




Biodiversity Policy

Ashtrom Group



 Ashtrom Group is a leading construction and real estate company operating in Israel and internationally. The Group specializes in construction and infrastructure, residential and commercial real estate development, ownership and leasing of income-generating properties, executing large-scale projects under concession agreements, producing raw materials for the industrial and construction sectors, and initiating projects in the renewable energy sector.

 As part of its policy and ongoing operations, Ashtrom Group strives to protect the environment in which it operates, including the preservation of biodiversity. This aspiration stems from the moral obligation to preserve and protect the natural environment, out of responsibility toward future generations. Biodiversity is essential for maintaining balanced and functional ecosystems. Therefore, we actively work to minimize the environmental impact of some of our activities to help protect and preserve the natural environment.

 The purpose of this document is to outline our commitment to biodiversity preservation and to detail our intentions and plans for improving its management within the Group. The policy outlined in this document defines our guiding principles for developing a sustainable business model. As part of this approach, we will take steps to minimize and prevent harm to biodiversity, wherever possible within our control, while promoting the preservation of natural heritage and fostering conditions that support the development and growth of living organisms.

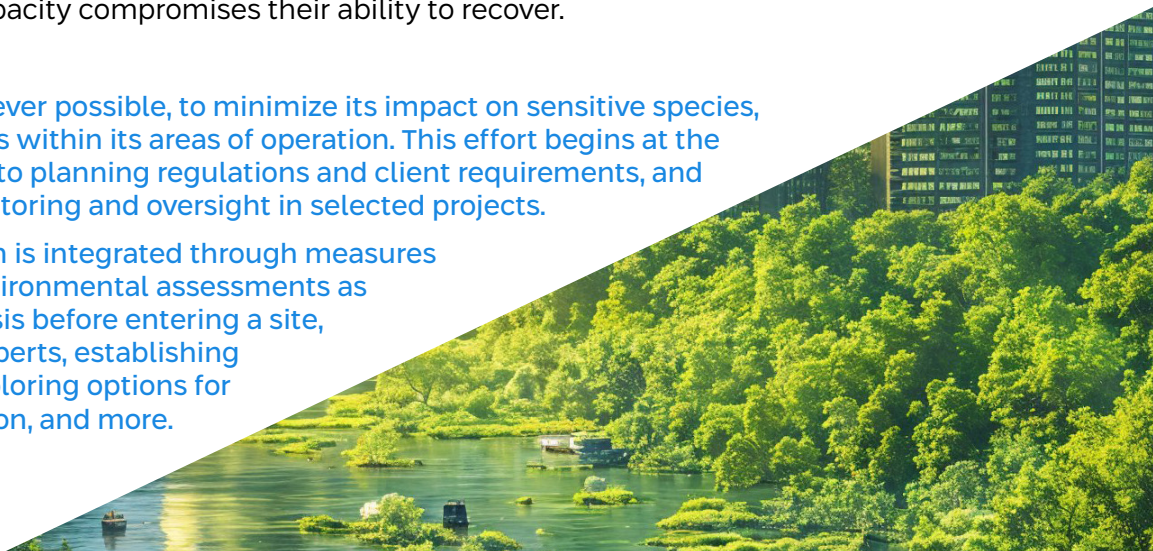
The Importance of Preserving Biodiversity

Biodiversity encompasses the variety of species, genetic diversity, and ecosystems, along with the intricate interactions between species and their environment. Biodiversity sustains the natural cycle of life within ecosystems that surround us, providing essential benefits and services that form the foundation of our existence. Consequently, the preservation of biodiversity is crucial to ensuring our long-term existence on Earth.

Damage to natural areas can disrupt the ecosystems within them, sometimes leading to species extinction or a decline in genetic diversity—both of which are essential for long-term survival. Human activity, habitat expansion, and climate change have significantly accelerated species extinction. Additionally, the overexploitation of ecosystem resources beyond their natural regeneration capacity compromises their ability to recover.

The Group strives, wherever possible, to minimize its impact on sensitive species, habitats and ecosystems within its areas of operation. This effort begins at the planning stage, subject to planning regulations and client requirements, and continues through monitoring and oversight in selected projects.

Biodiversity preservation is integrated through measures such as: conducting environmental assessments as part of landscape analysis before entering a site, consulting with field experts, establishing ecological corridors, exploring options for environmental restoration, and more.



Applicability

This policy applies to all activities of Ashtrom Group, including its subsidiaries, their employees, contractor employees, and all parties involved in the Group's supply chain in Israel and across all countries where it operates. To the extent possible, it also encompasses all entities providing services within the scope of the Group's activities. This policy reflects our commitment to biodiversity protection as part of our broader responsibility to the environment and future generations.

