

Code of Ethics

Ashtrom Group



ASHTROM Group Ltd., ("the Company"/"the Group"/"Ashtrom Group") is committed to operating and managing its business honestly, fairly, and according to adherence to ethical conduct. Ashtrom Group believes that invariable and uncompromising ethical conduct is of crucial importance in earning trust from customers, business partners, suppliers, and employees, and is central to the Group's survival and lasting success

This document outlines the principles of ethical behavior to which the Group and its employees are committed, and which we consider an order of utmost importance as a company that champions a business culture of fairness among its employees. This set of rules, known as the "Code of Ethics", consolidates standards designed to formulate the organizational and ethical culture according to which the Group has operated from its outset, and is intended to help us strengthen the connection between and amongst the Company's employees, while establishing relationships of trust, reliability, and integrity between the Company and its shareholders, its customers, and all those with whom it comes in contact. We believe that this Code of Ethics will promote clarity on these issues and contribute to the implementation of these rules in the daily experience of the Group's employees

It should be emphasized that these rules do not replace the laws of any country or any other law applicable to the Company or any of its employees or officers. These rules do not derogate from the provisions of any law, nor give it a qualified interpretation. However, in the Company's internal system, these rules are an integral part of the Company's disciplinary rules, which apply to all employees. Therefore, an employee who is found to be in violation of these rules will be considered to have engaged in a disciplinary violation and the Company will act according to the measures that it deems appropriate for the violation, subject, of course, to the provisions of the law.

Ashtrom Group's Code of Ethics does not refer to all the ethical issues and challenges that may arise in the context of the Group's activities, but it functions as our moral compass and provides us with tools and a set of values that will help us make the right decisions

Accordingly, in line with and beyond the obligations stipulated by law, every officer and employee of the Company is required to meet high standards of ethical conduct at both the personal and professional levels when performing their duties. Such behavior requires the demonstration of honesty, reliability, and integrity in all areas of their occupation and in all their interactions with other employees, the Company and its shareholders, partners, customers and suppliers, the public, the business community, and governmental and public bodies

Furthermore, Ashtrom Group and its employees will do their utmost to work solely with contractors/suppliers who conduct their business honestly, fairly, according to the law, who avoid corruption, and adhere to standards of ethical conduct



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Ashtrom Group's Vision and Values

01

Ashtrom Group aims to continue to lead in the initiation, planning, construction, purchase, management, production, and integration of solutions that provide communities, people, and businesses with productive environments for value creation, work and livelihood, and quality of life.

This is based on clear values of:

01 This is based on clear values of

Over the past 60 years, Ashtrom Group has established its position as a leader in the fields of construction and real estate ("fields of activity"), and we see it as our responsibility to act in accordance with business, social and environmental conduct that matches our stance and stature within the fields of our activity. This drive for leadership is derived from our long-standing ambition for excellence in everything that we do and in our relationships with all our stakeholders. These values allow us to pledge to our stakeholders our commitment to corporate, social, and environment strength and stability alongside our steadfast aspiration for growth and prosperity over time.

