storage systems on consumer premises, and standalone storage facilities connected to ultra-high or high-voltage transmission networks.

Nofar uses LFP (lithium iron phosphate) battery technology, considered to be the safest among lithium batteries. While there is a potential fire risk from overheating or uncontrolled discharge/charging, Nofar’s systems are equipped with cooling and monitoring features to prevent such incidents. In case of a fire, the enclosures safely manage combustion and minimize environmental impact. The cooling system uses liquid in a closed loop, remotely monitored for leaks, and includes a spill pallet.

Nofar is initiating and developing new projects and negotiating the acquisition of further global storage projects.

In 2023, Nofar advanced its BESS efforts through Atlantic Green, which is focusing on battery storage projects in the UK. Atlantic Green owns the Cellarhead project, with a 300 MW connection and 624 MWh storage capacity. In 2024, the Cellarhead project was approved for construction and an agreement was signed with its contractor and funders.

Atlantic Green also owns the Buxton project, with a 30 MW connection and 60 MWh storage. Additionally, Atlantic Green has an option to acquire the Toton project, with a 130 MW connection and 260 MWh storage capacity, which is in advanced development.

In Israel, Nofar has accumulated approximately 255 MWh in behind-the-meter storage projects, with 133 MWh connected⁴ in 2024. Most systems are developed by Nofar as an EPC and O&M contractor, with kibbutzim as the users of the storage and micro-grids. In the USA, BlueSky is developing initial behind-the-meter storage projects.

Behind-the-meter storage provides benefits such as cost savings by reducing peak demand charges, increased energy independence, enhanced sustainability, and support for grid stability during high-demand periods. In 2024, Nofar is one of the leaders in the BESS segment in Israel, with 80.4 MWh connected, holding the largest number of systems in operation and installations. Nofar is poised to maintain this leadership moving forward.

EV charging solutions

Nofar is actively involved in the development and installation of electric vehicle (EV) charging stations on its partners' premises. In 2022, jointly with Milgam, Nofar founded Enova Energy, a company focused on energy management and EV charging solutions. This partnership provides an end-to-end solution for energy management through innovative technologies, enabling the sale of the Company's solar-generated electricity to private, business, and municipal customers. The company has a backlog of hundreds of stations, some already established and others planned for the coming years.

In 2024, Enova charging stations supplied 15,658 MWh of electricity. The charging stations are positioned in areas where Nofar's solar-energy systems are already in place, ensuring that the electricity supplied to EVs comes from a sustainable, low-carbon source.

⁴ Connected and ready to be connected.

Energy consumption and GHG emissions

Nofar is committed to reducing its environmental impact by tracking and optimizing electricity consumption, with goals to achieve net-zero Scope 1 emissions and a 30% reduction in Scope 2 emissions by 2030. The table below presents data on Nofar's electricity and fuel consumption in Israel from 2022 to 2024, alongside its 2023–2024 global data, which includes figures from Israel, Poland, Romania, the UK, Germany, Italy, and Serbia. Global measurement began in 2023, aligning with Nofar's operational expansion into multiple countries. A significant increase in the Company's electricity consumption was observed in 2024, driven by the expansion noted above, including higher auxiliary (AUX) electricity consumption for on-site operational needs.

Electricity & fuel consumption, 2022–2024

	2022	2023	2024	2023	2024 ⁵
	Data from Israel			Global data	
Electricity consumption (KWh)	114,840	142,768	142,328	678,594	5,780,688 ⁶
Gasoline consumption for transportation (liters)	223,571	121,818	145,150	129,945	206,924
Diesel fuel consumption for transportation (liters)	98,167	89,189	72,955	140,238 ⁷	139,610

GHG emissions

In 2024, Scope 2 emissions rose due to higher electricity consumption driven by the global expansion of the Company's operations. Fuel consumption in Israel has decreased this year due to the transition to hybrid and electric vehicles, with 37%⁸ of the Company's fleet in Israel now hybrid or electric, compared to 29% in 2023. While

⁵ Comparability with prior reporting periods is limited. A significant increase was observed, particularly in electricity consumption, driven by the expansion of operational activities across multiple countries, including higher auxiliary (AUX) electricity consumption for on-site operational needs, together with the inclusion of additional geographies in the reporting scope.

⁶ Of the total electricity consumption, 752,500 kWh were sourced from on-site renewable electricity generated by the Company's PV systems.

⁷ This data point was recalculated and updated retrospectively following an internal review to ensure consistency and accuracy of the reported information.

⁸ In the Group's fleet, 27% of the vehicles are hybrid or electric.

progress has been made, by 2030 Nofar plans to fully transition its fleet to electric or hybrid vehicles to further reduce fuel consumption. Additionally, Nofar aspires to shift its office electricity supply to renewable energy sources.

Scope 3 emissions result from the Company's activities but originate from sources not owned or controlled by the Company. Currently, the calculation of the Company's Scope 3 emissions includes those from business travel and waste treatment. By 2028, we plan to gradually expand Scope 3 emissions calculations to encompass other relevant categories.

Nofar's carbon footprint, 2022–2024

Total carbon footprint (metric tons CO ₂ e) ⁹	2022	2023	2024
Scope 1	950	526	864
Scope 2	54	251	1,454
Total emissions Scopes 1+2	1,004	776	2,318
Scope 3	88	363	214

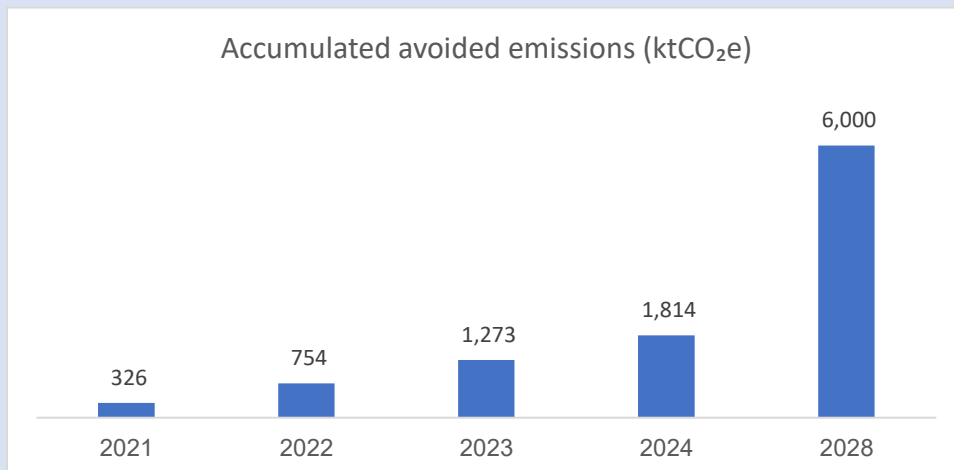
Scope 3 emissions, 2022–2024

Scope 3 components (metric tons CO ₂ e)	2022	2023	2024
Business travel	82	359	198
Waste treatment	6	4	16
Total Scope 3	88	363	214

⁹ For 2022, emissions refer to Israel only, as no measurements were conducted for other subsidiaries during these years. 2023–2024 figures include global data.

CO₂ emissions prevention

Nofar Energy has made significant strides in reducing greenhouse-gas emissions from the electricity sector, achieving accumulated avoided emissions of 1.8 million tCO₂e between 2021 and 2024. Nofar quantifies CO₂ emissions avoided by multiplying its effective solar energy generation by the emission factor associated with electric power generation in the specific countries where it operates. Solar energy generation significantly reduces greenhouse-gas emissions compared to traditional fossil-fuel-based power production, with substantially lower emissions per MWh. Over time, large-scale solar installations can prevent millions of tons of CO₂ from entering the atmosphere, contributing to climate-change mitigation and improving air quality by reducing harmful pollutants. The calculation of emission savings is based on the output of projects installed by 2028, as outlined in Nofar's work plan; it incorporates actual market-based emission factors from 2021–2024 and estimates the reduction in emissions by 2028 using professional sources from the respective countries. Emission savings may vary due to changes in countries' emission reduction targets, with potential adjustments depending on whether countries exceed or fail to meet their current plans.



Minimizing land use and negative environmental impact

One of the main environmental challenges associated with solar energy production is the large land areas required for solar farms, which can disrupt natural habitats and biodiversity. To mitigate this impact, Nofar specializes in dual-use solutions in the solar energy sector, enabling sustainable energy generation with minimal environmental disruption. In 2024, all of Nofar's operations in Israel and the USA, as well as most of its operations in Italy, were based on dual-use models, accounting for 43% of total global production. This approach, which reduces negative environmental impacts, positions Nofar as a leader in this field and demonstrates a strong commitment to protecting ecological corridors and biodiversity.

Floating solar: Nofar is a pioneering local producer of solar-energy systems on water reservoirs. This innovative approach not only generates clean energy efficiently but also helps reduce water evaporation, and can improve water quality, contributing to the sustainability of water resources.

Rooftop solar: Nofar installs solar-energy systems on the roofs of commercial and industrial (C&I) buildings, offices, and residential buildings, allowing building owners to generate their own electricity. This solution provides significant cost savings as well as enhancing property values.

Preserving biodiversity

Nofar places strong emphasis on responsible site selection, adopting an "avoid, minimize, and restore" approach when operating near critical biodiversity areas. Preserving biodiversity and the responsible use of nature are both an ethical and a legal obligation for Nofar. Nofar is committed to ensuring that it does not and will not operate in nature reserves or in areas that involve deforestation in any form. Nofar maintains full compliance with local regulations, adhering to the guidelines set by the authorities. Nofar works with relevant regulators, such as the Ministry of Agriculture and Nature and Parks Authority, to minimize environmental impacts and ensures that suppliers adhere to the same standards.

