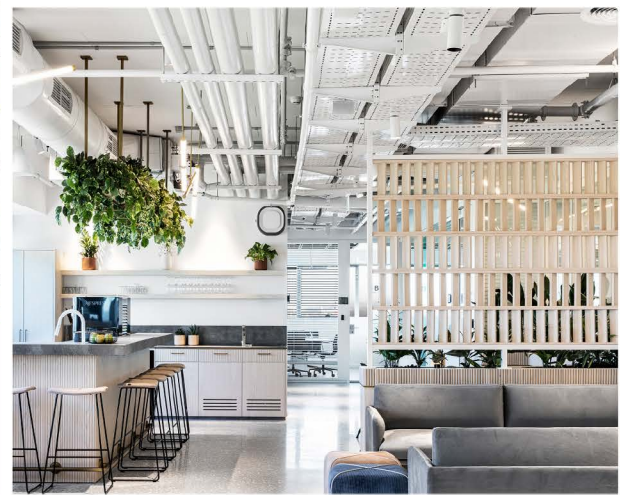
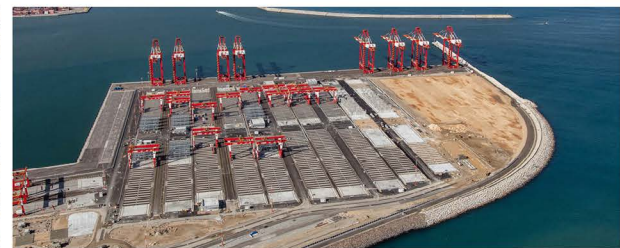
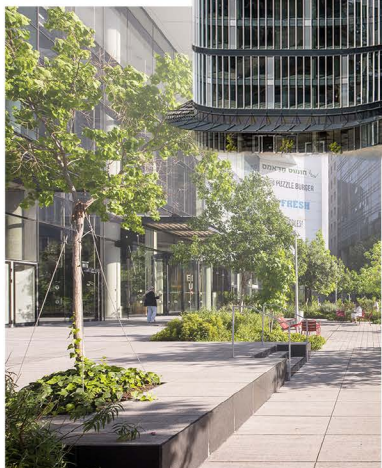




**ASHTROM** Group



ESG

2024



# Table of Contents

03

Statement from the Chairman  
and CEO of Ashtrom Group

04

Statement from Ashtrom  
Group's ESG Leadership

05

About Ashtrom Group

10

Our Commitment to ESG

15

A Sustainable  
Environment

46

A Healthy and Safe  
Community Environment

66

An Ethical Business  
Environment

86

Appendices

This report is written in the masculine form for convenience only and applies equally to all genders.



# Statement from the Chairman and CEO of Ashtrom Group

The past year presented both significant challenges and meaningful opportunities. With the outbreak of the 'Iron Swords' War in October 2023, Ashtrom Group faced a new and complex reality that continued into 2024. One of the key challenges brought about by the war was maintaining operational continuity while swiftly adapting construction site activities to evolving logistical constraints and supply chain disruptions.

We are committed to the safety and well-being of our employees and invest in their professional and personal development. We take pride in the spirit of volunteerism and generosity our employees have shown during this challenging time—a spirit that reflects the core values of the Group.

Despite the many challenges, and in line with our commitment to the community and society in Israel, we extended our support to both the public and the security forces, while maintaining open and transparent dialogue with our stakeholders.

Throughout 2024, we continued to act with determination and lead the construction and real estate industry in Israel. We have advanced existing projects, launched new initiatives, adopted advanced technologies to enhance our products and services, and developed creative solutions to meet the evolving needs of the market. We have also focused our efforts on developing construction products, and initiating, constructing, and managing projects in a sustainable way—continuing to contribute to the economic, social, and environmental challenges we face. We believe that through these actions, we can help secure a better

future for the next generations and strengthen the communities and environments in which we operate.

We are proud to continue leading the Ashtrom Group at the forefront of ESG activities in Israel, particularly within the construction and real estate sectors. We are pleased to share our progress in the Group's third ESG report, marking another important milestone in our ongoing journey.

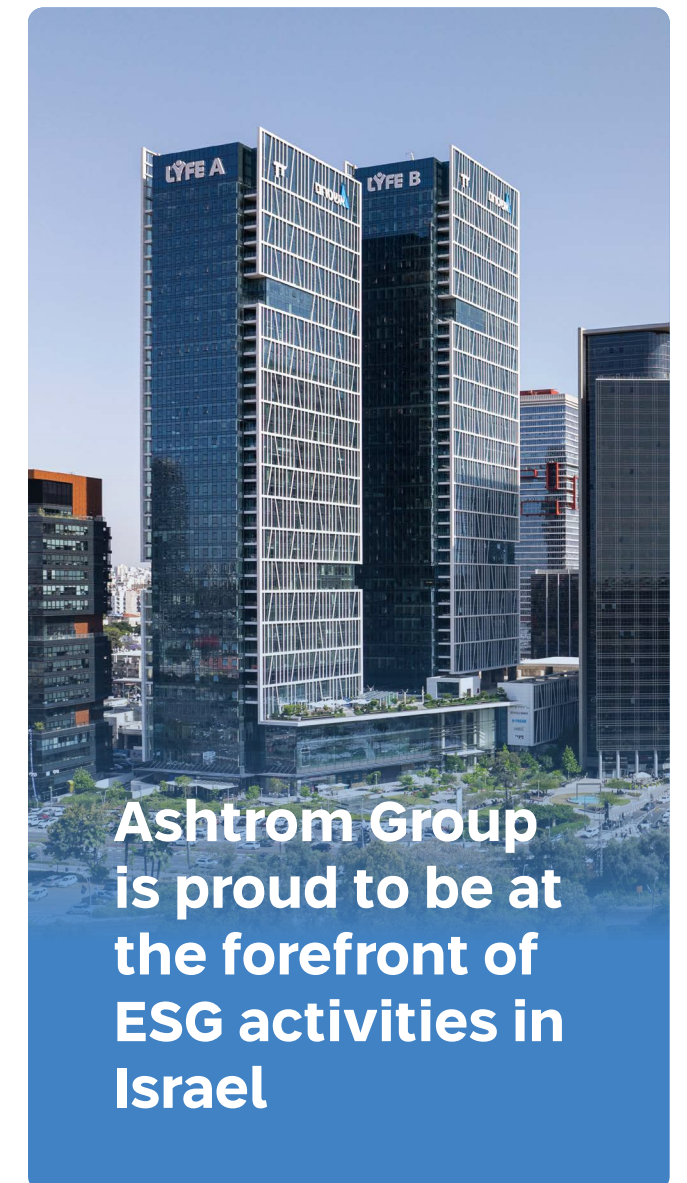
We invite you to review Ashtrom Group's 2024 ESG Report and discover the impactful work and initiatives we are leading in this important field.



*אברהם נוסבאום*  
**Avraham ( Rami) Nussbaum**  
Chairman  
Ashtrom Group



*גיל גירון*  
**Gil Giron**  
Director & CEO  
Ashtrom Group



**Ashtrom Group  
is proud to be at  
the forefront of  
ESG activities in  
Israel**



# Statement from Ashtrom Group's ESG Leadership

Dear Readers,

2024 was a particularly challenging year for the State of Israel—and for us, as a group operating at the heart of this complex reality. The “Iron Swords” war confronted us with significant challenges as citizens, a community, and a business corporation.

Despite these challenging circumstances, Ashtrom Group remained committed to its core values in sustainability, social responsibility, and corporate governance.

This year, we acted with the understanding that it is precisely in times of crisis that our role as a leading group is to provide stability, support communities, and continue promoting ESG values—values rooted in a deep sense of responsibility for a better future.

Over the past year, we have invested significantly in supporting the well-being of our employees, partners, local communities, and victims of the war—through collaborations with non-profits and social organizations. At the same time, we continued to develop sustainable products and advance initiatives focused on reducing our carbon footprint and

promoting energy efficiency.

The past year has reinforced, more than ever, the value and importance of our ESG efforts. While many challenges still lie ahead, we believe that together we can continue building a stable and sustainable future for our employees, customers, and partners—while inspiring broader commitment to this journey across Israeli society.

We thank you for your partnership, support, and your confidence in our ability to drive positive change and make a meaningful impact.

With warm regards,



*[Signature]*  
**Oren Nussbaum**  
Deputy CEO



*[Signature]*  
**Gal Omer**  
CFO



*[Signature]*  
**Maya Feuer**  
Head of Sustainability and Innovation

Recanati • Tel Aviv Jaffa



The Carmel tunnels • Haifa



**Ashtrom Group Ltd.** ("Ashtrom Group" or "the Group") is one of Israel's leading construction and real estate companies, established in 1963. The Group's shares are traded on the Tel Aviv Stock Exchange and are included in its leading indices: **TA-90, TA-125, TA-125 Fossil Free, and TA-RealEstate**. The Group's bonds are **rated iIA** with a negative outlook<sup>1</sup> by S&P Maalot.

Ashtrom Group initiates, develops, markets, and manages projects in Israel and internationally across eight core areas of activity<sup>4</sup>.

**62**  
Years of experience  
since 1963

**8**  
Divisions working in  
synergy  
across construction  
and real estate

**1,455**  
Employees in Israel  
the source of our  
strength

**9**  
Regions of global  
activity

**19**  
Factories and  
production sites  
across Israel

over **50**  
Projects  
under simultaneous  
execution

**~17,500**  
Housing units  
in planning,  
construction & marketing

Over **60**  
Income-producing  
properties  
in Israel and abroad

Over  
**700,000 sqm**  
Of employment and  
commercial space  
managed and operated<sup>3</sup>

**<2,480**  
Long-term rental units  
in planning, construction  
and operation

**2,086 MW**  
Renewable energy  
capacity in  
development, construction  
and operation<sup>2</sup>

**400,000**  
tons CO<sub>2</sub>e  
Reduced annually by  
the Tierra Bonita solar  
facility



1. All data in this report is accurate as of December 31, 2024 | 2. Ashtrom Group's share | 3. Together with partners | 4. For details regarding the [holding structure of Ashtrom Group](#), please refer to the appendix of this report



# Ashtrom Group's Divisions



## Ashtrom Construction

### Construction and Infrastructure in Israel

The construction activities are carried out by **Ashtrom Group, Ashtrom Construction Ltd.** and its holding entities (collectively and individually referred to as "Ashtrom Construction"). The company provides comprehensive, end-to-end solutions across all stages of planning and execution in the fields of construction, civil engineering, transportation infrastructure, underground works, and industrial construction.