02

Professionalism and Reliability

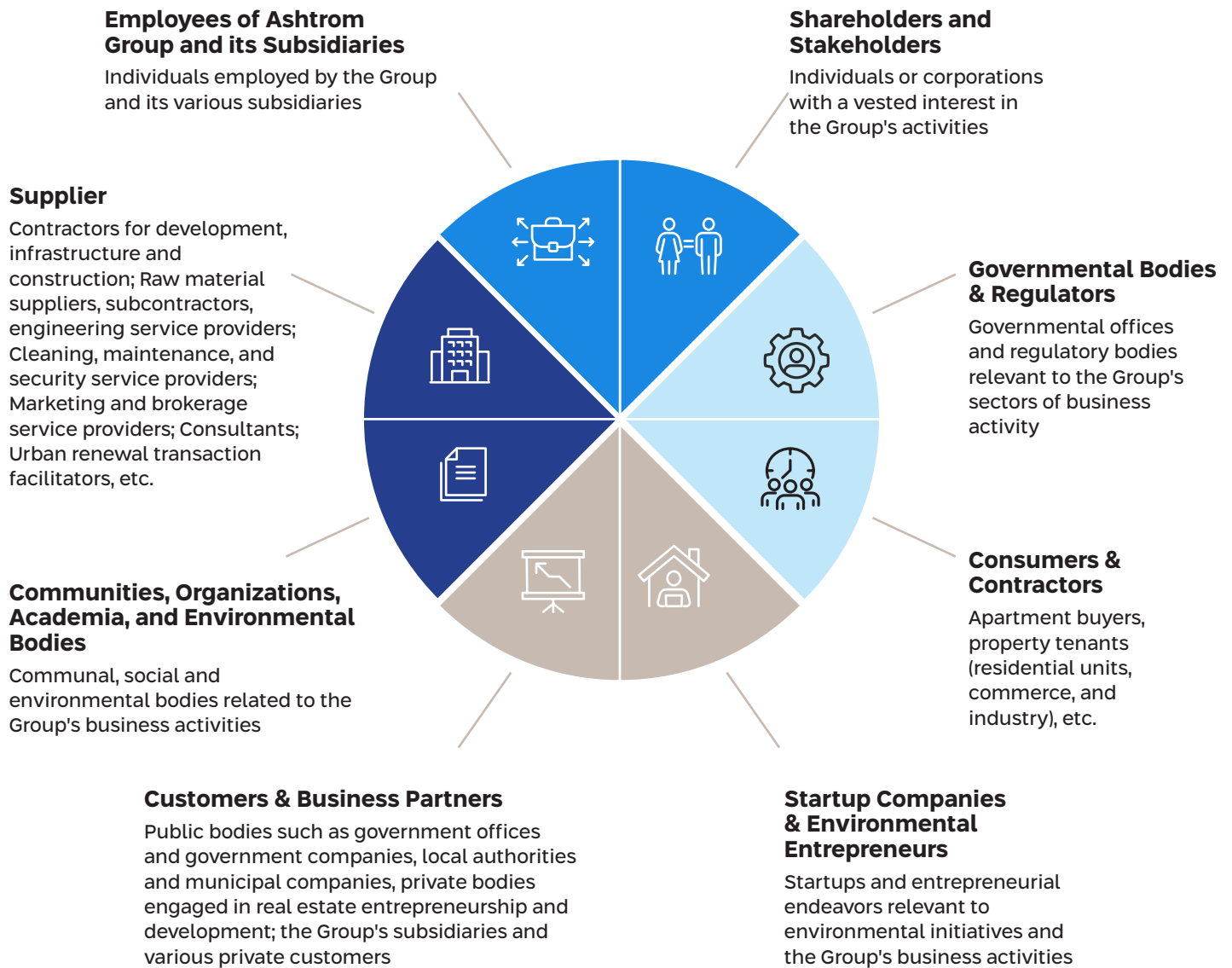
Ashtrom Group provides a place to call home and security to private, business, commercial, and other tenants who choose to purchase our products and/or rent the buildings, apartments, or offices and commercial spaces that we initiated, planned, built, and manage for them. Therefore, we consider it our duty to adhere to professionalism and reliability in our business practices. We attempt to act as an example for our colleagues and competitors in the field through our day-to-day conduct that places these values first in everything that we do. In addition, it is our belief that ingrained in these values are additional foundational values such as integrity, fairness, quality, among others.

03

Entrepreneurship and Innovation

Ashtrom Group was and still is actively involved in the development of infrastructural solutions, the initiation and construction of residential, commercial, and industrial structures, alongside the manufacture of the required building materials. Therefore, innovation and striving for continuous reinvention are essential components of our success, alongside a commitment to ensuring a sustainable environment for future generations that is realized through construction processes and solutions that can respond to the challenges arising from Israel's growing population density.

We act in accordance with these values and the Code of Ethics in dealings with all our stakeholders:



Ashtrom Group has a clear strategy for promoting environmental, social, and economic activities according to the following areas of focus: Sustainable Environment; Safe and Healthy Environment; Ethical Business Environment.



Sustainable Environment

02

The Company operates and strives to operate with awareness and care for the environment and will refer to environmental considerations in its decision-making processes, while bearing in mind preservation of the environment for current and future generations.

