

Donations & Employee Volunteering Policy – Ashtrom Group



Ashtrom Group regards with importance the promotion of community resilience and engaging its employees to support the local community in Israel. Accordingly, the Group invests resources and supports diverse communities, encouraging excellence, working to raise awareness, and taking actions in which core business issues serve the needs of the community.

Simultaneously, we place significance on applying portions of the Group's resources to serve populations in need within the wider community. Our activity on the topic is implemented through partnerships with associations that operate in the focus areas for donation that we have defined in accordance with our policy and according to organized and defined mechanisms.

The purpose of this document is to express our commitment to promoting community resilience and to create transparency regarding our focus areas for support in the surrounding community, as well as to ensure the ethical, responsible, and consistent management of our resources.

Ashtrom Group has set a goal that it will work towards donating approximately 0.5% of its net profit in the previous year (excluding one-time income and in the absence of exceptional circumstances). We are committed to promoting the gradual implementation of this goal by 2030.

Application of the Policy

The Group's policy for promoting community resilience and engaging its employees to volunteer is valid for all Ashtrom Group employees, including all of the subsidiaries and their employees. Ashtrom Group invites its stakeholders to adopt the principles of the policy and join its efforts to promote community resilience.

Focus Areas for Donation

Ashtrom Group seeks to invest its resources in the community in focus areas for donation that are close in proximity to the location of its core business activity.

- The Group supports the promotion of environmental awareness and ventures that work towards the development of a sustainable environment.
- Individual safety and wellbeing are fundamental and central to our business activity and therefore, we would like to promote awareness on the importance of personal health and safety alongside research and collaboration in the field.
- The Group designates funds to meet the urgent needs of the community alongside encouraging excellence among diverse and various populations such as people with disabilities.
- In addition, the Group allocates dedicated resources to promoting the cooperation and volunteering of employees and other stakeholders in support of the community.



Guidelines for Community Investment

- Financial and voluntary donations will provided to support of a community initiative that is compatible with the Group's policies and procedures, as well as the needs of the communities and beneficiaries. We will examine use of the Group's existing resources for the benefit of community support, to the extent that those resources are relevant to the community projects that the Group decides to pursue.
- Assistance will be provided to relevant non-profit organizations in accordance with the Group's policy and subject to production of the required information and documents. This is after submitting a formal application, following discussion by the Group's Donations Committee, and subject to presentation of a proper management clause for associations, according to the law. In addition, we will verify that there is no connection between these organizations and the Group's shareholders, office bearers, managers, or employees, and that the aforementioned support does not amount to an existing or possible conflict of interest. In these cases, the donation request will require unique mechanisms and approvals, in accordance with the Group's procedures.
- Donations will not be given to private individuals or those associations that directly and/or indirectly support political activity, religious institutions, sports institutions (with the exception of those that were established with the aim of helping populations in at-risk situations and given that there is no connection between those organizations and local authorities that have an influence on the Group's activities), regulatory bodies, local or municipal authorities or institutions that may grant or appear as if they may grant benefits to Ashtrom Group's business. Also, no donation will be given that promotes marketing or advertising activity for the Group.
- All our donations will include a clear requirement of periodic reporting and impact assessment, with a preference for ongoing activities that allow for impact measurement over time.
- Preference will be given to donations that incorporate employee volunteering.

Community Support Based on Discourse & Partnerships with Community Entities & Non-Profit Organizations

Ashtrom Group's donation and volunteering policy is implemented in partnership with non-profit organizations that actively oversee the operation and implementation of initiatives in community and manage the donations. We believe that open, participatory, and honest dialogue with associations and community entities will solidify projects that guarantee a response to the needs of the community alongside the generation of significant and positive impact. At the same time, we expect ethical conduct and compliance

with the law from all of our community engagement partners, as well as periodic reporting on their activities within the framework of the joint ventures.

We strive to develop stable and strong partnerships that will lead to the implementation of dedicated projects with significant and long-lasting positive impact on the shared communities.

Measuring and Ensuring Positive Community Impact

In the context of our support for the community, we aim to maximize the positive social impact and increase the involvement of employees in it. To this end, we measure our activity in relation to the focus areas for donation, the total and rate of the donation, the extent of the beneficiaries who benefited from it, and more. In addition, we consider it important to receive employee feedback to ensure continuous engagement to help the community and therefore, we measure employee volunteering metrics regarding whether they are regular or one-time volunteers.

Employee Volunteering

We encourage our employees to volunteer according to their preferences, skillsets, and abilities and accordingly, we offer employees myriad volunteering opportunities, as part of the community initiatives in the selected focus areas for donation. Employees are invited to join on-going or one-time volunteering initiatives, or to participate together with their colleagues, in their free time and/or at the expense of working hours, all of which is subject to the approval of the employees' direct managers.

We believe that volunteering programs that are suited to our employees' range of skills and abilities can maximize our collective social impact.

In addition, we encourage business units in the Group's subsidiaries to conduct joint volunteering activities, which increases employee satisfaction and strengthens the bonds between employees, while giving back and demonstrating good citizenship.

Mechanisms for Managing and Implementing the Policy – Responsibilities and Roles

- **Compliance Role:** To implement the Donations & Employee Volunteering Policy, Ashtrom Group will work to appoint an authority that will coordinate the various activities that are necessary for proper 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 central topics that are relevant to the promotion of community donations. 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 Donations and Employee Volunteering Policy is accessible to all stakeholders on the Group's website.

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

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