Nofar ensures that all of its projects worldwide are preceded by comprehensive environmental assessments, either conducted by Nofar itself or provided as part of the due-diligence process, of the land and surrounding areas of project development sites. Nofar also evaluates the impact of the construction and operation of its facilities on local fauna and flora. Each project undergoes a biodiversity exposure assessment process at the project level, with mechanisms to mitigate any potential negative consequences.

A clear example of Nofar's commitment to biodiversity is the planning and construction of its energy storage facilities. During the design phase, an assessment is conducted to ensure the project site is not located in nature reserves or areas with flood hazards, earthquake risks, or other environmental concerns. In some cases, measures are implemented to prevent attracting winged animals to the site, while others require the consideration of archaeological sites. In some projects, a drainage system is maintained to preserve the natural flow of soil, minimizing potential impacts on the local ecosystem. Facility lighting is used solely for maintenance purposes and is turned off whenever possible, to reduce disruption to nocturnal animals.

In addition, Nofar implements ongoing environmental monitoring and control mechanisms throughout the construction and operational phases of its projects, where required by regulation or identified as necessary based on site-specific risks. These monitoring activities are designed to verify compliance with environmental permit conditions, assess actual impacts on local ecosystems, and identify any unforeseen effects on biodiversity, soil, water, or surrounding habitats. Where monitoring indicates deviations or potential risks, corrective measures are implemented. Environmental monitoring results are documented and, where applicable, reported to competent regulatory authorities as part of permit compliance requirements.

When undertaking dual-use or land projects in sensitive areas, Nofar adheres to environmental impact reports to mitigate potential risks related to radiation, soil balance, hazardous materials, waste, soil pollution, water, and air quality. All processes involved in setting up solar facilities are conducted with the utmost care to preserve the natural environment, including measures to remove hazardous materials from the sites during the construction process.

In Spain, biodiversity impact assessments conducted at two operational sites identified exposure to significant biodiversity impacts, leading to the development of site-specific management plans to mitigate the exposure.

Case study: biodiversity mitigating actions at the Olmedilla project

The Olmedilla project in Spain demonstrates how the Company applies the mitigation hierarchy to reduce biodiversity impacts and dependencies. Key actions include:

Avoid — The project was designed to avoid impacts on natural woodland, ensuring that existing native trees are left undisturbed. In addition, all vegetation management is carried out without the use of herbicides or pesticides, relying instead on controlled grazing and mechanical mowing, to protect local biodiversity.

Reduce — To minimize risks to wildlife, overhead lines are equipped with bird protection measures, such as visual markers and anti-electrocution elements. The Company also implemented a robust waste-management system, ensuring safe segregation, storage, and proper removal of all materials used.

Regenerate — The Company supports habitat-enhancement work in nearby forested areas, improving ecological resilience beyond the project footprint. Surrounding agricultural parcels are managed using biodiversity-friendly practices, including diversified cropping and maintained field margins that benefit steppe birds and wintering cranes.

Restore — A degraded former excavation area along a traditional livestock route was restored, with work adjusted to protect active burrows and natural nesting sites. Restoration efforts also include planting native species in vegetation screens and ecological corridors, supported by ongoing monitoring to ensure healthy habitat development.

Transform — The Company adopts a long-term, landscape-level approach to environmental stewardship, working beyond the project boundary to support regional biodiversity. As part of this commitment, it contributes to safety upgrades of existing external power-line structures, reducing risks to birds across the wider landscape. This collaborative, nature-positive action reflects broader responsibility for protecting ecosystems and strengthening ecological conditions at the landscape scale.

Waste management

Nofar collaborates closely with its suppliers by focusing on delivering products and services that incorporate higher percentages of secondary raw materials, consume less energy, and offer improved reuse and recycling rates. This approach provides superior products and drives the energy transition forward.

Nofar aims to build proficiency in life cycle analysis (LCA) to manage electronic waste generated by wear, end-of-use, and other factors for its products, minimizing environmental impact. Nofar has celebrated a decade of activity; as its products have an expected life of thirty years, it does not currently have any products that are out of use. In our engagements with contractors and panel suppliers, Nofar operates according to the regulations of the respective countries. Responsibility for panels reaching end-of-use is determined based on the project's stage and local regulations, with responsibilities assigned accordingly at each phase. Today, the only cases of electronic waste are faulty components, and the Company operates according to the relevant laws and guidelines for their disposal.

Non-hazardous waste: Office waste, including paper, beverage cans, and packaging originating from Nofar's office activities, is managed in compliance with legal requirements regarding solid waste and transported to recycling facilities to minimize resource usage.

Hazardous waste: Nofar is committed to the responsible removal and disposal of any hazardous materials discovered onsite, which has a direct, beneficial impact on the well-being of the people of the community, and is part of the Company's contractual duties. When Nofar's dual-use policy involves the installation of facilities on older rooftops that may contain asbestos, the Company completes the removal of the hazardous material before proceeding.

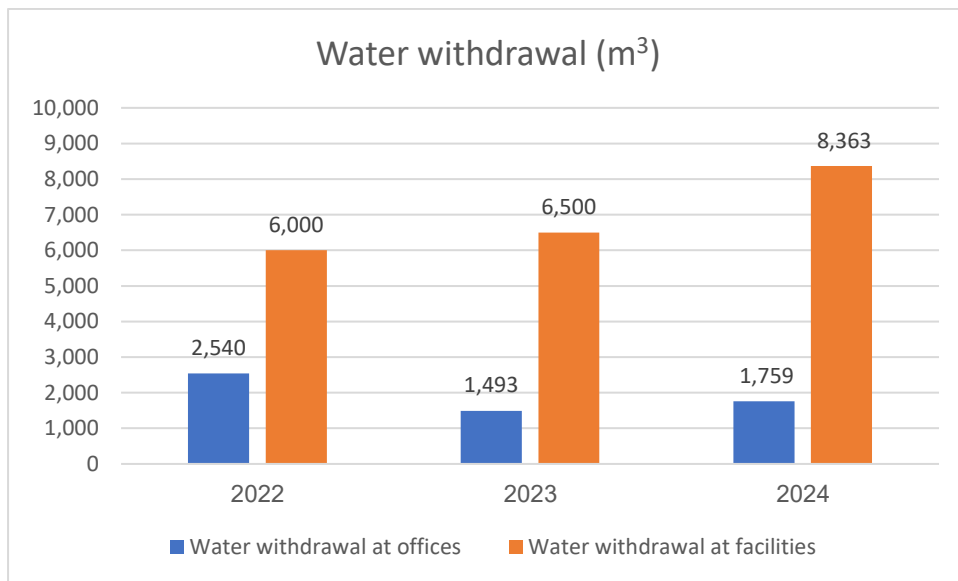
In 2024, about 2,786 tons of asbestos were removed from the roofs of buildings in Israel and Italy (almost all were in Italy), in compliance with local regulations.

Waste disposal by treatment method (tons)

Waste type	Treatment method	2024
Non-hazardous waste	Non-hazardous waste sent to landfills	0
	Non-hazardous waste sent for recycling/reuse	2,879
	Total non-hazardous waste	2,879
Hazardous waste	Asbestos sent to landfills	2,786
	Other hazardous waste (non-asbestos) sent for recycling/reuse	12
	Total hazardous waste	2,798

Water management

Recognizing water as a vital shared resource, Nofar is committed to minimizing its environmental impact by continually optimizing water use across its facilities. As Nofar's activities have expanded, water use has also increased. Through ongoing efforts, Nofar promotes sustainable water practices that support both ecosystems and community well-being. Water withdrawal data at facilities is estimated and mainly reflects water used for panel cleaning.



Compliance with environmental regulation

Nofar complies with environmental regulations in all territories in which it operates and works alongside regulatory advisors and representatives. Environmental considerations are taken into account in all stages of a project – planning, construction, and operation of the facilities – including efficient use of land; landscape preservation; reducing negative effects on the environment, such as noise, sea, water, land pollution; and more. Nofar's employees are dedicated to minimizing environmental harm and risks as part of their everyday responsibilities. To further its commitment to the environment, Nofar has established the following internal mechanisms.

- The Chief Projects Officer is responsible for the implementation of the environmental policy at the Company.
- We are currently establishing a subcommittee, headed by our VP of Operations, responsible for ensuring that the Company's policies are effectively implemented and continuously monitored moving forward.

- In all areas of the Company's activity, the appointed country manager is responsible for managing environmental risks in accordance with the applicable regulations.
- All Nofar employees are regularly briefed and updated on environmental issues relevant to our current practices and work.
- The Company's employees are required to demonstrate environmental responsibility in their work and report any possible damage to the environment to the organization's environmental officer, or to the additional referral channels listed in the code of ethics.

Nofar has not been subject to any environmental violations over the past five years. Our company has incurred zero significant fines or penalties related to environmental or ecological matters.

