



DEVELOP BUILD OPERATE

2020 CORPORATE RESPONSIBILITY (ESG) REPORT
WITH 2021 UPDATES



CHAIRMAN'S INTRODUCTION



Dear Readers,

I am pleased to present you with the first ESG Report of Electra Group. This report embodies our group's long-standing and unwavering commitment to promote and develop social, environmental, community, safety, and other aspects, which are at the heart of proper corporate governance and responsibility.

The report reflects the policies adopted and actions taken by Electra Group in these domains, during a most challenging period in our corporate history, when we faced the various ramifications of the Covid-19 pandemic. Despite the complexities introduced by the global crisis, we stood unyielding and determined to fulfill our vision for Electra Group and its business. During this period, we grew and expanded our activities, while strengthening our human resources. At the same time, we continued

leading Electra group into projects promoting a green environment and renewable energy, whilst implementing stringent and strict safety procedures. We implemented high standards of corporate governance and promoted increased transparency, taking into account and considering all stakeholders of Electra Group.

As a globally active group operating in many countries and diverse markets, we attribute great significance to our continued dedication to achieving the U.N.'s goals and objectives for sustainable development. Due to the diverse nature of Electra Group's business and extensive sustainability and corporate governance activities, Electra is uniquely positioned to positively impact the achievement of many of these goals. As the board of directors and executive management of Electra Group, we are responsible for determining the group's business strategy. Naturally, we are further entrusted with the promotion of the group's principles of corporate governance and responsibility, ensuring they are commensurate with our vision and standards of optimal and value-based management. Observance of quality corporate governance is no doubt pivotal in guiding us, in both defining our values as well as the business aspects of our activities. We are committed to continuing to observe these throughout our activities in the coming years.


Michael Salkind,
Chairman of the Board of Directors

CHIEF EXECUTIVE OFFICER'S INTRODUCTION



Dear Readers,

I am proud to introduce the first ESG Report of Electra Group. This report is a direct reflection of our commitment to delivering value to all our stakeholders. Its publication follows two most challenging years, during which, the world has experienced the Covid-19 pandemic. The pandemic, restricted and limited business activities, caused significant disruptions to the global economy, and had a global impact on a multitude of operational fields, e.g., decreased availability of raw materials, disruption of global supply and distribution chains, as well as other ramifications that challenged us in new ways we never before experienced.

Despite all these challenges we remained strong and have continued to grow. We learned to adapt our work routine, identified opportunities, developed services

suited to current and ever-changing customers' needs and strengthened the bond with our customers. I take great pride in saying that nowadays, as a corporate group, we are stronger than ever, and ready towards any development or challenge that may come our way. We will undoubtedly continue to adapt to the dynamic and changing realities.

This ESG report presented to you sets forth our lifecycle concept as a strategy, a business model that we at Electra group have followed for many years, and which time and time again has proven itself to be the correct strategy of choice. The emphasis we placed on developing innovation has proven to be invaluable for our company, not only from a business perspective, but also from a human resources perspective, and it was this strategy that enabled us to offer adapted solutions for challenging times.

In many ways, this report should be viewed as complementary to Electra Group's financial report for 2021, and together, both reports provide a broad overview of Electra Group as a corporation that vows to conduct itself ethically, with strict observance of proper corporate governance, responsible and safe employment of its human capital, safeguarding the environment, human diversity, gender equality as well as other significant key values. These values are the foundation blocks of the leading corporation we are today.

This is also an opportunity to thank the Group's employees and executives for their tireless dedication and contribution to the Group's success, as well as a special thanks to those who worked on preparing this important report, which is the first in a new tradition going forward.

Enjoy reading,


Itamar Deutscher,
CEO

DEVELOP BUILD OPERATE



01

WHO WE ARE

 **ELECTRA**
CONSIDER IT DONE

WHO WE ARE



Electra was established in

1945

1971

Traded on the Tel Aviv
Stock Exchange (TA-35,
Tel-DIV, Indices



Annual Revenue Turnover
for 2021

Approx. **9**
billion NIS



23.6
billion NIS in orders
(as of December 31, 2021)

Approx.

14,000

Employees



Operating in

17

Countries Spread
over 4 Continents

47.89%

Subsidiary of
Elco Ltd.



CORPORATE HISTORY DEVELOPMENT

1945

Electra began its operations as a small electrical appliance shop in the centre of old Tel Aviv, by the late Mr. Yehuda Gesundheit RIP.

1962

Incorporated as a private company named 'Electra (Israel) Ltd.'

1971

Listed for trading on the Tel Aviv Stock Exchange.

1991

Elco Ltd. acquired control over Electra.

1992

Entry into construction works upon the acquisition of a company named "Kariv".

2012

Penetration into transportation infrastructure and civil engineering fields with the acquisition of "Hofrei Hasharon" (renamed: Electra Infrastructures);

Winning the tender for constructing and operating the Ariel Sharon Camp (AKA, the City of Training Bases) in the Negev area.

2011

Launch of Electra M&E electromechanical systems activities.

2009

Formation of Electra FM (Facility Management).

2008

Entry into pumped-storage hydroelectricity (electricity production) activities.

2007

Expansion of international presence with the acquisition of Nigerian Etco company.

2004

Entry into asset management activities with the acquisition of "Ariel Assets".

2003

Company name is shortened to its current name, 'Électra Ltd.'

1998

Expansion of international activities with the acquisition of the Belgian company Devis.

2013

Acquisition of Paz Fire Extinguishing and Detection Systems.

Started pump storage hydroelectricity project at the Gilboa.

2015

Launch of Electra Residences;
Acquisition of Danko, specializing in building finishing work;

Acquisition of Tavas Cleaning Services.

2016

Completion of construction of Ariel Sharon Camp and transition to operational phase.

Winning tender for constructing and operating student residences at Bar Ilan;

Acquisition of Electra Security;
Acquisition of electromechanical operations activities in Poland.

2017

Formation of the Technology Division;

Acquisition of Megason;

Acquisition of F.K. Generators (currently, Electra F.K.).

2018

Acquisition of Michlol.

2019

Formation of Electra USA;

Acquisition of Hellman Electric and Gilston Electric.

2020

Acquisition of F.W. Sims Inc.

2021

Acquisition of: Afikim Public Transportation and Egged Transportation (currently, Electra Afikim).

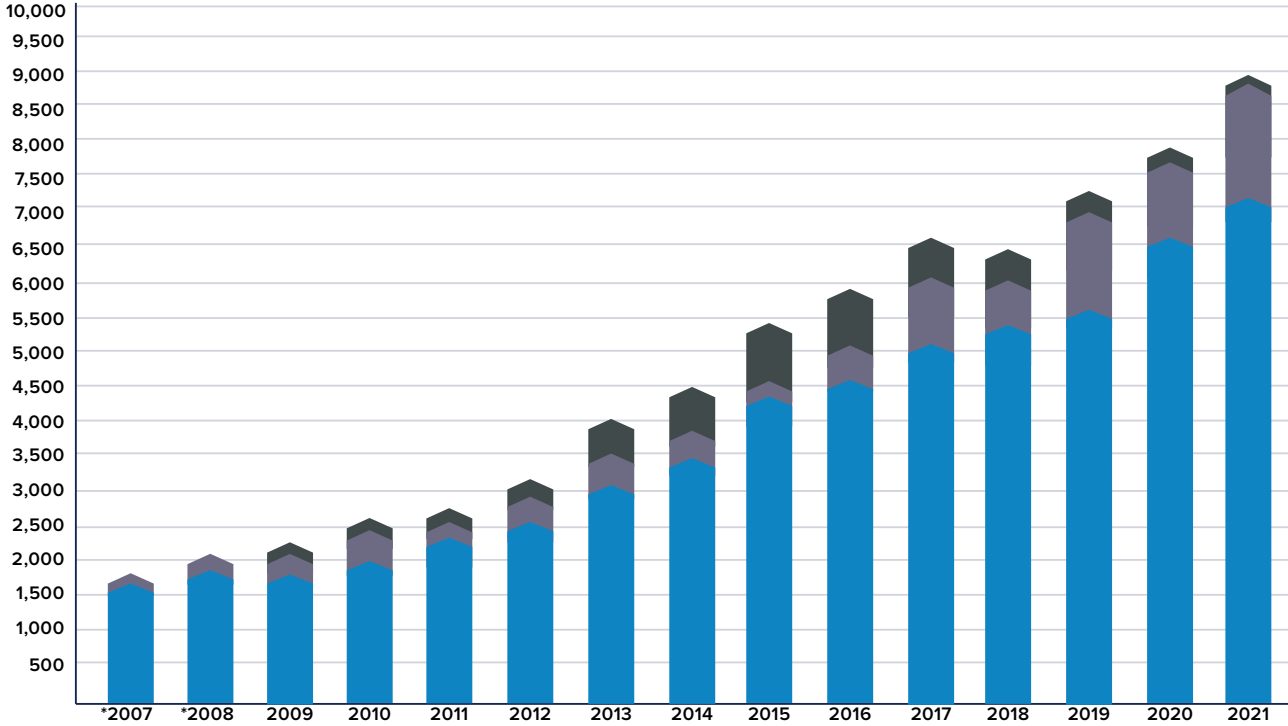


GROWTH

SHARE GRAPH



REVENUE DEVELOPMENT (MILLIONS OF NIS)



Organic Non-Organic Consolidated companies

* Consolidated companies' information is presented using the relative consolidation method.
** Nonorganic revenues are revenues generated from the acquisition of companies in the first three years of their operations.

BUSINESS STRATEGY AND PERFORMANCE

DEVELOP, BUILD, OPERATE

Electra operates in both public and private sectors in initiating and developing projects for residential buildings, industrial and high-tech buildings, hospitals and medical centers, national infrastructure projects and more.

The Group implements a unique Life Cycle strategy. Through this strategy, each project's lifecycle stages and domains are addressed by the Group, commencing with the early initiation phase, through concession, development, construction and building stages, and concluding with the operational stage of maintenance and services to the projects.



BUSINESS STRATEGY AND PERFORMANCE

CONSIDER IT DONE

“CONSIDER IT DONE” is a life motto for Electra Group. We strive for continuous innovation within the Group’s core fields of operation and activity, including construction and infrastructure, installation of electromechanical systems, management of buildings & facilities, service operation & maintenance, real estate initiation and concessions.

“CONSIDER IT DONE” is an expression of the Group’s commitment to uncompromising responsibility and quality, guaranteeing being there at every stage of a project’s lifecycle, providing the best service and meeting time and budgetary constraints.

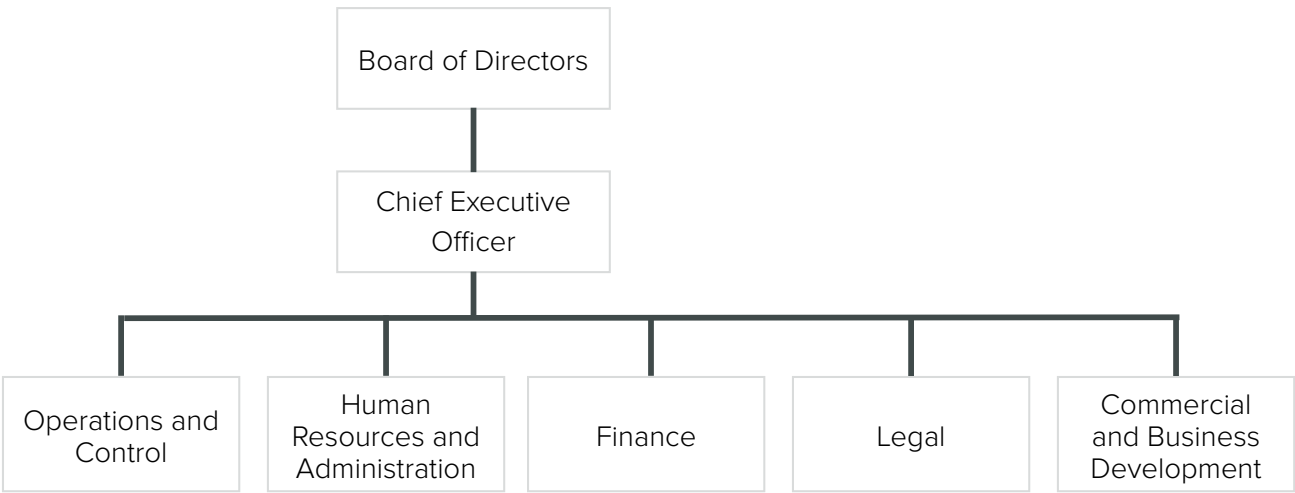


CORPORATE STRUCTURE AND ACTIVITY SECTORS

The Group applies and implements a multi-disciplinary approach based on a unique synergy amongst its subsidiaries. The Group engages approximately 14,000 employees, consisting of engineers, practical engineers, technicians and experts who facilitate optimal performance throughout all stages of a project.

ORGANIZATIONAL CHART

Electra’s executive management is situated in the Amot Atrium Building in Ramat Gan, and the management of the Group’s divisions and subsidiaries is spread throughout the Dan area.

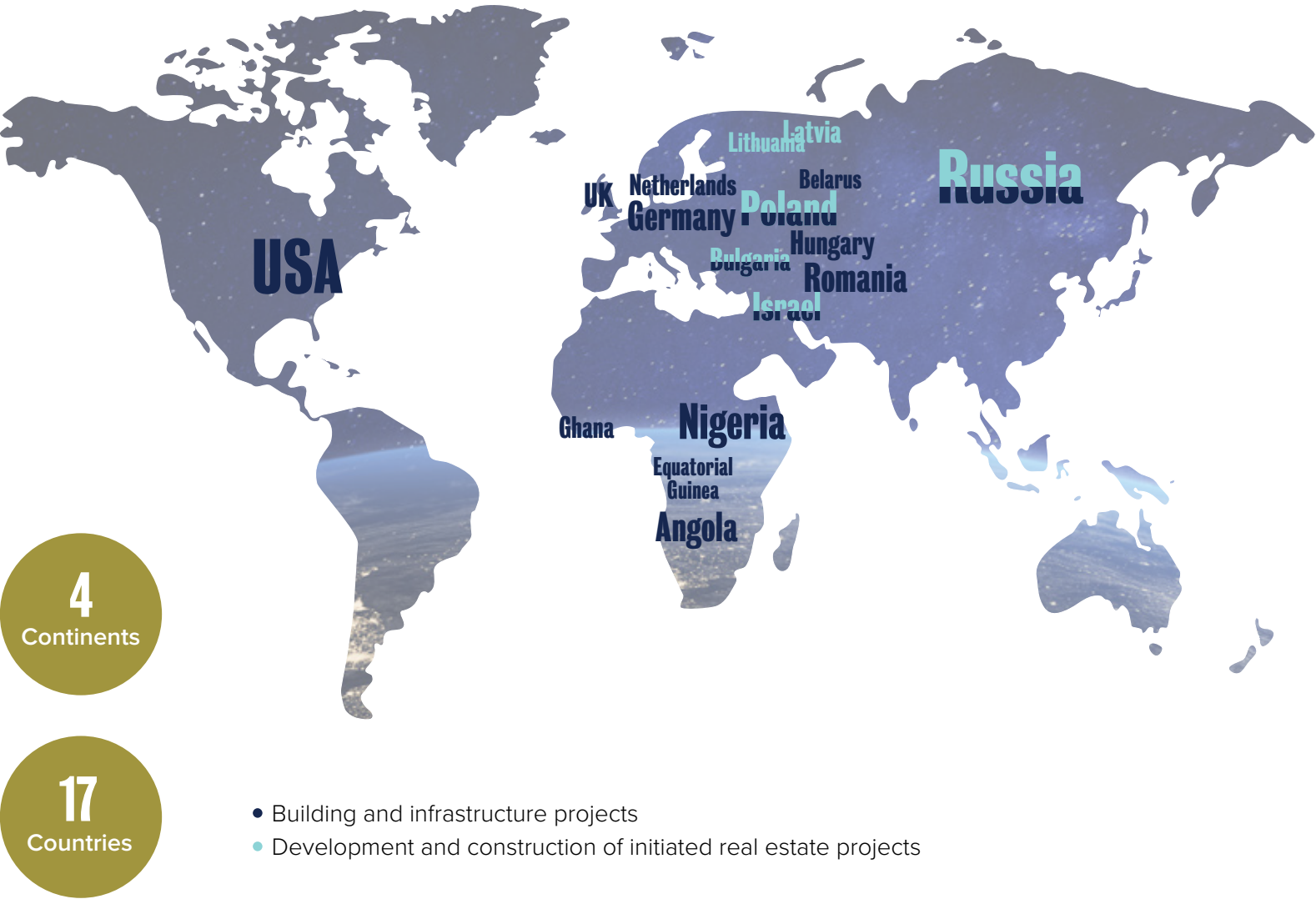


ACTIVITY SECTORS

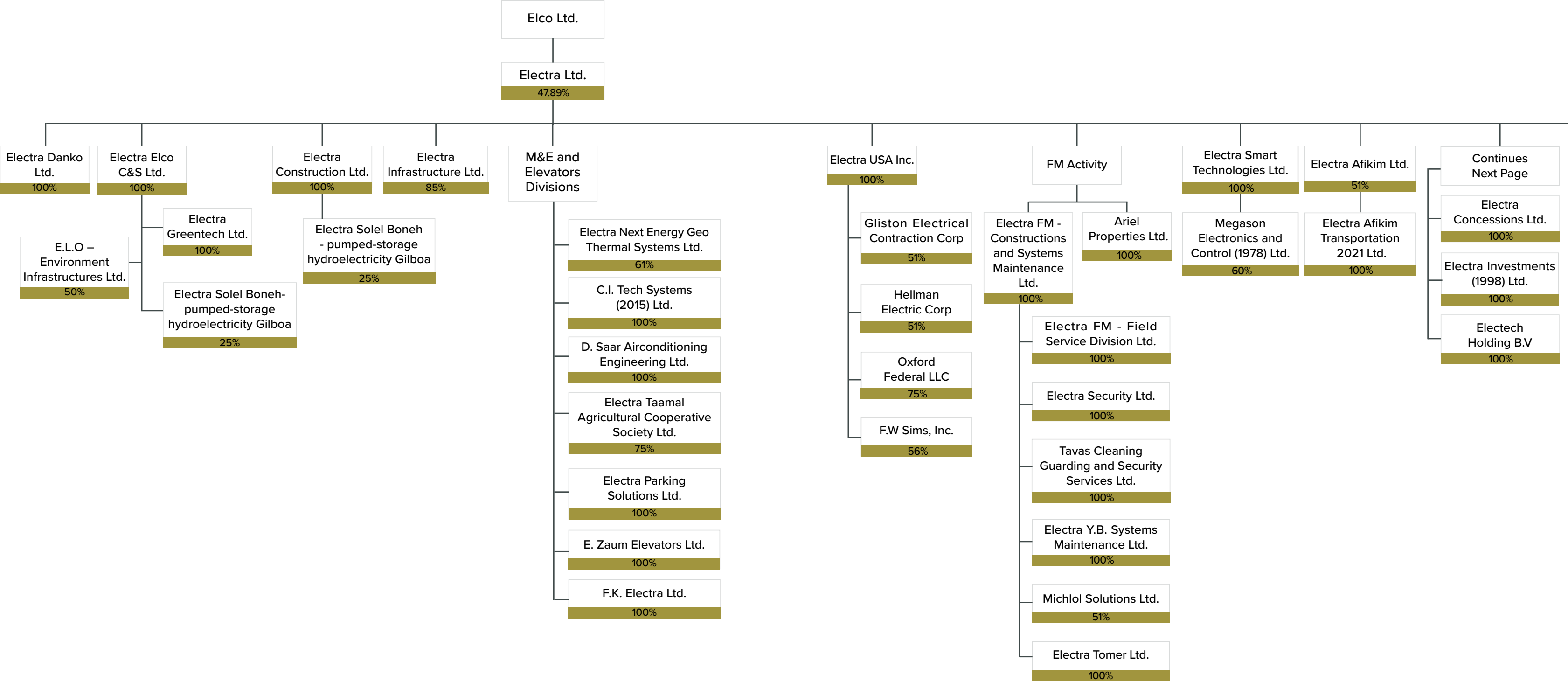


GLOBAL ACTIVITY

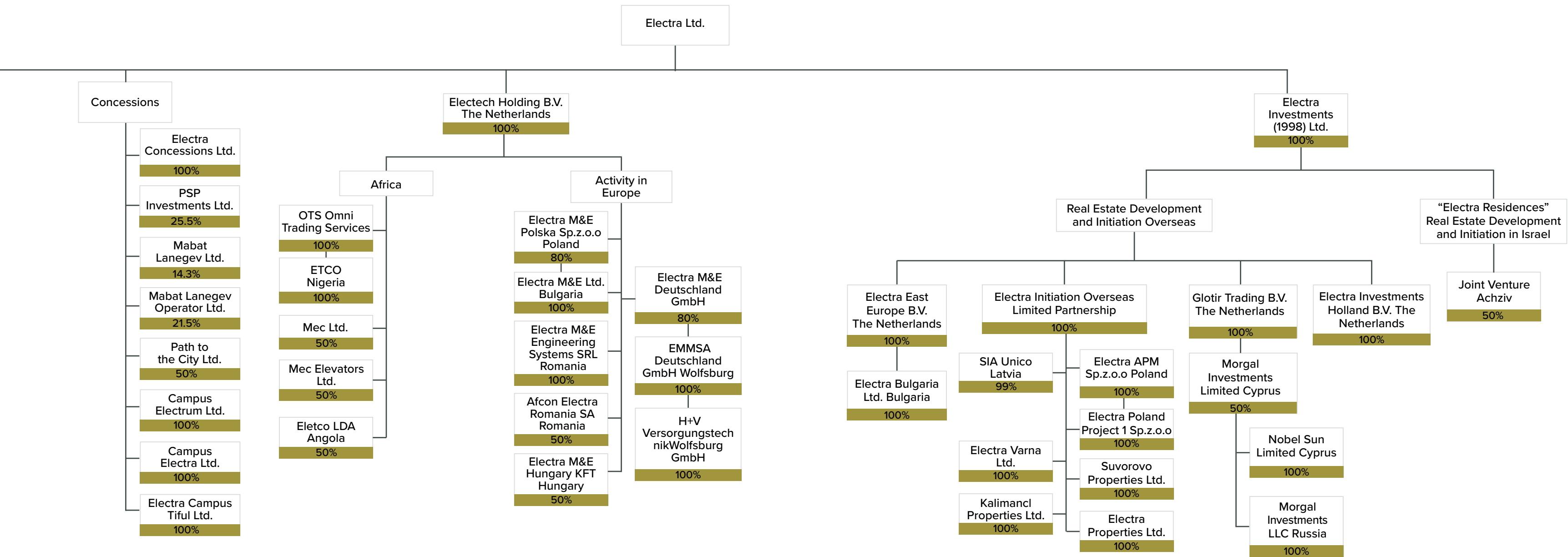
In parallel to the Group’s activity in Israel, Electra group formed a comprehensive services array throughout Europe, Africa, and the U.S.A. The Group has a business presence and is active in the U.S.A., Russia, Bulgaria, Poland, Germany, Latvia, and Nigeria, with a worldwide reputation in 17 countries spread across 4 continents.



