



# CHAMPIONING ETHICAL CONDUCT & BUSINESS LEADERSHIP

Code of Ethics – the Electra Group



“When you consider your behavior, it might be well to ask yourself: if I were living with me, would I want to stay around?”

Leo Buscaglia  
Loving Each Other

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“ I don't believe you have to be better than everybody else. I believe you have to be better than you ever thought you could be ”

Ken Venturi

## On a Personal Note, a Word from the CEO

The Electra Group works in tandem with its many subsidiaries to exemplify multidisciplinary business excellence in all its forms. We currently employ more than 15,000 people and are privileged to lead the market in all our diverse activities, which span the fields of construction, infrastructure, and electromechanical system contracting, Operation & Maintenance, real estate development, and concessions relating to infrastructure and national projects. Our unique “lifecycle” concept is now being utilized in various countries throughout Europe, Asia, Africa and USA.



Beyond every individual's obligation to uphold ethical conduct at all times, we believe that a strong ethical foundation also represents a clear marketing and business advantage. Our goal to expand and constantly improve our business outcomes is entwined with our core principles and values, which serve as a guiding light for all our activities. We therefore pledge that the Electra Group, including all its managers and employees, will endeavor to maintain its high status, while ensuring ongoing innovation, initiative, and dedication to constant improvement, alongside professional, ethical conduct.

The strength of the Electra Group stems from its size, the outstanding relationships we develop with our customers, and the dynamic synergy that exists among our subsidiaries. Individually and collectively, each Electra company conducts itself with integrity, reliability, and professionalism, enhancing the Group's strength as a single, unified entity. In this way, the Group is able to achieve its self-defined goals.

This Code of Ethics reflects the Group's vision and values, and all our managers and employees are obliged to conduct themselves accordingly. The Code is intended to serve as both a guiding light and a clear path for all employees and managers, as well as a tool for examining one's actions and conduct.

Itamar Deutscher  
CEO, Electra Group

# VALUE PATH

The Electra Group's Value Path helps all employees to progress along their personal development path and attain their goals in line with our Code of Ethics.

Electra's self-appointed values and standards have served as a solid foundation for all the Group's activities since its establishment, as well as an engine for future growth. They define the exemplary conduct of the Group and all its employees, as they interact with each other, and with customers, suppliers, and competitors.

## PROFESSIONALISM

- Compliance with schedules
- Extensive knowledge and high level of expertise
- Diligence
- Professional appearance
- Acceptance of responsibility for future consequences
- Outstanding customer service skills

## EXCELLENCE

- Dedication and persistence
- Continuous learning
- Ongoing self-improvement in all areas
- Strict quality, service, and product standards
- Meeting objectives
- Internalizing and implementing lessons learned through evaluations

## INTEGRITY

- Integrity when interacting with clients, particularly upholding commitments
- Professional integrity
- Internal systemic integrity – accurate real-time reporting, including disagreements and conflicts of interest

## TEAM SPIRIT

- Personal and group responsibility
- Conducting an ongoing dialogue throughout the organization
- Listening and offering solutions
- Providing and accepting feedback
- Trust and mutual encouragement
- Tolerance and respect for others
- Compromise as a means to achieve mutual goals

## LEADERSHIP

- Leadership in accordance with the company's values
- Serving as a personal example and inspiration
- Acting from a business standpoint, without a personal agenda
- Delegating responsibilities and providing support
- Creating a sense of partnership among employees

## FLEXIBILITY

- Openness and maintaining effective work relationships
- Decisiveness in decision-making
- Vigilance in order to identify opportunities
- Planning and preparation for emergencies and exceptional cases
- Willingness to change and adapt
- Listening and implementing
- Versatility

“The law is a set of conditions that allow the **freedom** of each person to conform to the freedom of all people”

Emmanuel Kant

## GUIDING PRINCIPLES – STURDY FOUNDATIONS

Electra is committed to acting in accordance with the law, while upholding fair business practices, maximum transparency, confidentiality, and accurate reporting. The Group's managers and employees respect each other for what they are, act in line with the Group's procedures, and promote sustainability – for the sake of a more advanced society with a brighter future.