Social

2024 highlights

- 114 employees in Israel
- 185 international employees through our platforms
- 38% of senior managers in Israel are women
- 7.5 average training hours per employee
- Hundreds of safety inspections conducted
- 0 fatalities (employees and contract workers)
- More than 600 suppliers worldwide
- Partnering with more than 100 kibbutzim, with ongoing expansion

Social management approach

Goals and targets

- Achieve zero fatal accidents at all sites by 2028
- Expand the workforce to 300 employees by 2028
- Expand responsible disposal of hazardous materials within the community to 1,400 tons by 2028
- Increase women's representation in the Company, Board of Directors, and management

At Nofar, we understand that our success is deeply tied to our people. A robust value proposition centered on individuals is key to attracting, retaining, and inspiring talent. Nofar Energy is committed to supporting its employees and communities, especially during times of crisis. Our employees' professionalism and reliability drive our success. We invest in a respectful, safe, and healthy work environment with rigorous safety protocols, regular training, and opportunities for continuous learning, work-life balance, and well-being. We also emphasize responsible practices across our supply chain and uphold high standards for our suppliers to align with our values.

Nofar's Head of Human Resources oversees our human capital and well-being strategy, ensuring fair and effective workforce management while connecting employees to Nofar's green vision for a sustainable future. In 2024, Nofar established an HR

subcommittee, led by the Head of Human Resources, to focus on social aspects and ensure compliance with established ESG standards. The aim is to create a positive workplace that inspires excellence, innovation, and mutual respect. As of the date of publication of this report, the committee has been dissolved following changes to the Company's organizational structure.

Nofar's activities to promote social impact include partnerships with the agricultural sector to benefit remote communities in peripheral regions in Israel, create jobs and stable incomes for the coming years, and contribute to the development of the local workforce.

Additionally, Nofar invests in, develops, constructs, and operates projects in Eastern European countries, generating employment and stable incomes, and supporting workforce growth. Periodically, Nofar also arranges fundraising events to support marginalized communities and individuals in these countries.

Respecting human rights

Nofar Energy is committed to upholding and promoting the highest standards of human rights in all aspects of our operations. Nofar's public policy outlines the principles that guide our actions, applying to all employees, directors, managers, and contractors of Nofar Energy as well as our business partners, suppliers, and other stakeholders. All Nofar employees and business partners must adhere to the following human rights principles, in addition to Nofar's Code of Ethics and all relevant compliance policies.

Non-discrimination and equality: We are committed to fostering an inclusive work environment that respects diversity and promotes equality. We do not tolerate any form of discrimination or harassment based on race, ethnicity, sex, gender identity, sexual orientation, religion, national origin, age, disability, or any other characteristic protected by law.

Fair labor practices: We uphold the rights of workers to fair wages, reasonable working hours, and safe, healthy working conditions. We prohibit the use of child labor, forced labor, and human trafficking in all our operations and supply chains.

Freedom of association: We respect employees' rights to form, join, or refrain from joining trade unions and other lawful organizations of their choosing, as well as to bargain collectively.

Health and safety: We are committed to providing a safe and healthy work environment for all employees. We continually assess and address health and safety risks and ensure that all employees have access to necessary safety information and training.

Privacy and data protection: We respect the privacy of all individuals and protect personal data in accordance with applicable laws and our internal policies.

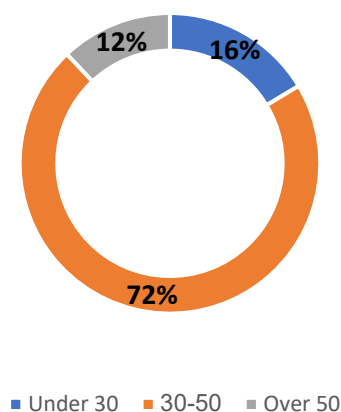
We regularly monitor compliance with our human-rights policy and conduct assessments to identify and address potential risks. Employees and stakeholders are encouraged to report any concerns or violations through our established reporting mechanisms. Committed to continuous improvement, we adapt our human rights practices based on feedback, evolving standards, and best practices. Oversight of this policy falls under Nofar's legal department, which is responsible for its implementation, monitoring, and review. Any updates to the policy are communicated to all relevant parties.

Building a fair and inclusive workplace

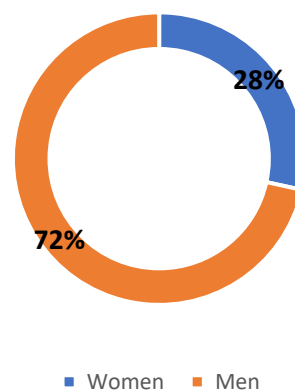
Our commitments

- Ensure fair and equitable treatment of all employees.
- Promote a safe, inclusive, and respectful work environment.
- Provide clear guidelines for employee development and management.
- Support compliance with all applicable laws and regulations.

Age distribution



Gender distribution - all employees



Nofar is dedicated to hiring the most qualified candidates while fostering diversity and equal opportunity. All job openings are advertised both internally and externally, ensuring a broad range of applicants. Screening is based on merit, qualifications, and job-related criteria, to ensure a fair and inclusive hiring process. New employees receive a comprehensive orientation to introduce them to the Company's culture and

policies, and to their specific roles. Employment is established through personal contracts that reflect each employee's qualifications, education, and position.

The employees' personal employment contracts regulate salary terms. Employees are entitled to benefits including contributions to provident funds, pension and severance pay funds, vacation, sick days, and recuperation pay, as well as perquisites such as company cars, laptops, and phones.

Employees at Nofar's subsidiaries abroad are employed in accordance with all relevant labor laws and regulations in each territory. In Israel, all of the Company's employees are signatories to Section 14 of the Severance Pay Law. The Company contributes to the employees' severance-pay funds from the first month of their employment.

As a rule, bonuses are paid at the discretion of the Company. However, some project development managers are eligible for variable pay based on the quality and outcome of project execution, and/or the classification of the Company's rights in those projects.

Employee development

Nofar invests in the development and growth of its human capital, a key driver of the achievement of its goals. When recruiting employees, the Company takes their identification and engagement with the Company's activity and vision into consideration. Nofar and its management prioritize providing employees with various career development opportunities within the organization. Employees across different departments have access to a wide range of training, enrichment programs, and conferences. In 2024, a variety of training sessions took place across Nofar's platforms, including training on ethics, prevention of harassment and discrimination, and safety. In Israel, professional training sessions covered topics such as regulation and vehicle charging standards.

In Israel and the UK, all employees received performance and career development reviews in 2024. As part of these processes, in Israel, dedicated training sessions were held for all managers to prepare them to conduct these conversations effectively with employees .

In addition, in 2024, the Company conducted a structured process of employee roundtable discussions in Israel, facilitated by an organizational consultant, with the objective of collecting comprehensive feedback on needs, identifying barriers, and exploring opportunities for improvement. Most of the Company's employees participated.

New employees attend an orientation day where they are introduced to the Company's activities and vision, in addition to its values and expected employee conduct. The

Company's management encourages employees to take part in training specific to their specialization, participate in conferences, and complete internal tutorials regarding regulations and other subjects.

Employee well-being

Supporting employee well-being is a priority for Nofar, which has implemented a hybrid work model allowing employees to work from home on select days of the week. This flexible approach promotes improved work-life balance, enabling employees to manage their professional responsibilities alongside leisure activities and family needs. Nofar believes that maintaining a healthy lifestyle and achieving a good work-life balance significantly enhances the physical and mental health of its workforce.

Job stability is another core value at Nofar Energy. The Company ensures continuous employment for all staff, and provides flexible work-from-home options as needed, along with the necessary equipment and infrastructure for effective remote work.

Throughout the year, events were organized to mark holidays and special occasions, including a Women's Day event for women employees, a company-wide gathering in recognition of reservists, and holiday toast celebrations.

Workplace culture

Nofar is dedicated to creating a safe and pleasant work environment and upholds a zero-tolerance stance towards any form of harassment, particularly sexual harassment, perpetrated by managers, employees, suppliers, or partners.

Nofar recognizes the seriousness of workplace harassment, including sexual harassment, and is committed to fostering an environment free from such behavior. Nofar has appointed the Head of Human Relations as its sexual harassment prevention officer in Israel, adopted regulations in this area written in accordance with the Law for the Prevention of Sexual Harassment, and distributed the regulations to all employees.

Nofar operates its sites globally in compliance with the local regulations and legislation of each country. If employees suspect harassment, discrimination (on sexual or other grounds), or a romantic relationship between a manager and their subordinate, they are required to immediately contact the person responsible for preventing sexual harassment in their country. Employees may also reach out anonymously through a Gmail service, free of charge.

Nofar has an open-door policy and there have been zero complaints of sexual harassment from employees in 2024.

Diversity, equality, and respect as the cornerstones of employment

We value and celebrate the diverse perspectives and backgrounds of our employees, including differences in race, ethnicity, gender, age, sexual orientation, disability, religion, and socioeconomic status. We strive to ensure that our workforce reflects the diversity of the communities we serve. We are committed to providing equitable access to opportunities, resources, and support for all employees while actively identifying and eliminating barriers that may hinder individuals from reaching their full potential. By fostering an inclusive environment, we encourage everyone to contribute their ideas and perspectives, promoting a culture of respect, collaboration, and open communication. We aim to create a sense of belonging where all individuals feel accepted, valued, and part of the team, recognizing and appreciating the contributions of every employee to cultivate a supportive and cohesive community.

Nofar is dedicated to implementing comprehensive strategies to promote diversity, equity, inclusion, and belonging (DEIB) throughout the organization. Our recruitment and hiring practices are designed to attract diverse candidates, with job postings and recruitment materials reflecting our commitment to DEIB. We regularly review our policies and practices to ensure they foster an inclusive environment and do not create inadvertent barriers. Additionally, we support employee resource groups (ERGs) that provide platforms for underrepresented groups to connect, share experiences, and advocate for change, offering them the resources necessary for success. To measure our progress in DEIB initiatives, we plan to establish metrics and report on them regularly, encouraging employees to provide feedback and report any concerns through established channels. Thanks to the geographical reach of the Company's operations in Israel and abroad, it attracts workers who come from various regions, including social and geographical peripheries.