CORPORATE STRUCTURE



CORPORATE STRUCTURE



ACTIVITY SECTORS

CONTRACTING

Electra operates as the primary contractor in both the public and private sectors throughout Israel, specializing in complex and large-scale projects. Electra's core capabilities are planning and construction of projects, such as residential complexes, industrial sites, high-tech and services buildings, hospitals and medical centres, national infrastructure and transportation, tunnelling, pipe suppression and building.

Electra group's diverse capabilities consist of planning and installation of cooling and heating systems, elevators and escalators, low and high voltage electricity systems, fire detection and extinguishing systems, power stations using pumped-storage hydroelectricity methods, transformer stations, wastewater treatment plants, water filtration and more.

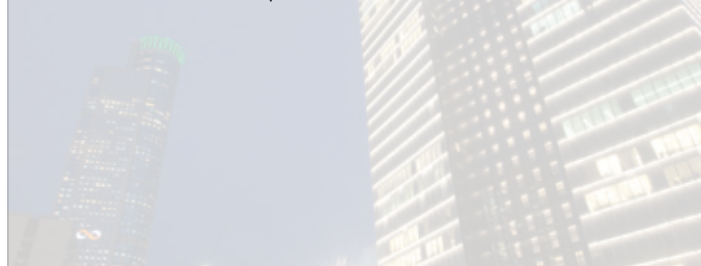
In recent years, the Group has carried out numerous projects worldwide, including shopping centres, office buildings and hotels, and it seeks to expand its activities in Europe and the U.S.A.



OPERATION & MAINTENANCE

Electra provides comprehensive and efficient facilities management services, while considering each building as an independent and complete living environment. The Group's expertise in this sector includes, among others, building management services in all sectors and sensitive projects, e.g., laboratories, hospitals, and surgery rooms, which are subject to strict regulatory regimes.

Electra also deals with the servicing and maintenance of elevators as well as high, low, and very low electricity voltage systems, and it possesses a wide electromechanical infrastructure consisting of air-conditioning, electricity and water purification systems throughout Israel. The overall encompassing services provided by Electra's subsidiaries, include, amongst others, professional cleaning services, advanced fire safety services, advanced security services and more. By virtue of the above, the group provides a full, comprehensive, and tailored services package suited to the unique needs of each customer.



CONCESSIONS

Electra Concessions is one of the two entrepreneurial arms of the group, enabling it to implement the lifecycle concept, commencing already at the early stages of each project.

The company is responsible for mega projects spanning over many years, and it serves as the concessionaire in transportation, gas, public sector facilities, energy, and infrastructure projects, through the formation of special purpose companies (SPCs).

Public Transportation

In April 2021 Electra acquired the controlling stake of Amnon Messilot Ltd. (previously the major shareholder of Afikim). Following which, the first time Electra penetrated the public transportation and transports activities, under the name "Electra Afikim".

In the summer of 2021, Electra Afikim acquired Egged Transportation, cementing its position as the 4th largest private company in the public transportation sector in Israel.

These acquisitions firmly consolidate Electra's position in the Israeli transportation market and integrate with the Group's Life Cycle strategy.



REAL ESTATE DEVELOPMENT AND INITIATION

In recent years Electra expanded its residential real estate development and initiation activity (through the Electra Residences brand) across the country and in emerging European markets. Electra Investment's experience in locating and identifying real estate opportunities is demonstrated in its choices of suitable business partners, planning and development, high end construction standards and a marketing strategy aimed at exhausting the full potential entailed in the properties and assets.

Under the brand name Electra Residences, Electra Group constructs and builds residential towers implementing a unique B2C strategy.



ACTIVITY SECTORS AND INTERNATIONAL CLIENTS

SUBSIDIARIES

Over the years since its establishment, Electra Group has amassed in-depth know-how and extensive experience, positioning itself as a leading group, providing, through its subsidiaries, all-encompassing solutions and services that ensure optimal performance through each phase of any project.

CONTRACTING AND INFRASTRUCTURE







CONCESSIONS





OPERATION & MAINTENANCE



TECHNOLOGY





REAL ESTATE DEVELOPMENT





INTERNATIONAL CLIENTS











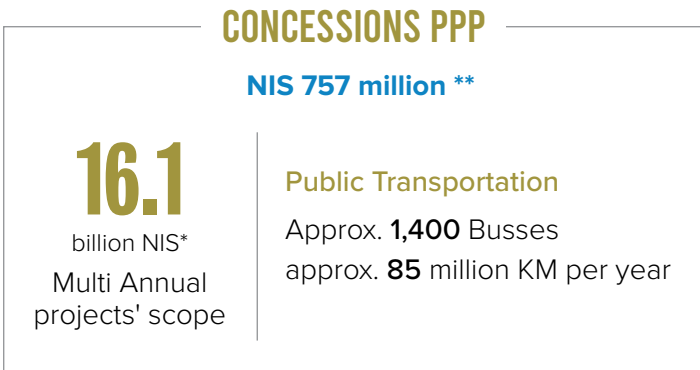
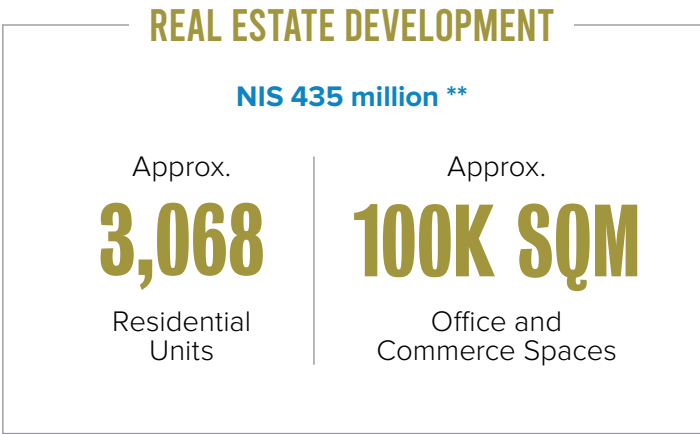
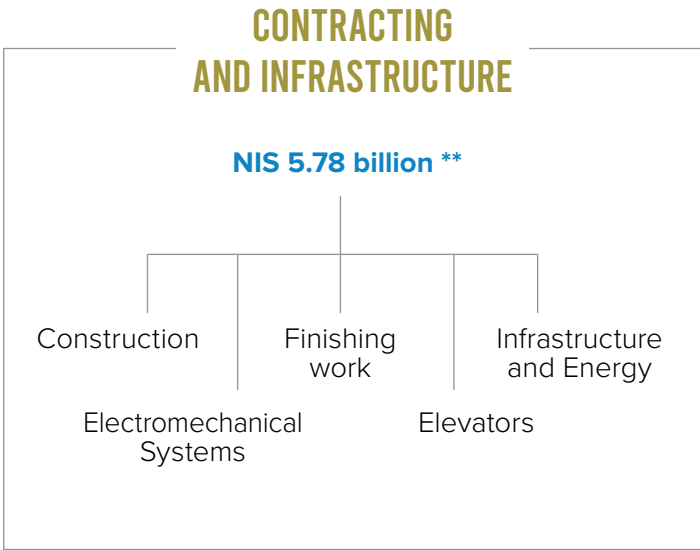
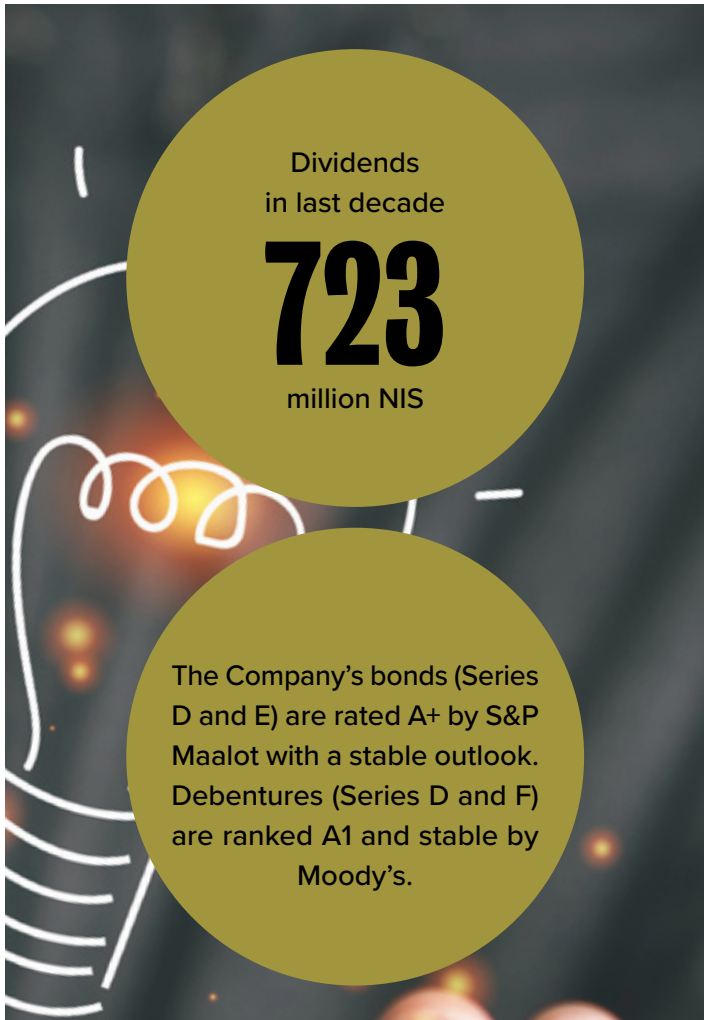


ECONOMIC IMPACT

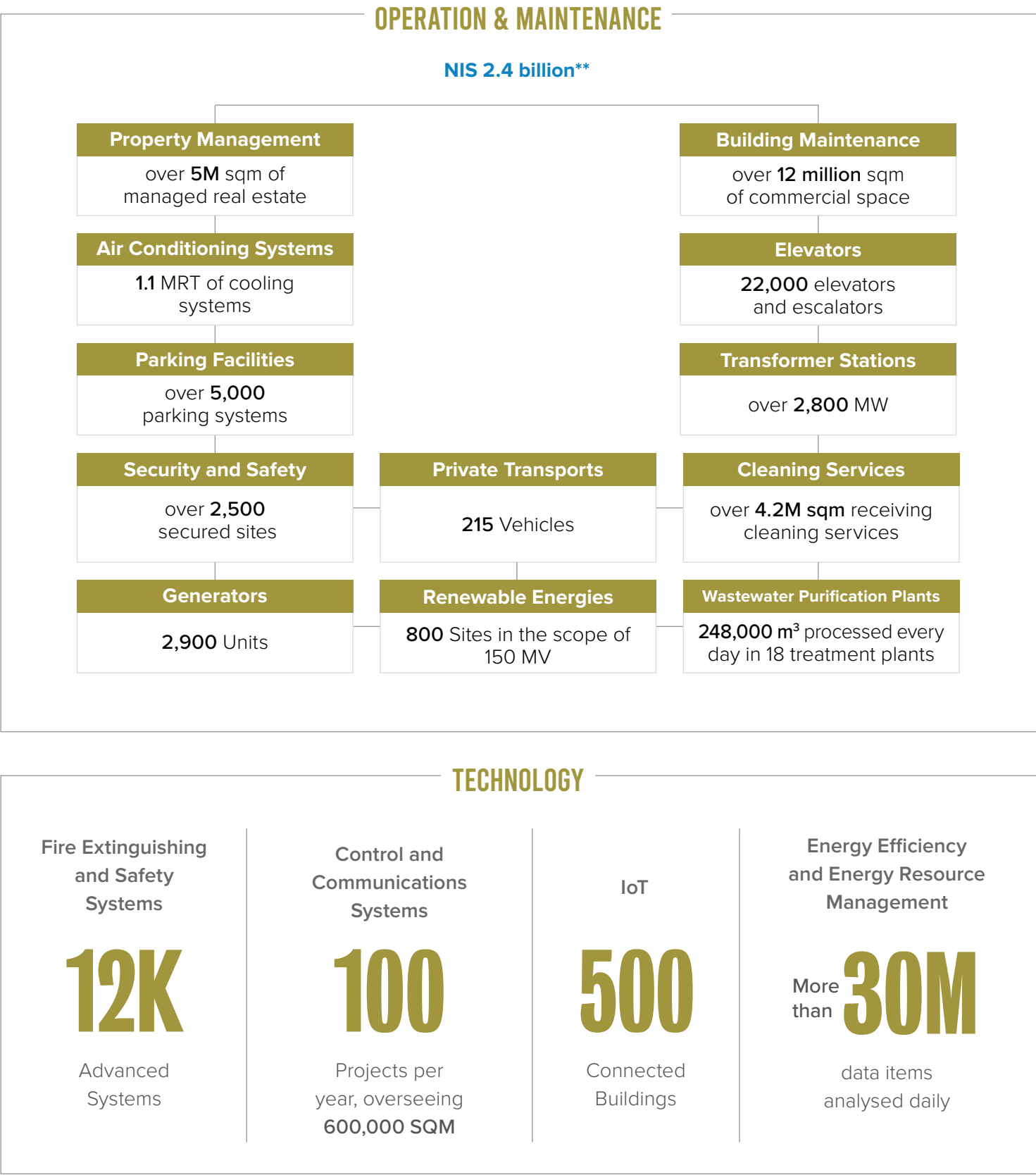
as of December 31, 2021

| | 2020 (NIS millions) | 2021 (NIS millions) |
|---------------|------------------------|------------------------|
| Total Revenue | 7,716 | 8,974 |
| Net Profits | 181 | 227 |
| EBITDA | 557 | 719 |

Additional details of the 2021 financial performance can be found in Electra’s Annual Report for 2021.



*Reflects scope of all projects in total
**Revenues in 2021



APPROACH TO CORPORATE RESPONSIBILITY

In aspiration to develop and improve it's business dealings, Electra Group adheres to principles and values of sustainability, protection of the environment and nurturing society. The Group is committed to promoting and developing its activities, with aspects of society, the environment and corporate governance, and to raising awareness of these aspects among its stakeholders.

U.N. SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The U.N.'s Sustainable Development Goals (SDGs) were set in 2015 as fundamental for sustainable development. The SDGs outline a holistic approach to handling the primary challenges faced by humanity at large, and include a range of social, financial, and environmental domains.

As part of publishing its first corporate responsibility report, Electra Group, identified the relevant goals where its contribution from its ongoing activities and operations is noticeable:

| SDG | Subcategories of goals relevant to Electra Group | Electra Group's contribution |
|--|--|---|
|  4 Quality Education | 4.4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. | Electra Group has a training and education centre that includes a professional school for teaching all skills related to electricity and electrical training. This school runs various training programs aimed at developing professional skills relevant to the Group's employment categories. Electra Group donates to the Salkind Fund, which grants annual scholarships to employees of the Elco Group, their family members and members of the public at large who meet the requirements of the fund. |
|  6 Clean Water and Sanitation | Ensure availability and sustainable management of water and sanitation for all; 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. | Electra Group carries out numerous projects for the management and operation of wastewater purification plants by using innovative technologies that make the process more efficient. Treated water is used in specific projects for water efficiency purposes. |
|  7 Affordable and Clean Energy | Ensure access to affordable, reliable sustainable and modern energy for all; 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.3 By 2030, double the global rate of improvement in energy efficiency. | Electra Elco C&S plans, builds, and manages solar systems for its clients. In addition, the company is highly active in the development of solar farms. Electra Group carries out several projects of pumped-storage hydroelectricity (power stations that facilitate the storage of energy by pumping water, and which is available upon demand). Many of the projects managed, built, or operated by Electra Group are built according to national and international green building standards, which also include standards of energy efficiency and savings. |
|  8 Decent Work and Economic Growth | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors. 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. | Electra Group believes in diverse and inclusive employment and works towards age diversity and decent employment terms. The Group has in place strict safety policies for all its employees and carries out various projects that contribute to local financial growth, including the Ariel Sharon Camp (AKA, the City of Training Bases) in the Negev area, which provides thousands of jobs to the residents in the area. |



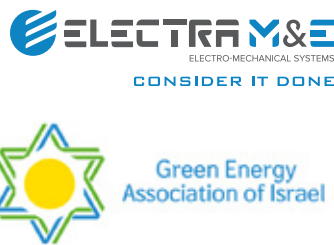
| | | |
|---|--|--|
|  <p>9 Industry, Innovation and Infrastructure</p> | <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation;</p> <p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all;</p> <p>9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p> <p>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.</p> | <p>Electra Group operates the Fast Lanes project, which includes the construction of new lanes stretching 75 km long, cumulatively. The Group is carrying out a project for expansion of the Dan Region Wastewater Treatment Plant to prepare it for the expected population increase in the area. The Electra Group also supports various start-ups that develop local technologies, including sustainability-related technologies. The Group offers many innovative technological services, including in the “smart” buildings field, contributing to the sustainability of the buildings.</p> |
|  <p>11 Sustainable Cities and Communities</p> | <p>Make cities and human settlements inclusive, safe, resilient and sustainable;</p> <p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.</p> <p>11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.</p> | <p>Electra Group won the tender for the construction of the green line light rail servicing the Dan Area and is expected respond to future developments and enable access to various employment centers throughout the metropolis and will help reduce traffic congestion and air pollution.</p> <p>The Electra campus in the Bar Ilan University student dormitories, includes two buildings with public spaces and parks that replaced six old buildings, The entire project was designed with a concept of collectivity and community.</p> |
|  <p>12 Responsible Consumption and Production</p> | <p>Ensure sustainable consumption and production patterns;</p> <p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> | <p>Electra Group operates concrete facilities that use a wet production method, which, contrary to the dry production method, practically eliminates contaminant particles in the air, and which also does not create a noise nuisance. The Group offers a range of innovative technologies to buildings that contribute to the reduction of waste and encourage recycling.</p> |



MEMBERSHIP IN ORGANIZATIONS



Electra Construction is a member of the IACIE - Israeli Association of Construction & Infrastructure Engineers which represents civil engineers in Israel. The association is part of the Federation of Engineers and Architects in Israel, representing engineers of all fields of engineering.



Electra M&E, providing amongst others energy solutions services, is a member of the Green Energy Association of Israel (GEA-IL), which encourages energy efficiency and production of electricity from renewable sources in Israel, and promotes policy tools that support reduction of emissions of greenhouse gases and other pollutants.



Tavas, a member of the Electra FM group, is a member of the Israeli Organization of Cleaning Companies who is also the representative in the cleaning sector and largest employer organization, which unionizes some 200 cleaning companies. The organization aims at improving the sector's public image and improving the working conditions of its workers.

Since its incorporation, Tavas operates with transparency, integrity, and decency when it comes to its employees' wages and rights, operating under the belief that preserving employees' rights serves a basic human objective and at the same time promotes the quality of services provided.