Ashtrom Construction is engaged in a diverse portfolio of projects, including residential buildings, office towers, commercial and industrial complexes, public and governmental facilities, hospitals, and national infrastructure projects such as ports, roads, bridges and railways.

Revenue volume in millions of shekels **2,407** | Geographical Reach 



## Ashtrom Properties

### Investment and Development of Income-Generating Properties

**Ashtrom Properties Ltd. ("Ashtrom Properties")** is a leading company in the initiation, planning, construction, acquisition, and management of income-generating real estate properties in Israel, Germany, and the UK. The company currently manages and operates over 700,000 sqm (owned in partnership) of office buildings, commercial centers, and industrial complexes. In addition, Ashtrom Properties is actively advancing, together with partners, approximately 900,000 sqm of new projects that are in various stages of initiation and construction.

Revenue volume in millions of shekels **475** | Geographical Reach 



## Ashtrom Residences

### Residential Development in Israel

**Ashtrom Residences Ltd. (formerly "Ashdar", "Ashtrom Residences")** specializes in the planning, development, and establishment of a wide range of residential projects across Israel. The company is currently engaged in the planning, development, and marketing of thousands of housing units at various stages, and is recognized as a leading force in advancing urban renewal projects in major cities nationwide.

Revenue volume in millions of shekels **744** | Geographical Reach 



# Ashtrom Group's Divisions



## Ashtrom Industries

**Ashtrom Industries Ltd. ("Ashtrom Industries")** develops, manufactures, imports, and markets a wide range of advanced construction solutions and raw materials for all stages of the building process. Backed by a cutting-edge research and development system, the company is at the forefront of technological innovation in the industry. With 17 manufacturing facilities across Israel, Ashtrom Industries produces high-quality concrete and mortar, gypsum and other types of blocks, asphalt for road infrastructure, and advanced finishing and paint products.

Revenue volume in millions of shekels **1,008** | Geographical Reach 



## Ashtrom Residences for Rent

**Ashtrom Residences for Rent Limited Partnership ("Ashtrom Residences for Rent")** initiates, plans, markets, leases, and manages residential communities across Israel under a long-term rental framework, offering tenants a high-quality, community-focused living experience. The institutional residential rental sector presents a modern and effective housing solution, providing tenants with enhanced certainty and flexibility regarding rental terms and duration.

Revenue volume in millions of shekels **117** | Geographical Reach 



## Ashtrom Renewable Energy

**Ashtrom Renewable Energy Ltd. ("Ashtrom Renewable Energy")** is an Independent Power Producer (IPP) specializing in the initiation, development, financing, and operation of large-scale renewable energy projects in Israel, the United States, and Poland. The company focuses primarily on solar energy (I&C and Utility Scale projects), as well as wind energy and energy storage solutions.

Revenue volume in millions of shekels **34** | Geographical Reach 



# Ashtrom Group's Divisions



## Ashtrom Concessions

**Ashtrom Concessions** specializes in the initiation, capital raising, establishment, and management of large-scale infrastructure projects developed through collaboration between the private sector, public sector, and financial institutions. Among the company's flagship achievements are mega infrastructure projects such as the Carmel Tunnels in Haifa and the Jerusalem Light Rail.

Revenue volume in millions of shekels

19



Geographical Reach



## Ashtrom International Global Operations

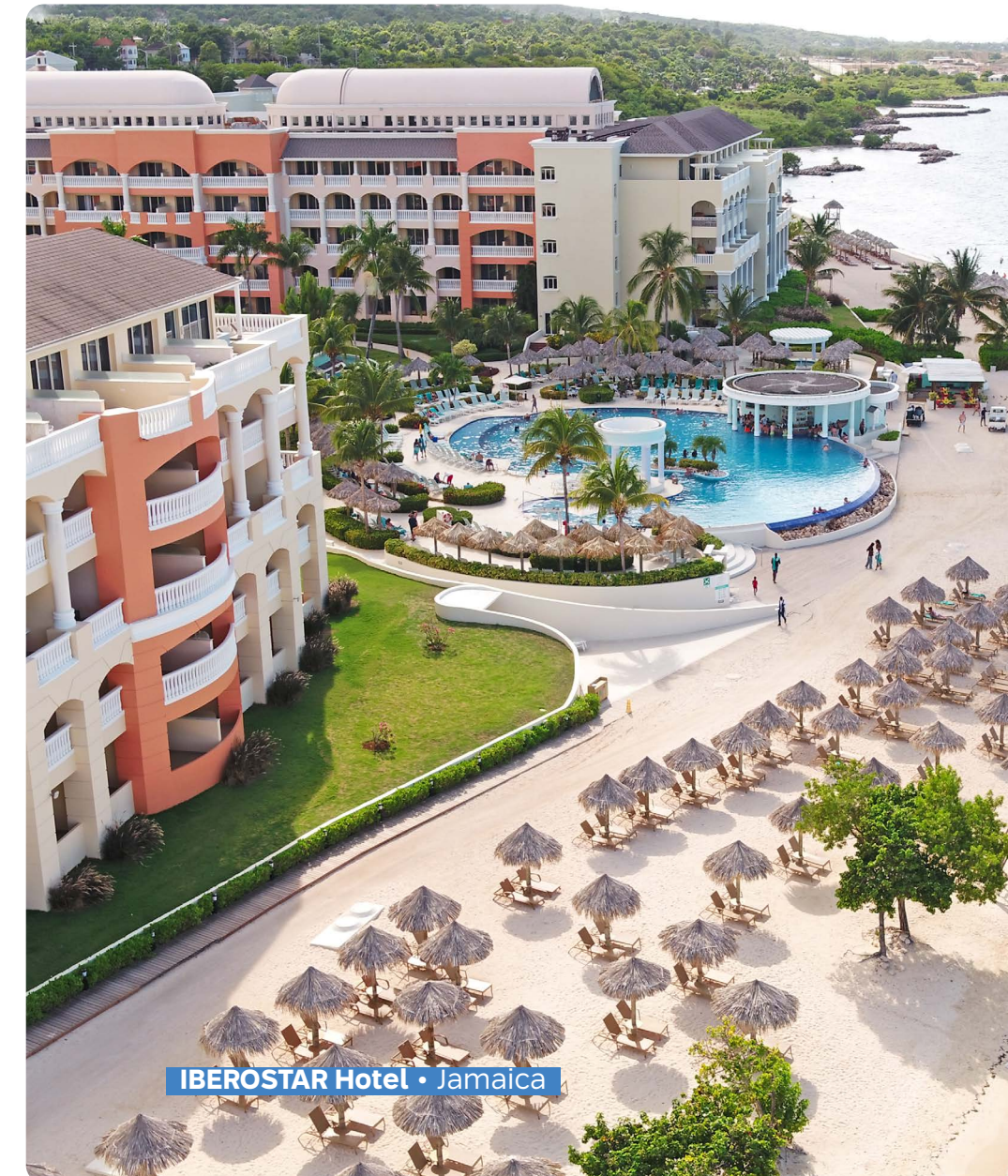
**Ashtrom International Ltd. ("Ashtrom International")** initiates, plans, builds, and manages large-scale projects across the globe, with a strong focus on the development and construction of residential neighborhoods in Europe and the United States. The company is also involved in the management and operation of income-generating properties in Serbia and Romania, and has taken part in complex mega infrastructure projects in Africa, Europe, and the Caribbean.

Revenue volume in millions of shekels

362



Geographical Reach





# Ashtrom Group Value Chain

Ashtrom Group operates end-to-end across the construction and real estate value chain—from the production of building materials and infrastructure development, to the initiation and management of income-generating properties, residential projects, and the advancement of renewable energy sources. Each business segment plays a vital role in supporting the Group's sustainability goals, with a focus on reducing environmental impact at every stage of the value chain, while also investing in human capital and fostering long-term, trust-based relationships with all stakeholders.



## Production and Marketing of Building Materials

- Concrete and Asphalt
- Blocks and Insulation Products
- Finishing Products and Paint
- Home Design Solutions



## Property Development and Planning

- Residential for Sale
- Offices, Commercial, and Mixed-Use Projects
- Residential for Long-Term Rental



## Construction and Development

- Construction
- Infrastructure
- Prefabricated Construction



## Property Management

- Offices, Commercial & Mixed Use
- Long Term Rental Residential
- Project Management Under Concession Framework



## Renewable Energy

- Solar Energy
- Wind Energy
- Energy Storage

### Environmental Impact

- Production and marketing of construction materials, including products that meet the Israeli Green Standard and are backed by EPD.
- Implementation of circular economy principles
- Use of recycled raw materials
- Member of the Israeli Green Building Council

- Residential property planning according to the Israeli Green Building Standard 5281
- Commercial property planning and acquisition according to Israeli and international green building standards, such as LEED and BREEAM

- Construction is carried out in accordance with Israeli and international building standards, including the Israeli Green Building Standard 5281, according to the nature and type of project defined by the client.
- We strive to ensure that construction waste is removed by suppliers and service providers who, as part of their service, transport the waste to authorized recycling facilities.

- Investment in technological systems for the efficient management of energy and water resources
- Solar energy production through the installation of systems on property rooftops

- Supplying renewable energy to tens of thousands of households
- Reducing greenhouse gas emissions

### Social Impact

The Group's activities generate significant social value for its stakeholders. It makes a meaningful contribution to the local economy by creating jobs, training workers across a variety of professions, supporting local businesses, and improving the economic stability of households throughout Israel. This is achieved by expanding access to housing solutions—including long-term rentals—and employment opportunities across the country.



# Our Commitment to ESG



LYFE Towers • Bnei Brak



# Ashtrom Group's Stakeholders

Ashtrom Group's stakeholders include employees, customers, business partners, suppliers, contractors, government and regulatory authorities, local communities, environmental organizations, non-profit entities, shareholders, and other stakeholders. **We place great importance on maintaining ongoing, transparent dialogue with all our stakeholders, especially with our employees, customers, tenants, and business partners.**

As part of the formulation of the Group's ESG strategy, we conducted a stakeholder mapping process, including the methods of ongoing engagement with them. The goal was to receive feedback and promote fruitful dialogue. The content leaders, who are in regular contact with stakeholders, updated the relevant managers with insights that emerged during the meetings and ongoing conversations.

The topics of dialogue and communication channels with stakeholders remain unchanged from those detailed in the Group's 2023 report. For more information, see the appendix: ["Dialogue with Stakeholders."](#)

Ashtrom Group is a member of several leading industry associations and forums, aimed at promoting the construction and real estate sector in Israel and internationally. For a [full list of memberships](#), refer to the appendix of this report.