Nofar enforces a strict non-retaliation policy, ensuring that no disciplinary action is taken against individuals who raise concerns or engage in DEIB initiatives. Additionally, the Company upholds a clear policy of equal remuneration, actively preventing any form of discrimination among employees. In 2024 there were zero complaints of employee discrimination.

Advancing gender equality

Nofar is deeply committed to promoting gender equality across all levels of the organization. The Company strives to increase women’s representation in every position, including leadership roles such as the Board of Directors, and is actively working to reduce the gender pay gap.

Despite operating in the traditionally male-dominated renewable energy sector, Nofar is proud of its relatively high percentage of women — 21% in senior management, and 28% of all employees.¹⁰ In Israel, the Company has 38% women in senior management positions. The Company proactively posts open positions in relevant women’s forums to attract qualified women candidates. In 2024, 71% of Nofar's new hires across all platforms were women.

Moving forward, Nofar's efforts include promoting representation at entry levels, empowering women in leadership roles, supporting work-life balance during key life stages, and focusing on developing the next generation of women leaders.

Israel – women’s representation in 2024	
Position	% women
Board	11%
Senior management	38%
Management	36%
All other employees (non-managerial positions)	40%

Parental leave

In line with our dedication to creating an inclusive and supportive workplace, Nofar provides all employees, irrespective of gender or family situation, with sufficient time off to care for and bond with their newborn child. By providing parental leave benefits, we empower employees to achieve a healthy work-life balance while supporting the well-being of both employees and their families. Nofar offers parental leave in accordance with local laws in all the countries where we operate. In 2024, five women employees took parental leave, out of whom three returned to work afterward.

Internal and external grievance mechanism

To ensure a respectful and inclusive environment, Nofar has introduced an Internal and External Grievance Mechanism Policy. This policy provides a structured process for addressing and resolving grievances effectively. The policy applies to all employees, contractors, suppliers, customers, and stakeholders, ensuring that concerns are handled promptly, fairly, and transparently. The primary objectives of the policy are to

¹⁰ Including employee data from all relevant platforms in 2024 – Israel, USA, UK, Romania, Serbia, Poland, and Italy.

provide a clear process for raising grievances, ensure timely and fair resolution, promote a culture of accountability, and protect individuals from retaliation.

The grievance mechanism involves a step-by-step process for both internal and external stakeholders. For internal grievances, employees and stakeholders can submit complaints in writing, verbally, or by filling out online forms. The HR department acknowledges receipt of the grievance within seven working days and conducts an initial review. If necessary, an investigation is conducted by HR and legal teams, with findings communicated to the complainant. If unsatisfied, the complainant may request a review by senior management. All grievances are documented confidentially.

For external stakeholders, grievances can be submitted via email, mail, or online forms. The designated external email inbox is managed by the Company's legal counsel. Internally, the process is overseen by the HR Manager and the Legal Advisor. Similar to the internal process, these grievances are acknowledged within seven days, reviewed by the relevant department, and investigated if needed. Resolutions are communicated to the complainant, and further reviews can be requested if necessary. Nofar ensures that all grievances and their resolutions are documented and maintained confidentially, reinforcing its commitment to transparency and accountability.

Managing workplace health and safety

- 0 fatalities (employees and contract workers)
- 100% of employees in Israel completed safety training
- 0 incidents of work suspension due to internal contractor inspections
- LTIFR (employees) of 1.75¹¹

Nofar is committed to maintaining the highest standards of health and safety for its employees, its contractors, and the communities in which it operates, recognizing the inherent risks in constructing and operating solar facilities.

Nofar complies with applicable occupational safety and health laws and regulations in each of the countries where it operates. The Company has established a dedicated H&S subcommittee, led by the Chief Projects Officer as the professional safety officer, to ensure full compliance with safety requirements. This includes quarterly safety committee meetings with management and employee representatives, and the safety trustee, as well as appointments of safety commissioners and the implementation of

¹¹ Lost-time injuries frequency rate (LTIFR) – Refers to any work-related injury that results in the Company's employee not being able to return to work on the next scheduled work day/shift. The LTIFR is the number of lost-time injuries per million hours worked, calculated using the formula: $LTIFR = (\text{number of lost-time injuries}) / (\text{estimated total hours worked in accounting period}) \times 1,000,000$.

tailored safety procedures for specific work activities. In addition, the Company is supported by an external occupational safety officer, and a safety representative is appointed for each project.

Our commitment to a safe work environment involves proactively identifying health and safety hazards and implementing preventive measures. Safety risk assessments are typically conducted prior to the commencement of projects, where required by regulation or deemed relevant based on project characteristics. These practices are carried out in accordance with the Occupational Safety Ordinance and associated regulations, such as the Labor Inspection Organization Regulations, covering workplace safety in areas like work at height, construction, and electrical work.

Nofar conducts regular tests and audits across company sites to monitor adherence to safety protocols. In the event of a safety-related incident, a thorough investigation is conducted, and findings are reported directly to the CEO. Any safety-related incidents are reported to the COO and CEO immediately. Safety-related complaints of employees are referred to the Company's safety officer, who, in turn, refers them to be addressed by management. Safety-related complaints from contractor employees are referred to the project managers.

Safety management practices are adapted to local regulatory frameworks and the nature of the projects in each country. For example, in Israel, the Company maintains and updates its safety plan on an annual basis, while in Romania, its main contractors operate in accordance with a safety and health plan that is reviewed and approved by CIGA, the Company's local operational entity, to ensure compliance with applicable regulations.

Project-level safety officers conduct regular site inspections and document observations and follow-up actions, including preventive and corrective measures. Company management places emphasis on maintaining the qualifications of employees and contractor personnel through training, lessons learned from incidents, and ongoing process improvements, supported by internal enforcement practices. Responsibility for maintaining a safe working environment is shared by all employees and managers. Accordingly, employees are required to be familiar with relevant safety requirements, understand the risks associated with their activities, act to prevent unsafe behavior, and promptly report safety hazards or incidents to the safety manager or other relevant personnel.

In 2024, the Company recorded one work-related injury among contract workers, and four work-related injuries among employees; three of the injuries were minor in nature and did not result in any lost workdays. In addition, the Company recorded six near-miss incidents involving contract workers, which did not result in injury or absence, and zero road accidents.

The Company conducts weekly safety inspections at work sites. Contractor activities may be suspended in the event of unsafe conduct or non-compliance with safety requirements, and work may resume only after all identified deficiencies have been fully remedied. In cases of repeated safety violations, contractors may be prohibited from operating at Nofar's sites.

In 2024, two cases of safety violations involving contractors were documented; in one of these cases, the site was safely de-energized and secured. No near-miss incidents or lost-time injuries were recorded. Rework activities were carried out safely, within the contractor's scope of responsibility and in accordance with applicable safety regulations. No work was suspended following internal contractor safety inspections.

Emergency preparedness and response plan

Nofar's emergency preparedness and response plan (EPRP) policy is designed to ensure the safety and well-being of employees, suppliers, contractors, and visitors during emergencies. The policy outlines procedures and responsibilities for effectively preparing for and responding to various emergencies, such as missile attacks, natural disasters, fires, medical emergencies, and hazardous material spills.

The policy aims to minimize harm to individuals, protect assets, maintain clear communication, and facilitate a quick recovery to normal operations. The Emergency Response Team (ERT), comprising representatives from key departments, coordinates the overall response, conducts regular drills, and updates the plan as needed. All employees are required to familiarize themselves with emergency procedures, participate in training, and report hazards, while supervisors and managers ensure compliance with the EPRP.

Responsible supply chain

Nofar is dedicated to collaborating with suppliers who share our values and commitment to fostering a more sustainable and equitable supply chain. We view procurement as a critical component of our operations and for our stakeholders, and we take full responsibility for our supply chain. Our aim is to ensure the procurement of products that were responsibly produced, while reducing environmental and social vulnerabilities along the supply chain.

Currently, we work with more than 600 suppliers worldwide. We see our suppliers as partners and strive to create mutual, continuous, and respectful relationships, reflected in timely payments and open channels for addressing concerns and claims. Nofar diversifies its supplier base, enforces strict penalties for delays, and emphasizes reliability and delivery times in supplier selection. We prioritize procuring products and services from local suppliers in the country of operation, as well as from SMEs.

Nofar is committed to sustainable, fair, and transparent procurement, incorporating ESG criteria in supplier selection and partnerships. We promote fair labor practices, transparency, and accountability to continually improve our supply chain in alignment with ESG goals. Upholding a zero-tolerance policy for forced labor, we urge all stakeholders to join us in protecting and promoting human rights across our value chain.

As part of our ongoing commitment to sustainability and responsible procurement, Nofar has established an ESG procurement policy for Nofar Europe, ensuring that

suppliers meet our ESG standards. This policy includes a comprehensive process for vetting, risk evaluation, and supplier selection based on ESG criteria, which we plan to expand to other regions where we operate, reinforcing our dedication to a sustainable supply chain company-wide. Additionally, we have implemented a thorough supplier evaluation and risk assessment process, selecting only those suppliers whose risks can be effectively mitigated.