AWARDS AND RANKINGS



In 2021, the Arlozorov 17 and Assuta Village Projects by Electra Construction, of the Electra Group, won the international Award of Excellence from the Council on Tall Buildings and Urban Habitat (CTBUH).

The annual awards program of the CTBUH appreciates projects in various categories based on their exceptional contribution to promoting high-rise buildings and the urban environment, as well as on the basis of the high levels of sustainability they reach.

TOP SPECIALTY CONTRACTORS

ENR New York and New England Ranks the Regions' Specialty Contractors

| RANK | | COMPANY LOCATION/WEBSITE TOP OFFICER | LARGEST PROJECT TO BREAK GROUND ITS LOCATION PROJECT VALUE (\$ MIL.) | MARKET SECTORS BY % OF REVENUE | REGIONAL REV. 2019 (\$ MIL.)** |
|------|------|--|--|-----------------------------------|-----------------------------------|
| 2020 | 2019 | | | | |
| 1 | 1 | E-J ELECTRIC INSTALLATION CO. Long Island City, N.Y. ej1899.com Anthony E. Mann, President & CEO | Coney Island Hospital - Core and Shell Brooklyn 39.50 | 100 Electrical | 637.10 |
| 2 | 2 | FIVE STAR ELECTRIC CORP. Ozone Park, N.Y. fivestarelectric.net Russ Lancey, CEO & President | Culver Line New York City 139.97 | 100 Electrical | 357.01 |
| 3 | — | ELECTRA USA INC. New York City electrausa.com Eylon Rosen, President | Baruch Houses New York City 30.00 | 100 Electrical | 222.00 |

For several years now, Electra Group has been continuously listed in the global 250 ENR ranking guide, under which the 250 largest global construction companies are ranked based on revenues generated from international markets.

Additionally, Electra USA was ranked third by ENR, in the category for the largest systems contractors in New York.



DIALOGUE WITH STAKEHOLDERS

Electra Group believes in maintaining a dialogue with all its stakeholders, ensuring that the principles of listening, transparency, respect, and integrity are always observed.

| Stakeholder | How dialogue is maintained |
|------------------------------------|---|
| Customers | Electra provides services to both businesses and private individual customers. The dialogue with them is conducted through the customer service departments of the subsidiaries / relevant division for each customer. |
| Suppliers | Ongoing contact with the Group's procurement departments. |
| Community and social organizations | Cooperation and joint activities with the Group's subsidiaries and local communities, NGOs and organizations. |
| Subsidiaries | The Group maintains ongoing synergy and constant cooperation amongst its subsidiaries. |
| Employees | Intra-organizational communications include an ongoing and daily organizational portal and routine management by dedicated communications position holders; Employees undergo an evaluation and feedback process; various approach channels for employees are maintained. |
| Investors | Information is published on the Tel Aviv Stock Exchange as required by the Securities Laws, and through presentations intended for capital markets. |



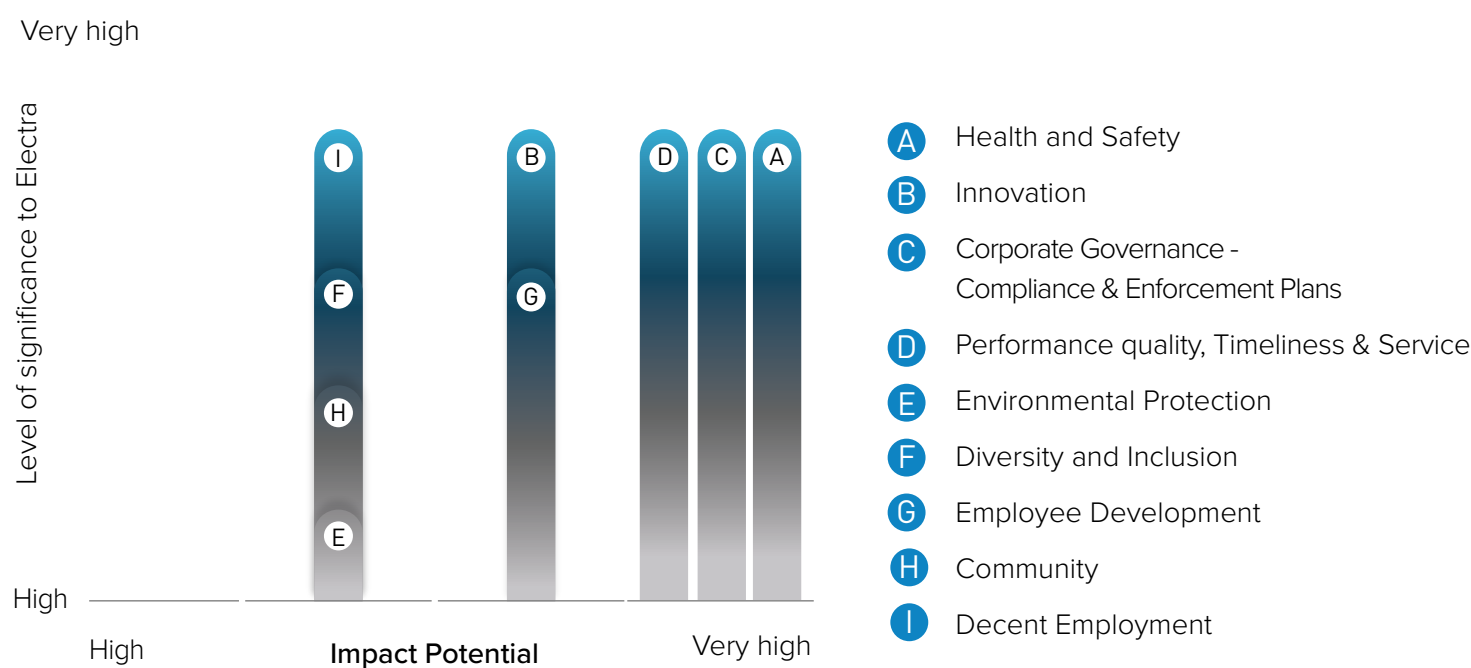
MATERIAL TOPICS AND REPORTING BOUNDARIES

PROCESS OF IDENTIFYING AND ANALYSING MATERIAL TOPICS

The material topics prioritized by Electra Group in this report were determined based on their level of economic, social and/or environmental impact on the Group and its stakeholders.

The process of identifying these topics included consideration of material topics in Electra Group’s various activity sectors according to the SASB standard, a comparison to global companies with similar activities to the Group, as well as consultation with senior executives in the company.

MATERIALITY MATRIX



BOUNDARIES OF MATERIALS TOPICS FOR REPORTING

| Reporting Topics | Boundaries of Reporting | Pages |
|------------------------------------|---|----------------------------|
| Quality of performance and service | Company customers in all activity sectors in Israel | 72-75 |
| Environmental Protection | Services, technologies, and products offered by the company | 56-61, 66-67, 130-133 |
| Health and occupational safety | Company employees | 78-81, 91, 98-103, 122-127 |
| Compliance and ethics | Inter-company, suppliers, customers, and sub-contractors | 108-113 |
| Innovation | Services, technologies, and products offered by the company | 66-71, 74-75 |
| Community | Social organizations and associations in Israel | 116-119 |
| Diversity in employment | Company employees | 80-83 |
| Employee development | Company employees | 88-91 |
| Decent employment | Company employees | 78-87 |



02

CONCESSIONS



CONCESSIONS

Electra Concessions is responsible for large-scale projects spanning over long periods of time, which it leads closely from the early initiation phase, through the financing, formation, and operation phases, to the completion of the project.



Electra Concessions is responsible for the initiation, financing, management, and supervision of complex, huge Turnkey (a project the company oversees through all its stages) projects in the fields of construction, transportation, desalination, water, energy and infrastructure, thus enabling Electra's subsidiaries to demonstrate the diverse range of their technological and logistic capabilities. Electra Concessions has vast experience in performing combined public and private sectors projects - PPP (Public Private Partnership, through dedicated companies (SPCs), formation companies (EPCs) and operational and management companies (O&Ms). The company places special emphasis on performing green and renewable energy production projects, such as pumped-storage electricity, solar and wind energy. These are particularly clean production methods advancing Israel's ability to meet its international commitments to transition to renewable energies.



In 2021, for the first time, Electra penetrated, the public transportation and private transports sector. Electra Afikim was acquired by Electra in April 2021, and Egged Transportation was acquired later in that year. Electra Afikim constitutes the Transport Division of Electra Group and is the 4th largest company in the Israeli transportation market. The company operates approx. 450 public transportation service lines throughout the country, with a vehicle fleet of approx. 1400 buses (as of December 31, 2021).



Itamar Deutscher, CEO of Electra Ltd.:

“We marked the transportation domain as a significant growth engine for the group for the coming years. These transactions transform Electra Afikim into the third largest player in the Israeli transportation market with a fleet of thousands of buses and a revenues rate exceeding NIS 1 billion. We intend to continue expanding this activity and to position Electra as one of the largest transportation operators in the country.



Electra Greentech specializes in the management and operation of wastewater treatment plants (WWTPs) - where the process of extracting contaminants, pollutants, chemicals, and bacteria from wastewater is performed using various technologies. Electra Greentech provides innovative and long-term solutions for the management of WWTPs and is responsible for the operation of some 20 WWTPs as well as several other water and sewage facilities throughout the country. Furthermore, the company leads upgrades and expansions of existing WWTPs based on the vast operational and engineering know-how accumulated by the company over the years. In addition, the company offers a comprehensive solution for the planning, building and operation of power stations that operate on bio-gas and natural gas.



PROJECTS

SUSTAINING INNOVATION IN TREATING WASTEWATER

Wastewater treatment encompasses numerous opportunities to use and implement technology, and specifically, the rapidly developing IoT technology.

Sensors integrated into the electromechanical systems operating the biological processes occurring in the water tanks facilitate the response to developing situations before they evolve into a full-scale operational problem impacting the entire plant. In addition, sensors and advanced automation and control equipment, facilitate energy efficiency in the operation of the plant.

For example, ventilation of the basins using pumps and whirling equipment is postponed to times of day in which electricity rates are lower based on the energy demand in Israel, and the precise monitoring equipment identifies the level of oxygen that needs to be infused to allow for the aerobic decomposition process to continue through times of day when activity is reduced to the minimum.

The clean water generated at the end of the purification process is suitable for reuse for almost every purpose and has been used for years to water agricultural crops, positioning Israel as a leader in the reuse of treated wastewater.



UPGRADING NETANYA WWTP

Electra Greentech carried out three projects at the Netanya WWTP aimed at increasing wastewater treatment capacity, using existing resources without expanding to additional land, using minimal civil engineering. The projects included an upgrade of the sludge line by improving the bio digestion process and gas production, which facilitated the setting-up of a bio-gas-based electricity producing power plant; The capacity of the sedimentation tank (where sludge is separated from water) increased by more than 20%;

Pre-treatment capacity of the WWTP increased from 5,000 m³ to 10,000 m³ based on use of new technologies.

Electra Greentech examines constantly the feasibility of installing solar systems (PV) for self-sufficiency in electricity supply, according to technological developments and production costs.

THE CITY OF TRAINING BASES (ARIEL SHARON CAMP)

The Ariel Sharon Camp, known as the City of Training Bases, located in the Negev (in the south of Israel), unites and leads all training courses operated by the Israel Defense Forces (IDF), while upgrading the technological and physical infrastructure of the training facilities, in order to improve the professional level of combat service support units and contribute to the operational effectiveness of the IDF. The project promotes the development of the Negev area

through the creation of thousands of additional jobs. In its construction, Electra Group placed special emphasis on sustainability and creating an environmentally friendly building, using advanced and environmentally friendly materials, water reuse and production of solar energy.



GREEN PROJECTS

PUMPED-STORAGE HYDROELECTRICITY – GREEN ENERGY

The Electra 300 MW pumped-storage hydroelectricity project*, located at the south of the Gilboa Mountain, includes the financing, construction, and operation of the power station. The hydroelectric power station is environmentally friendly – using methods that preserve the existing terrain, with an emphasis on the nature reservation adjacent to the project.

Pumped-storage hydroelectricity is a method used by electricity grids to increase electricity supply at high demand times and balance the grid’s load. This method stores energy by pumping water from a water reservoir located low on the terrain to one located higher up, with electrical-powered pumping done at low rates (during low demand hours). At peak and high demand hours, the stored water is made to flow using gravity through electricity-producing turbines.

This method is common worldwide and is the most efficient to store large scale electricity. It is used as an important tool to manage and control the Israeli national electricity grid and optimize its operation.

In addition, Electra serves as the primary contractor in the pumped-storage hydroelectricity power plant at Manara Cliff in the north of the country, which is expected to be completed in 2027.



LIGHT RAIL – GREEN LINE

In early 2022, Electra, together with Dan and Alstom, won the concession for a mega project in the light rail venture of the Dan Area – the Green Line, which is expected to be a significant transportation route in the centre of the country and provide access to major employment areas across the Metropoline. Electra and its partners are in charge of the planning, construction, financing and maintenance of the line, with construction time estimated at approx. 5 years.

Itamar Deutscher, CEO of Electra Ltd.:

“The light rail project precisely matches the diverse capabilities of Electra Group and brings together the various expertises of the Group members in initiation, planning, construction and maintenance of complex projects”.




GOVERNMENT COMPLEX IN NETANYA

A project for financing, planning, constructing and maintenance of the Regional Government Complex in Netanya, which will provide government services to citizens of the greater Sharon region. The building is under construction, and will include 11 floors and 4 underground parking levels. The building is planned and constructed according to green building standards.



STUDENT ACCOMODATION, BAR ILAN UNIVERSITY

The “Electra Campus” student accomodation project at Bar Ilan University, included a refurbishment of 6 existing student accomodation buildings and the construction of a new complex with 2 student accomodation buildings, a park and public areas. The entire project was planned on a communal and sharing basis, and was carried out by Electra in accordance with green building standards.

 *Electra sold the Gilboa pumped-storage hydroelectricity project following the reporting period covered by this report.

03

CONSTRUCTION

 **ELECTRA**
CONSIDER IT DONE



ABOUT THE COMPANIES

In the construction sector, Electra Group offers services in the fields of buildings and infrastructure, including construction services, infrastructure construction of plants, electromechanical systems, installation of elevating systems and more, working throughout all stages of each project.



Electra Infrastructure specializes in large-scale and complex projects of infrastructure and construction, such as the construction of bridges, tunnels excavation, constructing transportation hubs for trains, buses and more. The company offers its clients a comprehensive package of solutions for the performance and execution of these projects.



Electra Construction specializes in providing professional and comprehensive solutions in the construction field. These solutions combine creative thinking with advanced technology. The company works with its clients through all stages of the project, providing them with advanced solutions for large-scale construction projects, such as residential towers via Electra Residences, office buildings, medical centres and laboratories, academic institutions, public buildings, hi-tech buildings, and sports facilities. Electra Construction collaborates with the other Group members in providing an all-inclusive package to purchasers' needs.



Electra Elevators is the exclusive representative in Israel of OTIS, the global leader in elevators and escalators, and of the Swedish Alimak-Hek, which is the global leader in the manufacturing of elevators for construction, industry, and the services sectors.

Electra Elevators operates in the fields of elevators, escalators, and conveyors, lifting equipment, accessibility equipment, advanced parking solutions, and rack and pinion elevators. In addition, the company manufactures and maintains its own line of sophisticated Electra-brand elevators, designed for office buildings, skyscrapers, commercial centres, and residential complexes.



Electra Elco C&S, founded in 1973, is a pioneer in carrying out combined turnkey energy and infrastructure projects, and is an expert in high voltage stations. The diverse projects carried out by the company throughout the country include high-voltage sub-stations, wastewater treatment and purification plants, pumping stations, advanced medical centres, communications and control centres, and sophisticated PRMS solutions for the transportation of natural gas to Israel.




Electra M&E provides its clients all-inclusive electromechanical solutions for air-conditioning, sanitation, fire extinguishing, electricity, and very low voltage, whilst optimally integrating them together. The company specializes in projects of offices, industry, hotels, hospitals, shopping centres, residential towers and more.




GREEN BUILDING

The domain of green building is developing in recent times at a never before speed. Nowadays, every construction project carried out by Electra Group is done in consultation with a green building advisor and based on professional criteria selected for each project in accordance with its character and desired scoring. Beyond the numerous inspections carried out as a standard in the Electra Group projects, such as thermal, wind, shading and others, there are many areas in the domain that obtain special attention.




LIGHTING

- Most lighting fixtures installed in projects are LED lights. In addition, light fixtures in public spaces are equipped with timers and motion sensors, which lead to a reduction in electricity consumption.
- Light circuits in parking lots are cleverly planned, leaving one third of the lighting intensity permanently on, with the remaining two-thirds having motion sensors that switch the lights on when sensing movement in the parking lot.




GROWTH AND PRESERVATION OF TREES

- If in the surrounding area of a project there are trees that require preservation, a vegetation survey is carried out to map and preserve these trees in accordance with an agronomist's specifications.



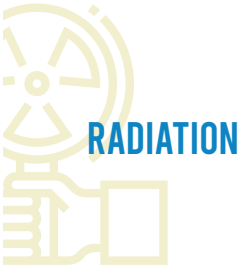
LIGHT POLLUTION

- To best prevent light pollution, Electra strictly observes minimal exterior lighting in buildings.
- The light fixtures selected meet green buildings guidelines, with illumination directed downwards and using a warm color.




WATER, IRRIGATION AND FIRE EXTINGUISHING

- Installing a smart flow control unit, monitors, and warnings of water leakages in the communal consumption water system (for gardening).
- Collection and use of water from air conditioning evaporators for irrigation and water consumption efficiency.




RADIATION

- Each project is accompanied by a radiation consultant that examines the existence of any electromagnetic radiation in residential areas, identifies areas that require protection and conducts additional testing following population of the project.




BUILDING MATERIALS

- By default, recycled building materials are used.




ACOUSTICS

- In all projects, acoustics consultants are engaged.



SANITARY FIXTURES

- By default, all sanitary products and fittings chosen are considered water efficient.



INDUSTRIALIZATION OF CONSTRUCTION

- In each project, efforts are made to industrialize performance methods. For example, in the Target Price project in Raanana, Electra Group won an industrialized construction grant from the Ministry of Economy and Industry.

CONSTRUCTION PROJECTS

THE NEW NATIONAL LIBRARY – ENERGY EFFICIENCY

The distinct features of the national library in Jerusalem make it a complex and challenging project requiring creative solutions and planning adaptations on the part of all project teams, including those from Electra Construction and Electra M&E.

The library building was built according to the LEED Platinum standard, the strictest standard for green building, and the cooling system installed in it is based on the natural characteristics of the stones: during night-time, cool air flows in from the outside, cooling the stones used to build the structure, and this coolness is stored in the stones and used during the day to cool the building. This system results in energy efficiency and significant operational costs savings. In addition, photo-voltaic cells were installed to create green energy, alongside other systems.



ELECTRA AT OR YAM, OR AKIVA

Residential complex located in the renewing Or Yam neighbourhood. The neighbourhood, dubbed “Caesarea for Families” will include new parks, bicycle trails, a country club, and commercial centers, with green areas taking up to 40% of the entire complex. In addition, the neighborhood will see the establishment of a dedicated area for an independent educational complex that will house kindergartens and schools for all age groups. These will turn this neighborhood into a ‘mini city’ operating

almost entirely independently and providing its residents with all their needs.

The complex is around a local vernal pool and drainage basin. This was considered of significance in the planning of the complex specifically to account for surface runoff in both private plots and open public spaces. Furthermore, the balconies of most residential units were planned to include a dedicated residential gardening area.



ELECTRA LIFESTYLE, GIVAT SHMUEL

A residential project delivering a quality-of-life experience by providing residential units, public spaces, e.g., a cinema, co-working stations, a dedicated, fully furnished and equipped small family room, outdoor sports and exercise facilities, a communal herb garden for the residents and more.

The project was built in the new Ramat Hadar neighbourhood in Givat Shmuel, which is one of the most rapidly developing cities in the country.

SIX SENSES HOTEL – ECOLOGICAL BUILDING

Six Senses Hotel in the Arava is the flagship project of Electra Danko, which specializes in complex construction and finishing work. The hotel was planned as an ecological resort, and as such, had to naturally blend into its surrounding desert area. Indeed, the resort is almost unobservable when passing through the area, this was achieved through the use of local desert materials, such as local stones, sand and recycled teak wood. Furthermore, the lighting throughout the resort was planned such that no light pollution would be created in the surrounding area.

The hotel was built according to the Israeli standard for green building, strictly observing reduced consumption, local production and support of the ecological communities in the area.



CONSTRUCTION PROJECTS

FAST LANES – ADVANCED TRANSPORTATION SOLUTIONS

In 2020, Electra was selected (together with companies Dan and Lapidot) to operate the Fast Lanes project, which will include the construction of fast lanes along the coastal road from Netanya to Tel Aviv, and Ayalon South Highway (20) from Rishon LeZion to Tel Aviv, stretching 75 km long, cumulatively.