For details on the [Ashtrom Group's economic impact](#), please see the relevant table in the appendix.

EXCHANGE Towers • Ramat Gan

# Materiality Analysis

**In 2024, the Group revisited its materiality analysis, updating the manager questionnaires and validating its strategic focus areas.** As part of this process, we conducted a review of peer companies in Israel and abroad, and analyzed ESG ratings (such as GreenEye and Sustainalytics), as well as international standards (such as SASB, GRI, and GRESB). Based on this review, we prioritized key issues according to the source of information, their level of importance, and their impact on business activity.

Material Reporting Topic	Scope of Impact
Greenhouse Gas Emissions Reduction and Climate Policy	Within the Organization ← Outside the Organization →
Corporate Governance, Ethical Conduct, Transparency, and Anti-Bribery and Corruption Measures	Within the Organization ← Outside the Organization →
Employee Health and Safety	Within the Organization ← Outside the Organization →
Quality, Safety, and Sustainability of Products and Services	Within the Organization ← Outside the Organization →
Efficient Use of Resources Across Material Production, Project Planning, Construction, and Properties Management	Within the Organization ← Outside the Organization →
Diversity and Inclusion	Within the Organization ← Outside the Organization →
Minimizing Ecological Footprint and Protecting Biodiversity	Outside the Organization →
Employee Development and Empowerment	Within the Organization ← Outside the Organization →
Responsible Supply Chain	Within the Organization ← Outside the Organization →
Promoting Community Resilience	Outside the Organization →



The Carmel tunnels • Haifa

# Ashtrom Group's ESG Strategy and Goals

Sustainability is a core value guiding Ashtrom Group's activities. The Group recognizes the importance of sustainability and its positive impact on society, the economy, and the environment. The Group operates with a clear understanding that business corporations today must generate enduring value, not only for their direct stakeholders, but also for future generations. Our approach to sustainability is built on three fundamental principles: Innovation, responsibility, and transparency.

This concept is reflected in the Group's sustainability strategy and the clear goals we have set, with the aim of driving positive, long-term change.

Ashtrom Group supports the United Nations Sustainable Development Goals. For more on our approach to the **selected goals**, please refer to the appendix of this report.







## **E** Sustainable Environment

- 🎯 Planning, construction, and management of sustainable assets
- 🎯 Reducing environmental impact and advancing a circular economy (reduce, reuse, and recycle)
- 🎯 Development and production of environmentally advanced building materials
- 🎯 Integrating innovation in materials, methods, and processes


### By 2050

-  **Net Zero**  
Carbon Neutrality
-  **100%**  
Green certification for assets and products in Israel and Worldwide



### By 2040

-  **50%**  
**Reduction in greenhouse gas emissions in Scopes 1 & 2**  
In 2024, a decarbonization plan was formulated, within which the following interim targets were established:

### By 2035

-  **20%** of all private vehicles will be hybrid, plug-in, electric, or powered by alternative propulsion technologies


### By 2040

-  **30%** of all private vehicles will be hybrid, plug-in, electric, or powered by alternative propulsion technologies.
-  **75%** of the electricity consumption in our income-generating properties under our control and management comes from renewable energy sources.


## **S** Healthy and Safe Community Environment


- 🎯 Building safe and healthy properties and communities
- 🎯 Systematic and structured management of employee safety and health, including increased enforcement and monitoring
- 🎯 Strengthening the local employment market
- 🎯 Promoting long-term rentals

### By 2030

-  **30%**  
**women in senior and middle management positions** (updated target, following the achievement of the previous goal)

-  **At least 4%**  
**of employees with disabilities** in the workforce at Ashtrom Group headquarters

-  **Expand employee involvement** in regular and ongoing volunteering activities

-  **At least 0.5%**  
**of net profit** before tax contributed to the community<sup>5</sup>

-  **Achieve a TRIR of 1**  
(Total Recordable Incident Rate)

<sup>5</sup>. Calculated from the previous year's net profit before tax, excluding one-time profits.

## **G** Ethical Business Environment

- 🎯 Enforcing a strong ethical framework and protecting human rights
- 🎯 Managing risks and opportunities, including ESG-related risks
- 🎯 Strengthening the local employment market
- 🎯 Promoting long-term rentals

### By 2035

-  **0**  
**Ethical incidents<sup>6</sup>**

### By 2040

-  **100%**  
**ESG assessment of material suppliers**
-  **100%**  
**implementation of the Code of Ethics** among key suppliers and business partners

### By 2050

-  **Net Zero**  
**emissions for material suppliers**

<sup>6</sup>. Material events in terms of the scale and scope of their impact on the Ashtrom Group's operations and reputation.



# Corporate Governance for Sustainability

**Ashtrom Group believes in fostering a respectful, inclusive, ethical, and sustainable corporate culture.** To ensure alignment with ESG objectives, sustainability is managed across all divisions of the Group through ongoing dialogue and structured decision-making processes, by the following principles:

Committee Type	Objectives	Meeting Frequency	Leadership & Composition
<b>ESG in the Board of Directors</b>	→ Update, progress report, and approval of the annual report	Once a year	→ Chairman of the Board of Directors
<b>Senior Steering Committee</b>	→ Monitoring strategy → Implementation and progress toward goals, preparing and presenting updates to the Board of Directors. → Decision-making on key issues, budgets, etc.	Up to four times a year	→ Chairman of the Board of Directors → CEO of the Group → Deputy CEO
<b>Working Groups to Promote Areas of Focus</b>	→ Defining focus areas and goals within relevant domains; → Formulating work plans → Allocating resources and tasks; → Monitoring progress	Up to four times a year and ad hoc	→ CEOs of the Group's divisions → Sustainability leaders across divisions → ESG managers
<b>ESG Managers</b>	→ Ongoing management in line with the approved strategy → Monitoring compliance with environmental and social goals in business activities → Managing projects with relevant parties → Raising considerations and opportunities to the management and the Board of Directors	Ongoing	→ <b>ESG Managers:</b> ESG Leader – Deputy CEO → <b>Ongoing Management:</b> CFO; Head of Sustainability and Innovation and Head of Environment → Head of Employee Safety and Health



# Sustainable Environment



section of highway 79

# Planning, Construction, and Management of Sustainable Properties

The real estate industry value chain—from planning and construction to maintenance and operation—is responsible for around 42% of global annual greenhouse gas emissions<sup>7</sup>. These emissions result from both the ongoing operation of buildings and the use of emission-intensive raw materials, such as steel and concrete, in construction and infrastructure.

The urgency of addressing the environmental impact of the construction sector is growing, driven by the nature of existing building assets and the anticipated surge in global construction activity. Projections show that by 2040, around two-thirds of the buildings in use will be those already standing today, while the world's built-up area is expected to double by 2060. This reality underscores the critical need to upgrade and preserve existing structures, while also advancing sustainable building practices to mitigate the industry's environmental footprint. We believe that fostering technological innovation and investing

in advanced solutions can assist in finding ways to transform the industry. Alongside the challenges it faces, the real estate sector today is presented with a significant opportunity to enhance efficiency and improve the quality of construction materials through innovative thinking and revolutionary solutions. For more on this topic, see the [Innovation section](#) in the upcoming pages.

<sup>7</sup>. Architecture 2030. (n.d.). Architecture 2030 – Rapidly transforming the built environment from the major emitter of greenhouse gases to a central solution to the climate crisis. Viewed in February 2025 <https://www.architecture2030.org/>



# Environmental Impacts Are Measured Across the Value Chain



## Manufacturing & Marketing of Building Materials

- **Ashtrom Industries** carries out EPD's for the leading products of **Israbeton**, **BG BOND**<sup>8</sup>, and **Ashbond**<sup>9</sup>, and is conducting pilots aimed at reducing the carbon footprint of concrete mixes and finishing materials.
- Integrating recycled materials into **Ashtrom Industries'** and **Drachim** products.
- Using recyclable packaging for **Ashtrom Industries'** products, including paper bags and gray buckets made with over 30% recycled content.



## Development and Planning

- **Ashtrom Residences, Ashtrom Properties, and Ashtrom Residences for Rent** develop and market residential buildings, office towers, as well as commercial and industrial complexes across the country, all in accordance with Israeli and international green building standards.
- **Ashtrom Properties** also promotes the planning of commercial buildings in Israel that meet LEED GOLD certification and above.



## Construction and Development

- **Ashtrom Construction** executes projects in compliance with both Israeli and international building standards, including Israel's Green Building Standard 5281, in accordance with the project's nature and the client's specifications.
- Construction waste generated on **Ashtrom Construction** sites is handled by approved suppliers and service providers, who transport the waste to authorized recycling facilities as part of their service.



## Property Management

- **Ashtrom Properties, Ashtrom Residences for Rent, Ashtrom Concessions, and Ashtrom International** manage residential, commercial, and industrial properties in Israel and worldwide, while responding to the evolving needs of tenants, prioritizing the service experience, and fostering vibrant community life. At the same time, they continue to improve and streamline property management practices, with a strong focus on reducing environmental impact.



## Renewable Energy

- **Ashtrom Renewable Energy** promotes renewable energy projects in Israel (including on some of the rooftops of the group's properties), in the United States, and in Poland.
- This year, **Tierra Bonita** solar facility in Texas began operating. It is expected to produce approximately 400MW and reduce greenhouse gas emissions by around 400,000 tons per year.
- In addition, preliminary construction work began this year on the **El Patrimonio** solar facility, which is expected to generate approximately 195MW and reduce greenhouse gas emissions by about 193,000 tons annually, alongside the development and initiation of four additional projects.

8. BG BOND | 9. Ashbond



# Ashtrom Group has Set Ambitious Objectives to Advance Environmental Sustainability

## By 2050



**NET ZERO**  
Carbon Neutrality



**100%**

Green certification for  
assets and products in  
Israel and Worldwide

## By 2040

**↓ 50%**

Reduction in  
greenhouse gas  
emissions in  
Scopes 1 and 2

## By 2035

**20%**



of all private vehicles will  
be hybrid, plug-in, electric,  
or powered by alternative  
propulsion technologies

## By 2040

**30%**



of all private vehicles will  
be hybrid, plug-in, electric,  
or powered by alternative  
propulsion technologies

**75%**



of the electricity consumption  
in our income-generating  
properties under our control  
and management comes from  
renewable energy sources

We have set ambitious environmental goals to minimize, as much as possible, the impact of the Group's activities on the environment. As part of these efforts, we have developed an [environmental policy](#) and a decarbonization plan that outline guidelines for the effective and sustainable implementation of these principles. For details on our environmental investments and expenditures, refer to the report in the 2024 [GRI Index Appendix](#).