Nofar has updated all of its policies in accordance with EBRD (European Bank for Reconstruction and Development) standards across all platforms in Europe, and the procurement policy has been implemented, first, in Romania. The policy update process is in progress at Nofar's platforms in Israel, the USA, and the UK. The Company has also developed supply-chain principles relevant to suppliers in Europe, the USA, and Israel.

Nofar aims to gradually enhance the alignment of its procurement practices with EBRD and IFC standards, including in relation to EPC contractors and key equipment suppliers. EPC questionnaires include elements that are aligned with relevant EBRD and IFC requirements. Nofar is currently seeking to embed procurement policies that reflect IFC standards across its platforms, with an aspiration to progress toward broader implementation in 2025. The Company plans to work closely with our suppliers to ensure our supply chain remains free from violations.

Supplier evaluation process

The supplier evaluation process at Nofar begins with identifying potential suppliers, who are then provided with a self-evaluation checklist. This checklist covers various ESG factors, helping suppliers assess their current practices and identify areas for improvement.

Nofar uses the supplier evaluation reports to make its final supplier selection decisions. Nofar gives preference to suppliers that have a strong track record of ESG performance. While this process currently applies to EPC contractors in Europe, Nofar intends to implement a similar procedure on a global scale. This rigorous supplier evaluation process enables Nofar to ensure that it is working with the best possible suppliers and that its supply chain is aligned with its ESG goals.

Key ESG considerations in supplier evaluation

- ❖ Environmental risk along the supply chain: Nofar assesses environmental risks along the supply chain by examining compliance with local laws and the specific environmental aspects related to the type of product or service being procured.
- ❖ Climate change and protection: The Company's business model is based on the delivery of sustainable solutions focused on mitigation and adaptation to climate change. Nofar promotes the adoption of ambitious global targets for a low-carbon economy and includes sound management of climate-change risks and resulting opportunities in its operating model.
- ❖ Biodiversity: Nofar emphasizes the importance of assessing its suppliers in relation to biodiversity impacts, ensuring they adhere to the same rigorous standards and implement necessary actions that minimize adverse environmental effects.
- ❖ Social risk along the supply chain: Nofar continually improves its procurement processes to ensure products are of the highest quality, safe, advanced, and responsibly manufactured. Nofar actively seeks to reduce social vulnerabilities along its supply chain by employing a clear and well-defined methodology for identifying social risks. This approach involves identifying the most relevant risks, such as child labor, forced labor, and unsafe working conditions. Nofar assesses the likelihood and impact of each risk, prioritizes those that need immediate attention, and develops and implements plans to effectively mitigate them.
- ❖ Employee rights: Nofar prioritizes employee rights by ensuring that all employment terms and conditions are clearly documented and communicated. The Company provides written contracts or transfer agreements that comply with national labor laws, detailing job roles, compensation, benefits, working hours, leave policies, and accommodation arrangements. Nofar responsibly uses fixed-term or temporary contracts to meet operational needs while maintaining employee rights and social security obligations. These standards are equally expected of its suppliers, reinforcing Nofar's commitment to responsible labor practices throughout its supply chain.
- ❖ Diversity and inclusion: Nofar is dedicated to creating policies that ensure prompt action against incidents of mistreatment, which is a key aspect of supplier evaluation. The company's grievance procedure enables employees to confidentially report incidents, and Nofar takes all reports seriously, investigating them thoroughly and imposing appropriate disciplinary actions for policy violations.

Supplier risk evaluation process

Nofar's approach to risk mitigation is underpinned by precise risk measurement, legal compliance, collaboration with suppliers, and a commitment to maintaining high standards through regular audits and certifications.

Based on the ESG risk assessment, Nofar develops and implements mitigation strategies to reduce the impact of potential supplier risks. Major risk concentrations are identified during the risk evaluation process, allowing proactive measures to be taken to reduce or better understand the risks. Nofar has designed comprehensive strategies for effective risk mitigation following a thorough risk assessment.

Risks are quantified, allowing for a nuanced understanding of their severity and providing a measurement used as the basis for the steps necessary to ensure compliance with relevant regulations and laws. This process often involves securing legal certifications from reputable certifying bodies that specialize in the specific domains.

In the case of product-related risks, Nofar actively collaborates with its suppliers to obtain various certificates that validate risk-mitigation measures or demonstrate a deliberate consideration of potential risks. This approach ensures that risk-related concerns are addressed and regularly evaluated through processes such as annual ESG audits.

A similar approach extends to the evaluation of other types of risks. Certifications and annual audits from respected certification programs can be instrumental in not only mitigating risks but also establishing a culture of continuous improvement and compliance within these domains.

Supplier selection process

Nofar aspires to establish a globally unified supplier selection procedure, to build a pool of potential suppliers. This process currently applies to EPC contractors, as well as panel and battery suppliers. Once all of the relevant suppliers have been evaluated and a pool of top suppliers has been identified, Nofar invites the shortlisted suppliers to a final evaluation call, in which they are asked for additional information about their company, their products or services, and their ESG performance, as well as any documentation or certificates specified in the evaluation criteria. In addition, Nofar may engage a third party to audit the selected supplier. The audit aims to assess the supplier's compliance with Nofar's ESG standards and with any other relevant standards or certifications, confirm that it is able to meet Nofar's requirements, and ascertain that it operates in a

responsible and ethical manner. Nofar carefully reviews the results of the supplier audit before making a final decision about whether to award the contract to the supplier. Suppliers with existing ESG certifications may be exempt from a third-party audit. Audits are valid for a maximum of three years, with annual reviews.

Once Nofar has selected a supplier, it monitors the supplier's performance on a yearly basis, tracking ESG metrics such as greenhouse-gas emissions, water usage, waste generation, and adherence to labor and human-rights standards. Nofar also performs regular audits to assess compliance with its ESG standards and relevant certifications, and meets with supplier representatives to review performance and identify areas for improvement. Through this annual monitoring, Nofar ensures its supply chain aligns with its ESG goals and fosters a commitment to continuous improvement.

Supplier ESG assessment and risk management overview	2024
Total number of suppliers	Above 600
Number of critical suppliers ¹²	7
Number of suppliers assessed using questionnaires	12
Number of suppliers audited	29
Suppliers identified as having substantial risks of negative ESG impacts or significant business relevance (of the total suppliers assessed using questionnaires or audits)	12
Number of suppliers assessed with substantial actual/potential negative impacts	0
Number of suppliers with substantial actual/potential negative impacts that were terminated	0
Number of suppliers supported in corrective action plan implementation	0

Empowering our partners and creating indirect economic impact

Nofar's operational model and policy focus on peripheral regions, in view of the business opportunities these areas offer and the availability of land. Nofar has long-standing, strong relationships with kibbutzim, industrial plants, and real-estate companies that own land, roofs, and water reservoirs and are significant electricity consumers. Nofar's activities generate extensive employment opportunities directly and throughout the supply chain, due to the need to employ a wide range of suppliers and employees in every project.

¹² Suppliers whose order volume from the Group, for the supply of equipment and materials and/or for the execution of works, in 2023 and 2024 constituted 5% or more of the Group's capital expenditure (CAPEX).

The Company's business development department in Israel works to expand activity and generate transactions in kibbutzim in Israel, in addition to those in which the Company already operates.

In some kibbutzim, Nofar is developing microgrid systems with autonomous operation capabilities, providing critical backup solutions that remain functional even during main grid failures. Electricity infrastructures have been upgraded at almost all kibbutzim in which Nofar builds and operates projects. Moreover, in a considerable proportion of installations on rooftops, the work also includes the replacement of old asbestos roofs that can potentially cause lung diseases and other health issues. In some cases, some of the profits of the joint corporations are donated to local communities.

Community contributions and support

Nofar Energy is committed to contributing positively to the communities in which it operates through ongoing volunteering and philanthropic initiatives. Employees across the organization take part in a broad range of community support activities, addressing social needs and supporting various population groups, including vulnerable people and communities affected by periods of national emergency. These efforts are coordinated to ensure meaningful and responsive support, reflecting the Company's values of social responsibility, solidarity, and long-term community engagement.

Corporate governance

2024 highlights

- ❖ 57% of directors are independent or external
- ❖ 29% of directors are women
- ❖ 43% of directors possess accounting and financial expertise
- ❖ 97% attendance rate at Board of Directors meetings

Goals and targets

- Increase diversity among the Company's Board of Directors and management
- Maintain zero incidents of bribery and corruption and zero incidents of improper business conduct