In addition, two massive parking lots in Rishon LeZion and Shefayim will be constructed alongside the formation of a shuttle system that will transport passengers to and from the central employment areas in the Dan region. The project will allow thousands of drivers to park their cars and use the shuttle system, achieving a host of national objectives: increasing use of public and shared transportation, reduction in heavy traffic loads, time savings, with current lost time estimated at a cost of billions of NIS each year, and reduction transportation related air pollution.

Many ecological elements are combined in the planning of the project from advanced landscape planning, accounting for movement of animals, maintaining the scenic landscape and preventing contaminants seeping into the undergrounds.

The project will gradually become open for public use from 2023 until full operational mode of the fast lanes is achieved in 2025.



WET CONCRETE PLANTS

Electra Infrastructure is currently building its 6th concrete production plant, using the wet production method, which is considered more environmentally friendly compared to the dry production method.

In the dry production method, the raw materials used to produce the concrete, are poured into the concrete mixer trucks using gravity. The mixer trucks rotate to blend the materials to create the concrete mix, ramping up the truck engine whilst creating a significant noise nuisance. Furthermore, the process emits many particles into the air, and is considered pollutant.

In the wet production method, the various components are poured through a sealed system into a mixing chamber, which then pours it ready-made into the concrete truck. In this process, no pollutant particles are emitted into the air, and the truck engine is not ramped up, sparing significant noise nuisance. In addition, the Electra Infrastructure concrete plants use mainly washed/rinsed raw materials that contain a low ratio of airborne particles.

The combination of processing at a wet plant and using washed raw materials reduces the emissions of particles, which is why it is considered a green production method.



SOLAR FARMS

Electra Elco C&S entered the field of solar energy taking it to the next stage by developing a self-production optimization system.

The company plans, builds and manages solar systems for clients that own suitable properties, such as production plants, municipal authorities and more. Using advanced technology, the company developed an energy management system for its clients, that knows how to channel the production on the various sites in an efficient and smart manner. The system identifies, in real time, any deviation or problem in production output, analyses it and provides the technical team with the tools necessary to decide whether to remotely solve the problem or send a service technician. Actions are transparent vis-à-vis the clients, who receive reports and are constantly updated on what occurs at their production sites.

The company is actively growing in the construction of solar farms on ground and on water reservoirs.

Electra Group is proud of its direct contribution to improving the environment and future quality of life of the next generations, as well as achieving the national usage goals for renewable energy.





CONSTRUCTION PROJECTS

EXPANSION OF DAN REGION WASTEWATER TREATMENT PLANT

The Dan Region Wastewater Treatment Plant (Dan WWTP) is where wastewater and sewage water are collected, treated, and returned for reuse, in a dense urban area that includes industrial zones.

Electra Elco C&S and Electra Infrastructure began a project for the expansion and increase of the wastewater capacity of the Dan WWTP, from a daily 400,000 m³ to 480,000 m³. The objective of the project is to prepare the Dan WWTP for the expected increase in the area's population, which is estimated at a 1% growth rate per year.

Itamar Deutscher, Electra Ltd, CEO:

"The project was a complex engineering challenge that required combining many engineering disciplines, including systems' control and mechanical systems. The Group's strength manifested itself through an exceptional combination of their professional capabilities and vast experience possessed by the subsidiaries. Electra's business strategy is what enables us to continue facing large - scale and significant engineering challenges in the Israeli and global markets".

GREEN PARK, TEL AVIV

An urban renewal project in the Naveh Sharet neighbourhood in north Tel Aviv transformed the entire image of the neighbourhood. The project includes 6 buildings of 10-27 floors, with all residential units in the buildings planned according to standard 5281 of the Standards Institution of Israel for green construction and water & energy efficiency.



04

OPERATION, SERVICE AND MAINTENANCE



 **ELECTRA**
CONSIDER IT DONE

OPERATION, SERVICE AND MAINTENANCE

The operation, service, and maintenance sector provides a combined and comprehensive solution to the entire range of operational and maintenance services for properties and infrastructure, with the objective of achieving optimal efficiency enabling the client to focus on its core business. The activity of Electra Group in this sector is complementary to its activities in the construction and infrastructure sectors.



F.K. Electra is a leading provider of short and long-term power supply solutions. The all-inclusive services and solutions offered by the company include, amongst others, the leasing, sale, installation, operation, and maintenance of generators ranging from 5kW to 3,500kW, as well as any ancillary equipment needed for their installation and connection to the grid.



Electra FM (Facility Management) provides advanced solutions for the management and maintenance of buildings using the Integrated Facility Management approach (IFM). In addition, the company offers innovative electromechanical, cleaning, security, fire safety and “smart building” services.



Electra Elevators operates in the field of elevators, escalators, and conveyors, including lifting equipment, accessibility equipment, advanced parking solutions, and rack and pinion elevators. Electra Elevators is the exclusive representative of OTIS and the Swedish Alimak-Hek, a global leader in the manufacturing and servicing of elevators to a broad range of elevators for construction, industry, and service sectors. In addition, Electra provides service and refurbishment for office buildings, skyscrapers, commercial centres, and residential complexes.

This combination of the most advanced technologies, excellent service, meeting the strictest quality standards and tight schedules, as well as vast experience cemented Electra Elevators' position as a national leader in the provision of elevators for residential buildings and new office towers. Electra Elevators is proud of the quality of its products as well as in its processes of high-level planning, manufacturing, installation, and services. Every installation is customized to optimally address the unique needs and design of each building, using elevators, escalators and conveyers that are at the forefront of technology.





SUSTAINABILITY AND TECHNOLOGICAL INNOVATION

SUSTAINABILITY IN FM GROUP

The Group’s sustainability strategy is in line with the U.N. Sustainable Development Goals (SDGs).

SUSTAINABILITY POLICY

FM Group has an organizational sustainability policy which expresses its commitment to the entire range of sustainability matters that fall within the scope of its activity. The policy, dealing with environmental and social commitments, relies on the ethical principle of “Do What is Right,” and it covers environmental and social commitments.

RESPONSIBLE SUPPLY CHAIN

Other than the sustainability policy document of Electra FM, Electra has a sustainability policy for suppliers intended to ensure that all of Electra FM’s suppliers meet the same ethical standards the Group sets for itself, and that they apply it in their business activities and down their own supply chain.

THE SUSTAINABILITY PACKAGE

As a company experienced in providing services solutions that combine financial savings and environmental protection, FM Group, together with Zalul (“clear” in Hebrew) NGO, developed a sustainability package for its clients, that includes technological solutions intended to assist organizations in reducing their environmental footprint and improve work conditions for their employees. The sustainability package is tailored to meet the needs of each client, and typically includes diverse services on energy, recycling, water, waste, and other topics.

The client is accompanied by various content experts that examine his sustainability activities, and then an action plan is proposed setting quantitative goals for each of the relevant activities alongside innovative solutions that would enable meeting these goals. The client will also receive additional content services that are adapted to the company and its employees, and which include the development work processes and the establishment of a more efficient and sustainable work culture.

SUSTAINABILITY AND TECHNOLOGICAL INNOVATION

INNOVATION IN MAINTENANCE AND OPERATION

UNIQUE OPERATIONAL PERCEPTION – FIELD SERVICE

The Electra FM Field Service provides a range of field services and ongoing maintenance to field technicians operating on sites requiring a variety of services and current maintenance yet have no need for permanent service staff on location. This unique operational service concept is efficient and includes real time control over events occurring on site, digital management of support requests, quick location of faults, sending the right technician for the specific fault and supporting clients and technicians in quick and efficient handling of faults.

STERILE ELEVATORS AND ESCALATORS

The outbreak of the Covid-19 pandemic created the need for sterile and safe spaces, primarily in public places. Electra Elevators turned sterilization of its products into a project of its own – and were very quick to offer clients air filtration systems that create sterile elevator chambers. Escalators were installed with a disinfectant gel delivery system that effectively disinfect the handrails.

SYSTEM FOR DETECTION OF WATER PENETRATION IN ELEVATORS

To prevent flooding in elevators that could cause passengers to be trapped in the elevator cabin, Electra Group developed a system that can detect water penetration. If the elevator shaft is flooded with water, a special sensor located in the elevator shaft will send the elevator directly to the entrance level and open the doors to allow any persons in the elevator cabin to safely exit.

INNOVATION SHARKS

In January 2020, Electra Elevators launched a first of its kind competition in which employees were asked to identify the problems they encounter in their daily work and offer solutions – the Innovation Shark Competition for entrepreneurship and innovation at Electra Elevators.

The idea for the competition arose from the understanding that the employees' daily experiences constitute the best control and their knowledge can inspire initiatives to improve the company's innovative efforts.

The competition yielded many ideas from various teams and emphasized the importance of the connection between field operators and executive management. Of the numerous ideas proposed, the best three were selected out, and are now in the process of adoption into the company's work routines.

MICROSOFT CAMPUS – GREEN TECHNOLOGIES

The Microsoft Campus in Herzliya is an innovative and advanced campus that highlights sustainability and green technologies. Among the technologies implemented by Electra Group on the campus are elevator air filtration systems, smart parking systems (PGS) Parking Guiding Systems, a technological system that enables optimal allocation of parking spaces on campus (for carpools, pregnant women, parents, electric cars etc.), as well as advanced systems for electricity management and the extensive implementation of green processes, including solar panels, reproduction of water from humidity and recycling air-conditioning condensate water for irrigation of the green spaces surrounding the building.



SUSTAINABILITY AND TECHNOLOGICAL INNOVATION

TECHNOLOGICAL INNOVATION IN BUILDINGS – SMART BUILDING

LEOBOT - CLEANING ROBOT

The cleaning robot LeoBot by LIONSBOT is an innovative service recently implemented by Electra FM. The robot can cover both large areas and small, narrow spaces.

The LeoBot uses water-saving technology, saving up to 70% of the amount of water used by other cleaning robots. In addition, the LeoBot can be used with environmentally friendly cleaning products.

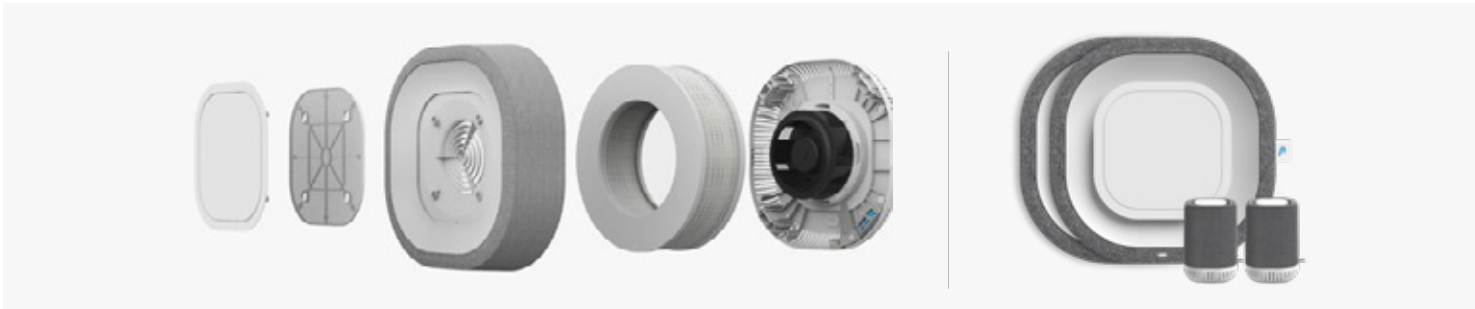
WINT - WATER SAVING

In accordance with Electra FM’s vision, including smart maintenance of buildings, the company uses a sensor by WINT (Water Intelligence) which monitors the company’s water-taps.

WINT is an AI system that alerts when detecting a water leak, automatically shutting the water tap down. This prevents water damages and increases water savings. Furthermore, the system monitors water consumption and examines ways to address problems before they result in waste and damages.

AURA - AIR PURIFICATION SYSTEM

Aura is a smart system developed and produced in Israel which detects, traps, and eliminates 99.99% of the viruses, bacteria, mould, and VOC (volatile organic compounds) that exist in the air using special filters, bipolar technology and UVC radiation for disinfection.



O2 PRIME – AIR PURIFICATION SYSTEM

Electra FM, in cooperation with S.H. Goren, installs the O2 Prime purification system which is based on Needlepoint Bipolar Ionization (NBPI) technology.

The system generates clean air by neutralizing mould, bacteria, smells, and pathogens, including viruses (like the Covid-19 virus), and reduces the level of particles and allergens in the air without releasing ozone.

PVA HYGIENE – CLEANING POWDER

Electra FM uses an innovative solution of dry-cleaning powder packed in a sachet which becomes solvent when adding water, ending with a cleaning and disinfectant product. Since the sachets are dry and compact, the environmental impact is reduced as compared to industrial cleaning products, with less storage space required, lower transportation costs, and less single-use plastics waster.

OTIS GEN2 SWITCH – A PLUG-IN ELEVATOR

Electra Elevators is the exclusive representative of OTIS, the leading global manufacturer, installer, and service provider of elevators. As such, Electra Elevators installs the Gen2 Switch elevator, a high-efficiency elevator that can be plugged into a standard electricity socket.

The elevator is energy-efficient and equipped with a mechanism to return electricity to the grid, which reduces electricity consumption by up to 75%. Furthermore, the elevator is equipped with energy-efficient LED lamps.

FORMING A SERVICE COMMUNITY

One of Electra’s primary principles is the provision of the highest level of professional services to its customers based on long-term, stable, trusting relationships with them. Electra set up a service community providing a broad range of services through joint activities among the various group members and external companies, constantly maintaining a high level of service and a uniform service language amongst all group members.

ELECTRA MAX

The Electra Max service community is based on a broad-based technological platform, supporting the cooperation and joint work amongst the Group members, and allowing the management of the activities of the Group members to be carried out optimally by sharing information ongoingly and transparently.

The platform enables the client to contact the company at any time, from any place and through any means, alongside a proactive monitoring of clients' devices to ensure qualitative and pre-emptive solutions for problems that may arise, as well as continuous improvement of the service. In this manner, the system implements a horizontal concept of service, which provides the client with the opportunity of benefiting from the entire range of services under one roof.

ACCESSIBILITY IN SERVICE

Electra invests significant efforts and resources to provide all its customers with equal, respectful, accessible, and professional service. In accordance with the Equal Rights for People with Disabilities Law, 5758-1998 and the regulations promulgated thereunder, the Group makes the adaptations and adjustments required to ensure that a person with disabilities receives the same services provided to all others in an independent and equal manner.

To this end, all service centers’ employees undergo training to become acquainted with the requirements of accessibility and are given practical tools to provide accessible service. The company expanded the training to all technicians to ensure their familiarity with the accessibility law. Furthermore, Electra Group is developing a program for monthly accessibility trainings going forward.

Electra's website was made accessible, and it meets the guidelines of the Israeli standard for accessibility of online content. However, if a user finds a component not accessible to him or her, then he or she are invited to contact the company’s accessibility coordinator whose details appear on the website.

Electra operates an accessible call centre in which information is conveyed in clear language without any background music. In addition, the company’s clients and customers have an array of additional ways to contact the company, as follows:

On issues related to accessibility, we can be contacted using the following:
Email: efrath@electra.co.il
Telephone: +972 3 9630233
Company website: www.electra.co.il



INNOVATION IN SERVICE

Electra Group constantly aspires to be at the forefront in its fields of activity, and therefore, it continuously adapts itself to the ever-changing world through the development of innovative technologies.



ECALL APP BY OTIS

The eCall application by Otis embedded by Electra Elevators in residential, commercial and office buildings, enables users to book an elevator directly from their mobile phone through simply choosing the starting-point floor and destination floor. The application indicates to the user which elevator to use and how long until it arrives. The application provides convenience, efficiency, saves time and during Covid-19, gave an extra advantage of avoiding, to the extent possible, the unnecessary touching of elevator buttons and time spent in communal spaces.

The application has additional features that contribute to its security, such as adjustments for persons with disabilities that facilitate slow closure of the elevator doors for people in wheelchairs, management of user permits and monitoring movement in the building.

TRAIN STATION AT ICC JERUSALEM – WINNER OF ELEVATOR WORLD COMPETITION

In 2021, Electra Elevators, together with Otis, the global elevator and escalator company, won first place in the prestigious Elevator World Competition with the “Nation Train” project.

Each year, the competition organizers identify special and worthy projects globally in the field of elevators and examine them based on criteria of exceptional planning, performance complexity, innovation, addressing special requirements and meeting timelines.

The ICC Jerusalem (known as Binyanei Hauma) Train Station project presented Electra Elevators with unique challenges, for example, it was the first time in Israel that materials and equipment were transported and escalators installed underground. Electra faced and handled these challenges using creative engineering and logistical solutions. The escalators serve as part of the sustainable development approach; the escalator drivers trap energy generated by the various units, return it to the building’s electricity grid and lead to energy savings of up to 60% as compared to escalators not equipped with such technology.

SERVICEAPP

The ServiceApp platform was established in 2020 by Michlol of the Electra FM group after having identified the need for innovative technologies in management and maintenance, and with the objective of increasing effectiveness and efficiency of both.

Nowadays, the system serves as an innovative and leading platform for management and operation of properties, broadly addressing management and operation needs for services, maintenance, work plans, operating technician teams and other field service providers, safety plans, asset management, supplier control, tracking satisfaction and more.

The platform places an emphasis on user experience coupled with solutions for operations and services. During Covid-19 times, Electra FM adapted and adjusted products for its clients and customers, making them suitable for changing markets, as well as having updated its ServiceApp to facilitate quick and easy filling of health declarations, opening calls for quick service, overseeing and controlling of procedures and more.



05

EMPLOYEES, INFORMATION SECURITY AND SAFETY

EMPLOYEES AND WORK ENVIRONMENT

Electra Group employees are the driving force leading the Group's success. Therefore, the Group places the employees, their well-being and safety, in centre stage and nurtures the relationship with the employee's family.

As of 2021, Electra Group employed some 14,000 employees* in Israel and worldwide.

* Includes contract workers (approx. one percent of all employees).

Cleaning company Tavas, of the Electra FM Group, strictly observes the rights of its employees, and is ranked very high amongst the service companies by Maala Organization - the Corporate Social Responsibility standards-setting organization in Israel. Tavas adheres to legal requirements for fair and advanced employment terms whilst respecting and preserving employees' rights.



EMPLOYMENT TERMS AND WELL-BEING

PENSION

The retirement process in Electra Group is managed with great sensitivity, given the organizational needs and the personal circumstances of the employee up for retirement. When an employee has reached retirement age and wishes to continue working, then such request is considered based on uniform and equal criteria. Electra employs some 400 employees that have surpassed the legal retirement age.

Electra sees great importance in keeping the well-being of its employees even after their retirement,

therefore, the Group has pension arrangements that benefit employees, which include a wide umbrella of pension insurance at low management fees. In addition, some of the Group subsidiaries offer pre-retirement courses where employees are invited to join the Electra retiree group enjoying exclusive benefits offered to company employees. Retirement is celebrated on a department level, and the retiree is given a retirement gift. Retired employees continue receiving the Passover holiday gift. In 2020, 180 employees retired.

EMPLOYEES' WELL-BEING

The Electra Group wellbeing plan was structured with a 'hire to retire' employment cycle perception, as part of the concept of employees being center stage.

Out of concern for the physical and mental wellbeing of the Group's employees, most of the Group's employees are entitled to purchase private health insurance on very attractive terms, as well as receive services from Matan Meitar, which provides employees and their family members with mental and emotional support through a call center operating 24/7.

In addition, Electra employees are entitled to loans on convenient terms, benefits at banks, benefits in acquiring a wide array of electrical appliances and consumables, this, in addition to varying benefits in connection with cultural

events and free time. Employees also enjoy events organized for team and departmental bonding, holiday events for employees and their children during the Hanukkah holiday, holiday toasts, Purim events, lectures and workshops for employees and their family members encouraging healthy lifestyles and more.

As Electra highly values the employees' work and dedication, an annual process of voting for excelling employees takes place, followed by a well organized ceremony where awards are granted to the excelling employees. Certain Electra subsidiaries hold special events for cherishing senior employees with 20-25 years of work in the company. In addition, Electra holds a well-organized process for valuing employees for extraordinary performances during the year.

EMPLOYEES AND WORK ENVIRONMENT

EMPLOYMENT TERMS AND WELL-BEING

EMPLOYEES’ WELL-BEING

One of Electra Group’s primary objectives is to keep its employees healthy and happy. For this reason, it was decided to implement “Employee Well-Being” as a concept, referring to the personal well-being of the employee and his or her lifestyle.

The Group promoted the well-being culture amongst all group employees in 2021, accounting for the eight dimensions of well-being through various activities such as lectures, sporting activities, healthy lifestyle workshops, team bonding days, dedication activities, financial benefits and more.

DIVERSITY IN EMPLOYMENT AND ACCESSIBILITY

DIVERSITY IN EMPLOYMENT

Electra Group believes in promoting diversity in employment and employing persons from all Israeli social sectors. It promotes age diversity amongst its employees and has also participated in a campaign led by the Ministry for Equality in Society to encourage age diversity at workplaces. The Group strongly believes that age diversity is an advantage that clearly enhances the performance and profitability of an organization, increases involvement, innovation, decision-making and, performance.