The Company will work to raise awareness for preservation of the environment among its employees, suppliers, customers, and with everyone it engages with.

The Company will strive to adhere to the application of environmental standards and green building standards in the planning phase, in the production and use of materials, during the construction process itself, and at the end of the property's life. In addition, the Group will work to expand its activities to reduce environmental pollution and implement circular economy principles in the production, construction, and asset management processes (reduction at the source, reuse, and recycling).

The Company will endeavor to identify and implement innovative solutions that can respond to the environmental challenges that arise from our activities, with an emphasis on materials, methodologies and work processes.





Safe and Healthy Environment

03

A Fair and Respectful Work Environment

Ashtrum Group is committed to adhering to ethical and moral conduct alongside respect for human rights, offering fair working conditions, and upholding the dignity of every person regardless of who they are. We are committed to providing a work environment that is pleasant, safe, and that encourages employees personal and professional development.

The Group's employees will work to devote their time and utmost effort to advance the Company's activities and will perform their duties solely according to professional judgment, while assuring excellence, prudence, and professional responsibility. The Company's employees will maintain a presentable appearance that suits their role and title and will treat their colleagues with respect while working with them.

The Group and its employees undertake to upholding the values of human dignity and to treat every person, regardless of who they are, with the respect they deserve, whether they are a customer, partner, supplier, competitor, or employee. Ashtrum Group employees undertake to behave with tolerance and fairness, without discriminating on the basis of sex, age, religion, faith, political opinion, sexual preference, personal, economic or social status or any other basis of discrimination.

Ashtrum Group is committed to diversity and inclusion and ensures the provision of equal opportunity in all areas of work to every employee and every job candidate in the Company, including in appointments to positions and professional advancement. Ashtrum Group prohibits discrimination on the basis of age, race, ethnic group, gender, religion, disability, sexual preference, marital status or political opinion.

Ashtrum Group respects the right to privacy of all its employees, customers, and suppliers, and diligently handles personal data, storing it and preventing its distribution to ensure privacy. Without derogating from the above, it should be noted that Ashtrum Group may define information security rules and procedures for its employees in its computing and communication systems.



Safe Work Environment

Ashtrom Group is committed to considering its employees' legitimate interests and to do so with care and dedication, providing them with a safe work environment that is free from threats and harassment of any kind, including sexual, physical, mental harassment, harassment on the basis of religious beliefs, origins or customs, or abuse of any kind.

For us, the safety, health, and wellbeing of our employees of highest priority, and therefore we assign notable importance to compliance with our Employee Health & Safety Policy, relevant legal regulations, and industry standards. Ashtrom Group manages an explicit policy, procedures, and conducts various trainings that are adapted to employees' roles and to the site-specific needs to ensure full enforcement of the law and extended commitments.

Together with this commitment, all employees are called upon to assume personal responsibility for the matter. The Group's employees will observe the occupational safety rules, familiarize themselves with the relevant policies and guidelines, participate in trainings, and apply protective and precautionary measures.

Ashtrom Group employees must refrain from any type of rude, violent, threatening or abusive behavior towards other employees of the Company, including sexual harassment and gender discrimination (as previously described) and physical or verbal violence, and from any activity that may cause an insulting, offensive or hostile atmosphere.

The Law for the Prevention of Sexual Harassment, 1998, states that: "A person

shall not sexually harass another and shall not abuse them."²

Ashtrom Group is committed to handling every case and to adopting reasonable measures to prevent sexual harassment or abuse within the context of working relationships, by an employee or by a supervisor acting on its behalf, even if they are not an employee. For the avoidance of doubt, the Law for the Prevention of Sexual Harassment, 1998 establishes four potentialities for sexual harassment: man to woman, man to man, woman to woman and woman to man.

Incidents of sexual harassment are grave occurrences. Blunt appeals, insulting comments, jokes, and hand gestures may be interpreted as harassment even if they were not intended to be so. Ashtrom Group acts according to the greatest severity regarding any suspicion of sexual harassment, by a man or a woman. Ashtrom Group's policy prohibits sexual harassment in any form. Furthermore, the Group will not tolerate threats or retaliatory actions against anyone who files a complaint on the subject.