Fundamental Principles



When avoiding impact on biodiversity is not possible, we will act to minimize it as much as possible. We will implement innovative practices to reduce the environmental footprint of our activities. Each project will be carried out with a focus on integrating tailored solutions that mitigate environmental impact and limit harm to the local ecosystem, to the extent that it is within our control.



We strive to minimize harm to biodiversity in our projects as much as possible under the given circumstances. To achieve this, we carefully select the methods of operation at our work sites and in the projects we develop, ensuring maximum consideration of environmental conditions within our control. Thoughtful planning enables us to reduce negative impacts on biodiversity and, whenever possible, prevent direct or indirect harm. Each project undergoes thorough evaluation, with a particular focus on its ecological impact.



Ashtrom Group aims to integrate a systemic thinking approach into every project, recognizing each activity as part of a broader, interconnected ecosystem. This approach allows us to assess and mitigate potential environmental impacts on biodiversity throughout the project lifecycle. We view biodiversity protection as a core value and an essential component of our ecological responsibility.

Compliance

Ashtrom Group, within its areas of responsibility, ensures strict adherence to regulations, including environmental laws relevant to its operations, such as the Wildlife Protection Law (1955) and the National Parks, Nature Reserves, National Sites, and Monuments Law (1998). In addition, the Group complies with international treaties, including the Barcelona Convention (1978) and the Convention on Biological Diversity (1992). At the same time, it takes precautionary measures to reduce environmental pollution, preserve biodiversity, and promote the sustainable use of natural resources.

This aligns with the United Nations Sustainable Development Goals (SDGs), particularly Goal 15, which focuses on protecting ecosystems, reducing biodiversity loss, and promoting the sustainable use of natural resources. By adhering to local and international regulations, the Group strives to contribute to the global effort to conserve biodiversity and manage natural

Actions to Preserve Biodiversity

Encouraging an Environmental Supply Chain >

Ashtrom Group views its suppliers and subcontractors as partners in reducing the environmental impact of its activities, with a particular focus on biodiversity conservation. Accordingly, we encourage our suppliers and subcontractors to adopt a responsible approach toward the environment and, to the extent possible, align with the principles outlined in this policy.

Employee Engagement and Raising Stakeholder Awareness >

Ashtrom Group actively promotes awareness of environmental protection, with a particular focus on the importance of biodiversity conservation, among its employees, customers, and stakeholders.

Implementation of Principles for Preserving Biodiversity

Key principles based on the Group's activity phases:

01 Planning Phase

- Project planning while reducing impacts on biodiversity as much as possible.
- Conducting environmental impact assessments in consultation with ecologists and relevant professionals.
- Performing preliminary surveys and securing the necessary environmental permits.

02 Execution Phase

Implementing actions to reduce the impact on biodiversity in accordance with expert recommendations.

- Conducting ongoing supervision of project execution to ensure compliance with environmental guidelines.
- Prioritizing the use of environmentally friendly materials, to the extent possible, throughout all phases of implementation.

03 Operation and Maintenance Phase

- Assessing environmental impacts and exploring ways to further reduce their effect on biodiversity.
- Adhering to environmental guidelines to minimize negative impacts during routine maintenance operations.
- Promoting the use of renewable energy and environmentally friendly materials in the ongoing operation of assets.

Policy Implementation Mechanism – Roles and Responsibilities:

01 Compliance Function

The head of Sustainability and Innovation and the head of Environmental affairs are responsible for ensuring the inclusion, implementation, and ongoing oversight of this policy, as well as developing long-term plans.

02 Steering Committee on Behalf of Senior Management

The committee addresses material issues, including biodiversity, that may pose potential risks to the Group. It also reviews other significant matters as determined periodically or raised by those responsible for environmental management within the Group, as part of the Group's environmental assessment process. The committee's composition and meeting schedule will be determined by the Group's management.

03 Senior managers within the Group and its subsidiaries

are responsible for the day-to-day implementation of the guidelines and work principles outlined in this policy.

Employees of the Group and its subsidiaries

are responsible for fully adhering to the instructions outlined in this policy within their areas of activity and responsibility, as well as following the related work procedures.

Publication and Communication of the Policy

Ashtrom Group's diversity Policy is accessible to all stakeholders on the Group's website. A summary on our activities in this area is included in the Group's ESG report.

We welcome our stakeholders to share their feedback, suggestions, and ideas on this topic at: esg@ashtrom.co.il