**Our Code of Ethics is founded on the Group's guiding principles and core values. Together, these beliefs define a clear framework for enforcing and upholding the code.**

### THE CODE OF ETHICS – 8 GUIDING PRINCIPLES:

# 01

**LAW** | We are committed to upholding the law and its provisions in Israel and all the countries in which we operate

# 02

**FAIR BUSINESS PRACTICES** | We are committed to maintaining fair practices regarding our business partners, competitors, suppliers, employees, and managers

# 03

**TRANSPARENCY** | We are committed to acting with maximum transparency regarding all of the Group's stakeholders, by providing full and clear disclosure to the greatest extent possible, and as required

# 04

**MUTUAL RESPECT** | We are committed to respecting others, within and outside the Group, with regard to every person or party with which we maintain a professional relationship

# 05

**THE GROUP'S ASSETS** | We are committed to safeguarding the Group's assets in general, and organizational knowledge in particular, while placing special emphasis on maintaining business confidentiality among all parties

# 06

**THE GROUP'S PROCEDURES & REGULATIONS** | We are committed to complying with our defined and published procedures and regulations

# 07

**SUSTAINABILITY & ENVIRONMENTAL PROTECTION** | We are committed to promoting the principle of sustainability within the Group, including both its business and social/environmental aspects and regulations

# 08

**ACCURATE REPORTING** | We are committed to providing accurate reports for all stakeholders, and consider this an integral part of our professional activities

“It is not enough that we do our best; sometimes we **must do what is required**”

Winston Churchill

# OUR EMPLOYEES

Electra's human capital serves as a reflection of its activity, as well as the foundation of its market position, as it relates to clients, suppliers, and other parties. For this reason, the Group strives to promote its human resources, while simultaneously implementing a code of ethics based on the Group's principles and core values.

## Electra places emphasis on:

### Upholding the Law |

As a leading business group and public company, the Group's employees and managers are obliged to abide by the law, pure and simple, including complying with all legal procedures and the requirements of any competent authority.

### Fair Business Practices |

Electra's employees and managers are committed to acting fairly and honestly when interacting with all stakeholders with which it maintains a professional relationship. For this reason, Electra's employees work in line with obligations and agreements, while refraining from deception. Employees are committed to the company's current procedures, as well as the plans and protocols established for their enforcement.

### Safeguarding the Company's Assets & Confidentiality |

Electra's employees are committed to safeguarding the Group's assets and trade secrets. Additionally, Electra's managers and employees are committed to protecting the Group's resources, assets, and intellectual and tangible property from loss, misuse, waste, damage, or theft.

**Professionalism:** Electra attaches great importance to its employees' personal and professional development, encouraging learning, and cultivating a pleasant work environment, which serves as a fertile ground for personal and professional growth. In this way, we believe that Electra has paved the way to outstanding employee satisfaction and complete commitment to the Group.

### Transparency |

We prefer to recruit new employees on the basis of recommendations from current employees, as this ensures top-notch staff who are likely to integrate well with the Group. That said, the candidates' status as relatives or friends of Electra employees will not take precedence over professional considerations. Additionally, in line with the Group's policy, and in order to prevent an uncomfortable situation for both veteran and new employees, and the Group as a whole, we do not hire first-degree family members of current employees.

### Mutual Respect |

Electra employees take care to treat everyone with fairness and respect, both among themselves and regarding all stakeholders with whom they maintain a business relationship. Employee Rights: Employee rights are protected in accordance with the law and all relevant agreements, as stated below:

**Privacy:** Electra is committed to protecting its employees' privacy, dignity, and reputation.

**Equal Opportunities:** Electra advocates equal opportunities throughout its business activities, for all employees and candidates. The Group's decisions and activities are completely impartial and focused solely on professional considerations, taking great care to maintain a non-discriminatory work environment.

**Sexual Harassment:** Electra and all its employees are committed to acting in accordance with the Prevention of Sexual Harassment Law, as well as the Group's articles of association.

**Temporary Employee & Independent Contractor Rights:** The Group implements and observes the rights of temporary employees and independent contractors, both within the Group and among its various subcontractors.

“Act in such a way that you treat humanity, whether in your own person or in the person of any other, never merely as a means to an end, but always at the same time as an end”

Emmanuel Kant

**Electra views its employees as genuine assets. Upholding the Group's principles and values with and for its employees is an integral part of its current and future success.**

“**Kindness**  
is a language that the  
deaf can hear and the  
blind can see”

Mark Twain



## CLIENTS

Electra lends the highest importance to creating stable, trusting, long-term relationships with its clients, and works to provide professional service of the very highest standard.

Electra places emphasis on:

### **Fair Business Practices & Integrity |**

The Electra Group and its employees are committed to treating all clients with fairness and respect, while respecting their rights and dignity. The Group acts in accordance with all the agreements it has finalized with its clients, while refraining from acts of fraudulence or deception.

### **Transparency & Full Disclosure |**

Electra and its employees are committed to disclosing reliable information with full transparency. This enables clients to make practical, prudent decisions regarding their relations with the Group.

### **Safeguarding the Group's Assets and Trade Secrets |**

Electra and its employees are committed to maintaining the confidentiality of client information, without disclosure to any third parties. In addition, we are committed to safeguarding information related to client agreements, unless otherwise requested by the client, or by court order. We take great care to uphold client privacy regarding all information disclosed to the Group's employees.