# Ashtrom Group's Efforts to Promote Environmental Sustainability

## Ashtrom Group's Carbon Footprint

The Group calculates its carbon emissions for Scopes 1, 2, and 3 in accordance with the GHG Protocol. The calculations are based on data recorded in the financial data management system (ERP) and other internal systems.

Each division has a dedicated emissions calculation methodology. For **Ashtrom Properties**, a tailored approach was developed to reflect the nature of its operations. This methodology considers relevant assets for reporting based on the **operational control** concept and segments them in accordance with the **financial control** concept. It is aligned with the GHG Protocol, GRESB guidelines, and applicable accounting standards, and is outlined in the company's internal work procedures.

Calculations of energy intensity, carbon intensity, and water intensity are conducted separately for each division within the Group, based on the specific characteristics of their operations. In most divisions, intensity is measured per built-up area (in square meters). For Ashtrom Construction and Ashtrom Industries, intensity is calculated according to the nature of each subsidiary's activity, with metrics such as tons of production, finished products area, and/or sales in NIS.

The overall intensity of the Ashtrom Group is calculated by weighting the intensity of each division according to its share of the Group's total revenue.

As with all data presented in this report, the figures do not include companies and/or projects in which Ashtrom Group holds less than a 50% stake or those with negligible activity.

**In 2024, the Group began developing a detailed decarbonization plan tailored to each of its business divisions. The plan focuses on reducing Scope 1 and Scope 2 emissions in line with defined targets, incorporating interim milestones on the path toward achieving the Group's long-term goals.**

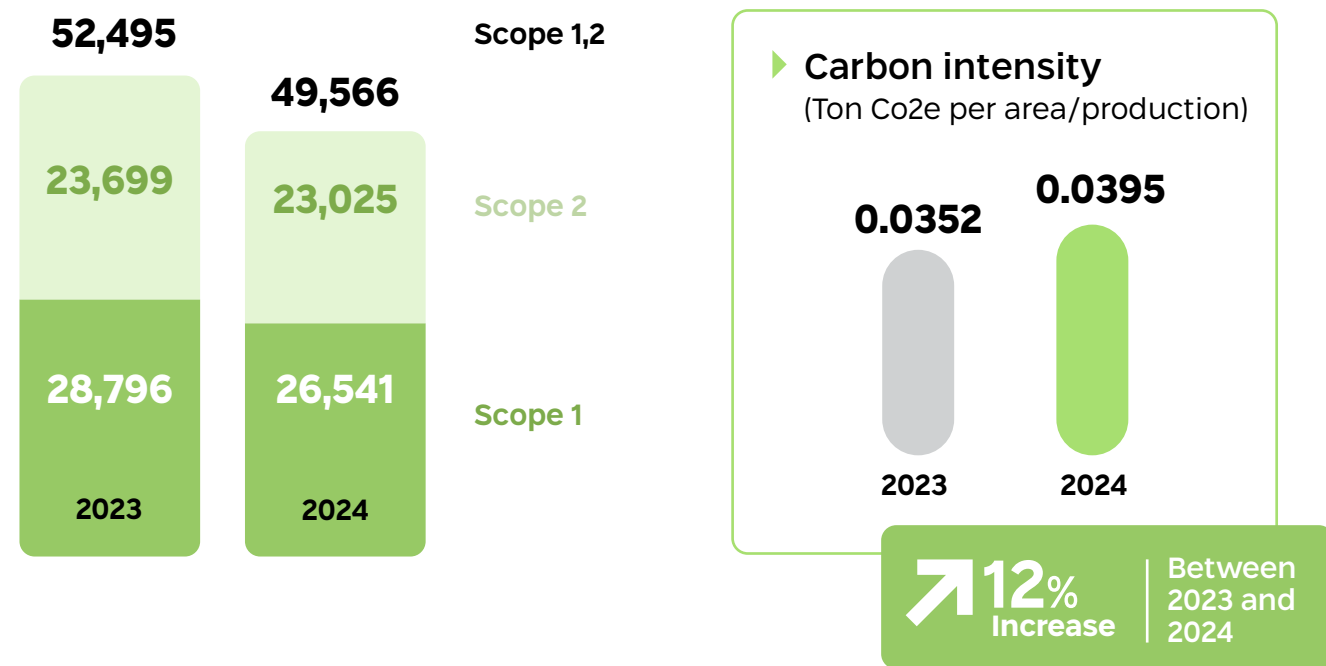




# Carbon Footprint Data

Ashtrom Group's carbon footprint data for energy consumption in Scope 1 (direct fuel consumption) and Scope 2 (indirect consumption through electricity purchases) indicate a decrease in total emissions of approximately **6%** between 2023 and 2024<sup>10</sup>. This decrease was affected, among other things, by the impact of the 'Iron Swords' War and restrictions on construction volumes during 2024, with the understanding that these restrictions may affect intensity calculations and the assessment of future trends.

## Change Rate (2023–2024)



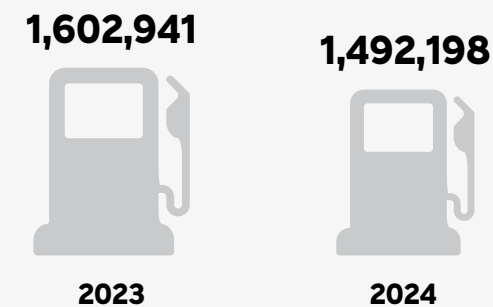
Between 2023 and 2024	Scope 1 8% Decrease	Scope 2 3% Decrease	Scope 1,2 6% Decrease
-----------------------	------------------------	------------------------	--------------------------

<sup>10</sup>. The data for 2023 was updated following a recalculation conducted by the environmental consultants. In 2024, the Group continued to improve and refine the quality of data collected for electricity and water consumption, in line with the established methodology.

# Fuel Consumption for Employee Commute

In 2024, the Group set targets to expand its fleet of low-emission vehicles, including hybrid, plug-in, electric, and other alternative propulsion options [\(see more details in the Group's goals\)](#). In addition, the Group ensures regular and efficient maintenance of company vehicles to minimize or prevent their environmental impact.

## Total Gasoline<sup>11</sup>(Liters)



## Share of Hybrid Vehicles in the Private Fleet



<sup>11</sup>. The data includes gasoline consumption for employee commute, including fuel for operational leasing vehicles used by Ashtrom Group employees.

Hadera Bridge





**Beresheet Hotel • Mitzpe Ramon**

## Indirect Emissions – Scope 3

This year, the Group is publishing its Scope 3 data for the first time, reflecting Ashtrom Group's indirect carbon footprint across its value chain. The Scope 3 data includes indirect emissions from several key sources, based on the categories selected for reporting in the initial phase. Total Scope 3 emissions across four categories amount to 20,994 Ton Co2.



**10,501**  
Ton Co2

### Electricity & Fuel Consumption

(Category 3):

Upstream emissions resulting from the consumption of electricity and fuel across the Group's facilities and operations.



**1,349**  
Ton Co2

### Employee Flights

(Category 6):

Emissions resulting from employee business travel by air and hospitality activities.



**609**  
Ton Co2

### Commutes of Employees Without Assigned Company Car

(Category 7):

Indirect emissions generated from employee commute<sup>12</sup>



**8,535**  
Ton Co2

### Transportation of Products to Customers

(Category 9):

Downstream indirect emissions resulting from the transportation of products to customers<sup>13</sup>

### The categories included represent the main areas of activity related to indirect emissions:

resource consumption, product transportation, and employee commute. This analysis enabled the establishment of an initial data framework, forming the basis for a gradual and more comprehensive reporting process. By integrating Scope 3 data with Scopes 1 and 2, the Group is able to present a broader and more detailed picture of its environmental impact, supporting ongoing efforts to manage and reduce its carbon footprint. The Group aspires to provide transparent annual reporting of Scope 3 emissions, explore the inclusion of additional categories over time, and deepen the analysis of emission sources to drive continuous improvement in carbon footprint management.

<sup>12</sup>. Refers to employees across all divisions working at the LYFE Towers, as well as all employees of Ashtrom Industries.

<sup>13</sup>. Refers to the products of the following companies: Israbeton, Ashbond, Ashkalit, Sorek Quarrying Ltd., and Netivei Edumit (2011) Ltd.



# Environmental Management and Climate Change Risks

**In 2023, the principles were implemented in a climate change risk assessment conducted at Ashtrom Properties and Ashtrom Renewable Energy. In 2024, the process was expanded to include Ashtrom Residences for Rent**

## Climate Change Risk Management

Ashtrom Group recognizes that risks and opportunities arising from climate changes – physical and transitional – may affect its operations. As part of its risk management process, the Group has integrated the principles of the TCFS (Task Force on Climate-related Financial Disclosures).

In 2023, the principles were implemented through a climate risk survey conducted at **Ashtrom Properties** and **Ashtrom Renewable Energy**. In 2024, the process was expanded to include **Ashtrom Residences for Rent**. The implementation involved active participation from senior management across the different divisions, led by the CEO, with support from the Group's Head of Sustainability and Innovation and the Sustainability Team, who provide oversight and guidance in alignment with the Group's strategy.

Climate change risk surveys were conducted across the company's divisions using the TCFD methodology and based on the 4.5 RCP scenario developed by the Intergovernmental Panel on Climate Change (IPCC). This analysis enabled each division to assess the potential short, medium, and long-term impacts of climate-related risks and opportunities on infrastructure, costs, reputation, and overall operations. In addition, each division established indicators and targets to monitor the evolution of these risks, which were not found to be material.

The actions and assessments carried out by the Group are documented in the [GRI Index](#) accompanying this report. The Group continues to explore potential courses of action to address climate change, with the aim of minimizing risks and leveraging opportunities for sustainable growth.

HaYetzira • Ramat Gan (Simulation)



## Environmental Management

Ashtrom Group views regulated environmental management as a key component of its broader strategy for achieving sustainability goals. The Group carries out a structured process of environmental monitoring, control, and reporting, working closely with relevant experts – such as fleet managers, operations managers, and others – to support progress toward its defined objectives.

In 2024, the Group welcomed the addition of the head of Environmental affairs, who leads initiatives aimed at improving environmental practices across its various divisions and advancing projects that support the achievement of long-term sustainability goals. During the year, **Ashbond**—a member of the **Ashtrom Industries** Group—received certification for the **ISO 14001:2015 Environmental Management System**. This certification reflects a commitment to responsible environmental management, including proactive measures to prevent environmental harm, the establishment of clear goals, the development of work plans, and compliance with legal and regulatory standards. In addition, the Group is also evaluating the expansion of this standard's implementation as part of its continued efforts to enhance environmental performance and manage resources responsibly.





