

Employee Health & Safety Policy – Ashtrom Group



Ashtrom Group operates in the real estate industry, including contracting execution, in which worker safety is integral and inseparable to its ongoing management.

Ashtrom Group's overarching goal is to create a workplace and operations that are safe for our employees and for anyone who comes to our sites to work or visit. In addition, we are committed to ensuring that all individuals adhere to the safety instructions and maintain safety namely in the context of work completed at various construction sites.

We consider the health, safety and wellbeing of our employees and all other stakeholders who are affected by our activities to be a cornerstone of the Group's success. The safety of our employees (direct/subcontractors or contractors) is our top priority, and, through this core value, the Group is committed to health and safety in every aspect of our work, while ensuring that all individuals can return home safely each day.

In the realization of this value, we examine where and how we can improve and increase efficiency to optimally prevent work accidents and to identify how we can act to improve the safety and health of our employees despite evolving environmental conditions and challenges.

Accordingly, we have set a goal of achieving a TRIR (Total Recordable Incident Rate) of 1 by 2030.

*For occupational accidents among the Group's employees, excluding contractors and traffic accidents.

The purpose of this document is to express the Group's commitment to the issue of health and safety, and our intentions and plans for continuous improvement.

Application of the Policy

This policy is valid for all of Ashtrom Group's activities, its subsidiaries and their employees, contractors, and throughout the entire supply chain, including service providers in the Group's projects and in all of the countries where it operates.

Employee Health & Safety – Basic Principles

Our Employee Health & Safety Policy is realized through compliance with relevant regulations in the field and broadened in its application according to the following principles:

- Anticipating the risks inherent in our activities and removing them if possible
- Implementation of a risk management system and controls - in accordance with clear policies, procedures, and definition of responsibilities
- Providing all required resources for comprehensive and complete management of health and safety topics, including setting goals and metrics for continuous improvement
- Communication and raising awareness to involve our employees, business partners, suppliers, and contractors, so that they will know how to make informed choices, while at the same time as empowering and encouraging them to assume responsibility for always protecting themselves and others.

To this end, we have formulated a mechanism for the regulated management of the topic as well as a series of procedures and trainings, to ensure that the employees and managers are aware of the risks, work to reduce them, and to ensure that we do everything possible to secure the health of all parties with an emphasis on prevention, protection, training, and work environment security mechanisms.

Execution of projects in the fields of construction and infrastructure contracting requires compliance with all the State of Israel's occupational safety rules and laws, and the regulations and ordinances outlined therein. The safety departments in the Group employs safety

inspectors and supervisors who responsible for overseeing all the Group's safety aspects, including providing of consultation and supervising relevant safety aspects for the Group's subsidiaries. In addition, in accordance with the provisions of the Labor Inspection Organization Law, 1954-5774, in every contracting project, a foreman is appointed to serve as a safety officer at the construction site.

We are committed to continuing to operate in accordance with what is required by law and beyond it, and to promoting the occupational health and safety of workers at our sites and in our factories also in regard to the subcontractors and all other partners involved in our activities.

We work to reduce safety incidents at our sites and factories while investing extensive resources, performing training, implementing relevant integrated measures, and management and control mechanisms at construction sites, among other efforts. We particularly emphasize the importance of **prevention activities - training, employee security, and protective equipment** - to ensure that accidents and hazards are minimized to the greatest extent possible.

The Group's contracting division applies innovation and advanced technologies to monitor, inform, and improve our conduct on the topic.

Compliance, Adherence to Regulations and Safety Management

The Group ensures full compliance with all safety regulations. In addition, the Group acts in a preventive manner to minimize risks and control them.

Road Safety

It is our responsibility to manage the topic of road safety for our employees and partners.

We understand that, in the context of the responsibility we assume for health and safety issues, we must examine and improve management of the issue of employee road safety. The Vehicle Department works to promote employee safety through courseware on safe driving and, throughout the year, by distributing newsletters by email and text message reminders on the subject. In addition, safety reminders are distributed at various key points in time during the year, for example, before the rainy season, at the beginning of the school year, etc.

A Safe and Healthy Work Environment

We take all the necessary measures to ensure a safe and healthy work environment, including avoiding exposure to various chemicals and dust during the construction process and in the factories to prevent occupational diseases that may arise as a result. In addition, we also train the site managers and employees on the correct use of the protective equipment that aids in safeguarding their health and preventing exposure to various substances.