By way of example, Michlol, of the Electra FM Group, emphasizes diversity and inclusion, amongst others, by empowering women, employing persons with disabilities, supporting the LGBTQ+ community and more. In recognition of its efforts, Michlol received the badge of diversity in business by the Israeli Forum for Diversity in Employment.

INTEGRATION OF PERSONS WITH DISABILITIES

Electra Group believes in appropriate representation of persons with disabilities in the employment market. Therefore, the Group works towards recruiting and integrating such persons in the Group, equally and without discrimination. The Group’s recruitment managers and coordinators undergo special training to assist them in the process of recruiting diverse populations, and when a candidate with disabilities is considered, full accessibility is ensured.

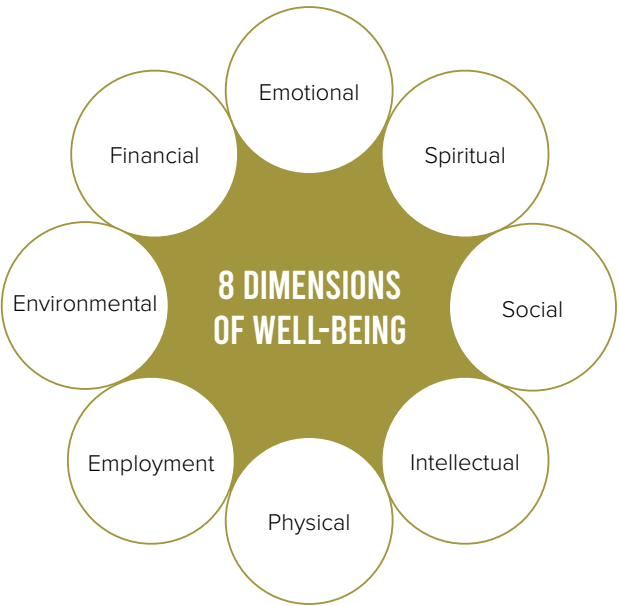
At least 20% of open positions are adapted to candidates with disabilities, and each such position is advertised on platforms designated for persons with disabilities. Our recruitment division cooperates with various bodies, e.g., Israel Elwyn, Gvanim NGO, the Rehabilitation Division of the Ministry of Defense, The Israeli Centre for Employment, Guidance and Accompanying to Success, the House of Wheels (Beit Galgalim), other rehabilitation, accessible work and more.

ELECTRA FOR ME

“Electra For Me” is an exclusive health insurance plan for the employees of Electra Group and their family members, offering wide insurance coverage, diagnosis methods, good and innovative treatments, and prevention. The plan offers, among others, broad coverage for special medical treatments abroad, transplants, medications not covered by the national insurance, and more.

FUTURE GOALS

Electra Group strives to continue enhancing its employees’ sense of connection to the organization, strengthen the sentiment of group cohesiveness, as well as the connection with the families of employees. As part of this, in early 2022 Electra Group launched an organizational portal, opening a direct channel for communications with employees. The portal will regularly provide updates on what is happening in the organization, employee benefits, an intra-organizational advertising board, access to organization systems and departments, generally deepening the relationship between employees within the organization, and more. Later in the year, the Group will launch a service centre for employees for them to turn to with any human resources issue they may have.



EMPLOYMENT AND HUMAN RESOURCES

| | 2019 | | | 2020 | | | 2021 | | |
|--------------------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
| | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Senior Management | 14 | 1 | 15 | 14 | 3 | 17 | 13 | 3 | 16 |
| Executives | 410 | 92 | 502 | 466 | 102 | 568 | 582 | 130 | 712 |
| Employees – Israel | 5,187 | 3,193 | 8,380 | 6,044 | 3,117 | 9,161 | 7,516 | 3,343 | 10,859 |
| Employees – abroad | 2,162 | 249 | 2,411 | 1,897 | 222 | 2,119 | 1,440 | 168 | 1,608 |
| Total* | 7,773 | 3,535 | 11,308 | 8,421 | 3,444 | 11,865 | 9,551 | 3,644 | 13,195 |

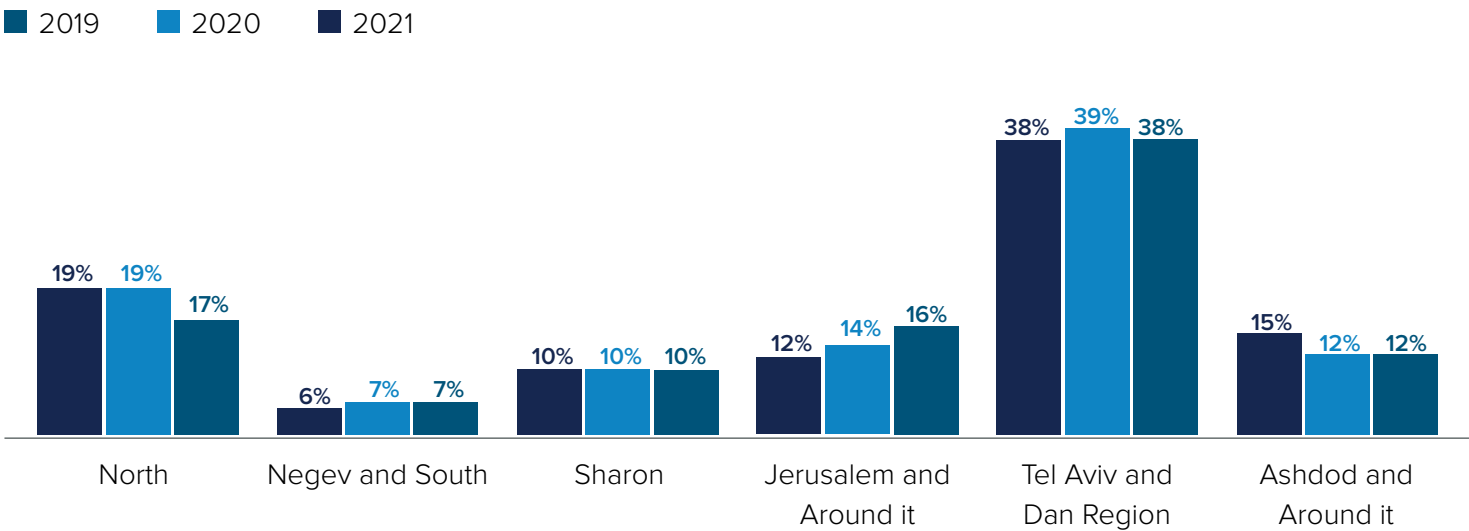
* Excludes some 700 external employees

AGE DIVERSITY

| Age of Employees and Executives | 2019 | | 2020 | | 2021 | |
|---------------------------------|------|-------|------|-------|------|-------|
| | Men | Women | Men | Women | Men | Women |
| Up to 30 | 10% | 5% | 15% | 5% | 10% | 4% |
| 30-50 | 33% | 15% | 31% | 14% | 34% | 13% |
| Above 50 | 26% | 11% | 24% | 11% | 28% | 12% |
| Total* | 69% | 31% | 70% | 30% | 71% | 29% |

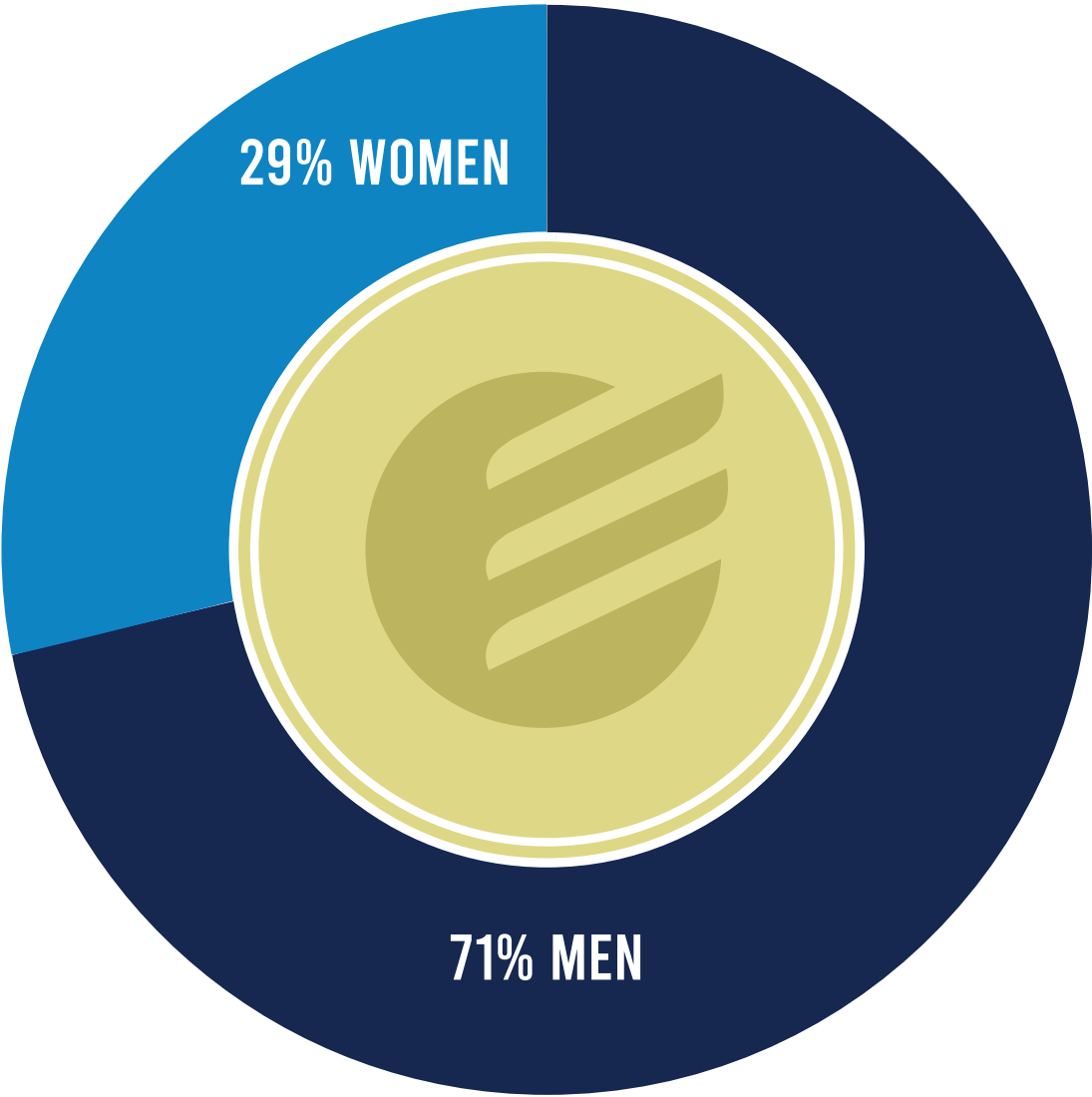
GEOGRAPHIC DIVERSITY IN ISRAEL

Division of Employees based on Area of Residence
(% of total employees)



SEGMENTATION OF EMPLOYEES BY GENDER

SEGMENTATION OF EMPLOYEES BY GENDER – 2021



SCOPE OF EMPLOYMENT

| Scope of Employment | 2019 | | 2020 | | 2021 | |
|---|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| Percentage of employees in full time employment | Total out of all employees engaged | | Total out of all employees engaged | | Total out of all employees engaged | |
| | 82.7% | | 85.5% | | 84.3% | |
| | Men out of total men employed | Women out of total women employed | Men out of total men employed | Women out of total women employed | Men out of total men employed | Women out of total women employed |
| | 92.5% | 61.2% | 93.8% | 65.2% | 91.7% | 64.8% |
| Percentage of employees in part time employment | Total out of all employees engaged | | Total out of all employees engaged | | Total out of all employees engaged | |
| | 17.3% | | 14.5% | | 15.7% | |
| | Men out of total men | Women out of total women | Men out of total men | Women out of total women | Men out of total men | Women out of total women |
| | 7.5% | 38.8% | 6.2% | 34.8% | 8.3% | 35.2% |

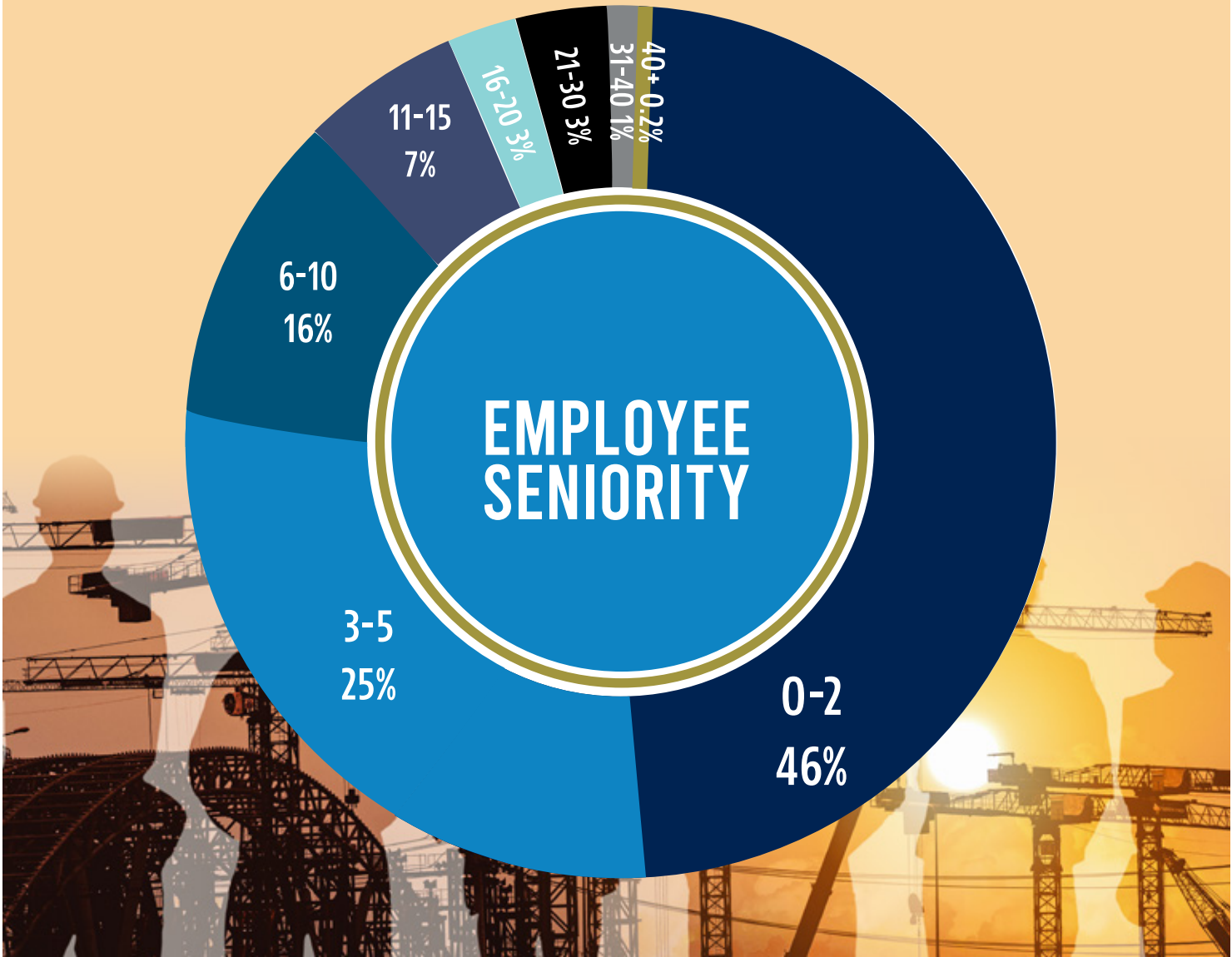
EMPLOYMENT AGREEMENTS

| | | | | | | |
|--|------------------------------------|--------------------------|------------------------------------|--------------------------|------------------------------------|--------------------------|
| Percentage of employees under collective bargaining agreements | Total out of all employees engaged | | Total out of all employees engaged | | Total out of all employees engaged | |
| | 18.9% | | 18.5% | | 18.3% | |
| | Men out of total men | Women out of total women | Men out of total men | Women out of total women | Men out of total men | Women out of total women |
| | 25.2% | 5.0% | 24.2% | 4.7% | 23.5% | 4.6% |



SENIORITY AND EMPLOYEE TURNOVER

| | Rate of Recruitment (% Employees and Executives) | Turnover Rate (% Employees and Executives) |
|------|--|--|
| 2019 | 36% | 34% |
| 2020 | 18% | 24% |
| 2021 | 31% | 28% |



MATERNITY/PARENTING LEAVE

| Number of Employees | 2019 | | | 2020 | | | 2021 | | |
|---------------------|------|-------|-------|------|-------|-------|------|-------|-------|
| | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Went on leave | 1 | 85 | 86 | 2 | 74 | 76 | 1 | 89 | 90 |
| Returned from leave | 2 | 86 | 88 | 2 | 84 | 86 | 0 | 74 | 74 |



PERSONAL AND PROFESSIONAL DEVELOPMENT

Electra Group has an organizational development and training department entrusted with developing the Group’s human resources. Organizational training addresses the needs of the organization and assists the various units attain their goals.



THE GERSHON SALKIND 'STRIVING FOR EXCELLENCE' FUND

The late Gershon Salkind stood at the helm of Elco Ltd., the controlling shareholder of Electra, and strongly believed in excellence, innovation, and the importance of education. The Gershon Salkind 'Striving for Excellence' Fund, established by the Salkind family and Elco Group promotes access to higher education through granting annual scholarships to employees of the Elco group of companies, including Electra Group, their children and spouses, as well as to members of the public who meet the fund’s requirements. Each scholarship recipient is required to contribute 20 hours of community work during each academic year, within the framework of the Groups’ social involvement activities. In 2020, Electra donated more than NIS 1 million to the fund. 71 Electra employees, 47 of employees’ children and 2 spouses of Electra employees received scholarships in 2020.

NEW EMPLOYEES

Each new employee receives an online learning kit, divided to regulatory training (ethical code, prevention of sexual harassment, information security etc.), and organizational-level training (acquaintance with the Electra Group, welfare benefits, health insurance and more) subject. The system enables employee’s manager to follow the progress of the new employee through his or her training. In addition, each employee undergoes workplace safety training upon being recruited.

The training process of a new employee often includes professional training related to his or her position, through courses operated and ran by Electra in its training centre or, in the scope of mentorship training, also known as On Job Training. In this program, senior employees mentor and train new employees - the process facilitates absorption of the new employee, allowing him or her to get acquainted with the organization, learn the new work processes, whilst strengthening his or her sense of self-accomplishment and building trust. The mentors undergo training to become mentors, where they also learn effective mentorship. Training periods differ depending on the specific positions based on their level of knowledge, skills, and progress, with training periods ranging between one month to one year. When completing his or her training, the

new employee will undergo qualification tests, where succeeding in those tests will determine whether such new employee will be permitted to perform independent field work. As a result of these advanced processes, at Electra Elevators, we succeeded in shortening the training period from three months to one month. Shortening the training time for new recruits, creates a positive organizational energy, and for the employee it increases his or her sense of achievement within a short period of time. It also allows the mentor to resume his productive work sooner.

TRAINING CENTRE

Electra established a training centre in Rishon LeZion, where it operates a school for electricity professions, where professional courses are taught under the supervision of the Ministry of Economy and Industry on the topics of air-conditioning and the most advanced electrical training workshops in the country. The training centre also runs additional courses, such as: managerial development, professional and soft skills.

Furthermore, the training centre conducts online trainings for new employees on prevention of sexual harassment, first position management course, industrial air-conditioning course, electricity and elevator system service course, assistant air-conditioning technician course, performance managers course, elevator technician course, management team building skills course, computer skills course and more.

In 2020, 180 training days were held, in which 2,200 employees participated, having collectively accomplished 10,000 learning days.



PERSONAL AND PROFESSIONAL DEVELOPMENT

MANAGEMENT AND EXECUTIVE TRAINING

THE ELECTRA PATH

To create a uniform and professional management level, the special “Electra Path” study portal was created, which provides management tools to the Group’s managers and human resources personnel. A bi-weekly newsletter is sent to all managers, varying in content, covering various topics through articles, podcasts or videos. The portal contains usable tools on a range of topics, such as building work processes, meetings' management, effective feedback, employee motivation and a host of topics necessary for a manager in his or her managerial role.

As part of the organizational concept, the desire to create a uniform management discussion and strengthen managerial skills, Electra Group conducts managerial training for newly appointed managers (first managerial position course), as well as for more senior executives (management stimulus course).

The first managerial position course is run in two annual cycles, and in 2020, 44 managers participated in the course in 5 capsules.



ADAPTING TO CHANGING WORK PATTERNS

As part of preparing and adapting to the ever-changing working world, the Electra group runs a wide range of professional trainings, upskilling, and reskilling programs, which broaden the skills of employees within their field of expertise and engagement.