## Environmental Risk Management

The Group and its entities, are exposed to various environmental risks, which may arise from factors such as damage caused to the terrain during the construction work, the environmental condition of the land, and the broader environmental impact of the projects. These risks include, among other things, noise, air pollution, soil contamination, pollution of water sources and underground infrastructure, as well as potential exposure to or damage of antiquities and nature reserves. Additional risks may involve odor nuisances, dust, visual obstructions to the surrounding landscape etc.

The macro risk analysis conducted by Ashtrom Group includes consideration of natural disasters that could impact the Group's sites. The most significant risks identified are weather-related damage and earthquakes, both of which have the potential to affect the Group's assets and operations. It is important to note that under standard insurance policies in Israel, companies such as the Ashtrom Group are required to pay a deductible in the event of earthquake-related damage.

## Environmental Compliance

Ashtrom Group's environmental compliance activities reflect its commitment to conducting business in accordance with environmental regulations, while promoting sustainability and the preservation of natural resources for future generations. During the year, Ashtrom Industries received a closure order for one of its concrete plants. Following discussions, **Ashtrom Industries** and the Ministry of Environmental Protection agreed on an operational plan for the site, leading to the suspension of the order. Subsequently, Ashtrom Industries permanently closed the plant in line with its prior strategic planning, independent of the closure order.

Ashtrom Industries conducts its manufacturing operations in full compliance with local legislation concerning social and environmental aspects. The company holds all required business licenses and emissions permits and regularly reports emissions as mandated by law. **Ashtrom Construction** incurs environmental fines—primarily from local authorities—which are negligible in scope.



# Sustainable Building Materials

## Ashtrom Industries Group's Green Label for Building Materials

**Ashtrom Industries** acts to advance environmental sustainability and plays a key role in the Group's efforts to promote green building certification, focusing on the building materials it manufactures and markets. Ashtrom Industries invests in developing building solutions that reduce environmental impact and improve energy efficiency. These include solvent-free sealants and gypsum blocks with enhanced thermal insulation. All products meet stringent green building standards and contribute to lowering the carbon footprint of buildings.



### Activity

9 cross-nation factories for the production and supply of a variety of concrete and mortar products for the construction industry

Leading in the import of autoclave-cured concrete blocks, which are cement-based and considered among the best insulators against extreme temperatures, noise, and humidity

Production and marketing of gypsum blocks and related products that enable the optimization and significant shortening of construction processes

Development, production, and marketing of a wide range of paint and finishing products, as well as advanced sealing solutions for the construction industry

### Ashtrom Industries and Ashbond Awarded the Platinum Standard Label for 2024 – A Mark of Excellence and Quality

**Ashtrom Industries** has been awarded the Platinum Standard Label for 2024 by the Standards Institution of Israel, in recognition of holding 11 permits to mark its products with the Israeli Standard Label (in accordance with TSI 118). Ashbond was also granted this prestigious label for 2024.



### Certification

In 2024, Israbeton advanced EPD process for 4 leading mixtures

Over **90%** of Ashkalit products carry the Green Label

- **100%** of Ashbond products are certified with the Green Label
- **100%** of Ashbond Block 10 and Block 6 products have completed the EPD process

- Over **90%** of BG BOND paint products carry the Green Label
- Most BG BOND products carry the Green Label
- BG BOND has completed the EPD process for 19 of its products, including 4 during the past year



# Driving Innovation Through Research and Technology

Ashtrom Group invests significant resources in research, development, and the procurement of innovative and groundbreaking solutions in the construction sector, recognizing innovation as a key driver of long-term success. We strive to promote a sustainable environment by adopting advanced technologies, utilizing low-emission materials, and implementing efficient work processes that help reduce the carbon footprint of the construction industry.

Through these efforts, we not only contribute to environmental and social well-being, but also strengthen our ability to meet the expectations of our customers, who value advanced and sustainable solutions. This investment enables us to lead the market and provide our customers with added value—reflected in both the quality of execution and our contribution to a better, more sustainable world.



## Groundbreaking Sustainable Materials



- Development of **CLSM** (Controlled Low Strength Material) concrete utilizing local clay soil, reducing reliance on traditional fillers
- Use of **reduced-carbon cement** to minimize environmental impact
- Promotion of academic research in the field of **circular economy**
- Development of the **ISRA TERMI** block, which offers an insulation level aligned with green building principles—durable, energy-saving, and enhancing energy efficiency



- The **Green Bond** building block, patented in 2024 and scheduled for launch in 2025, combines thermal and energy efficiency, reduces carbon emissions, improves construction processes and contributes to a healthy living environment.



- Development of **Nano Cooling Schlicht** with Polymer Super – designed for high durability and environmental friendliness
- Development of **BG Durbond 405** – a ready-to-use tile adhesive that reduces material consumption
- Development of **BG Hydro** – an acrylic paint free of hazardous substances



- Exploring products as alternatives to rock wool, based on rapidly **renewable plant materials** that help reduce environmental impact.



- **NANO THERM**  
A waterproofing membrane that provides exceptional thermal insulation
- **GLASS THERMA**  
A tempered glass panel designed to enhance insulation and sealing
- **FIRETOP**  
A lightweight concrete and polystyrene panel for insulating walls and cold bridges



# Rethinking Construction: Innovative Building Material Technologies

## **GREEN BOND** **BOND Improved Thermal Block**

During 2023, Ashbond completed the development of an innovative gypsum block, Bond Green, with advanced environmental properties, designed for insulation and separation, with the support of the Innovation Authority and the Ministry of Construction and Housing. In 2024, a patent was registered for the innovative development, in which approximately 2 million NIS were invested. The block offers a regulatory response to the requirements of Israeli standards for thermal insulation (1045, 5281, 5282).

### **Advantages of the Block:**

- Continuous, condensation-free thermal insulation that enhances energy efficiency and reduces energy consumption in buildings
- Free of hazardous substances, contributing to better indoor air quality and a healthier living environment
- High fire resistance, providing added protection for building safety
- Significant improvement in acoustic insulation, enhancing overall quality of life within the building
- Reduction of greenhouse gas emissions through improved energy efficiency

## **CLSM**

(Controlled Low-Strength Material)

- CLSM is an innovative fill material for construction and infrastructure, designed to replace traditional fill materials and reduce the environmental impact of conventional construction methods. By incorporating local soils, CLSM decreases reliance on intensive mining and external resources. It supports the principles of the circular economy by optimizing resource use and contributing to the reduction of emissions, waste, and water consumption.
- An international study published in Nature Geoscience<sup>14</sup> examined the global use of sand—the second most exploited resource in the world. The study found that population growth and rapid urbanization in developing countries drive increased demand for sand. However, the crisis can be mitigated through measures such as embracing circular economy principles, increasing recycling, implementing effective regulation, and developing alternative technologies in the construction and infrastructure sectors. These steps can help prevent the depletion of natural sand resources on a global scale.

<sup>14</sup> Wang, H., Wang, P., Zhang, X., Chen, W.-Q., Tzachor, A., Fishman, T., Schandl, H., Acuto, M., Yang, Y., Lu, Y., Böcher, C., Ma, F., Zhang, C., Yue, Q., Du, T., Liu, J., & Zhu, Y.-G. (2024). Substantial increase in China's manufactured sand supply since 2010. Nature Geoscience, 17, 833–836. <https://doi.org/10.1038/s41561-024-01501-6>



## **Plant-Based Insulation Materials**

- As part of our efforts to promote sustainable environmental solutions, we are testing an innovative insulation material made from plant fibers—a green alternative to traditional rock wool. This material is fully biodegradable and free from polluting chemical additives, making it especially suitable for projects that require natural and ecological building materials.
- The production process uses plant fibers combined with natural fire-resistant fibers, eliminating the need for additional chemical treatments against pests. This feature helps reduce the overall environmental impact of the material throughout its entire life cycle—from production to end-of-use. In addition, the material is recyclable and reusable, further minimizing waste and reducing the demand for new resources.
- Another advantage of this material is the clean and user-friendly experience it offers—producing no dust and causing no skin irritation, unlike traditional materials such as glass fibers. Thanks to these properties, it provides high-quality thermal and acoustic insulation, helping to reduce energy consumption in buildings and decreasing reliance on heating and cooling systems. As a result, it contributes to lowering the overall carbon footprint of the building.






## Environmental Innovation by BG BOND: Creating Products with Added Value

BG BOND introduces two new products that combine advanced technology with environmental values:




-  **BG Durbond 405** is a flexible and durable acrylic adhesive designed for large tile applications. Its thin-layer application reduces material consumption, shortens working times, and extends the lifecycle of the tiles—contributing to resource conservation.
-  **BG Hydro** is a water-based acrylic paint, free of lead and chromates, suitable for use on wood, metal, and plaster. It is long-lasting in both indoor and outdoor conditions and supports user health while promoting environmental



## Reduced Carbon Cement – Israbetone as a Pioneer in Israel

-  Israbetone is leading the way in promoting sustainable construction in Israel through the import and use of reduced carbon cement, specifically of the L-A/II CEM and M-B/II CEM types. These mixtures are distinguished by their reduced clinker content and the inclusion of environmentally friendly materials such as pozzolans and limestone. In addition to their sustainable composition, these mixtures have a verified lower carbon footprint (up to 8%), as demonstrated by an Environmental Product Declaration (EPD).
-  In addition to their environmental benefits, these mixtures provide high resistance to carbonation and chloride intrusion, ensuring the long-term durability of structures even under challenging conditions. Strength tests have shown that their performance is equivalent to—or even exceeds—that of traditional cement mixtures.
-  The choice to use reduced-carbon cement aligns with IsraBeton's aspiration to promote high-quality, sustainable construction and represents a significant step toward a greener and more resilient future.

## Adopting Super Polymer Technology to Develop Advanced Building Products

-  In September 2023, Ashtrom Group invested in Super Polymer Ltd. ("Super Polymer") as part of its strategic vision to advance sustainable building materials and promote green innovation. BG BOND plants are actively working to enhance Super Polymer's formulas and products based on polymer technology. The goal is to develop advanced, sustainable materials for a variety of applications—such as nano-cooling screeds.
-  Super Polymer has developed a technology for producing high-durability polymers that enable energy savings. One of the significant advantages of this technology is the ability to provide thermal insulation using recycled materials, thereby reducing dependence on virgin raw materials.
-  For Ashtrom Group, this technology opens up new possibilities in the field of building materials, as it enables the creation of structures that support energy savings. The technology is not limited to the construction market and can also contribute to other industries that incorporate polymer applications, thereby enhancing the global usefulness of our green solutions.