Community Support

At Ashtrom Group, we strive to demonstrate good citizenship and support the communities in which we operate. We operate according to a defined policy aimed at ensuring that we maximize our potential for positive impact, while meeting the needs of the community and promoting community and environmental resilience.

Furthermore, we see in our business activities ample opportunities to support local employment, bolster the economy, and engage in business with suppliers and business partners. Accordingly, we place emphasis on local procurement.

² Section 4 of the Law for the Prevention of Sexual Harassment, 1998.



Ethical Business Environment

Legal Compliance

All Ashtrom Group employees are required to comply with all the laws applicable to them or to the Group that concern the Company or the management of its business in any country where it provides products or services. Beyond the legal obligation to obey the law, the Group aims to lead and set an example for other companies, arising from its sense of social responsibility.

Every employee must recognize that their illegal activity in connection with the Company may, at times, also place blame on the Group itself or on other employees and officers in it. Therefore, there is an obligation to completely refrain from any illegal activity, minor or serious, including violations of the law that are seen by the employee or manager as "trivial" (such as: copyright infringement through the Internet or through any other property of the Group, technical delays in immediate reports, inaccurate records in the corporation's books, etc.).

Business Integrity

Ashtrom Group's success depends on its ability to stay ahead of its competitors, and therefore it will always strive to be a leader in its fields of activity and meet its goals. However, not all means are suitable for achieving the goal, and even under the constraints of tough competition, one must conduct oneself fairly, honestly, and in strict adherence to rules of ethical conduct.

Ashtrom Group has a reputation as a decent, fair, and honest company and in order to continue to uphold its good name with customers, partners, competitors, and the public, every employee is obliged to continue to adhere to the following principles of conduct:

Fairness towards customers and partners – customers and partners must be treated with equality and fairness. If a business conflict arises, it must be resolved based on equality and fairness, while maintaining the Group's long-term interest.



Honesty and trust – it is forbidden to provide incorrect information about the Group and/or facets of its business to customers, partners, the press or the public with the aim of deceiving or misrepresenting.

Anti-competitive practices – do not spread false, misleading, or defamatory information about competitors and their businesses, such as regarding their stability, financial liquidity, skill, or reliability as a supplier. Misuse of trade secrets or classified business information of competitors must be avoided.

Avoiding Corrupt Business Practices – Anti-Bribery and Anti-Corruption Compliance Policy

Ashtrom Group, as a company operating in several countries and territories, is obligated to comply with laws and regulations in Israel and internationally that require proper and transparent business activity, including laws and regulations that prohibit the giving and receiving of bribes. In order to help its employees fully comply with the aforementioned laws and regulations, the Group maintains a Anti-Bribery and Anti-Corruption Compliance Policy to prevent bribery and corruption ("the Compliance Policy") which applies to all Ashtrom Group employees in Israel and abroad, as well as to third parties working on its behalf or for it, all as detailed in the Compliance Policy.

To be clear, Ashtrom Group and its employees are strictly prohibited from accepting, offering, giving, agreeing to give or allowing a third party to give a bribe in exchange for a business advantage and/

or any action involving the granting of an unfair advantage in connection with an existing or future decision that affects Ashtrom Group's business activities. This prohibition applies both to the giving of bribes to a commercial entity and to a government/public entity such as a public figure and/or a family member or business partner of said public figure, either directly or through a third party acting on behalf of or for Ashtrom Group. In addition, the Group's funds may not be used to support political activity of any kind.