Health Insurance

As part of the commitment of Ashtrom Group's management to employee health, we provide health insurance to the Group's employees through collective medical insurance coverage that includes support for transplants and special treatments in Israel and abroad, subsidizes the purchase of expensive medications that are not included in the typical pharmaceutical coverage, and more, in addition to the supplementary health insurance already provided. Health insurance coverage is offered to all employees and their immediate families (and can even be extended).

In the context of the collective health insurance coverage, employees have the option of receiving psychological counseling.

Wellbeing and Encouraging a Healthy Lifestyle

Our commitment to the health of our employees takes on comprehensive meaning and refers to their overall health, both physical and mental, thus concern for their wellbeing is an integral part of our commitment. Activities to promote wellbeing include, among other things, raising awareness for and facilitating access to the topic of physical fitness.

Ashtrom Group's employee welfare activities extend across two dimensions:

- **Individual and familial connection** – employee wellbeing activities to empower individuals and strengthen their sense of belonging.
- **Organizational connection** – employee wellbeing activities that deepen their relationship with the organization. Benefits and services are provided based on association with the organization, regardless of employee salary or performance.

As part of the Group's wellbeing activities, we invest in physical activities to raise awareness for the importance of the topic and to maintain the health of our employees, while introducing the concept of leading a healthy lifestyle into their daily routines. We organize sporting events and promote group sports activities.

Assuring an Occupationally Healthy and Safety Supply Chain

From our standpoint, safety is of the highest priority and accordingly, our contract agreements with subcontractors focus on this area, including detailing the safety requirements specified in the occupational safety laws and regulations.

In engagement agreements with our contractors, we ensure the contractor's commitment on issues that are of importance to us, such as - assuring the health and safety of employees, conducting training, and raising awareness on the subject, enabling fair employment conditions, and more.

The commitments are verified by conducting due diligence on our subcontractors and our suppliers, including, among other things, examining the work safety aspect, fire safety, compliance with mandatory regulations, accessibility, arrangements for payments to employees (such as social security), the existence of required insurance, and safeguarding the rights of employees, etc.

During the engagement period for the promotion of the shared project - controls are carried out and some of the terms of the agreement are realized, such as reporting on the participation of employees in Ashtrom Group's extended safety trainings, examining agreements, and terms of employment, etc.

Subcontractors are obligated to appoint a work safety supervisor. It is the supervisor's responsibility to prepare a 'Work Safety Plan' and to ensure full application and implementation of the plan, as well as direct and continuous management of its implementation among employees and throughout the entire project period.

Ensuring the safety of employees requires going beyond the safety requirements set out by the laws and regulations and accordingly, we expect the subcontractors to extend the principle of precaution and to carry out their duties to implement safety measures, beyond conducting a risk assessment, perform training, and use approved tools.

Mechanisms for Managing and Implementing the Policy – Responsibilities and Roles

- **Management and Compliance Role:** A manager in the field of occupational health and safety was appointed by Ashtrom Group to implement the Health & Safety Policy who is responsible for coordinating the various activities required for the implementation and ongoing supervision of the policy.
- **Steering Committee on Behalf of Senior Management:** Ashtrom Group's management is committed to this policy and its effective implementation over time. The Steering Committee will discuss material issues that pose potential risks to the Group and other material issues as determined, from time to time, and as part of the Group's safety assessment process. The composition and meeting dates of the Steering Committee will be determined by the Group's management.
- **Senior Managers in the Group and its Subsidiaries:** Ashtrom Group's senior managers are responsible for the ongoing implementation of the guidelines and working principles detailed in this policy, as well as for supervising the fulfillment of additional duties required of their employees as detailed in this policy.
- **Employees of the Group and its Subsidiaries:** Ashtrom Group's employees are responsible for fully following the guidelines and associated work procedures detailed in this policy.

Publication and Communication of the Policy

Ashtrom Group's Employee Health & Safety Policy is accessible to all stakeholders on the Group's website.

The Group publishes information on our relevant activities in our ESG report.

We invite our stakeholders to submit feedback, suggestions, and thoughts on the topic to: esg@ashtrom.co.il