### **The Group's Procedures & Regulations |**

Electra is committed to providing customer-focused, results-oriented service that is effective, reliable, and professional. The Group's objective is to provide outstanding, high quality service that is always courteous and sensitive to the specific situation, and tailored to the clients' needs. The Group therefore initiates many activities and devotes a variety of resources to this end. These activities enable Electra to maintain trusting relationships with its clients. Just as it has done in the many years since its establishment, the Group will continue to invest in enhancing its service standard and providing clients with targeted professional solutions.

**Electra's clients are central to its growth, serving as a reliable source for upgrading its activity and products. The Group is committed to providing professional service, creating added value for its clients, and building stable, long-term relationships with them.**

# SUPPLIERS

The Electra Group appreciates its suppliers and acknowledges their importance to the company. The Group's success over the years is closely related to these collaborative activities based on fairness, trust, and respect.

Electra places emphasis on:

## Upholding the Law |

Electra's employees and managers may not abuse their positions for personal gain, benefits, or discounts in the course of their duties. It is expressly forbidden to accept bribes of any kind (cash, cash equivalents, or any other personal benefits). Likewise, it is expressly forbidden for all Group employees to give or offer money or any item of value in order to grant an advantage to a specific supplier.

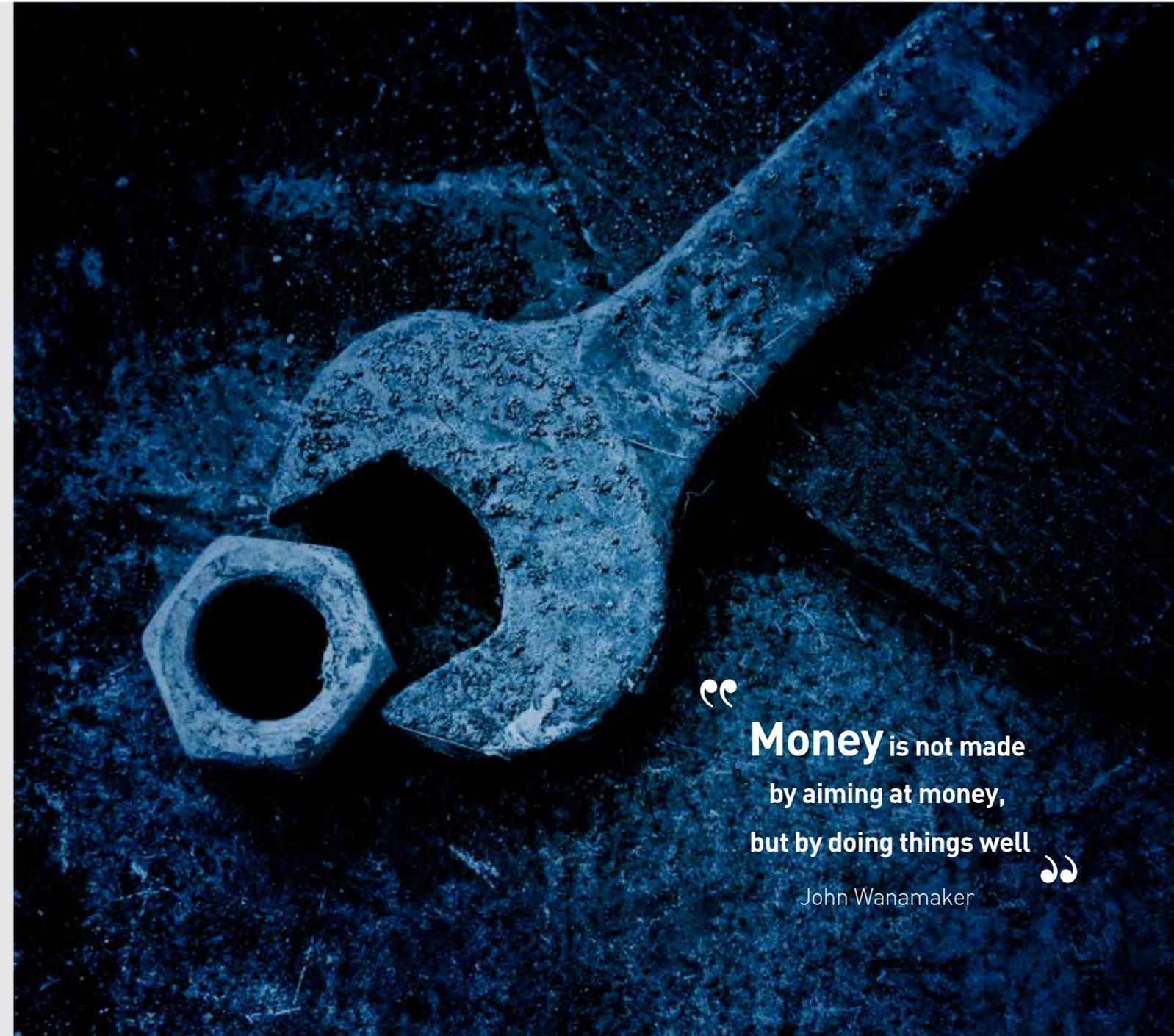
## Fair Business Practices |

Electra is committed to honesty and fairness when dealing with retailers, distributors, suppliers, and subcontractors. Special emphasis is placed on selecting business partners in a fair, impartial manner, free from external influences, and promoting fair competition between all parties wishing to do business with the Group.

## Safeguarding the Group's Assets & Trade Secrets |

Electra and its employees are committed to maintaining the confidentiality of supplier information, without disclosure to any third parties. Likewise, we are committed to safeguarding information related to agreements with suppliers, unless otherwise requested by the supplier, or by court order.

**Retailers, distributors, suppliers, and subcontractors are all integral components of Electra's leading market position and its success in the competitive arena. Electra has worked, is working, and will continue working to develop excellent, impartial collaborative activities with its business partners.**



“**Money** is not made  
by aiming at money,  
but by doing things well”  
John Wanamaker

“**Genius**  
is 1% inspiration,  