Nofar Energy's governance commitment

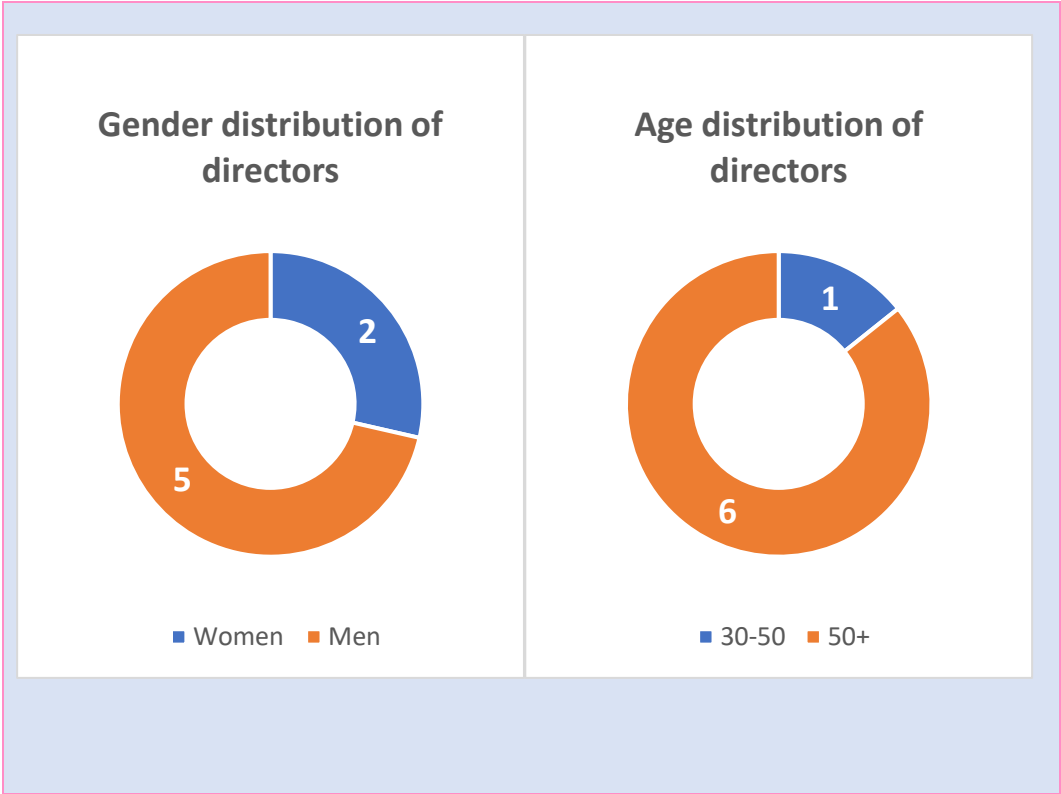
Nofar is committed to high standards of corporate governance and constantly strives to strengthen its corporate governance requirements, which align with national and international best practices. The Company's operations are governed by several key legal frameworks in Israel, including laws and regulations in the areas of electricity, planning and building, and health and safety, the Securities Law of 1968, and any associated regulations and directives from relevant authorities.

Nofar's global activities in the USA and Europe are subject to applicable laws and requirements at the federal, state, and local levels within each jurisdiction. Additionally, operations in Israel and internationally require approvals from regulatory bodies and

institutions, as well as adherence to resolutions, procedures, and standards set by these entities — particularly those required before facility construction and the commencement of commercial operations. To ensure compliance with this extensive regulatory framework, Nofar has implemented internal procedures to manage these obligations effectively.

Nofar has several policies and procedures in place to ensure responsible and transparent management. These policies and procedures cover a wide range of topics, including conflicts of interest, insider trading, corporate social responsibility, environmental management, health and safety, and whistleblower protection. Additional ethical policies include a Code of Ethics, an Anti-Bribery and Corruption Policy, an ESG Policy, a Diversity, Equity, Inclusion, and Belonging Policy, an Internal and External Grievance Mechanism Policy, and a Political Engagement Policy.

Structure of the Board of Directors



Nofar’s Board of Directors is composed of seven directors, of which five are men and two are women. The Board is responsible for overseeing the Company's strategic direction and for ensuring that it complies with all applicable laws and regulations.

Directors are appointed based on their experience and potential contribution to the Company's growth and impact. In the process of appointing directors, the Company's CEO, the Board of Directors, and the controlling shareholder highlight the importance

of business expertise, particularly in areas such as renewable energy, engagement with agricultural communities, financial operations, procurement, and ESG.

To select the external directors, the Board of Directors examined the affidavits of the potential candidates, in which they detailed their education and business experience, in accordance with the Companies Regulations.

During 2024, Nofar's Board of Directors diversified in terms of the directors' skills and capabilities — two Board members (Ofer Yannay and Tzvi Levin) possess experience in the field of renewable energy, and three Board members possess accounting and financial expertise. All Board members have many years of business experience.

In accordance with legal requirements and the Company's procedures, Nofar's Board of Directors includes two external directors and two independent directors. As part of its role, Company's Board of Directors is open to receiving inquiries directly at the general meeting and through the VP of Legal Affairs. No inquiries were received in 2024.

Board of Directors committees

Nofar's Board of Directors exercises its judgment in managing the Company's material issues, aligning with both legal requirements and the recommendations and resolutions provided by its committees. To support the Board's oversight role, Nofar has established several committees.¹³

- Financial Statement Review Committee — The committee consists of three directors, of whom two are external directors and one is an independent director. The Company's management presents a review to the committee of the Company's operating results, financial position, cash flows, critical events in the reporting periods, valuations, statement of sources and uses, and more.
- Audit Committee — The committee consists of three directors, of whom two are external directors and one is an independent director. The committee is engaged, among other things, in approving related-party transactions; maintaining ongoing dialogue with the internal auditor; monitoring and supervising the internal auditor's work plans; monitoring the work of the compliance officer ; assessing deficiencies in the management of the Company's business; assessing the Company's management of risks, including the effectiveness of risk management; and more.

¹³ Some FSR, Audit, and Compensation committee meetings are combined.

- Compensation Committee — The committee consists of three directors, of whom two are external directors and one is an independent director. The committee formulates the compensation policy and sets the employment terms of the Company's controlling shareholders and officers.

Eight committee meetings were held in 2024; the meetings were attended by 92% of the members.

Nofar regularly reviews its policies and procedures to ensure that they are as effective as possible. The Company also monitors its performance against industry best practices and makes changes to its governance structure as needed.

ESG management

Nofar's Board of Directors has further strengthened its oversight and management of the Company's ESG performance, aligning ESG goals with long-term business growth, while responding to the increasing urgency of climate risks and social responsibility.

In 2024, the ESG Committee was chaired by the Senior Director of Investor Relations, who also served as Head of ESG. The ESG Committee reports directly to the CFO, with quarterly updates provided to the CEO and annual updates to the Board of Directors, reflecting the increasing importance of ESG topics in the Company's decision-making processes.

The Board has enhanced its guidance on ESG matters, providing clear directions to management to integrate ESG into all aspects of business operations. The Board of Directors, through the Audit Committee, frequently discusses the Company's risk management, including sustainability risks, and in any case at least once a year. This includes refining risk-management processes to better anticipate ESG-related risks and identify new opportunities tied to regulatory changes or market trends.

Nofar's management is responsible for developing and implementing the Company's vision, values, strategy, policies, and goals related to sustainability and corporate governance. With a strong emphasis on long-term ESG objectives, the Company's management plays a key role in supporting these initiatives, providing strategic guidance to managers and employees, promoting improvements, and addressing risks and opportunities across environmental, social, and governance areas.

Managing Nofar's risks

The Company's operations expose it to various financial and operational risks, including safety and environmental risks. Our risk management is supervised by our Board of Directors and Audit Committee. Members of the Company's management manage risks

in practice. As of 2024, financial risks, risks related to business interactions, and cyber risks are managed by the CFO, while operational risks and safety risks are managed by the Chief Operating Officer and Chief Engineering Officer. The VP Legal also supervises certain risks.

As part of its comprehensive risk management strategy, Nofar undertook a sensitivity analysis, led by the Internal Auditor. This analysis assessed various dimensions of risk, including operational, market, strategic, business, and compliance risks, and identified two key areas requiring improvement. In response, the Company has appointed an Internal Head of Risk and Project Finance. Reporting directly to the CFO, this role is dedicated to overseeing all risk assessments and ensuring the effective implementation of mitigation measures to address identified vulnerabilities.

The initial risk assessment established the foundation for a multi-year internal audit plan, which is periodically updated based on changes in the external environment, such as geopolitical conflicts or shifts in urgency. The internal audit examines specific topics identified in the initial survey, such as IT systems or operational platforms. Following each audit, findings and recommended remedial actions with timelines are presented to management for review. Once finalized, these are submitted to the Audit Committee for approval. The resulting action plans are tracked by management through the ESG Subcommittee to ensure consistent progress.

To strengthen its risk culture, Nofar aspires to implement policies that are aligned with International Finance Corporation (IFC) requirements, promoting global best practices in compliance and risk management. Looking forward, Nofar is committed to refining its risk-management framework through annual reviews of practices and the establishment of short- and long-term goals. This ensures alignment with the Company's strategic objectives and adaptability to regulatory developments.

In addition to these internal measures, Nofar mitigates exposure through liability insurance plans that cover multiple scenarios, including professional and product liability, third-party liability, and employers' liability insurance. Through these efforts, Nofar continues to build a robust framework for managing risks, enabling the Company to address vulnerabilities, capitalize on opportunities, and maintain resilience in a dynamic operational environment.

Ethical business practices at Nofar

Nofar is committed to the highest standards of business ethics. Nofar's Code of Ethics serves as a guiding document for the Group, establishing principles of ethical conduct for senior officers, managers, and employees across all subsidiaries. Unlike regulations that set a minimum threshold, this code sets a higher standard, reflecting the ideals the

Company aims to achieve. The code outlines core values such as responsibility, honesty, professionalism, and respect for others, regardless of their background.

The Code of Ethics emphasizes compliance with legal provisions and international norms, promoting respect and accountability in all professional interactions. While it cannot foresee every situation, the code encourages employees to use sound judgment in applying these principles. Managers are particularly responsible for exemplifying and enforcing these standards, both internally and with external partners.

The organizational Code of Ethics, approved by the Board of Directors and management in 2021, outlines a policy that was implemented within the Company by 2023.

