



## **B Lab Statement on Novaluz Energía's B Corp Certification**

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies in the fossil fuel industry, including those that generate or sell energy derived from fossil fuels:

*"Companies involved in the production and sale of fossil fuels, including those that generate or sell energy derived from fossil fuels, are eligible for B Corp Certification if they are not engaged in specific prohibited practices regarding extraction, lobbying, and financial incentives; have successfully transitioned their energy portfolio to be at least 50% carbon-free; and have committed to make progress towards transitioning to a fully carbon-free portfolio within specified timeframes."*

Novaluz Energía is required to disclose a summary of how it complies with these industry requirements as a part of its B Corp Certification. For more information on the specific requirements, please refer to B Lab's position statement on Fossil Fuel and Energy Companies [here](#).

### **Summary of Company**

Novaluz Energía is an electricity distributor for SMEs based in Málaga, Spain. The company markets 100% clean energy from nuclear power sources. Novaluz does not handle "nuclear energy" directly, therefore they do not assume any risks or possible incidents due to its commercialization. They never "touch the nuclear product" nor intervene in its creation or transportation processes.

### **Novaluz Energía's Disclosure on Prohibited Practices**

*Fossil fuel and energy companies engaged in the following practices are currently ineligible for B Corp Certification:*

- Companies with involvement in the coal and oil sands industry. This includes companies that earn revenue from coal mining and/or oil sand extraction, companies that operate coal-fired energy generation plants without a clear retirement plan for all coal-fired capacity in line with a science-based carbon budget, and companies that have constructed new coal-fired energy generation plants since 2010 or have plans for expanding their coal-fired generation in the future.
- Companies that have components of their executive compensation tied to the growth of their fossil-fuel portfolio.



- Companies engaged in any form of lobbying or policy advocacy to oppose climate-friendly policies and/or support climate-negative policies in the past five years, including membership, Board involvement, or funding of trade associations that have climate-negative activities or positions.

Novaluz Energía has been reviewed in accordance with B Corp Certification's Disclosure Questionnaire and background check requirements in order to verify it is meeting the above requirements regarding prohibited industry practices. The company's approach to managing these material topics to the industry are further detailed below.

### **Novaluz Energía's Disclosure on Required Best Practices**

- 1. Companies must have a current product portfolio/energy mix that consists of at least 50% carbon-free energy, which may include the purchase of green energy certificates or their equivalents.*

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- 2. Companies must have a formal commitment to transition 100% of non-generated electricity sales (i.e. electricity that is not directly generated by the company) to carbon-free sources by 2030, and to transition entirely to a carbon-free product portfolio/energy mix by 2040, both of which may include the purchase of green energy certificates or their equivalents. This commitment is aligned with a science-based emissions target based on a 1.5°C scenario. The commitment must include a transition plan and interim targets.*

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- 3. Companies must formalize a policy that acknowledges the issue of climate justice and includes an assessment of how their operations might impact individuals and communities, particularly those who are already marginalized.*

Novaluz Energía has a [Climate Justice Policy](#) that covers their commitment to improving their operations in order to drive continuous benefits and upholding the best possible standards in relation to climate action, socioeconomic local development, and onward supply chain responsibility. The policy is applicable to all people with whom Novaluz maintains a direct or indirect relationship, and is therefore made available to their interested parties seeking to make known their commitment and expand opportunities for positive collaborative impact.

As part of their approach, Novaluz has set the following Climate Justice goals:



- To continuously engage with stakeholders and partners around plans and projects to maintain, expand, or improve the supply of clean energy and its positive impact;
- To work to deepen their understanding of the characteristics, context, and current needs of the communities they serve;
- To consider equity and environmental justice as they work to mitigate climate change and prepare for its growing impact;
- To support communities and individuals who may be affected by the transition to a 100% clean energy economy; and
- To continue to collaborate to remove barriers to social, environmental, and economic progress for SMEs and society as a whole.

To achieve their goals and commitments, Novaluz commits to continue working on concrete actions that bring them closer to them day by day, knowing that there will always be opportunities for improvement and that collaboration is the only way to move towards a fairer, more equitable, and sustainable development model. Some of the actions that the company has been working on include:

- Continuous training and awareness-raising for employees, customers and suppliers;
- Evaluation and selection of suppliers that meet and exceed all legal requirements, especially suppliers that produce the energy they sell;
- Permanently updating on new technologies and regulations related to sources, waste treatment, circularity, and security of clean energy production and marketing systems;
- Engaging with associations and communities that share their values and purposes, as well as those that maintain a dissenting position from which they can be inspired, learn, and reduce real and potential risks;
- Collaborating in favor of innovation and development to promote the inclusion, security, and viability of current and future society, especially for new generations.

#### *4. Public disclosure on Scopes 1,2 and 3 GHG emissions.*

In 2023, Novaluz Energía's total GHG emissions corresponded to 3,26 tCO<sub>2</sub>e, broken down as follows:

Scope 1 GHG emissions: 0 tCO<sub>2</sub>e

Scope 2 GHG emissions: 0 tCO<sub>2</sub>e

Scope 3 GHG emissions: 3,6 tCO<sub>2</sub>e

GHG emissions are aggregated into the following scopes at the company level:

Scope 1: Direct GHG emissions that occur under the company's control.

- Combustion of own vehicles
- Combustion of own equipment



Scope 2: Indirect GHG emissions from imported energy.

- Electricity consumption

Scope 3: Indirect GHG emissions from other sources.

- Air travel

- Remote work

### **B Lab's Public Complaints Process**

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.