Disclosure of Conflicts of Interest and Avoiding Involvement in Issues of Personal Interest

The provisions of the Companies Law, 1999 (the "Companies Law") establish the rules for handling events in which there is a conflict of interest (or in which a conflict of interest may arise) between an official in the Company (as defined in the Companies Law) and the Company itself. For employees who do not fall under the definition "office holder" according to the Companies Law, a similar rule is applied, that is: every employee is required to immediately disclose any personal interest or extraneous interest in the Group's business or activities. Any such employee who is not an "office holder" (in which case the obligation is to report to the board of directors) must

disclose his personal interest to his direct supervisor. Also, in addition to the duty of disclosure, each of the Group's employees authorized to decide on an action or transaction in the name of Ashtrom Group, and, as a result of which, they or their family members or other associates will be or may be hired directly or indirectly, will refrain from making the decision on an action or transaction and will present the matter for decision to their superior while detailing the personal benefit that they or their family members or associates may derive from it. The Group's employees will refrain, to the greatest extent possible and in accordance with all law, from activities that may conflict with the Group's commitments to its customers and/or place the Group and/or other employees in a situation that presents a conflict of interest. In any situation where a conflict of interest may arise, the relevant employee shall provide full and transparent disclosure on the topic, as detailed above. When making decisions or executing them, employees should consider only their benefits to the good of the Group as a whole, while avoiding considerations of personal or Group benefit or considerations arising from personal relationships.

Examples of conflicts of interest include:

Business relationships with other companies – managing private business relations with Ashtrom Group customers, partners, suppliers, or competitors. Investment of time and resources in any external business activity that takes up the employee's time and diverts his attention from his current work and the good of the Group.

Personal relationships with other entities – making decisions on issues related to Ashtrom Group's relationship with another

entity when personal relationships (family, friends) are present among the other party.

Prohibition on Exploitation of Ashtrom Group's Business Opportunities and Competition

The Group extends the norms set out by Companies Law for office bearers to all employees. Accordingly, the Group's employees will refrain from any action that stands in competition with the Group's business, and will refrain from taking advantage of the Group's business opportunities in order to obtain a their own personal benefit or for the benefit of another (including their family members or associates). It is also the duty of every employee to disclose to the Company any information or document concerning its affairs that comes into their possession by virtue of their position in the Company. Employees who maintain business relationships with various service providers related to the Company on its behalf will act impartially and while ensuring that the good of the Group comes before considerations of personal benefit, within the framework of these relationships.

Prohibition on Giving and Receiving Gifts

The Group's employees and officers will not receive favors from business entities that the Group is associated with or wishes to be associated with, with the exception of acceptable symbolic business gifts which, due to their low monetary value, can be classified as part of the gift giver's public relations activities. It is forbidden to accept a gift or benefit or reward that goes beyond

the scope of these symbolic gifts, so that no appearance of any kind of obligation on the part of the employee towards the giver of the gift is created, even without intention. Gifts on behalf of the Group to customers or other parties will only be given by employees who are specifically authorized to do so and who will observe the Group's procedures and the restrictions regarding the type and value of the gift. In general, the Group's employees will refrain from any action or behavior that may create the appearance of bribery or corruption.

Abuse of Status

Ashtrom Group employees who are managers or supervisors of other employees shall not abuse their position towards their subordinates in any personal matter not related to work, and shall refrain from receiving any benefit from their subordinates (such as: financial guarantee, loan, etc.). In addition, the Group's employees will not take advantage of their position in the Company to promote their personal affairs or those of someone else, and will not use the Group's name or their title in the Company for any activity (private or public) other than their work in the Company.

Use of Ashtrom Group Assets

The Group's employees and officers will do their best to safeguard the Group's assets, ensure their proper use solely for the Group's business activities, and protect them from damage, misuse, theft, embezzlement, or any action that is inconsistent with legal, professional, and ethical conduct.

This applies to tangible and intangible assets, including trademarks, professional knowledge, confidential information,

and information systems. It should be noted that Ashtrom Group may define information security rules and procedures for its employees in its computing and communication systems, and the employees undertake to follow these procedures.

The Group's employees and officers will maintain the property under their responsibility in suitable condition, and will handle it with appropriate care, thrift, and efficiency.

Ashtrom Group and its employees will do their best to work only with contractors/suppliers who conduct their business honestly, fairly, according to the law, who avoid corruption and who adhere to ethical conduct.

Accuracy and Transparency

The Group's employees and officers are obligated to adhere to the highest standards for managing the Group's records, in order to ensure that the information used by the Group for its internal needs and for external reports is true and accurate, and this is so that the decisions made by the Group, its employees, investors and creditors are based on the objective facts with certainty. The Group's reports to the various authorities and investors will be accurate, detailed, and reliable, and will meet all transparency requirements, according to the law.