The Code of Business Conduct and Ethics is under the responsibility of the Legal Counsel of the Company. The Company regards ethical conduct in its business as a core value and requires it not only of management, but also of all employees and suppliers. All Nofar employees received training about the Code of Business Conduct and Ethics. The code, which is based on the Company's values, provides basic guidelines of business practice, as well as professional and personal conduct, that all employees are expected to adopt and uphold. All new employees hired at Nofar are asked to read the Code of Ethics.

Our ethical responsibilities

The Company's values provide a foundation for rules for interpersonal interactions in the workplace. Nofar has formulated the following basic, mandatory conditions for managing employees and for working among colleagues:

- ❖ **Mutual respect** — The Company rejects and prohibits discrimination, harassment, abuse, or intolerance of any kind; such behaviors reflect a lack of basic respect, a requirement at the Company under all circumstances.
- ❖ **Trust** — In an organization where trust prevails, relationships between employees and managers and among colleagues are open, enable efficient and beneficial conduct, and contribute to the development of strong intra-organizational communication and commitment.
- ❖ **Transparency and honesty** — Communication based on facts and honest, open dialogue establish organizational transparency, encourages sharing of abilities and creativity while delegating authority, and improves the effective management of organizational knowledge.
- ❖ **Cooperation** — Cooperation between employees and between managers and employees is a basic condition for mutually beneficial working relationships, shared responsibility, and a synergistic environment. Cooperative work improves processes, leads to better problem-solving, and leverages work procedures and communication channels effectively.

Political engagement at Nofar

Guided by Nofar's Code of Business Conduct and Ethics and its commitment to compliance with all applicable laws, Nofar abstains from any type of political activities, including lobbying to shape public policy, legislation, and other governmental actions, as well as corporate contributions to electoral candidates, political organizations, or political campaigns. Nofar responds to requests for comments and other requests issued by relevant regulators insofar as they are relevant to the Company's business, such as in the course of hearings held by the Israel Electric Authority.

Like many corporations, Nofar is a member of various industry trade organizations. Some of these organizations engage in lobbying activities, and some operate their own political action committees. Nofar may not necessarily agree with every position taken by each organization of which it is a member or of the other members of such organizations; however, Nofar believes that, on the whole, membership in and contributions to such organizations are consistent with promoting the public good, which is aligned with the Company's overall business objectives. When Nofar makes payments to these organizations, including membership fees and dues, it instructs the organization not to use the funds for any election-related activity, in every country in which we operate.

Nofar is a member of the following industry trade organizations:

1. The Federation of Israeli Chambers of Commerce
2. The Israeli Association of Publicly Traded Companies
3. The Green Energy Association of Israel
4. Israel Builders Association
5. The Manufacturers Association of Israel
6. IIRF - The Israeli Investor Relations Forum

The Company's Code of Business Conduct and Ethics covers how our employees may engage in the political process and how we interact with representatives of the government on behalf of Nofar. Decisions about joining trade unions and membership fee payments are made by Nofar's CEO and CFO.

Payments to trade associations which may be used for political purposes are monitored by Nofar's CFO. We are committed to complying with internal policies, all relevant state, federal, and international laws and regulations, and applicable state and local restrictions on corporate political activity.

Compliance with legal requirements

Nofar complies with the requirements of all laws, standards, and regulations applicable to its activities in the countries in which it operates. Nofar is in full compliance with environmental laws and regulations, and no sanctions or fines were imposed on the Company in 2024. Nofar strives to ensure proper conduct pursuant to the requirements of the law. Another aspect of Nofar's compliance is its IT system protocols, which govern employees' access to various programs and folders. As of 2024, these permissions are granted through the CFO, following all necessary approvals. Where needed, Nofar separates positions and responsibilities and avoids giving any individual employee too many permissions, especially if they are not directly relevant to the employee's duties.

Remuneration policy

In December 2020, the Company's Board of Directors and the general meeting of the Company's shareholders approved its remuneration policy for the officers of the Company. In July 2021, the Company's Board of Directors resolved to adopt an option plan for employees and officers. The Board of Directors reviews the policy from time to time in order to adapt it to the Company's changing needs, the input received from stakeholders, and the provisions of the law.

The policy sets guidelines as to the manner of compensating the Company's executives and managers while supporting the execution of Nofar's goals, its business plan, and its policies in the long run. The remuneration policy aims to create a reasonable and appropriate set of incentives for the Company's executives aligned with Nofar's operations, its risk-management policy, and its working relations with stakeholders, while enabling the Company to recruit and retain excellent managers, which are the foundation of Nofar's performance and the driver of its future development and success.

Nofar's remuneration policy is mainly based on measurable criteria, quantitative tests, and the personal targets of each of the officers. The policy comprises a fixed component with respect to base salary, benefits, and other related compensation, and variable components — sign-on/retention bonus, adjustment grants, retirement terms, annual bonuses, and special discretionary bonuses, the award of which is subject to the approval of the Compensation Committee.

In 2024, the ratio of the total annual compensation of the CEO to the mean employee compensation is 3.2, while the ratio of the total annual compensation of the CEO to the median employee compensation is 3.8.

Variable remuneration

The variable component of remuneration is based on various parameters of the performance of the Company or the executive. For the Chairman of the Board and the CEO, this component shall not exceed 75% of the amount of their total fixed component. For the executives reporting to the CEO, this component shall not exceed 50% of the amount of their total fixed component.

The variable component can be allocated based on one of the following:

- Measurable goal grants — Including financial goals, strategic goals, personal goals, and corporate governance goals. These goals are determined annually, before the end of the first quarter, and the executive must attain at least two of the goals to be eligible for the grant. The grant paid for each goal shall not exceed 25% of the executive's total fixed component.
- Discretionary grants — The Company may determine that the variable remuneration, in whole or in part, shall be granted according to qualitative criteria that are not measurable, at its discretion, given the contribution of the executive to the Company.
- A one-time grant — The Company is permitted to give its executives a one-time grant based on outstanding contribution and/or noticeable efforts, and/or in cases of extraordinary business accomplishment. Grants to the CEO and the CEO-subordinate executives shall not exceed 25% of the executive's total fixed component.

In the event that financial information is later found to have been biased, the Company may claw back the grant from the executive, within three years of the occurrence.

Equity compensation

The Company is permitted, from time to time, to allocate options, phantom options, restricted stock units, and restricted stock to executives as part of the remuneration package offered to its employees. The amount allocated is subject to the authorized organ's discretion. This part of the remuneration shall not exceed the sum of 12 monthly salaries. For more information about the Group's compensation policy, see chapter 8 of the Company's shelf prospectus on the TASE website¹⁴ from December 8, 2020, as well as the Company's immediate report of 2023.

¹⁴ <https://maya.tase.co.il/reports/details/1337934/2/0>.

Preventing conflicts of interest

Nofar is subject to all of the provisions of laws and regulations that ensure the prevention of conflicts of interest in the Group in general and in the Company in particular. Under the Company's Code of Business Conduct and Ethics, several internal organizational measures are implemented to prevent conflicts of interest and ensure fair business practices, including when appointing directors; directors are required to fill out a questionnaire and provide a statement relating to affiliation and conflicts of interest.

In addition, the Company has adopted, procedures for reporting to stakeholders and officers, under which, before issuing its annual financial statements, the Company sends the directors questionnaires regarding affiliation and conflicts of interest. The Company intends to adopt a procedure for transactions with interested parties, under which a list of the Company's stakeholders will be maintained. In 2024, there were no conflict of interest incidents identified.

Prevention of bribery and corruption

- ❖ Zero bribery and corruption incidents
- ❖ Zero reported employee concerns
- ❖ Zero incidents of improper business conduct
- ❖ Zero money laundering or Insider trading incidents

In accordance with the Company's Anti-Bribery and Corruption Policy, Nofar is committed to a zero-tolerance approach to bribery and corruption, and to conducting its business in a transparent manner. This means that the Company will proactively disclose any risks of bribery and corruption, provide transparent and timely disclosure of all payments to public officials, and cooperate fully with all investigations into bribery and corruption.

The policy applies to all employees, contractors, agents, and representatives of the Company, regardless of their position or location. It also applies to all business activities, including but not limited to procurement of goods and services, investment and financing activities, and government relations.

Internal auditing

As a public company, Nofar operates in accordance with the requirements of the law. Based on the recommendations of the Audit Committee, the Board of Directors approved the appointment of an internal auditor who provides internal auditing services as an external service provider. The internal auditor prepared a multi-year plan, in cooperation with the Company's management, which was presented to the Audit Committee and Board of Directors and approved by the Board. The multi-year plan is based on audits of key company processes according to the level of risk exposure, assessment of the probability of occurrence of an event, and potential scope of damage. The internal auditor does not have the discretion to deviate from the work plan; any change in this plan is subject to the approval of the Audit Committee. In addition, every year the internal auditor submits, in advance, an annual audit plan aligned with the multi-year work plans.

Information security

Nofar is currently assessing its needs in the field of information security and cybersecurity, as part of its broader efforts to strengthen its corporate governance and internal control structures. As part of this process, the Company is reviewing commonly used industry frameworks and practices with the intention of developing procedures and mechanisms that will support data protection and confidentiality requirements across the organization. In 2024, there were no breaches of customer privacy or data.

Legal disclaimer

An ESG report is not included in Nofar's financial, periodical, or immediate statements. This report includes forward-looking statements (according to the Securities Law, 1968), including expectations, forecasts, objectives, goals, assessments, and plans regarding the Company's activity. Statements made in this report may be subject to changes and revisions. All information and data presented in this report reflect the information regarding the Company's activity at the date of issue and the Company's knowledge. This document may include estimates, omissions, generalizations, errors, and/or inaccuracies. In any case of discrepancy or divergence between the information presented in this report and the information appearing in the Company's public financial statements published on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange (TASE), the information appearing in publications by the Israel Securities Authority will prevail.