PROJECT MANAGEMENT COURSE

Electra Group promotes cooperation amongst the various group member companies and has developed a project management course together with the Open University “Tafnit” School aimed at creating a uniform language amongst the various project managers as well as teach a unified methodology for project management.

In 2021, the fourth session of the course was completed, in which managers from all companies in the Electra Group participated.

PREVENTION OF HARASSMENT AND DISCRIMINATION

Electra group believes in having a pleasant and safe work environment for each and every employee and implements zero tolerance towards any discrimination, sexual harassment, and abuse at the workplace. Each group member company has appointed a specifically trained supervisor responsible for prevention of sexual harassment. Each new employee undergoes training for the prevention of sexual harassment, and in addition, once every two years, employees and executives refresh trainings are conducted.

In 2020, 647 training hours on the prevention of sexual harassment were conducted, and in 2021 the number of training hours on the subject rose by 57% to a total of 1,116 hours. Electra takes a severe stance on incidences of a harassing nature and handles each complaint in an orderly manner in compliance with the law. Each complaint is handled and accompanied with legal advice whilst maintaining the privacy of the persons involved, and is concluded with a report submitted by the supervisor to management, and where necessary, appropriate measures are taken in accordance with such report.

DIALOGUE WITH EMPLOYEES

LISTENING TO EMPLOYEES

Electra maintains a procedure for employee inquiries, enabling its employees to contact any person or department with whom they feel comfortable approaching with any issue troubling them. As a learning organization espousing rendering effective services and nurturing its human resources, Electra Group encourages its employees to express their opinions openly and transparently, in a variety of ways, including: an anonymous contact box checked on a monthly basis and addressed; a dedicated email channel (requiring identification), where matters are addressed ongoingly and with the necessary sensitivity.

All contacts and inquiries received are handled by a neutral person directing the same to the relevant and appropriate person, who then reviews the matter and addresses it accordingly.



EMPLOYEE FEEDBACK AND ASSESSMENT

Once every two years, a cross-organization employee and executive assessment process is conducted. The process covers management performance process, including the setting of relevant goals and objectives for each employee and executive and checks whether goals and objectives set at the previous process were achieved.

Through this process, the organization identifies talents as well as any gaps and opportunities for employee development. The process further assists in identifying employee strengths and weaknesses that require improvement.

In 2020, 98% of Electra Group* employees received feedback on their performance.

* This data excludes Tavas company.



FUTURE GOALS

To properly develop an annual training program, Electra group maps the needs and identifies the performance standards required to achieve the same, by conducting in the various group units, a survey of training needs.

Electra will continue to devise dedicated professional trainings for content fields it engages in, alongside executive trainings and the creation of an organizational learning culture. This covers professional forums for the preservation of know-how and development of group professionalism.

INFORMATION SECURITY, CYBER RISKS AND PRIVACY PROTECTION

INFORMATION SECURITY AND PROTECTION AGAINST CYBER THREATS POLICY

Information and cyber security risks are amongst the primary risks for business enterprises. The Group implements a protection policy against cyber risk, which provides a multi-layered and tri-pivoted coverage based on the importance of the systems, their sensitivity and level of matureness. Electra invests great resources in its information security systems and the privacy protection of its employees, suppliers, customers, and clients. Amongst the major information and cyber security risks the group deals with are: leakage of sensitive business information, financial data, information of employees, customers, clients, and suppliers, partial or full shut-down of control and information systems, disruption of operational and decision making information, and any harm mandated by the Protection of Privacy Law, 5741-1981 and the regulations promulgated thereunder, the Computer Law and the Data Bases Law.

The information security team operating under the group's Operation and Control division, employs professional information and cyber security experts who are responsible for the management, operation and protection of information systems, regularly working collaboratively to identify and respond to cyber threats. The team is also responsible for updating and implementing the security, response and reporting policies concerning cyber incidents, as well as for conducting periodical risk surveys and penetration tests to identify risks and minimize attack surfaces.

MANAGEMENT OF BUSINESS CONTINUITY

Electra Group has adopted a Disaster Recovery Plan (DRP), which covers policy, procedures, actions, and technological tools, to ensure that in the event of a cyber-attack with the potential to disrupt the operation of information systems, certain activities will continue, or the damaged systems could be restored into action quickly, ongoing and continuous back-ups are performed for existing information on a DR site which is separate to the main information infrastructure sites of the Group. The DRP is examined and reviewed from time to time through initiated exercises.

Each of the internal auditor and the auditing accountants carries out periodic and ongoing audits over the security layout of the information systems in accordance with the audit plan for each of the Electra Group member company, and report the same to the audit committee and board of directors.



INFORMATION SECURITY, CYBER RISKS AND PRIVACY PROTECTION

INNOVATION AND FLEXIBILITY

The heterogenic work environments of Electra (e.g., Covid-19 laboratory, internal work environment, various work environments in different countries and more), require flexibility and availability of computerization resources, including both growth and downsize ability according to need, the ability to segregate between various work environments as well as meeting and complying with information security standards that amongst others, are adapted to regulatory requirements.

DEFENSE THEORY

Certain Electra clients mandate that Electra meets strict information security standards to secure the supply chain of such clients. In response, Electra made adaptations to comply with the standards issued by the Israel National Cyber Directorate and the U.S. National Institute of Standards and Technology ("NIST").

EMPLOYEE TRAINING ON NETWORK SECURITY, INFORMATION SECURITY AND PROTECTION OF PRIVACY

Electra implements and applies a program to increase awareness to information security and its preservation amongst its employees. Employees are categorized based on their level of exposure to sensitive information, the security risks they deal with, and the informational principles and themes they must be acquainted with.

Amongst others, an e-learning information security program is emailed to all employees, which includes the principles of Electra's "Procedure for use of computers and internet network". In addition, employees represent and undertake in writing, to keep and observe Electra's information security rules, with specific reference to the protection of



SAFETY POLICY

ELECTRA STANDARD – ZERO ACCIDENTS POLICY

Electra attributes utmost importance to the safety of its employees and its other stakeholders. To this end, it invests vast resources to ensure a safe work environment, compliance with rules and regulations, structuring work plans, appointing safety supervisors and delivery of periodic trainings.

The group adopted the "zero life-endangering accidents" policy and meeting of the highest level of safety performance according to the Occupational Health & Safety Standards ("OSHA"), and applies a plan, at enterprise level, for the implementation of a high safety standard as part of its strategy to protect the lives and wellbeing of its employees.

Electra Construction published a policy document on employee safety, presenting its “zero accidents” vision and the measures it takes to realize its vision, such as, the application of various European standards (amongst others, advanced scaffolding standards), conducting dedicated risk surveys for each site, setting safety rules for each site prior to the work commencing, adopting strict standards for equipment and work tools, exercising constant controls and supervision, effecting strict enforcement and more.

All executive levels are responsible for the implementation and application of the safety standard and are entrusted with its implementation amongst all employees.

IMPLEMENTING A CULTURE OF SAFETY

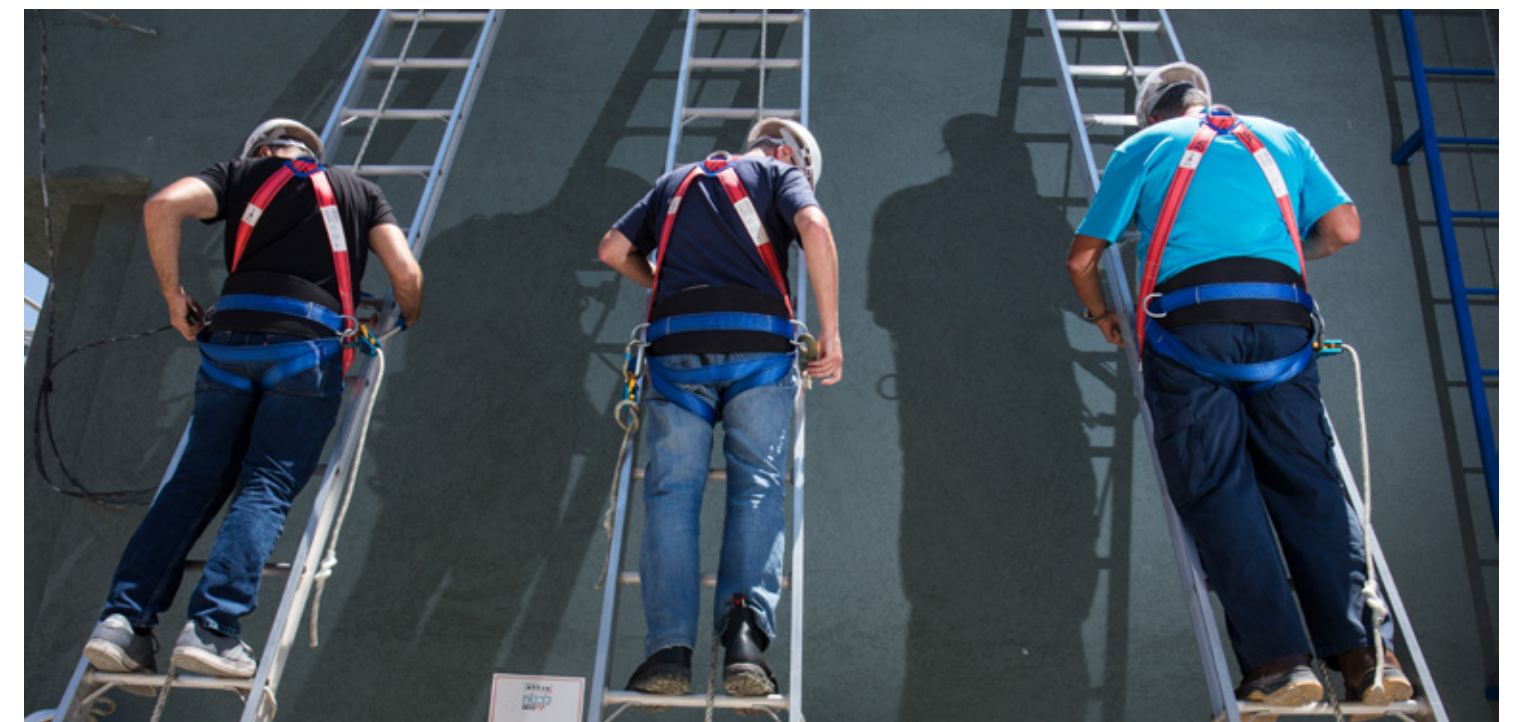
With the objective of increased work safety from the perspective of process management, control methods and planning an envelope of training and supervision over field work, in 2021 Electra recruited a Safety Planning and Control manager. Furthermore, to promote the safety standard it had cemented, Electra implements dedicated compensation plans and encourages management meetings for information sharing. More so, a forum of safety supervisors was established, consisting of the safety managers from all group member companies, and which targets the creation of a learning community, increasing collaboration and knowledge sharing, as well as conducting regular updates and refreshers on new regulations.

The forum meets six times a year (including field visits to complex projects), and convenes once a year for an annual sum-up, when each safety supervisor presents a summary of activities and safety performance of the companies under his or her responsibility.

In addition, once a quarter, the Electra Elevators and Electra M&E safety supervisors issue a conclusions document from accidents occurring in the previous quarter.

As of the end of 2021, a data dashboard is circulated, presenting monthly data, directed at the group’s executives and managers. In both Electra M&E and Electra Elevators, the dashboard offers a general overview of safety data and a status report on achievement of goals and standards stipulated by the service and performance divisions.

During 2022, Electra intends to implement a “read and sign” digital educational program, through which employees will be taught and educated on conclusions from accidents that occurred and/or will be refreshed and re-focused on safe work procedures based on the existing risks.



SAFETY POLICY

ESTABLISHING THE ELECTRA SAFETY COLLEGE

In 2019, Electra Construction established, jointly with LVTH Safety & Engineering company, and with the approval of the Ministry of Welfare and Social Affairs, a novel and first of its kind safety college. The college serves as an innovative training centre adapted to the challenges of the work environment and it assists in the national effort to revamp the existing work safety culture as well as promoting the efforts of construction companies in reducing workplace accidents.

The college holds for all Electra group employees and the employees of its sub-contractors, full and ongoing courses in eight different languages. The professional trainings and seminar days make use of advanced learning methods and measures, such as simulators and instructional videos based on actual accidents. Furthermore, work managers and performance engineers of the Electra group and other companies undergo special training courses.

During 2020, and as part of the measures to combat the Covid-19 pandemic, the various safety trainings (other than height trainings) were conducted using digital means. Trainings for working at heights were conducted as before, whilst strictly observing the regulations and instructions issued by the Ministry of Health.

In addition, the college conducts trainings for third parties that are not related to Electra. During 2020, the college conducted trainings for Ashtrom, Tidhar, the Prison Service, Shviro, Rotshtein and others.

SAFETY TRAININGS

Safety trainings and instructions in the company are mandated by law, and every new employee in the Group undergoes a safety instruction on the first day of work. Moreover, employees undergo training based on their role; safety refresher course annually, working at height qualifications – bi-annually; and trainings and instructions based on risk surveys.

In 2020, 5,171 employees partook in safety trainings, at an average of 8 hours of training per employee; the total scope of hours of safety trainings in 2020 was 41,347 hours and some 13,500 employees underwent safety training courses at the Safety College in that year. Employees that do not complete full safety training are not permitted to enter the Electra Construction sites.

THE E-BUILD SAFETY APPLICATION

As part of the safety management plan, in 2020, Electra group implemented the E-Build system by Safeguard, which provides technology for 24/7 at-work safety management. Through the system, in which the Group's safety standards are embedded, all safety trainings of employees of sub-contractors and safety equipment managers are recorded and documented. The application enables the monitoring and supervising of qualifications and authorizations of subcontractors' employees. Furthermore, Electra Infrastructures observes and adheres to international quality and environmental standards, such as, the ISO 14000, ISO 4500 and the Israeli ISO 9001.

SAFETY INCIDENTS

As a direct outcome of Electra's vast investment in safety, in 2020 the downtrend in safety incidents, including fatal incidents, despite a 10% increase in the number of

projects carried out by the Group continued, showing a 5% decrease in the total number of safety incidents, including subcontractors' accidents.

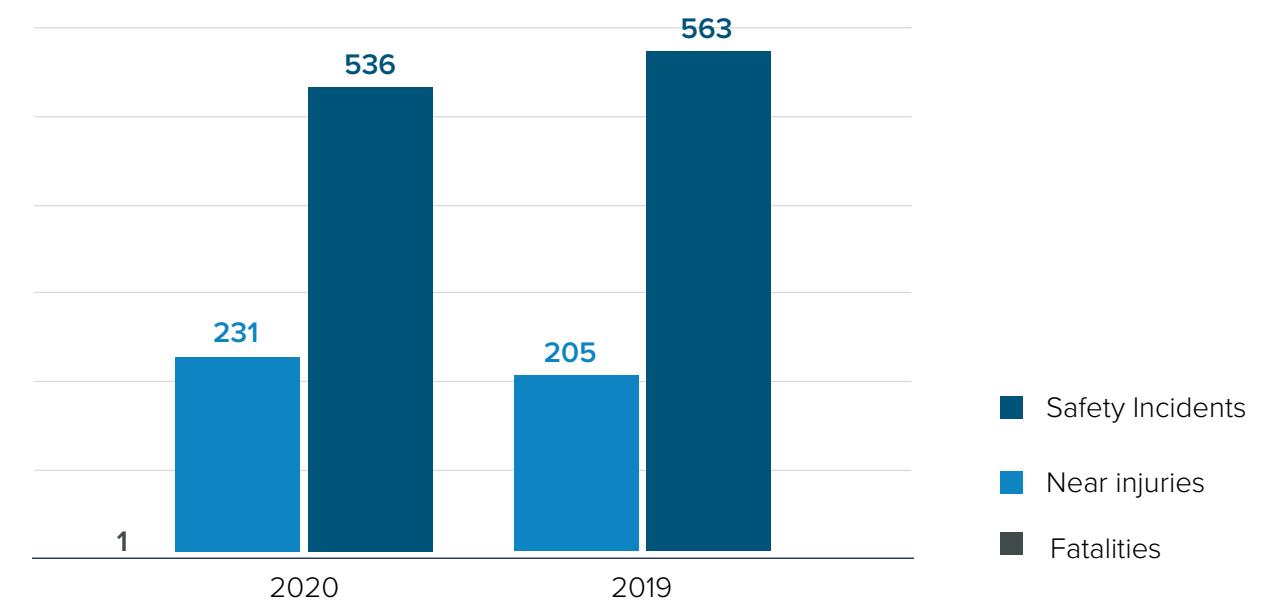




SAFETY

| Topic | Safety at Height | Sites | Safety Assistants | Crane Operators | Work Managers | Safety Supervisors | Emergency and First Aid Teams | Total |
|---------------------|------------------|-------|-------------------|-----------------|---------------|--------------------|-------------------------------|-------|
| Number of employees | 4,381 | 30 | 27 | 49 | 2 | 1 | 681 | 5,171 |

SAFETY INCIDENCES 2020





06

CORPORATE GOVERNANCE AND ETHICS

CORPORATE GOVERNANCE

In all of its activity domains, Electra group is committed to a business culture based on controls, proper and qualitative corporate governance, professional ethics, and proper and ethical conduct at the highest standards vis-à-vis all of its stakeholders. Electra believes that these culture fundamentals promote value creation for both the company and its stakeholders.

BOARD OF DIRECTORS

The board of directors of Electra directs its policies and business activities. The board operates within the scope of powers and authorities vested in it by virtue of the Companies law and mandated procedures.

The board consists of 7 board members: 4 independent directors (~57%) of which 3 are external directors, 5 are male and 2 are female.

All members of the board possess financial accounting expertise. Electra has adopted an internal enforcement procedure to regulate the work and proceedings of the

board, which directs, amongst others, that each newly appointed director undergoes extensive training on the Group’s activity domains. As part of this training, each new director receives, shortly following his or her appointment, a binder of documents that provides him or her with a comprehensive overview of Electra, its procedures, corporate governance rules, financial information, relevant legal provisions applicable to the Group and its activities, and the director is scheduled meeting with senior management. Once a year board members receive an update on relevant case law and legislation pertaining to Electra’s activities.

MEMBERS OF THE BOARD OF DIRECTORS

The board consists of 7 members:

| | | |
|---|----------------------|-------------------|
| Chairperson of the board | External director | External director |
| Michael Salkind | Ariel Aven | Meir Srebernik |
| External director | Director | Director |
| Deborah Aljanati (appointed on February 4, 2022) | Daniel Salkind | Avraham Israeli |
| | Independent director | |
| | Irit Stern | |

EFFECTIVENESS OF THE BOARD OF DIRECTORS

In assessing the effectiveness of the work of the board of directors, consideration is given to their skills, scope of representation of all Electra’s stakeholders and their characteristics.

Members of the board are of accounting and financial education, acquaintance with the business world generally and Electra’s business specifically. The diversity of interests is exhibited in board meetings, with four of the members being independent directors of which three are external directors (in excess of the legal requirement), and through appointments by the general meeting of the shareholders, as mandated by law.



COMMITTEES OF THE BOARD OF DIRECTORS

Electra has in place 3 committees of the board of directors: an audit committee, a finance committee and a compensation committee. All 4 independent directors, including the 3 external directors are members of these committees.

Audit Committee - examines, amongst other matters, the internal auditors work plan and internal audit reports, and discusses and handles flaws in the daily management of the company.

Compensation Committee - is responsible for determining, updating, and approving the compensation policy for office holders, approval of transactions pertaining to the compensation and remuneration payable to office holders, and more. The policy includes principles, goals and mechanisms for compensation and remuneration of office holders.

Finance Committee - is responsible, amongst other matters, for examining the internal controls related to the financial reporting, completeness, and proper disclosure in the financial reports, examining the accounting policies adopted and accounting treatment implemented on material corporate topics, and accordingly, to recommend to the board of directors on the approval of the financial statements.

Internal Auditor - Electra has an internal auditor who also serves as the internal auditor of Elco Ltd., Electra Consumer Products Ltd. and Electra Real Estate Ltd. - of the Elco Group of companies. Amongst others, the internal auditor audits the application and implementation of the various enforcement programs in Electra, and the audit results are presented to the audit committee. Additional information concerning the audit processes in Electra can be found in its financial statements.

CORPORATE GOVERNANCE, ENFORCEMENT AND COMPLIANCE



CORPORATE GOVERNANCE, ENFORCEMENT AND COMPLIANCE POLICY

Electra attributes great importance to observing high standards of proper corporate governance, the existence and encouraging of a corporate culture of effective compliance as a fundamental principle, and it takes measures to prevent violations of law. Therefore, the Group invests significant resources in implementing a culture that encourages observance and compliance with the law in all the areas of its activities.

As part of this fundamental culture of compliance principle, Electra voluntarily adopted internal enforcement programs in various regulatory areas, including, securities laws, competition (restrictive trade practices) and prevention of corruption and bribery (collectively referred to as the “Enforcement Programs”). The overall objective of the Enforcement Programs is the implementation of the regulatory regimes applicable to Electra, whilst anchoring detailed control mechanisms that will serve to prevent failures and violations of regulatory provisions which have the potential to cause financial and reputational damages to the Group.