The Group's employees office holders are well informed that Ashtrom Group is a public company, according to the meaning of this term in the Companies Law, and therefore, its activity is subject to special provisions set out by law and that, as employees of the Group and as its office holders, they are subject to certain

directives and restrictions by virtue of the Securities Law, 1968 – 1968, the Companies Law, the rules and the guidelines of the Securities Authority, and the regulations of the Tel Aviv Stock Exchange Ltd. and the guidelines pursuant thereto, including limitations on the use and dissemination of inside information, limitations regarding the execution of transactions using the Group's securities or other securities in which the Group's securities constitute an underlying asset.

Reporting Requirement for the Disclosure of Material Information

As the Group is a public company, it has an obligation to report in accordance with the provisions of the Securities Law, 1968 – 1968 and the regulations pursuant to it, and therefore, every employee or officer in the Company must bring to the attention of their superiors any information that has come to their attention, which affects or may affect the Group's mandatory public reports.

Transactions in Ashtrom Group Securities Based on Insider Information

The Group's employees are forbidden from buying and selling its securities, or those of related companies (subsidiaries, mother or daughter companies, sister companies, etc.), while exploiting insider information.

Confidentiality

The Group's employees and officers are obliged to safeguard the business and commercial the Group's secrets.

The Group's employees are required to make careful and proper use of the various types of data in their possession and to maintain the confidentiality of the Group's information. Employees must take precautions to ensure that the Group's secrets, including the information entrusted to them, are not disclosed to others, either inside or outside the Company, except as required by the Group itself for the purposes of its business. The commercial business secrets include, among others, all the Group's documents, information about customers and various parties with whom the Group has relationships, and business and strategic plans. The Group's employees will be careful not to publish or share any information about the Group to with media. Any contact with the media will be arranged only through the Group's Public Relations Department.

Government and Regulatory bodies

The Group conducts an open dialogue with government and regulatory bodies, as required. The Group complies with all laws, regulations, and standards applicable to its fields of activity and is responsible for reporting complete and accurate information in its public disclosures.

Ashtrom Group Customers

The Group is committed to meeting the most stringent requirements in its relations with its customers, to act with courtesy and efficiency, and as transparently as possible, and to be attentive to the consumers' requests, suggestions, and complaints. Employees who engage in direct engagement with the public through the delivery of products or services, will act politely and respectfully, without bias, while striving to serve the relevant population in the most pleasant and best way.

Ashtrom Group employees must serve the Group's customers with integrity and in the most professional manner, without discrimination, while providing efficient, reliable, and high-quality service. The Group and its employees will strive for excellence in all areas of their activity and will adopt principles of learning and updating the knowledge and skills they have gained.

Ashtrom Group's Suppliers and Business Partners

The Group commits to acting in accordance with this Code of Ethics and expects its business partners and suppliers to adopt these principles and apply them in their business activities, to reduce business risks and ensure joint business activity over time.

We consider our suppliers and business partners to be responsible for our success. We respect them, conduct dialogues with them based on transparency and integrity, and are courteous and fair in our conduct with them.

We emphasize working with suppliers who operate according to the law, maintain the rights and occupational safety of their employees, avoid discrimination, and provide equal opportunities in employment. We also encourage engagement with suppliers with social and environmental commitments.

The Group expects suppliers to preserve the environment and to secure ongoing commitments to identifying ways to improve their environmental conduct, and it works to promote any action that furthers these goals. In addition, the Group works to promote local procurement.





Implementation and Integration of the Code of Ethics

05

Application of the Code

This document applies to all of the employees of Ashtrom Group and is binding regarding all aspects of their activity in and for the Company, including reaching decisions concerning trade, investments, customers, partners, contractors and suppliers as well as any issue related to their occupation in the Company.

This document applies to all the Group's activities in all the countries in which it operates. It is possible that in certain circumstances a question of interpretation of this document will arise, and especially in countries where there is a difference between the local requirements and practices and the international standards. Ashtrom Group will do its best to resolve any issue regarding ethics, law, environment, and human rights arising from an apparent discrepancy between local practices and the requirements of this document.