GRI content index

This report is prepared with reference to the Global Reporting Initiative (GRI) Standards for the period of January 1 to December 31, 2024.

GRI 1: Foundation 2021		
Index	Description	Location
GRI 2: General Disclosures 2021		
2-1	Organizational details	<ul style="list-style-type: none"> About Nofar Energy Company holdings chart Operations around the globe
2-2	Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> Company holdings chart
2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> About our report About Nofar Energy
2-4	Restatements of information	<ul style="list-style-type: none"> GHG emissions Managing workplace health and safety
2-5	External assurance	<ul style="list-style-type: none"> Dialogue with our stakeholders Supplier evaluation process Internal auditing Information security
2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> Dialogue with our stakeholders Respecting human rights Diversity, equality, and respect as the cornerstones of employment Responsible supply chain Empowering our partners and creating indirect economic impact
2-7	Employees	<ul style="list-style-type: none"> Social Workplace culture and employee well-being
2-8	Workers who are not employees	<ul style="list-style-type: none"> Structure of the Board of Directors Respecting human rights
2-9	Governance structure and composition	<ul style="list-style-type: none"> Nofar Energy's governance commitment Structure of the Board of Directors
2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> Board of Directors committees
2-11	Chair of the highest governance body	<ul style="list-style-type: none"> Management of ESG performance by the Board of Directors Managing the Company's risks
2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> Nofar's material topics Management of ESG performance by the Board of Directors

2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> Preventing conflicts of interest
2-14	Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> Preventing conflicts of interest Prevention of bribery and corruption; internal audit and supervision
2-15	Conflicts of interest	<ul style="list-style-type: none"> Management of ESG performance by the Board of Directors Preventing conflicts of interest
2-16	Communication of critical concerns	<ul style="list-style-type: none"> Internal auditing
2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> Remuneration policy
2-18	Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> Remuneration policy
2-19	Remuneration policies	<ul style="list-style-type: none"> Remuneration policy
2-20	Process to determine remuneration	<ul style="list-style-type: none"> Words from our senior management Management of ESG performance by the Board of Directors
2-21	Annual total compensation ratio	<ul style="list-style-type: none"> Remuneration policy Ethical business practices at Nofar
2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> Ethical business practices at Nofar Setting strategic ESG goals and targets
2-23	Policy commitments	<ul style="list-style-type: none"> Preventing conflicts of interest Prevention of bribery and corruption; internal audit and supervision
2-24	Embedding policy commitments	<ul style="list-style-type: none"> Nofar Energy's governance commitment Compliance with legal requirements
2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> Political engagement at Nofar
2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> Dialogue with our stakeholders
2-27	Compliance with laws and regulations	<ul style="list-style-type: none"> Nofar Energy's governance commitment Compliance with legal requirements
2-28	Membership of associations	<ul style="list-style-type: none"> About Nofar Energy Company holdings chart Operations in Israel
2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> Company holdings chart
2-30	Collective bargaining agreements	<ul style="list-style-type: none"> Ethical business practices at Nofar
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	<ul style="list-style-type: none"> Nofar's material topics

3-2	List of material topics	<ul style="list-style-type: none"> Materiality matrix
GRI 201: Economic Performance 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Social Empowering our partners and creating indirect economic impact
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> Social Setting strategic ESG goals and targets
201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> Risks and opportunities related to climate change
201-3	Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> Remuneration policy The variable remuneration
201-4	Financial assistance received from government	<ul style="list-style-type: none"> Political engagement at Nofar
GRI 202: Market Presence 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Management of ESG performance by the Board of Directors
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<ul style="list-style-type: none"> Remuneration policy
202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> Structure of the Board of Directors
GRI 203: Indirect Economic Impacts 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Empowering our partners and creating indirect economic impact
203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> Empowering our partners and creating indirect economic impact
203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> Empowering our partners and creating indirect economic impact
GRI 204: Procurement Practices 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Responsible supply chain
204-1	Proportion of spending on local suppliers	<ul style="list-style-type: none"> Responsible supply chain
GRI 205: Anti-corruption 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Prevention of bribery and corruption; internal audit and supervision
205-1	Operations assessed for risks related to corruption	<ul style="list-style-type: none"> Ethical business practices at Nofar Compliance with legal requirements
205-2	Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> Ethical business practices at Nofar Compliance with legal requirements
205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> Prevention of bribery and corruption; internal audit and supervision
GRI 302: Energy 2016		

3-3	Management of material topics	<ul style="list-style-type: none"> Nofar Energy's environmental commitment
302-1	Energy consumption within the organization	<ul style="list-style-type: none"> GHG emissions
302-2	Energy consumption outside of the organization	<ul style="list-style-type: none"> GHG emissions
302-3	Energy intensity	<ul style="list-style-type: none"> GHG emissions
302-4	Reduction of energy consumption	<ul style="list-style-type: none"> GHG emissions
302-5	Reductions in energy requirements of products and services	<ul style="list-style-type: none"> Advancing renewable energy globally Supporting the global transition to a low-carbon economy
GRI 303: Water and Effluents 2018		
3-3	Management of material topics	<ul style="list-style-type: none"> Water management
303-1	Interactions with water as a shared resource	<ul style="list-style-type: none"> Minimizing land use and negative environmental impact
303-5	Water consumption	<ul style="list-style-type: none"> Water management
GRI 304: Biodiversity 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Preserving biodiversity
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<ul style="list-style-type: none"> Preserving biodiversity
304-2	Significant impacts of activities, products, and services on biodiversity	<ul style="list-style-type: none"> Minimizing land use and negative environmental impact Preserving biodiversity
304-3	Habitats protected or restored	<ul style="list-style-type: none"> Minimizing land use and negative environmental impact Preserving biodiversity
GRI 305: Emissions 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> GHG emissions
305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> GHG emissions
305-3	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> GHG emissions
305-4	GHG emissions intensity	<ul style="list-style-type: none"> GHG emissions
305-5	Reduction of GHG emissions	<ul style="list-style-type: none"> GHG emissions CO₂ emissions prevention
GRI 306: Waste 2020		
3-3	Management of material topics	<ul style="list-style-type: none"> Waste management
306-1	Waste generation and significant waste-related impacts	<ul style="list-style-type: none"> Waste management
306-2	Management of significant waste-related impacts	<ul style="list-style-type: none"> Waste management
306-3	Waste generated	<ul style="list-style-type: none"> Waste management

306-4	Waste diverted from disposal	<ul style="list-style-type: none"> Waste management
306-5	Waste directed to disposal	<ul style="list-style-type: none"> Waste management
GRI 308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Responsible supply chain Key ESG considerations in supplier evaluation
308-1	New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> Supplier selection process
GRI 401: Employment 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Nofar Energy's social commitment
401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> Social highlights Building a fair and inclusive workplace
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> Building a fair and inclusive workplace Workplace culture and employee well-being
401-3	Parental leave	<ul style="list-style-type: none"> Parental leave
GRI 403: Occupational Health and Safety 2018		
3-3	Management of material topics	<ul style="list-style-type: none"> Managing workplace health and safety
403-1	Occupational health and safety management system	<ul style="list-style-type: none"> Managing workplace health and safety Safety management system
403-2	Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> The Company's occupational health and safety policy Emergency preparedness and response plan
403-3	Occupational health services	<ul style="list-style-type: none"> Managing workplace health and safety Safety management system
403-4	Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> Managing workplace health and safety The Company's occupational health and safety policy
403-5	Worker training on occupational health and safety	<ul style="list-style-type: none"> Managing workplace health and safety The Company's occupational health and safety policy
403-6	Promotion of worker health	<ul style="list-style-type: none"> Managing workplace health and safety The Company's occupational health and safety policy
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<ul style="list-style-type: none"> The Company's occupational health and safety policy Workplace culture and employee well-being

403-8	Workers covered by an occupational health and safety management system	<ul style="list-style-type: none"> The Company's occupational health and safety policy
403-9	Work-related injuries	<ul style="list-style-type: none"> Managing workplace health and safety
403-10	Work-related ill health	<ul style="list-style-type: none"> Managing workplace health and safety
GRI 404: Training and Education 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Nofar Energy's social commitment Workplace culture and employee well-being
404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> Workplace culture and employee well-being
404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> Workplace culture and employee well-being
GRI 405: Diversity and Equal Opportunity 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Building a fair and inclusive workplace
405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> Structure of the Board of Directors
405-2	Ratio of basic salary and remuneration of women to men	<ul style="list-style-type: none"> Advancing gender equality
GRI 413: Local Communities 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Dialogue with our stakeholders About Nofar Energy
413-1	Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> Community contributions and support Community resilience through Nofar's microgrid solutions Empowering our partners and creating indirect economic impact
413-2	Operations with significant actual and potential negative impacts on local communities	<ul style="list-style-type: none"> Minimizing land use and negative environmental impact Waste management
GRI 414: Supplier Social Assessment 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Responsible supply chain
414-1	New suppliers that were screened using social criteria	<ul style="list-style-type: none"> Supplier evaluation process Key ESG considerations in supplier evaluation
414-2	Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> Supplier selection process
GRI 415: Public Policy 2016		
3-3	Management of material topics	<ul style="list-style-type: none"> Political engagement at Nofar
415-1	Political contributions	Nofar avoids all political contributions