99% perspiration”

Thomas Edison

## COMPETITORS

The Electra Group advocates competition in accordance with fair business practices for all industrial and commercial matters, relating to both consumer and corporate aspects.

Electra places emphasis on:

### **Upholding the Law |**

Electra operates in a competitive market, in accordance with the guidelines and requirements of the competent authorities, as well as regulations against anti-competitive practices.

### **Fair Business Practices |**

Electra operates in a competitive market, respects its competitors, and views fair business practices as being of the highest importance. The Group welcomes any professional competition conducted while presenting reliable information and abiding by the fair and moral rules of the game and, of course, acting in accordance with the law. All gathering of intelligence about our competitors is carried out fairly, precisely, and in accordance with the law.

### **Accurate Reporting |**

We strive to maintain a fair competitive advantage over our competitors. For this purpose, we ensure that we provide only reliable and accurate information, to avoid misleading the public and our stakeholders.

**Electra welcomes the opportunity to operate in a competitive market. Competition is an ongoing challenge that requires us to compete in a fair, moral, and legal manner. Within this context, we endeavor to be at our best and enable our customers to enjoy the benefits inherent in our products and services.**



“ How the **soul** of man  
is transformed according  
to the climate, the silence, the  
solitude, or the company  
in which it lives! ”

Nikos Kazantzakis  
Zorba the Greek

## ENVIRONMENTAL & COMMUNITY INVOLVEMENT



## SUSTAINABILITY & ENVIRONMENTAL PROTECTION

The Electra Group recognizes the importance of sustainability and environmental protection, their impact on the contemporary work environment of every person, and their direct relationship to the immediate future, as well as future generations.

Electra places emphasis on:

- Establishing the Group's position and expanding its activities, while relating to the link between the business world, the environment, and society
- Taking responsibility for the protection of the environment and its quality, and raising awareness of this issue among stakeholders
- Taking consistent steps to improve work procedures and reduce their environmental impact, while taking into account economic, social and environmental considerations
- Ensuring constant improvement of a safe, healthy work environment for Electra employees and stakeholders

**Evaluating environmental, social, and economic considerations contributes to the welfare of the Electra Group's employees and stakeholders, and has a direct effect on the balance maintained between the best interests of the environment and the best interests of the Group.**

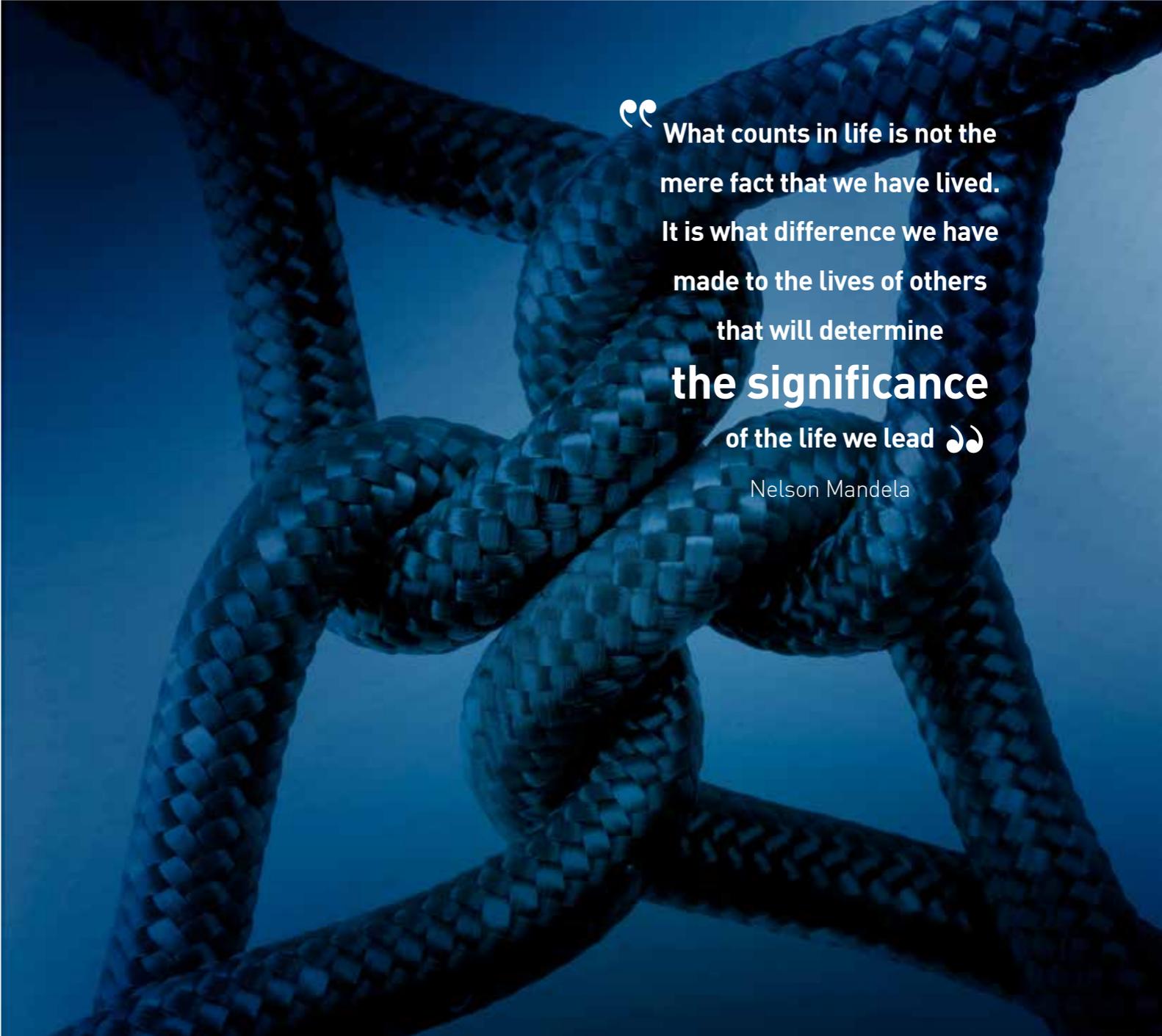
## SOCIAL INVOLVEMENT & CONTRIBUTION TO THE COMMUNITY

Electra places emphasis on:

The Electra Group champions cooperation between businesses and the community, and works to establish and develop long-term relationships within the community in which we live and work. Electra is active in the community and provides assistance in several ways in various areas, including financial contributions and volunteer work carried out by employees in community activities and projects. During the year, all Electra Group employees are encouraged to participate in activities, lead cooperative ventures, and participate in the development of the Group's social involvement.

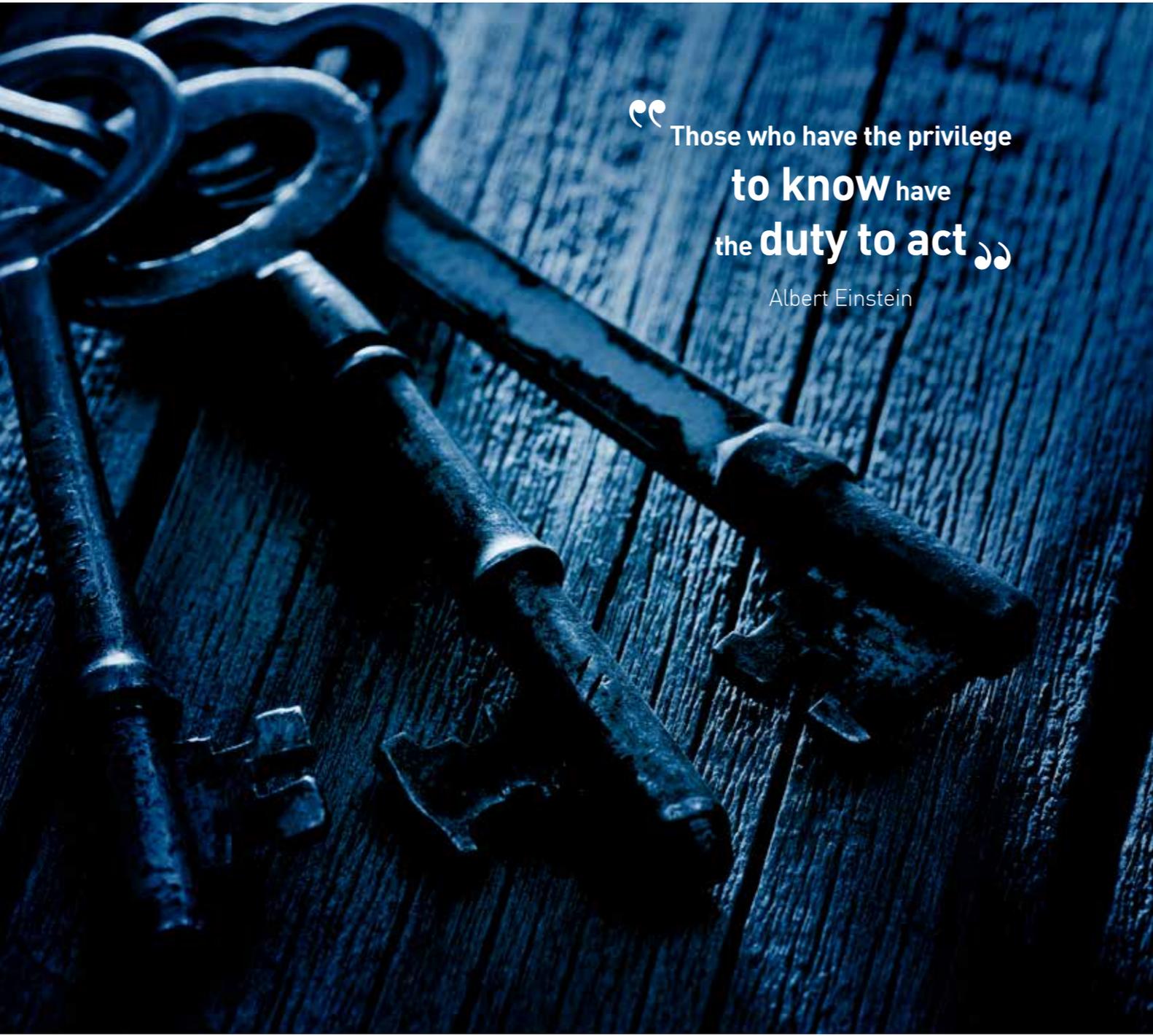
A common theme links the Group's activities: assisting people with disabilities through physical activity. With the assistance of the Zionism 2000 association, the Group has a number of community partners working for the benefit of people with disabilities. In this way, Electra is able to promote its social responsibility to advance and develop society.

**Electra advocates the values of social responsibility, and strengthening relationships with the community and business partners, while improving the social environment in which it operates. The Group's employees contribute to this environment and have the opportunity to use their diverse skills, while gaining satisfaction, meaning, and a sense of belonging and identification with the Group.**



“What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead”

Nelson Mandela



“Those who have the privilege  
to know have  
the duty to act”

Albert Einstein

## KNOWLEDGE PRESERVATION

The Electra Group operates in a dynamic competitive market, and the preservation of the knowledge it accumulates is essential for its ongoing activity.

Electra places emphasis on:

### **Document Handling |**

Proper, meticulous handling of documents, avoiding sensitive material being taken outside the Group unnecessarily and without approval from a supervisor.

### **Access Codes & Personal Network Passwords |**

These may not be transferred to others, unless they are defined as shared.

### **Smart Passwords |**

Passwords will always be defined as “smart” and include a combination of letters, numbers, and special characters.

### **Shredding |**

Shredding bins and machines are located in each building. Papers that contain sensitive information will only be disposed of in these bins, and will not be thrown into a regular trash can.

**Information security is one of the pillars of the Electra Group, and is essential for the Group's ongoing activity and growth. The Group has invested considerable resources to secure its business information, and employees are required to comply with all the related rules of conduct.**

## IMPLEMENTING THE CODE OF ETHICS

The Code of Ethics has been adopted by the Electra Group's board of directors and management, and is an integral, significant part of the Group's management culture. All Group employees and managers must take steps, to the best of their ability and within the framework of their authority and position, to enact, implement, and enforce the Code of Ethics throughout all levels of the organization.

**The Group's management, in cooperation with the Human Resources and Administration Division, will operate a training program on the Code of Ethics for all Electra employees and managers.**

“Being willing  
is not enough;  
**we must do.**”

Leonardo da Vinci

# 3 TESTS

for Handling Ethical Dilemmas

## LEGAL TEST

Is it legal?

Is there a relevant law that applies to this situation?

Does it comply with the Group's policies and procedures?

Does the Code of Ethics apply to this matter?

## LOYALTY TEST

Could it damage the Group's image?

Would doing this exploit the Group's status / resources / gender?

Could it harm employees, or the Group itself?

## MORALITY TEST

Is it something any employee / manager would do?

Would I be embarrassed if others found out I did it?

How would I feel if others did this to me?

**Even if the Code of Ethics, procedures, law, or Q&A do not directly apply to the specific case at hand, always adopt the simple rule of Hillel the Elder: "That which is hateful to you, do not do to your neighbor."**

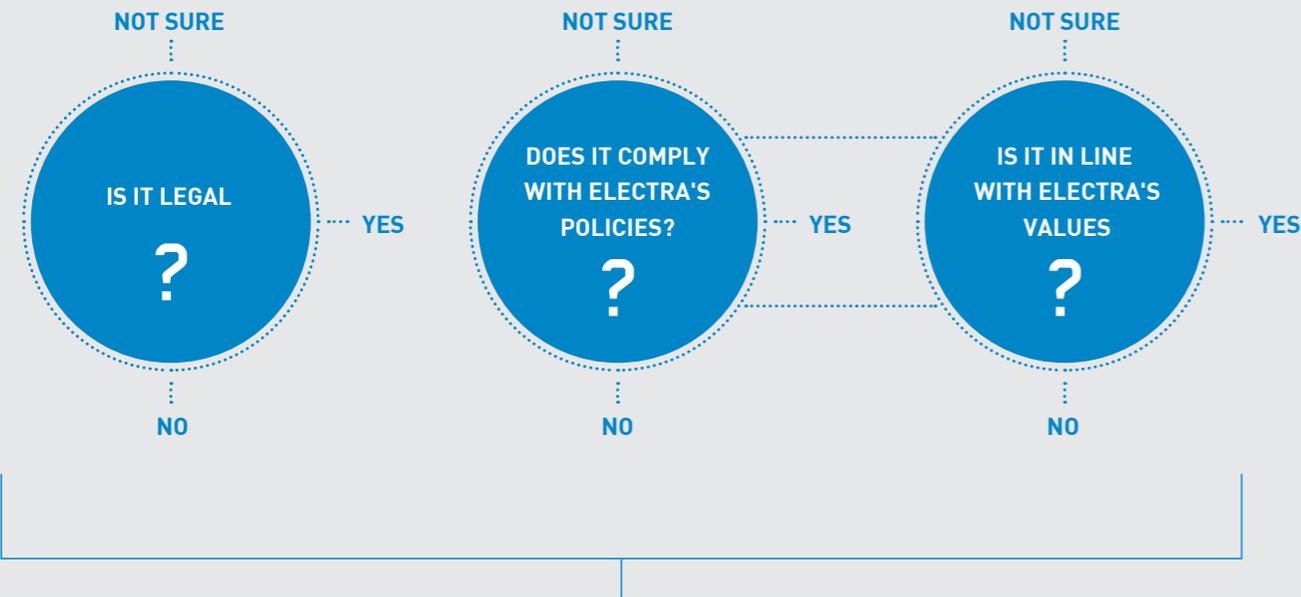


“**Nothing comforts us so completely as the clarity of knowledge**”

Arthur Schopenhauer

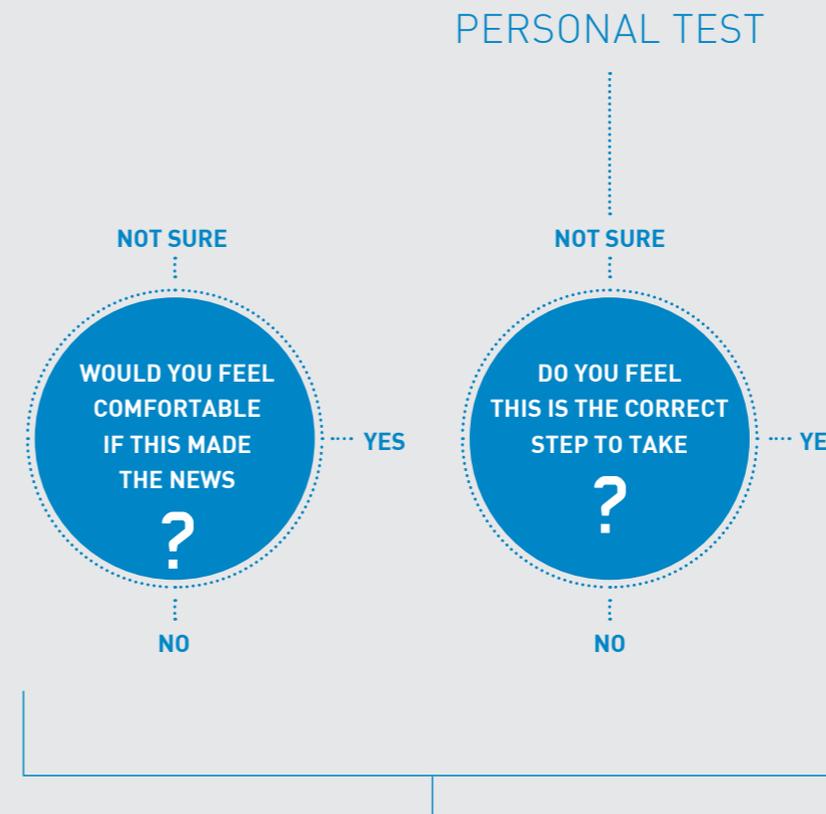
# DECISION-MAKING TOOL FOR ETHICAL ISSUES

Uncertain about a certain action, process, or task? Electra's decision-making tool will help you make the right decision on ethical issues. Read the Code of Ethics and, if you still have questions, please contact one of the relevant parties responsible for these matters.



**Don't do it!**

This could have severe consequences for you and/or the company.



Proceed with caution! Consult the relevant parties, as this may affect the company's reputation.

## PERSONAL TEST

Take the Appropriate Action



## Implementing the Code of Ethics Step by Step

- Every new employee will receive the Code of Ethics booklet when starting work at Electra
- Each professional course held by Electra will include training on the Code of Ethics
- Each management course held by Electra will include training on the Code of Ethics
- General, wide-ranging instruction on the Code of Ethics and its enforcement will be given to the Human Resources staff of each Electra company
- The Code of Ethics will be posted on the Group's web portal
- The Code of Ethics will be made available on the Group's website
- The Code of Ethics booklet will be distributed to all partners and stakeholders (including clients, suppliers & subcontractors)



## ENFORCEMENT & REPORTING

The Group's employees and managers, among all its subsidiaries, are committed to the Code of Ethics and its principles. We believe in creating an open, positive atmosphere in which Group employees and managers feel comfortable asking for assistance with any ethical dilemma.

**In any situation where an employee or manager encounters an ethical dilemma or breach of ethics, as presented in this code, he or she must file a complaint or alert the relevant parties.**

Any ethical dilemma or breach of the Code of Ethics must be reported to one or more of the following:

Direct Manager

HR Manager

Group VP Legal, mail: [ronitb@electra.co.il](mailto:ronitb@electra.co.il)

Group Internal Auditor, tel: 09-9565872

**The Group undertakes to protect all those who fulfill their duty and alert superiors to breaches of the Code of Ethics, and to examine every complaint with absolute professionalism and discretion.**

## CODE OF ETHICS – Questions & Answers

"The shortest and surest way to live with honor in the world is to be in reality what we would appear to be" – Socrates.

### What is the Code of Ethics?

The Code of Ethics includes principles, values, norms and rules of conduct that guide the manner in which we conduct ourselves vis-à-vis the various parties with which we interact. At the Electra Group, managers and employees are committed to behaving ethically when interacting with colleagues, as well as with clients, suppliers, competitors, authorities and the establishment, the community, and the environment.

### What are the goals of the Electra Code of Ethics?

The Code of Ethics is designed to achieve three main goals:

- To encourage us, employees and managers, to be meticulous in our efforts to uphold the law, human dignity, integrity, and fairness
- To foster an organizational culture in line with the needs of the Group, which is founded on integrity and social responsibility
- To safeguard the assets of the Group and use its resources appropriately.

### Who does the Electra Code of Ethics apply to?

The code of conduct defined in the Code of Ethics is binding upon all the Group's employees and managers. In addition, as part of our commitment to environmental and social responsibility, we also require all suppliers and subcontractors who provide service to any Electra company, and to the Group itself, to abide by this code of conduct.

### Does the Code of Ethics replace the Group's values?

No. The Code does not replace or derogate from the laws or regulations to which the Group is committed as a whole. In fact, the Code constitutes an additional tier that reflects the values expressed by Electra and all of the Group's business partners and stakeholders, and directs the recommended courses of action that are consistent with the defined behavioral norms.

### What are ethical dilemmas?

Ethical dilemmas are the practical test of the Code of Ethics. They may arise when there are at least two possible alternatives, but neither is clearly better. Sometimes, the chosen course of action will create a conflict, whether between two values, between a particular value and business objectives, and/or between different customs.

Most ethical dilemmas do not have a clear, obvious solution, and most require us to exercise discretion. The purpose of the Code of Ethics is, among other things, to clarify that, in cases of uncertainty, it is necessary to consult the parties defined as relevant authorities in the field of organizational ethics.