In addition, the document will be forwarded to suppliers and business partners for approval in the course of business engagement with them in order to ensure proper conduct according to the standards detailed in this, the Group's Code of Ethics.

Consultation

Every employee or official in the Company must consult with their superiors or with another professional body in the Company when they have a doubt regarding the proper course of action they must take in fulfilling their position in the Company.

Raising Awareness and Trainings on the Code of Ethics

This document will be distributed to all of Ashtrom Group's employees and new employees will receive a copy upon being hired and will acknowledge receipt by signing it. In addition, the employees will be required to participate in regular annual ethics trainings – physically or through dedicated courseware.

Responsibility

All the Company's employees will comply with what is outlined in this document and will act in its spirit. Questions and clarifications regarding the meaning or application of any clause in the document can be directed to the direct manager.

All of the Company's managers must work to ensure that subordinate employees under their management are aware of the Code of Ethics and comply with it. This responsibility also includes informing and training employees to ensure adequate knowledge and understanding of the Code. A manager who learns of a violation of the Code from one of the employees subordinate to them, will immediately report the suspected violation to the Group's CEO. Violation of the Code of Ethics may result in disciplinary measures being taken against the violating employee, including dismissal, and/or legal measures taken against them, given the circumstances.

Handling Complaints Regarding Violations of the Code of Ethics

The Group's employees will report to the Human Resources Department and/or to the Group's CEO and/or to the Chairman of the Group's Audit Committee (in cases involving a senior officer, the employee can contact the Chairman of the Group's Board of Directors) if, in their opinion, there is a fear of violating the provisions of the law or the standards of the Code Ethics by any of the Group's employees or officers, including any matter regarding fraud by another employee or officer in the Company, even when the fraud is substantial or not, and when it pertains to the topics of finance, accounting, reporting, or any other topic.

The Group will handle such reports thoroughly, sensitively, and with the utmost confidentiality, while protecting the reporting employee/office holder from any harassment or harm, as required by law. Ashtrom Group, its employees and managers will not fire, suspend, threaten, harass, discriminate against, take revenge or take any disciplinary measures against an employee who reports a violation of the Code of Ethics by another employee and/or officer. If it is discovered that the reporter knowingly and maliciously made a false report (for example with the aim of harming another employee), that employee and/or officer will be subject to severe disciplinary sanctions from the Group.

Reports of embezzlement or fraud committed against the Group by employees, managers, suppliers, customers or other parties can be directed to the Company, and, in exceptional cases, also anonymously by contacting

the Code of Ethics supervisor by mail. Naturally, an anonymous report makes it difficult for the Group to handle the report and sometimes even prevents the required treatment from being carried out, as an anonymous report cannot be treated in the same way as a normal report can be treated. Therefore, such an anonymous report will be made only in the appropriate cases, and other relevant documents or evidence must be attached to the report, so that it will be possible, as necessary, to check and verify the report.

Violation of the Rules of the Code of Ethics is Disciplinary Violation

Violation of the rules that constitute the Code of Ethics, as detailed in this document, will result in a disciplinary violation, and this is, without detracting from additional issues arising from the violation, including potential civil and even criminal violations when violation of a legal obligation is involved.

Questions and Suggestions for Revisions

Questions, comments, and suggestions for revisions to this document should be directed to the direct manager. This document may be revised from time to time without notice.

Legal Note

For the purposes of clarification, these rules are not intended to replace the laws of the country or any other law applicable to the Group or any of its employees or officers. These rules do not derogate from the provisions of any law, nor give it a qualified interpretation. However, in the Group's internal system, these rules

are an integral part of the Company's disciplinary rules, which apply to all employees. Therefore, an employee who is found to be violating the rules will be considered to have carried out a disciplinary violation and the Group will take measures against them depending on the penalty it deems appropriate for the specific violation, which of course is subject to the provisions of the law.

Subject: Employee Statement – Code of Ethics

I hereby confirm that I have read, understood, and undertake to act in accordance with the Ashtrom Group's Code of Ethics, as detailed in the above.

Name:

ID Number:

Signature:

Date:

