



Annex to the **Procurement Policy of Electra Group – Green and Responsible Procurement**

Introduction

Electra Group attaches great importance to protecting the environment and promoting principles of corporate responsibility and sustainability. As an industry leader, Electra operates towards reducing the environmental impact of its operations and, to the extent possible and subject to the nature of its projects and developers' requirements, towards integrating environmental, social, and ethical considerations into its procurement processes and engagement of suppliers and subcontractors.

General Principles

Electra believes that fair, transparent, and value-based business relationships form the foundation for long-term success. It manages its engagements with suppliers and subcontractors meticulously adhering to the following principles:

- Fairness, integrity, and full transparency throughout all stages of the engagement.
- Free competition safeguarding and avoidance of conflicts of interest.
- Open communication, mutual respect, and collaboration.
- Compliance with applicable legal, regulatory, and relevant professional standards.

Environmental Responsibility and Green Procurement

To the extent possible, given the nature of the project, Electra is committed to reducing environmental impacts arising from its activity and, to encouraging the use of materials and products that have a reduced environmental impact. To this end, Electra:

- Gives preference to the procurement of products, services, and solutions that contribute to the reduction of emissions, energy and water savings, waste reduction, and the prevention of pollution.
- Encourages the reuse of products and equipment, as well as the use of recyclable products or products made from recycled materials.
- Collaborates with suppliers that implement environmental management systems according to international standards (such as ISO 14001) or, those that maintain similar environmental policies.
- Integrates environmental considerations into decision-making processes relating to selection of suppliers, materials, and work methods, based on available options and the nature of the project.



Social and Ethical Responsibility

Electra views as paramount, the safeguarding of human rights, fair working conditions, and occupational health and safety, and accordingly, it expects its suppliers to meet legal requirements and fully comply with:

- Labor, safety, and occupational health laws in Israel and in the countries in which it operates.
- Maintaining a safe and healthy working environment in compliance with ISO 45001 standards or other recognized work-safety management practices.
- Refraining from any form of discrimination, child labor, forced labor, or exploitation.
- Preventing corruption, embezzlement, fraud, and the giving or receiving of bribe in any form.

Quality Management and Standards

Electra encourages its suppliers to adopt principles of quality management and constant improvement, based on their technological and business capabilities. Electra prioritizes suppliers that:

- Have implemented an ISO 9001-based quality management system or a comparable standard.
- Operate with full transparency in relation to compliance with standards and control procedures.
- Ensure monitoring and quality throughout all stages of supply and service delivery.

Diversity and Inclusion in the Supply Chain

Electra strives, to the extent possible, to promote collaboration with diverse suppliers - including small and medium-sized enterprises, businesses in the periphery and business owners from various population groups - based on a social outlook that recognizes the value of advancing an inclusive economy and joint growth.

Compliance with Regulatory Requirements

Electra requires its suppliers and subcontractors to comply with any applicable laws, rules, and regulatory requirements applying in the domains of environmental quality, safety, employee's rights, and construction and energy standards. Where a specific environmental or regulatory policy applies to one of Electra's subsidiaries, in its discretion, suppliers will be required to comply with such policy to the extent it is relevant and practicable.

Implementation and Monitoring

Electra will periodically review the implementation of the principles of this policy among its suppliers and subcontractors and will encourage continuous improvement in the sphere of green and responsible procurement. Electra will prioritize suppliers that demonstrate a proven commitment to these values, while reviewing each engagement to its merits, based on capabilities, the characteristics of the engagement, and business needs.

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