Electra ongoingly reviews the need to update and adapt the programs to meet the company’s activities and developing regulation and ensures that relevant employees undergo periodic, sometimes tailored training in connection with the Enforcement Programs.

INTERNAL ENFORCEMENT PROGRAM ACCORDING TO SECURITIES LAWS

In December 2012, for the first time, Electra's board of directors voluntarily adopted an internal enforcement program seeking to implement and comply with securities laws regulatory provisions applicable to the company, as well as guaranteeing the existence of proper management, supervision, and control mechanisms necessary for its implementation. The program sets the foundation for operating a system of internal enforcement aimed at ensuring compliance with securities laws at the company level, as well as at the level of entities and bodies operating on its behalf. Within the framework of this program, Electra adopted a host of key provisions and procedures on various topics, e.g., procedures for the board of directors, procedure for immediate reports to the Securities Authority and the Stock Exchange, notification of changes in holdings of Electra securities by interested parties and senior office holders, transmission of information on topics requiring, or which may require, an immediate report, reporting and approving transactions with interested parties or controlling shareholders in Electra or its affiliated companies and the review of such transactions, prohibition on insider trading by employees and office holders, prohibition on fraud and manipulation, reporting violations or suspected violations and handling failures and violations, enforcement, taking punitive and disciplinary measures against employees and office holders, procedure for

implementation and training on the internal enforcement program, supervision and control over the implementation of the internal enforcement program and a procedure to classify transactions with affiliated parties.

The program was put together based on the unique characteristics of the company, in consideration of its many areas of activity, the scope of its activities, it being part of the Elco Group of companies that frequently provide it with services and products, and which acquire services and products therefrom.

Notwithstanding the large scale of activities, Electra observes and implements a strict culture of compliance. So, for example, when it comes to related party transactions, the company invested in training high-quality personnel to monitor and review these transactions and their specific details, regardless of their financial scope, minor as it may be.

Since its adoption over a decade ago, the enforcement program is constantly reviewed and updated, so that it is adapted to the activities of Electra, new acquired activities, increase in scope of activities and to any regulatory and legal provisions.

CORPORATE GOVERNANCE, ENFORCEMENT AND COMPLIANCE

PREVENTION OF CORRUPTION AND BRIBERY COMPLIANCE PROGRAM

Electra maintains and promotes a zero-tolerance policy towards bribery and corruption. It proudly states, that to the best of its knowledge since its foundation it has not been involved in any incidence of bribery or corruption. Moreover, in November 2018, the board of directors of Electra voluntarily adopted a compliance program for prevention of bribery and corruption, a procedure for engaging business partners and a procedure for bestowing business gestures. As part of implementing this program, the employees and executives of Electra undergo periodic training on such procedures and policies.

Electra's board of directors appointed an external law firm as its compliance officer, with such firm being responsible for enforcement of this topic and reporting to the responsible corporate organs. Given the broad scope of Electra's international activities, the compliance officer performs risk assessments together with the relevant executives of Electra and its subsidiaries. The compliance program was extended to apply to all of Electra's activities in Israel and abroad, covering the activities of its subsidiary in New York, whilst adapting it to local regulations.

Together with its legal counsels, Electra closely examines the implications of relevant regulations on its activities, to identify and prevent potential exposure and guides the relevant entities and persons accordingly.

COMPLIANCE WITH COMPETITION LAWS

In 2019 the board of directors of Electra voluntarily adopted an internal compliance program to meet the requirements of the Economic Competition Law.

Electra takes measures to implement the program, including, by providing all its business units with tailored training by attorneys who are experts in this practice area, as well as instructing its employees daily on their obligations under the Economic Competition Law.

During 2020, three motions for the certification of class actions were filed against several companies in the elevators sector in Israel, including Electra and Zaum (a wholly owned subsidiary of Electra), claiming that the companies were a party to a restrictive arrangement, contrary to the provisions of Section 2 of the Economic Competition Law, 5748-1988 (the "Competition Law"). The court dismissed the first motion, and the two remaining motions were joined together by a court order into one, under which the amount claimed ranges between NIS 1 billion to NIS 1.5 billion.

Furthermore, in March 2021, a criminal indictment was filed with the Lod District Court against several defendants in the Israeli elevator sector, including Electra, certain employees in the Elevators Division of the company, Zaum and the CEO of Zaum, charging them with various offences under the Competition Law. Both proceedings are pending – the indictment is in its preliminary stages (a hearing on preliminary arguments was held in November 2021 with a ruling pending). The District Court stayed the motion for certification until June 2022 due to the ongoing criminal proceedings.

MANAGEMENT OF OTHER RISKS

Electra is exposed to other risk factors which may jeopardize its business objectives, and which arise from the economic environment and the unique characteristics of the sectors in which it operates. To one such risk factor, the Covid-19 pandemic, Electra became exposed in 2020, which resulted in vast financial and economic ramifications globally due to restrictions and limitations on travelling and transportation of goods, closures of international borders and more. Electra's management ongoingly examines the ramifications of all aspects of the crisis on the Group and takes steps to minimize the influence of the continued spreading of the Covid-19 virus on its activities.

Risks associated with sectors in which the group is active are managed, for example, risks associated with health and safety at the workplace are managed through a strict safety policy applied and implemented by the group as part of its ongoing activities alongside strict observance of legal provisions.

In addition, Electra has in place a DRP – Disaster Recovery Plan, which includes procedures and policies concerning the planning and reconstruction of the organization's technological infrastructure in the event of a disaster (see, Management of Business Continuity, on page 94).

Additional details regarding Electra's risk factors and how they are managed can be found in Electra's periodic reports.



THE CODE OF ETHICS

Electra is committed to the highest ethical and moral standards, and its employees are obligated to comply with all local Israeli laws as well as local laws in the countries where it operates.

Electra acts by its motto, nurturing a value-based organizational culture, founded on trust, credibility and integrity among itself, its employees, suppliers, and customers. The code of ethics and compliance & enforcement programs adopted by Electra, serve as its values and normative identity card – in guiding its employees and those working with it.

THE CODE OF ETHICS

Electra adopted a code of ethics that includes principles, values, norms, and rules of conduct that guide the way its employees must conduct themselves in their communications and engagements with suppliers and customers, whilst, always observing and respecting human dignity, integrity and decency, social responsibility and properly preserving its properties and assets.

From the code of ethics:

“At Electra, we are bound by law, business decency, utmost transparency, confidentiality, and truthful reporting. Group employees and executives will respect their fellow persons and observe the Group’s procedures and rules, whilst promoting sustainability – for an advanced society in a world for a better future.”

EMBEDDING ETHICS IN ORGANIZATIONAL CULTURE

As part of the group’s general perception of ethics, each new employee, upon commencement of his or her employment, receives the code of ethics, and undertakes to abide by it. The human resources teams of the various companies undergo expansive training on the code of ethics and its enforcement. Furthermore, each professional and managerial course in which Electra employees participate, includes a chapter on the code of ethics. The code of ethics is published on the organizational portal as well as on the Electra website.

In 2020, 337 training hours were dedicated to the code of ethics. In 2021, 254 training hours were dedicated to the subject matter. The decrease in the number of hours reflects a transition to improved training programs.

THE COMPASS

The code of ethics serves as a compass to the values guiding Electra employees amongst themselves and between them and all stakeholders in Electra:





07

COMMUNITY



SOCIAL ENGAGEMENT



Electra believes that social engagement contributes to the community, its employees, and the organization, and therefore, it is vastly involved with the community and engages in numerous activities in which its employees can participate. The company believes, that in addition to the value of exposing employees to diverse social and human issues, volunteer work strengthens the value of the Group and internal solidarity of the volunteers, the personal relationships amongst employees and the sense of belonging to the Electra Group. During the last decade, Electra has chosen to work for and

in collaboration with disabled populations, particularly, those of the younger ages. In a regular year of activity, the Group contributes approximately 4,500 volunteering days by its employees to various organizations - and the goal is, that each employee will volunteer, at least one day annually in the different NGOs and institutions in which Electra is involved.

Electra offers its employees different volunteering opportunities. To this end, Electra collaborates with various NGOs and associations, including **Lev Chash Association** – assisting the disadvantaged



populations that are typically distressed; **Virtus Israel** – a member of the International Virtus Association for promoting competitive sports amongst persons with disabilities; **Social Business Studio & Joy**, where gifts are manufactured by persons with disabilities and sold to the public and businesses; **Ilan - Israel Association for Children with Disabilities** - assists thousands of children and adults suffering

from neuromuscular disorders integrating into society; **Chimes Israel** - works to improve the life quality of people with special needs; **Therapeutic Gardens Project - at the Flora Group of 10 kindergartens** for children with cognitive disorders, and **Make a Wish Israel** - part of an international organization founded in the USA in 1980, which aims to fulfil the wishes of children between the ages of 3-18 fighting critical illnesses.



SOCIAL ENGAGEMENT

EMPLOYEE VOLUNTEERING

During a regular and ordinary year, each Electra employee will volunteer between 6-8 hours. In the last two years, due to the Covid-19 pandemic and the restrictions on entering various institutions and associations, the volunteering activities were adapted to the new conditions, and in 2021, 800 employees partook in such activities. To this end, towards the holidays, hundreds of food packages were donated, packed, and distributed to the populations being supported by the various organizations with which Electra is involved and engaged. Furthermore, Electra took proactive measures to maintain the relationships with the educational institutions where its employees volunteer throughout the year.

Despite the slow-down in volunteering activities in the community induced by the Covid-19 pandemic, when it became possible once more, Electra resumed full activities with all its community partners, and many departments and units within the companies frequently partake in a host of social engagement and involvement activities.

DONATION TO CANCER RESEARCH

Electra supports cancer research by financial donations to a specific research targeting a protein identified as connected to carcinogenic processes in the human body. Solving the attachment mechanisms of this protein may pave the way to developing medications that could prevent different types of cancer.

CREATING A THERAPEUTIC GARDEN FOR STUDENTS IN VILLAGE FOR AT-RISK YOUTH

One of the more meaningful activities carried out by Electra in the past year was the creation of the Therapeutic Garden at the youth village operated by “Talpiot” NGO, which works towards reducing the number of at-risk children and youth and preventing family risk situations. In activities financed through “giving back to the community” (income from purchase of tickets at symbolic cost for a children’s musical show), some 30 employees and executives of Electra M&E participated.

The team of employees passionately undertook to volunteer, and for them, it was an uplifting experience for both the sense of doing and giving and the opportunity to meet their team-mates in person after more than yearlong of social distancing.

“They arrived with a spirit of creativity and joy in their eyes and created a therapeutic garden for the children – a therapeutic greenhouse, planting and seeding beds, benches and walking paths, as well as street games across the village. They created a pleasant space for activity, enjoyable and developing, that added color, happiness, and rejuvenation to the village. It was impressive and heart-warming – and we were left wanting more, anxiously waiting for more collaborations”,
Principal at the Youth Village, Elyakim Yassi.

08

DEALING WITH COVID-19 PANDEMIC

 **ELECTRA**
CONSIDER IT DONE



DEALING WITH THE COVID-19 PANDEMIC

The outbreak of the global Covid-19 pandemic in early 2020 introduced many challenges for the business sector to deal with. Electra appointed an organizational Covid-19 Supervisor, who was responsible, together with a team of Covid-19 supervisors in the Group companies, for observing the rules set in place by the Government of the State of Israel under the Special Powers for Dealing with the New Coronavirus (Temporary Order) (Restrictions at the Workplace), 5780-2020.

MANAGEMENT OF SUPPLY CHAIN

The pandemic caused disruption in global supply chains; Electra group was forced to deal with the fact that many plants and factories supporting its projects were under lockdowns worldwide, yet it succeeded in overcoming this challenge through proper and effective management of its existing resources. In sectors where significant numbers of employees come from abroad, it became necessary to deal with the cessation of flights and non-arrival of such employees in the country, which resulted in speedy trainings, to the extent possible, of teams of local Israeli employees.



CARING FOR EMPLOYEES

The health and safety of employees remained a top priority during the pandemic. Electra operated according to the Purple Badge directives, refrained from holding multi-participant meetings, divided employees into work capsules, mobilized employees between divisions and supported work from home with those employees who could perform their work remotely. The Group did bulk purchasing of personal protective equipment, face masks, and disinfection materials for use by employees throughout all the sites and facilities.

In addition, the group established a special fund for group employees that they, or their spouses were placed on unpaid leave during the early days of the pandemic, provided employees with vouchers for supermarkets, provided gift packages for holidays, and some of the employees placed on unpaid leave continued to receive social benefits and kept their company cars.

Human resources teams maintained continuous contact with the employees, addressing their needs, with employees that contracted the virus or those in mandated quarantine having received gift packages for their speedy recovery and boosting their morale during those challenging days.



SOCIAL ENGAGEMENT AND INVOLVEMENT

During the pandemic, the NGOs and associations with which the Group is involved were unable to get assisted by the volunteers, and creative solutions were called for, such as, Electra provided food packages to the families of the Arazim Boarding School, where at-risk youth study and live and where Electra employees would normally volunteer. With the outbreak of the pandemic the school was closed, and the youth returned to reside with their families, many of which themselves are dysfunctional and with low financial means.

ELEVATOR SERVICES

To continue providing its customers the best possible services, Electra had to make several adaptations. For example: the elevator sector required special adaptation since people were apprehensive of being confined in a small space with other people as well as having to touch the elevator buttons. To counter these fears, Electra equipped all its elevator technicians with protective equipment, acquired special materials to stick-over the elevator buttons to reduce the risk of contamination, provided anti-bacterial filtration systems for the elevator chambers, disinfection systems for the escalator handrails and more.



DEALING WITH THE COVID-19 PANDEMIC – ELECTRA FM

The activities of Electra FM, which manages hundreds of commerce and office sites and buildings, were more heavily impacted by the outbreak of the pandemic by comparison to those of other Electra Group member companies. The company's management maintained close contact with all employees placed on unpaid leave to strengthen their sense of belonging to the company.

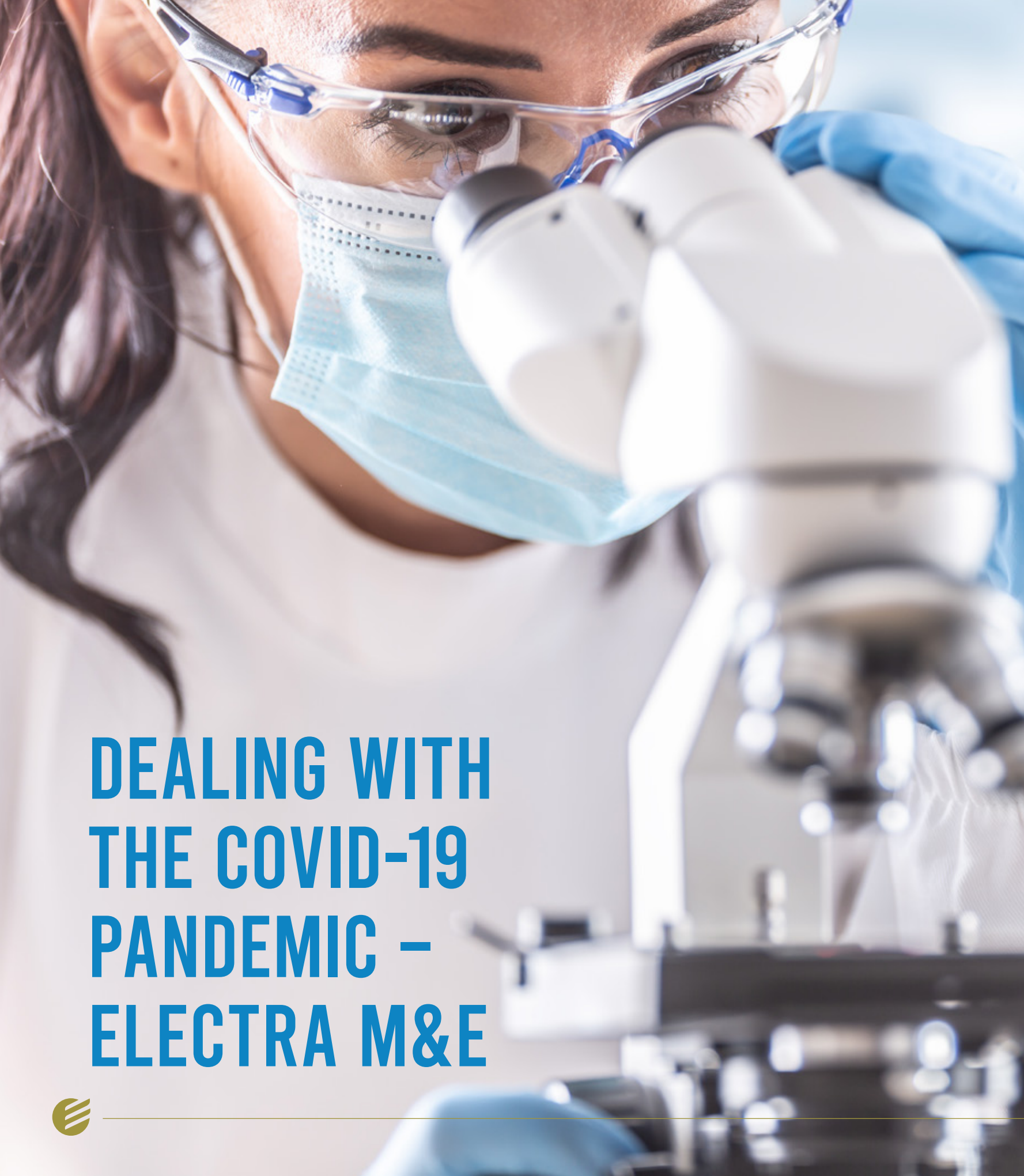
Electra opened a situation-room, where updates were received of employees in quarantine, as well as of customers and their activities, and necessary adaptations were made in real-time.

The extremities presented by the pandemic emphasized the strength of Electra's management, the way in which executives and employees came together and the solidarity amongst the employees and executives of the entire group.

Electra FM particularly attributed increased importance to the well-being of its employees during the pandemic. The company made sure that employees' and executives' mental and physical strength was supported through various activities, e.g., sending fun challenges to their homes for them to work through together with their families during lockdowns, launching a step-counting application and many other activities. With the outbreak of the pandemic and the growing understanding of the need to take proactive measures that go beyond protective measures, the Group's engineering department, initiated collaborations with various companies to provide active solutions to combat the virus in closed spaces and on surface-tops, these included:

1. Disinfection of spaces and surfaces upon being informed of a confirmed case in a customers' premises;
2. Installation of bipolar ionization systems that combat viruses and mould at customers' sites and the various Electra sites;
3. Installation of air quality filtration and monitoring systems at customers' sites and the various Electra sites.

Furthermore, activities to disseminate knowledge and information about the pandemic, its impact on the environment and humans, and protective and monitoring measures were taken, with the accumulated knowledge transpired to all Electra executives and managers.



DEALING WITH THE COVID-19 PANDEMIC – ELECTRA M&E



BUILDING A LABORATORY FOR COVID TESTING AND HOSPITAL WARDS

A COVID-19 TESTING LABORATORY – ELECTRA TAU

At the height of the pandemic, Electra M&A together with the Tel Aviv University, won a tender published by the Ministry of Defense to build a Covid-19 testing laboratory.

The laboratory, spanning 1,000 sqm, was built at the Omer Industrial Park within 4 weeks of winning the tender bid, and was launched in December 2020. During 2021, the laboratory conducted more than 4 million tests.

The laboratory in Omer was the first in the country to receive the international ISO 9001 standard of quality assurance.

THE SHEBA TEL HASHOMER COVID-19 HOSPITAL

With the onset of the project, the management of Sheba Tel Hashomer Medical Centre decided to transform the parking lot into a dedicated hospital for Covid-19 patients, to include 4 intensive care level wards. Electra began the project, and thanks to employees and contractors that worked round the clock, it was completed within one month to meet the hospital's readiness to absorb Covid-19 patients, who arrived in increasing numbers.

RABIN MEDICAL CENTRE BEILINSON HASHARON COVID-19 HOSPITAL

In April 2020, Electra received the project of building a dedicated hospital for ventilated Covid-19 patients at the Beilinson hospital parking lot in Petach Tikva. The project spans over more than 5,000 sqm and includes 4 wards. Building the wards included carrying out and planning works such as systems for air-conditioning, medical gases, sanitary installations, electricity work, architecture and more, all of which were carried out in a time frame of a month and a half.

TRANSFORMING PARKING LOTS INTO COVID-19 HOSPITALS

Electra M&E built specialty Covid-19 hospitals during the pandemic, by quickly transforming parking lots at the Sheba Tel Hashomer and Rabin Beilinson Hasharon Medical Centres into fully functioning hospitals, capable of housing 400 hospital beds for ventilated patients.

09

ENVIRONMENTAL PERFORMANCE



RESOURCES CONSUMPTION

Electra Group is very active in fields related to the environment, energy efficiency and savings and sustainability. All the companies in the group implement in projects various technologies assisting in promoting these fields of activity, in addition to clever planning that contributes to the promotion of these fields of activity among the company's customers. Total environmental investments made by the Group in 2020 is NIS 365 million.

ENVIRONMENTAL RISKS AND THEIR MANAGEMENT

Electra works towards creating an organizational infrastructure for the management of environmentally associated risks, in areas such as waste, smell, noise, ground pollution resulting from use of petrol and hazardous substances, damage to the environment due to irregular operation of the wastewater treatment plant and more.

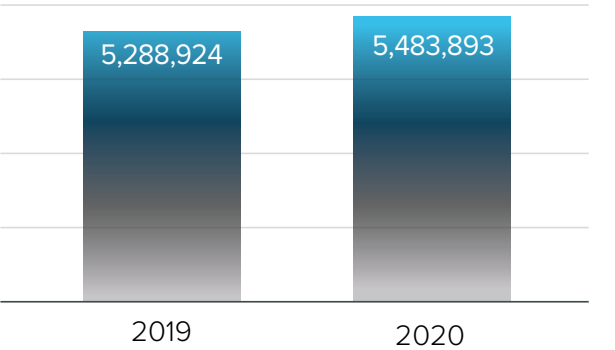
COMPLIANCE WITH ENVIRONMENTAL REGULATIONS

The primary legal and regulatory provisions applicable to the Group in connection with its activities in the operation of wastewater treatment plants and the maintenance of pumping stations, are those under the Water Law, 5719-1959, Public Health Regulations (Effluent Water Quality Standards and Rules for Wastewater Treatment), 5770-2010, and the Water Regulations (Prevention of Water Pollution) (Use of Sludge and its Removal), 5764-2004.

According to the terms of engagement and legal provisions, Electra group is responsible for the quality of the effluent water it pumps, the operational good order of the wastewater treatment plants it operates, treating sludge or removal of sludge, and the performance of sample testing and monitoring and the publication of the latter as detailed in the quality standard the Group is required to meet and under the agreements to which it is a signatory.

ELECTRICITY CONSUMPTION (KWH)

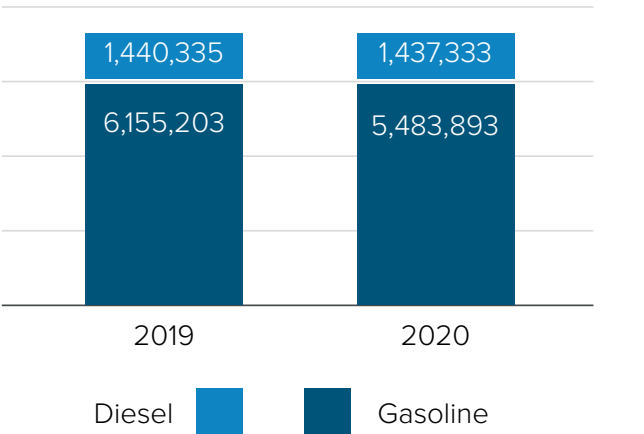
Total energy consumption of the Electra Group includes the electricity consumption by the offices of the Group companies and petrol consumption (in liters) by company cars.



* Estimated data based on Electric Company rates for that year

PETROL CONSUMPTION

The petrol consumption (in liters) of the Electra Group is the result of use of company cars, including employee and service cars, and it includes gasoline and diesel.



TOTAL ENERGY CONSUMPTION

| | 2020 | 2019 |
|--------------------------------|---------|---------|
| Gasoline (GJ) | 262,370 | 266,248 |
| Electricity (GJ)* | 19,742 | 19,040 |
| Total energy consumption (GJ) | 282,112 | 285,289 |
| Energy intensity (GJ/Employee) | 23 | 25 |

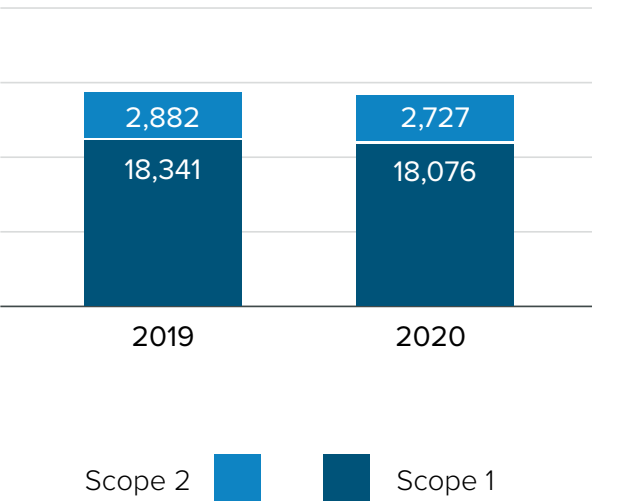
The Electra group total energy consumption includes the offices electricity consumption and the various company cars gasoline consumption.

GREENHOUSE GAS EMISSIONS

Computation of the greenhouse gas emissions by the Electra Group is made according to a protocol for quantifying and managing greenhouse gas emissions (GHG protocol), and it includes direct emissions through fuel burning (Scope 1) and indirect emissions through electricity consumption (Scope 2).

2020 showed a decrease of 2% in the total greenhouse gas emissions by the Electra Group compared to 2019.

GREENHOUSE GAS EMISSIONS BY SCOPE (TCO2EQ)



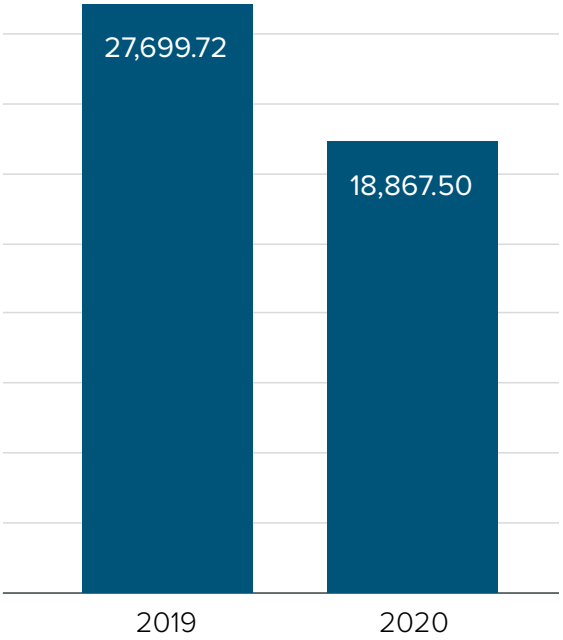
RESOURCES CONSUMPTION

WASTE AND WASTEWATER MANAGEMENT

| Waste Disposal for Recycling 2020 (Tons) | |
|--|--------|
| Corrugated cardboard | 180 |
| Metal | 3 |
| Plastic | 9 |
| Wood | 392 |
| Paper | 12,364 |

Electra works in cooperation with “Amnir” for paper recycling, and with “Tamir” corporation for recycling packaging (corrugated cardboard, metal, plastic, and wood).

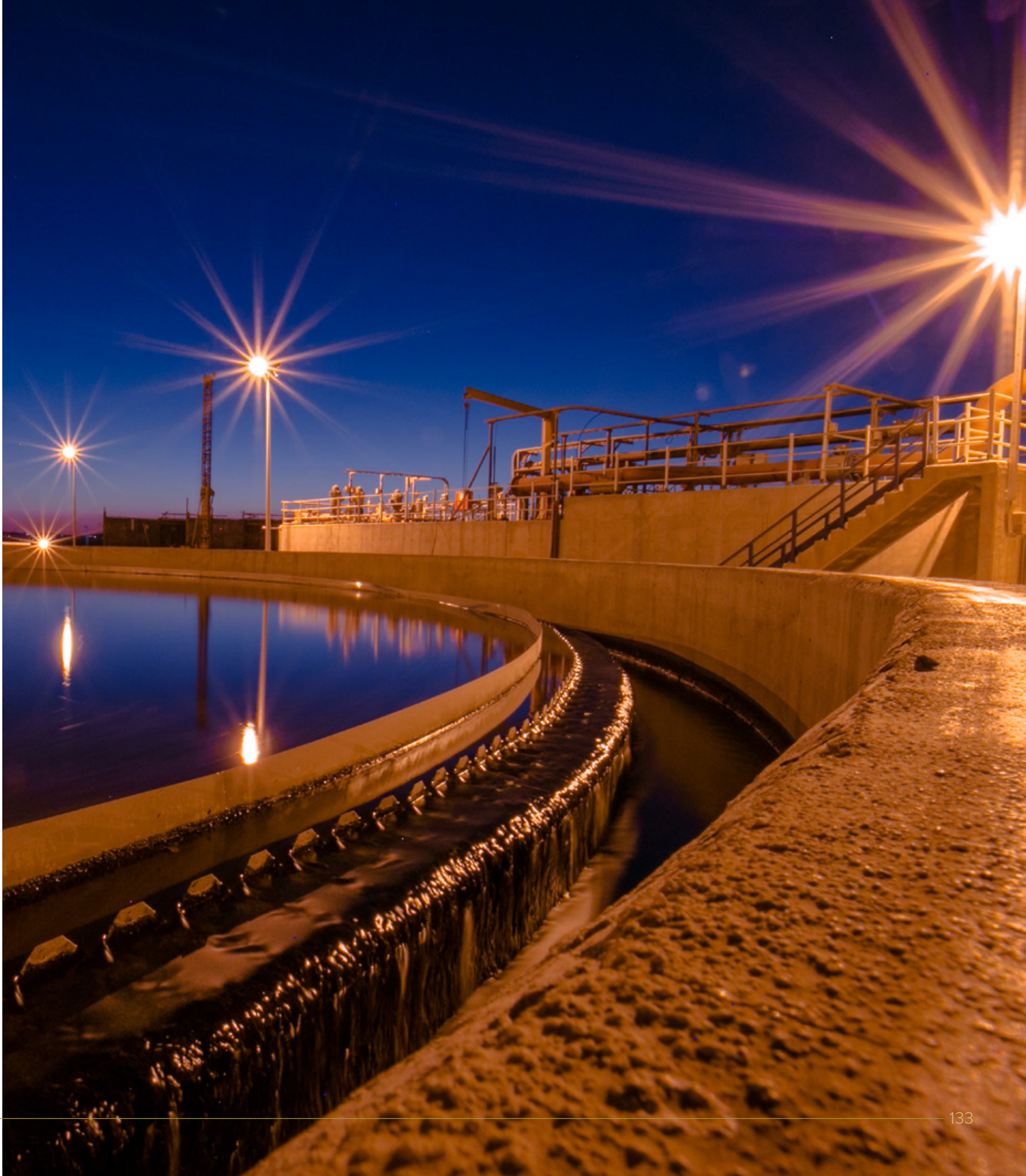
WATER CONSUMPTION (M³)*



* Estimated data based on Water Authority rates for that year

WATER MANAGEMENT

In 2020 a decrease of 32% in water consumption was observed compared to 2019.



10

ABOUT THE REPORT

ABOUT THE REPORT

This report was prepared in accordance with the guidelines of the Global Reporting Initiative Organization (GRI) in compliance with the SRS Core standard, without external ratification. The information presented in this report was collected through interviews with the various stakeholders, as well as from an analysis of additional reports and documents of the company. In accordance with GRI guidelines, the material topics in the company were selected in conjunction with the stakeholders.

The report was written by :

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Mr. Ivri Verbin, CEO of Good Vision - corporate responsibility advisors from the Fahn Kanne - Grant Thornton group, an organizational stakeholder in GRI.



GRI CRITERION TABLE



| GRI Standard | Description of Standard | Page Number/Directly Addressed |
|---|---|--------------------------------|
| GRI 101: 2016 Basis | | |
| General Disclosure | | |
| GRI 102: 2016 General Disclosures | Organizational Profile | |
| | 102-1 Name of the Organization | Electra LTD. |
| | 102-2 Activities, brands, products and services | 26-29, 52-53 |
| | 102-3 Location of headquarters | Ramat Gan, Israel |
| | 102-4 Location of operations | 21 |
| | 102-5 Ownership and legal form | 20-25 |
| | 102-6 Markets served | 20-21 |
| | 102-7 Scale of the organization | 13-15, 20-21, 30-31 |
| | 102-8 Information on employees and other workers | 78-93 |
| | 102-9 Supply chain | 67, 123 |
| | 102-10 Significant changes to the organization and its supply chain | No significant changes |
| | 102-11 Precautionary Principle or approach | 98-101 |
| | 102-12 External Initiatives | 32-35 |
| | 102-13 Memberships of associations | 36-37 |
| | Strategy | |
| | 102-14 Statement from senior decision maker | 4-5 |
| | Ethics and Integrity | |
| | 102-16 Values, principles, standards and norms of behavior | 112-113 |
| | 102-17 Mechanisms for advice and concerns about ethics | 108-113 |
| | Corporate Governance | |
| | 102-18 Governance structure | 106-107 |

| GRI Standard | Description of Standard | Page Number/Directly Addressed |
|---|---|---|
| GRI 102: 2016 General Disclosures | 102-22 Composition of the highest governance body and its committees | 106-107 |
| | 102-23 Chair of highest governance body | 106-107 |
| | 102-25 Conflicts of interest | 110-111 |
| | 102-26 Role of highest governance body in setting purpose, values, and strategy | 106-107 |
| | 102-28 Evaluating the highest governance body's performance | 106-109 |
| | 102-35 Remuneration policies | 106-107 |
| | 102-36 Process for determining remuneration | 106-107 |
| | 102-37 Stakeholders' involvement in remuneration | 106-107 |
| | Stakeholder engagement | |
| | 102-40 List of stakeholder groups | 38 |
| | 102-41 Collective bargaining agreements | 84-85 |
| | 102-42 Identifying and selecting stakeholders | 38 |
| | 102-43 Approach to stakeholder engagement | 38 |
| | Reporting Practice | |
| | 102-45 Entities included in the consolidated financial statements | Electra Ltd. And the companies under its control. |
| | 102-46 Defining report content and topic boundaries | 40-41 |
| | 102-47 List of material topics | 40-41 |
| | 102-48 Restatements of information | Not relevant |
| | 102-49 Changes in reporting | Not relevant |
| | 102-50 Reporting period | 2020 |
| | 102-51 Date of most recent report | Not relevant |
| | 102-52 Reporting cycle | Not relevant |

| GRI Standard | Description of Standard | Page Number / Directly Addressed |
|---|--|----------------------------------|
| GRI 102: 2016 General Disclosures | 102-53 Contact point for questions regarding the report | 136-137 |
| | 102-54 Claims of reporting in accordance with the GRI Standards | 136-137 |
| | 102-55 GRI content index | 139-147 |
| | 102-56 External assurance | 136-137 |
| Specific and Material Topics | | |
| GRI 200 A Series of Financial Standards | | |
| Economic Performance | | |
| GRI 201: 2016 Economic Performance | 201-1 Direct economic value generated and distributed | 30-31 |
| | 201-3 Defined benefit plan obligations and other retirement plans | 78-79 |
| Indirect Economic impacts | | |
| GRI 203: 2016 Indirect Financial Influences | 203-1 Infrastructure investments and services supported | 116-119 |
| | 203-2 Significant indirect economic impacts | 116-119 |
| Prevention of Corruption | | |
| GRI 103: 2016 Management approach | 103-1 Explanation of the material topic and boundary | 40-41, 110-113 |
| | 103-2 The management approach and its components | 110-113 |
| | 103-3 Evaluation of the management approach | 110-113 |
| GRI 205: 2016 Anti-Corruption | 205-2 Communication and training about anti-corruption policies and procedures | 108-113 |
| Anti-Competitive Behaviour | | |
| GRI 206: Anti-Competitive Behaviour | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices and monopoly practices | 108-111 |

| GRI Standard | Description of Standard | Page Number / Directly Addressed |
|---|---|----------------------------------|
| GRI 300 Series of Environmental Standards | | |
| Energy | | |
| GRI 302: 2016 Energy | 302-1 Energy consumption within the organization | 130-131 |
| | 302-2 Energy consumption outside of the organization | 130-131 |
| | 302-3 Energy intensity | 131 |
| | 302-4 Reduction of energy consumption | 130-131 |
| | 302-5 Reductions in energy requirements of products and services | 36-37, 54-57 |
| Water | | |
| GRI 303: 2018 Water | 303-3 Water recycled and reused | 132-133 |
| Biodiversity | | |
| GRI 304: 2016 Biodiversity | 304-2 Significant impacts of activities, products, and services on biodiversity | 58-59 |
| Emissions | | |
| GRI 305: 2016 Emissions | 305-1 Direct (Scope 1) GHG emissions | 130-131 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 130-131 |
| | 305-5 Reduction of GHG emissions | 130-131 |
| Waste | | |
| GRI 306: 2020 Effluents and Waste | 306-2 Management of significant waste-related impacts | 132-133 |
| | 306-4 Waste diverted from disposal | 132-133 |



| GRI Standard | Description of Standard | Page Number / Directly Addressed |
|--|---|----------------------------------|
| GRI 400 Series of Social Standards | | |
| Employment | | |
| GRI 103: 2016 Management Approach | 103-1 Explanation of material topic and boundary | 36-37, 40-41, 79-81 |
| | 103-2 The management approach and its components | 78-81 |
| | 103-3 Evaluation of the management approach | 82-87 |
| GRI 401: 2016 Employment | 401-1 New employees hires and employee turnover | 86-87 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 78-79 |
| | 401-3 Parental leave | 86-87 |
| Employment Health and Safety | | |
| GRI 103:2016 Management Approach | 103-1 Explanation of material topic and boundary | 36-37, 40-41, 79-81 |
| | 103-2 The management approach and its components | 98-101 |
| | 103-3 Evaluation of the management approach | 98-101 |
| GRI 403: 2018 Employment Health and Safety | 403-1 Workers representation in formal joint management-worker health and safety committees | 98-100 |
| | 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 98-99 |
| | 403-4 Health and safety topics covered in formal agreements with trade unions | 98-99 |
| | 403-5 Employee training on health | 100-101 |
| | 403-6 Promotion of employee health | 78-81 |
| | 403-7 Prevention and reduction of influences | 100-101 |
| | 403-9 Work related injuries | 103 |
| Training and Development | | |
| GRI 103:2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41, 88-89 |
| | 103-2 Management approach and its components | 88-93 |
| | 103-3 Evaluation of management approach | 92-93 |

| GRI Standard | Description of Standard | Page Number/Directly Addressed |
|---|---|--------------------------------|
| GRI 404: Training and Education | 404-1 Average hours of training per year per employee | 88-91 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 80-81, 88-91 |
| Diversity and Equal Opportunity | | |
| GRI 103: 2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41, 80-81 |
| | 103-2 The management approach and its components | 80-81 |
| | 103-3 Evaluation of the management approach | 80-81 |
| GRI 405: 2016 Diversity and Equal Opportunity | 405-1 Diversity of governance bodies and employees | 82-85 |
| Non-Discrimination | | |
| GRI 406: 2016 Non-Discrimination | 406-1 Incidents of discrimination and corrective actions taken | 90-91 |
| Quality of Service | | |
| GRI 103: 2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41 |
| | 103-2 The management approach and its components | 72-75 |
| | 103-3 Evaluation of the management approach | 72-75 |
| Protection of the Environment | | |
| GRI 103: 2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41 |
| | 103-2 The management approach and its components | 67, 130-133 |
| | 103-3 Evaluation of the management approach | 130-133 |
| Innovation | | |
| GRI 103: 2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41 |
| | 103-2 The management approach and its components | 18-19, 66-71, 74-75 |
| | 103-3 Evaluation of the management approach | 66-67 |
| Community | | |
| GRI 103: 2016 Management approach | 103-1 Explanation on material topic and boundary | 40-41 |
| | 103-2 The management approach and its components | 116-119 |
| | 103-3 Evaluation of the management approach | 116-117 |

The report includes coverage of several topics the company chose to highlight, however, the inclusion of a specific detail or the failure to include other details do not serve to indicate on the existence of material or non-material details, nor does it serve as creating any representation whatsoever on the part of the company as to the totality of its activities. It is emphasized, this report is based on business data relevant to the company's activity, and nothing in the data constitutes a replacement or serves to substitute any data published in the company's and/or its subsidiaries' financial statements. Accordingly, in connection with any financial data or data pertaining to scopes of activity, profitability, forecasts, and the like, only data detailed in the financial statements is binding on the company, and in any contradiction, the details contained in the financial statements prevail.

Nothing in this report serves as a representation or commitment, express or implied, and the accuracy, completeness or correctness of the information or opinions included in this report may not be relied upon. Neither the company, nor any of its employees, will bear any responsibility or liability whatsoever (whether in negligence or otherwise) for any loss arising in any way from use of this document or its content or in any other way in connection with this document.

The company's future activity reports and results of its operations are subject to risk and uncertainty which may lead to a material change in the actual results by comparison to the forecasted ones. The contents of this report may not be relied upon to predict any future performance or activity.

THANK YOU!





 **ELECTRA**
CONSIDER IT DONE