Visit the company's Website: : [www.super-polymer.com](http://www.super-polymer.com)

**BG factory • Beit Guvrin**





Ashtrom PORT • Hod Hasharon

# Green Construction and Compliance with Israeli and International Standards

**Ashtrom Residences** promotes projects following the Israeli Green Building Standard 5281 and strives to achieve a rating of three stars and above. As part of these efforts, Ashtrom Residences encourages the use of low-carbon footprint materials and explores the integration of recycled materials into construction processes, intending to reduce the environmental impact of its projects. Ashtrom Residences strives to select materials that have received Environmental Product Declarations (EPDs), to ensure greater building durability and to promote the principles of sustainability.

**Ashtrom Residences for Rent** promotes solutions for optimal stormwater management by increasing infiltration areas across various projects. This approach helps alleviate pressure on urban drainage systems, prevents overflow situations, and contributes to the overall efficiency of environmental systems. By implementing these solutions, the urban environment is better equipped to handle heavy rain events, reducing the risk of damage to public infrastructure.

**Ashtrom Properties** leads a holistic approach that combines sustainability and innovation, aiming to provide tenants with an enhanced working and living environment, while prioritizing environmental quality and tenant well-being. This approach includes the integration of green spaces, smart management systems, and advanced maintenance solutions—all of which contribute to a healthy, sustainable living environment.

As part of its sustainability efforts, **Ashtrom Properties** plans to publish its first ESG report in 2025, offering a comprehensive overview of its sustainability activities and goals. In line with the Group's broader objectives, Ashtrom Properties actively promotes compliance with green building standards across both existing properties and new developments. These include the American LEED standards, the British BREEAM standards, and the Israeli Green Building Standard. All properties are managed according to strict guidelines, ensuring the use of sustainable construction methods and solutions and a healthy working environment.

In 2024, **Ashtrom Properties** made significant progress toward implementing the Green Label across all its properties and areas of operation:

- Acquisition of a property in London with an **Outstanding BREEAM rating**, the highest level of this internationally recognized sustainability standard.
- Achievement of **LEED Gold (O&M)** certification in Israel for the Beit HaGavisg, with plans to expand certification efforts to additional properties.
- Joined the DGNB Club, a leading organization for the promotion and certification of sustainable buildings in Germany—marking another step in strengthening Ashtrom Properties Germany's position as a leader in green construction and sustainability.
- Completed **BREEAM certification** for 100% of properties in Germany, with all properties achieving **Good or Very Good BREEAM ratings**.



## Beit HaGavish: LEED O&M Gold Standard Certification



Beit HaGavish in Netanya has been awarded the prestigious LEED O&M Gold certification for Operations and Maintenance, positioning it as leading in sustainability and environmental excellence. Spanning 18,300 square meters, the building includes both retail and office space, with major tenants such as Decathlon, eBay, and others. This achievement was made possible through a series of significant upgrades, including enhancements in energy efficiency, improved recycling systems, and measures to reduce the building's overall environmental impact.

### Smart Management and Environmental Innovation

The series of comprehensive upgrades made to Beit HaGavish included:

- 🌱 **Advanced energy management systems:** Significant energy savings and efficient use of resources.
- 🌱 **Improved waste management:** Enhancing separation at source, introducing advanced recycling solutions, and implementing responsible material handling.
- 🌱 **Quality of life and environment:** Creating healthy, comfortable, and pleasant spaces for building users.

The achievement at the Beit HaGavish marks a significant milestone in Ashtrom Properties' ongoing efforts to integrate sustainability as a core element of its asset management strategy.



## Ashtrom Properties Joins DGNB – A Leading Global Sustainability Standard

During 2024, **Ashtrom Properties Germany**, a subsidiary of Ashtrom Properties, joined the prestigious DGNB Club—the German Sustainable Building Council—and is expected to receive its first DGNB certification. Considered one of the most rigorous and prestigious certifications in the field of green building, the DGNB standard reflects compliance with advanced international sustainability criteria. It evaluates buildings across their entire life cycle, focusing on environmental, economic, and social performance. Key assessment areas include energy efficiency, use of renewable energy, smart resource management, sustainable material selection, advanced water systems, and enhanced indoor environmental quality.

DGNB-certified buildings are considered a preferred choice for both rental and financing, thanks to the high level of trust they inspire and the rigorous standards they represent. Ashtrom Properties views the certification process as a core element of its sustainability strategy, reinforcing its commitment to leadership in green building and ensuring that its operations align with the most stringent global standards.

OLIO • Bat Yam





# Green-Certified Assets in Ashtrom Properties' Portfolio



## LEED

### Buildings with Preliminary Certification

- 🌿 Risho, 1000 Complex in Rishon Le Tzion (Phase A)  
LEED GOLD for the planning stage

### Buildings in Process for Certification

- 🌿 LYFE C Tower  
LEED GOLD
- 🌿 HaYetzira Complex, Ramat Gan  
LEED Platinum under review
- 🌿 Olio, Bat Yam  
LEED GOLD
- 🌿 The Capital, Jerusalem  
LEED SILVER  
LEED Gold upgrade under review
- 🌿 Tech Park, Hod Hasharon – Building B  
LEED GOLD
- 🌿 High-Tech Park  
LEED GOLD
- 🌿 EMED Bat Yam  
LEED GOLD



## BREEAM

### Existing Buildings

- 🌿 NO. 8 First Street, Manchester  
Certified BREEAM Excellent, EPC rating: A
- 🌿 Square Central Leeds, office building in Yorkshire  
Certified BREEAM Outstanding, EPC rating: A **Purchased this year**
- 🌿 All of Ashtrom Properties Germany's assets — comprising 14 buildings—are BREEAM certified, with 6 of them rated 'Very Good'. Received this year **Received this year**
- 🌿 Gate Colmore, Birmingham  
undergoing advanced renovations aimed at achieving a BREEAM Excellent certification and upgrading to an A rating on the EPC index.



## LEED O&M

### Existing Buildings

- 🌿 Beit HaGavish, Netanya  
LEED O&M GOLD **Received this year**



## EPC<sup>15</sup>

### Existing Buildings

- 🌿 House Walker, Flag Exchange and Horton House, Liverpool UK  
EPC rating: B
- 🌿 GWA Towers, Birmingham UK  
Rating B on EPC index under review



## Israeli Green Building Standard 5281

### Existing Buildings

- 🌿 Buildings A & B in the LYFE project are certified with two stars under the Israeli Green Building Standard 5281.

<sup>15</sup>. Energy Performance Certificate



# Promoting energy efficiency in the value chain



## Manufacturing and Marketing of Building Materials

Planning and automation processes that reduce emissions, streamline production, and enable integration with environmentally friendly energy sources.



## Property Planning and Development

Utilizing the BIM platform to enhance resource efficiency and energy savings, alongside the integration of additional technologies that promote energy efficiency, such as electric vehicle charging systems.



## Construction and Development

Optimizing storage and transportation locations on construction sites to minimize heavy vehicle movement and raw material transport—an approach that significantly reduces fuel consumption and emissions.



## Property Management

Implementation of energy management and control systems, including the installation of energy-efficient LED lighting, advanced chillers, VRF cooling towers, rooftop solar panels, and infrastructure for electric vehicle charging stations.



## Renewable Energy

Installation of solar energy systems on properties, development of diverse renewable energy projects in Israel and abroad, and establishment of energy storage infrastructure.



# Energy Efficiency at Ashtrom Properties

Ashtrom Properties is leading a global initiative to enhance energy efficiency across its portfolio. This includes the widespread installation of energy management control systems, LED lighting, solar panels, electric vehicle charging infrastructure, and smart energy management solutions. These efforts are being implemented across properties in Israel, Germany, and the UK, according to the unique regulatory and operational characteristics of each country.

No. 8 First Street • Manchester, England

## Israel

### Energy Efficiency

Currently, 90% of our properties are equipped with energy-efficient LED lighting, with plans to extend this implementation to additional relevant sites. In addition, advanced control systems have been installed, enabling features such as automated lighting schedules, including timed on/off functionality.

### Electric Vehicle Charging and Transportation Accessibility

Promoting the deployment of electric vehicle (EV) charging infrastructure and supporting sustainable mobility by integrating bicycle parking and dedicated lockers for charging and storing batteries in selected properties.

### Energy Systems Upgrade

Conducting proactive testing to improve the efficiency of energy systems across its properties. This includes replacing outdated chillers, adjusting air conditioning settings, and upgrading HVAC systems and electrical transformers.

### Solar Panels

Promoting the installation of solar panels on the roofs of suitable properties. In 2024, the company installed 10 new systems and plans to install an additional 18 systems in 2025—maximizing the use of 98% of all eligible rooftops. In addition, Ashtrom Properties is exploring energy storage solutions in collaboration with the Electric Company.

## Germany

### ESG Management and Sustainability Performance Monitoring

Asset management is carried out using the Alasco system, which enables effective tracking, reporting, and control of ESG indicators. In addition, Ashtrom Properties Germany is implementing smart metering systems to monitor real-time energy consumption, with plans to expand this technology across all properties by 2025.

### Energy Efficiency

Replacing all lighting in public areas with energy-efficient LED lighting, alongside the installation of heating systems and smart valves to enhance energy efficiency. The project is scheduled for completion by the end of 2025.

### Solar Roofs

In 2024, solar panels were installed on the Bornbarch property, with plans underway to expand the initiative to additional properties. Ashtrom Properties Germany is also actively exploring innovative energy storage solutions.

## UK

### Transition to Renewable Energy in Properties

Transitioning to green electricity suppliers in two properties, and reviewing the option to transition additional properties to green electricity upon renewal of their electricity contracts.

### Energy Consumption and Carbon Emissions Monitoring

Smart meters were installed at a first property to enable remote monitoring of energy consumption, allowing for real-time data collection and improved energy management. In addition, carbon emissions were calculated for Scopes 1, 2, and 3 at key properties, with plans to expand the process to additional properties.

### Lighting Upgrades and Improved Energy Efficiency Ratings

LED lighting installation has been completed in key properties, with plans to continue expanding the upgrades to additional properties.

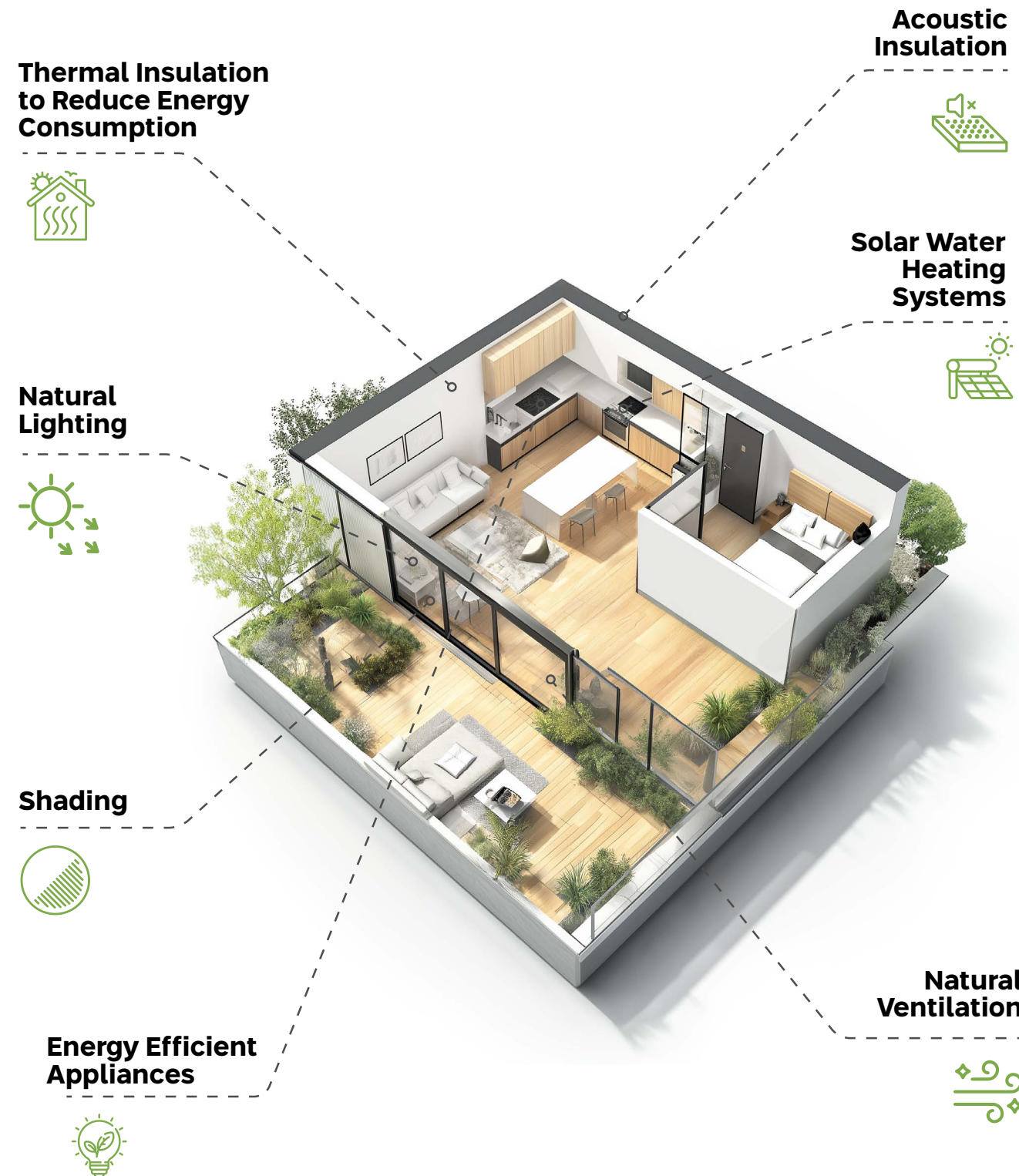


## Energy Efficiency in Residential Buildings

**Ashtrom Residences** strives to promote energy efficiency across its residential buildings. The buildings are designed to maximize natural lighting through advanced shading systems, enable natural ventilation, and incorporate high-performance thermal insulation to reduce energy consumption. Window glazing is optimized to enhance both thermal and acoustic insulation, while building facades are constructed with advanced insulating materials to minimize the need for heating and cooling.

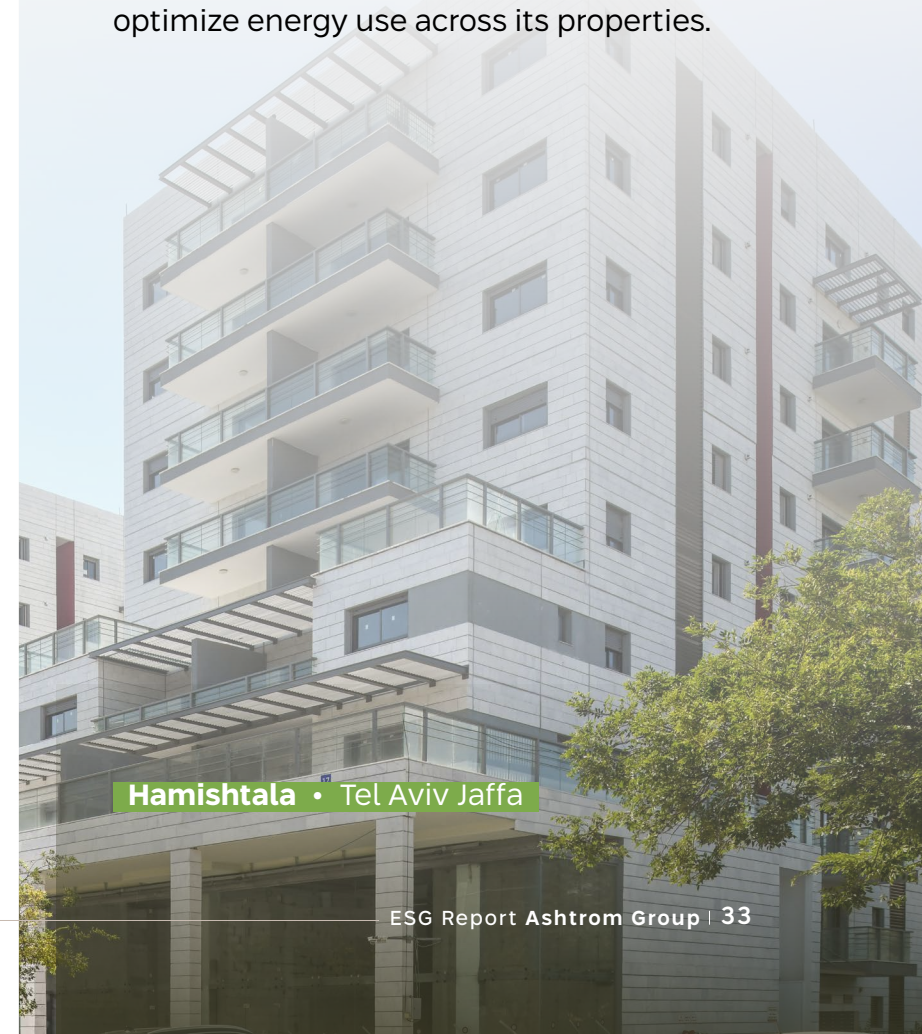
Energy solutions include solar water heating systems, supported by supplemental heat pumps during periods of low sunlight. In addition, air conditioning systems utilize environmentally friendly gases that help reduce pollution and improve overall energy efficiency.

**Ashtrom Residences continues to advance sustainable buildings, with a focus on integrating advanced technologies that reduce environmental impact and enhance residents' quality of life.**



**Ashtrom Residences for Rent** is promoting the installation of electric vehicle charging infrastructure for all parking spaces across its properties' parking lots. Tenants have the flexibility to rent or purchase a charging station based on their individual needs. The infrastructure is managed efficiently, enabling energy savings and optimal use of available electricity resources while meeting the growing demand for electric vehicles.

This initiative is complemented by the implementation of smart energy management solutions and the integration of advanced technologies, aimed at improving operational efficiency and reducing environmental impact. Ashtrom Residences for Rent continues to explore additional measures to further optimize energy use across its properties.





## Infrastructure Improvement and Energy Efficiency at BG BOND

In 2023, **BG BOND** launched the construction of an innovative powder manufacturing plant, as part of its vision to merge sustainability with technological advancement. The plant is designed for autonomous operation and integrates advanced systems to reduce carbon emissions and enhance energy efficiency, all while adhering to the highest environmental standards. In 2024, the following initiatives were promoted:

### Establishment of an Innovative Paint Factory: Reducing Energy Consumption in the Production Process

The new paint factory operates with full automation systems and closed packaging production systems, enabling significant resource savings and reduced energy consumption during the manufacturing process. By combining advanced technology with automated operations, the factory is set to enhance operational efficiency while minimizing its environmental impact.

### Establishment of an Advanced Plaster Department: Energy Savings in Raw Material Processing and Storage

**BG BOND** plans to establish a new department featuring fully automated systems and automated packaging solutions. Designed to minimize energy consumption in raw material processing and storage, this advanced facility will enable more efficient operations, ensure high product uniformity, and significantly reduce the overall energy footprint.

### Reduction and Savings in Transportation

Relocating the logistics center to the factory premises has significantly reduced the need for transporting raw materials and finished products between different sites. This change led to a substantial decrease in energy consumption related to transportation, streamlined resource management processes, lowered operational costs, and made a meaningful contribution to improving overall energy efficiency.

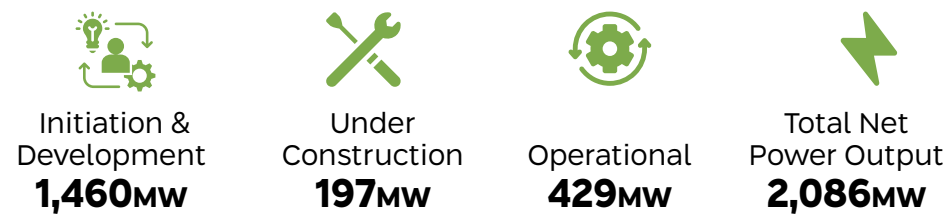
**BG Factory** • Beit Guvrin



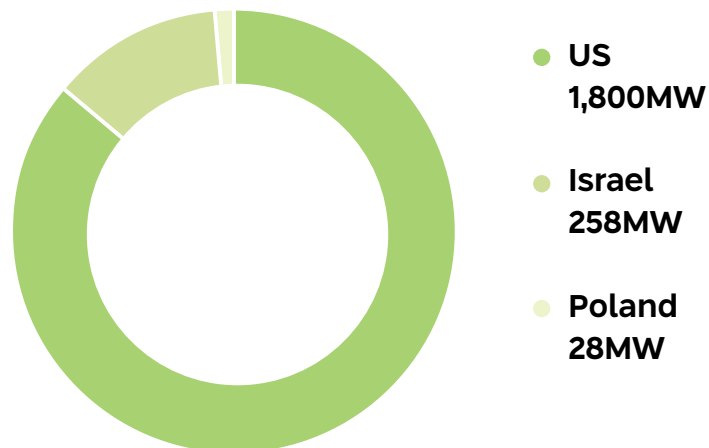
## Renewable Energy Generation

**Ashtrom Renewable Energy** strives to shape a sustainable future through strategic, long-term collaborations to produce clean energy. Ashtrom Renewable Energy operates as an independent power producer (IPP) and specializes in initiating, developing, funding, and managing utility-scale solar, wind, and energy storage projects.

Ashtrom Renewable Energy has the knowledge and capability to provide end-to-end solutions, covering the entire project lifecycle from initiation and development (Greenfield), through financing with partners and banking institutions, oversight of contractors during the construction phase, and into the operation and maintenance phase (O&M).



### Global Pipeline By Country (ARE Share)



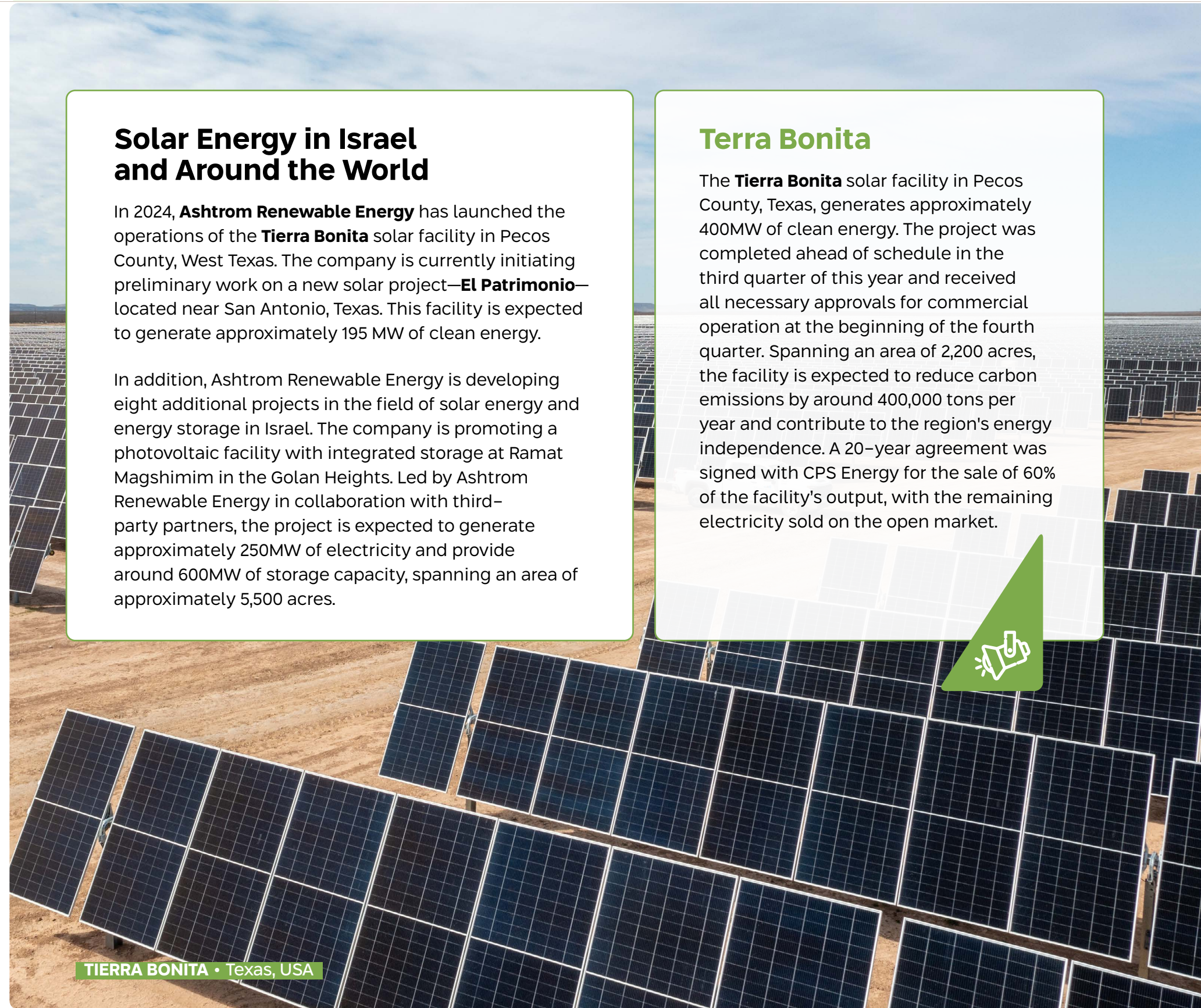
## Solar Energy in Israel and Around the World

In 2024, **Ashtrom Renewable Energy** has launched the operations of the **Tierra Bonita** solar facility in Pecos County, West Texas. The company is currently initiating preliminary work on a new solar project—**El Patrimonio**—located near San Antonio, Texas. This facility is expected to generate approximately 195 MW of clean energy.

In addition, Ashtrom Renewable Energy is developing eight additional projects in the field of solar energy and energy storage in Israel. The company is promoting a photovoltaic facility with integrated storage at Ramat Magshimim in the Golan Heights. Led by Ashtrom Renewable Energy in collaboration with third-party partners, the project is expected to generate approximately 250MW of electricity and provide around 600MW of storage capacity, spanning an area of approximately 5,500 acres.

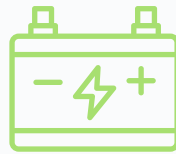
## Terra Bonita

The **Tierra Bonita** solar facility in Pecos County, Texas, generates approximately 400MW of clean energy. The project was completed ahead of schedule in the third quarter of this year and received all necessary approvals for commercial operation at the beginning of the fourth quarter. Spanning an area of 2,200 acres, the facility is expected to reduce carbon emissions by around 400,000 tons per year and contribute to the region's energy independence. A 20-year agreement was signed with CPS Energy for the sale of 60% of the facility's output, with the remaining electricity sold on the open market.



TIERRA BONITA • Texas, USA





## Energy Storage

Energy storage enables the use of solar energy beyond daylight hours, helps address challenges in the electricity grid, and provides a reliable power reserve for emergencies. **Ashtrom Renewable Energy** is currently advancing several energy storage projects, which are at various stages of development.



## Wind Energy

Wind is considered an affordable, green, and environmentally friendly source of energy. Globally, wind turbines currently generate approximately three times more electricity than solar systems. **Ashtrom Renewable Energy** has invested in a wind energy project with an expected total capacity of around 260MW.





# Management of Water Resources and Wastewater Treatment

As one of Israel's largest real estate and construction companies, operating across a wide range of sectors, we invest in advanced technologies for water management, consumption reduction, and responsible wastewater treatment. Our goal is to minimize our environmental footprint and help preserve this vital resource for future generations. The majority of the Group's water consumption comes from municipal water systems and desalination infrastructure in Israel, which ensures a stable supply even amid the country's existing water resource challenges.



## Production and Marketing of Building Materials



## Property Development and Planning



## Construction and Development



## Management of Income-Generating Properties

### Water Consumption

The majority of the Group's water consumption is attributed to the **Israbeton plants**, where recycled water, rainwater, municipal (network) water, and spring water are used in combination, as needed, while maximizing recycling processes.

**Ashtrom Residences, Ashtrom Properties, Ashtrom Residences for Rent, and Ashtrom International** are working to reduce water consumption by integrating advanced solutions at the planning stage, including the installation of anti-scale devices. These solutions help extend the lifespan of water systems, improve operational efficiency, and minimize water waste caused by maintenance-related failures

At **Ashtrom Construction's** construction sites, water is used for purposes such as concrete mixing, dust suppression, and equipment cleaning, with a focus on responsible management. In addition, Ashtrom Construction conducted a successful pilot project to install sensors for detecting and managing water leaks on-site, enabling precise monitoring and control to minimize water waste.

In the income-generating properties of **Ashtrom Properties, Ashtrom Residences for Rent, and Ashtrom International**, water consumption is managed responsibly through the implementation of cost-effective technologies. These include systems for monitoring and controlling water use, utilizing runoff water for irrigation, and efficient management of cooling systems—all aimed at reducing waste and conserving resources.

### Wastewater Treatment

- Sanitary wastewater treatment is carried out through the sewage system and the operation of pre-treatment facilities before discharge into a wastewater treatment plant. Concrete sludge residues are directed to a licensed site, with approximately **99.2%** of this wastewater being recycled.
- The wastewater pre-treatment facility at the **BG BOND** plant processes all wastewater generated on-site. The resulting sludge is safely discharged to authorized disposal sites.

**Ashtrom Residences, Ashtrom Properties, Ashtrom Residences for Rent, and Ashtrom International** implement early-stage planning that ensures compliance with green building standards and helps reduce the burden on urban infrastructure.

Wastewater activity at **Ashtrom Construction's** construction sites is negligible in scope and is managed in full accordance with environmental regulations.

- During the year, we advanced the management and recycling of used oil in the catering complexes of properties managed by **Ashtrom Properties and Ashtrom Residences for Rent**, by implementing advanced central collection tanks. This solution enables efficient and responsible oil collection while reducing the risk of leaks and environmental pollution.
- **Ashtrom International** also operates a wastewater treatment plant serving the capital city of Jamaica.





## Reducing Water Consumption on Construction Sites

A pilot was conducted at one of **Ashtrom Construction's** construction sites using an advanced water leak detection system. The system identified a leak and automatically shut off the tap within minutes, significantly minimizing potential damage. Water leaks on construction sites are a common issue, often caused by wear and tear on temporary infrastructure, pipe damage, or faulty installations. Without immediate intervention, such leaks can lead to substantial water waste, as demonstrated in this case, where approximately **379 cubic meters** of water loss was prevented.

In addition to wasting valuable resources, leaks can lead to site flooding, damage to equipment, and delays in project timelines, particularly during critical phases such as concrete pouring. Additionally, stagnant water poses safety hazards, including the risk of slips, falls, and power outages

# Management of Water Resource

**Ashtrom Properties** places a strong emphasis on the efficient and intelligent management of water resources across all its properties, aiming to reduce waste, enhance operational efficiency, and minimize environmental impact.

## Israel

- Implementing smart water management solutions, including the Installation of a WINT system for real-time monitoring and leak detection, with plans to expand implementation to additional properties.
- Conducting pilot programs for the use of drones for window cleaning.
- Water recycling initiatives, such as water softening in cooling towers at the Bat Yam Mall, resulting in a threefold increase in water reuse.
- Planning projects for recycling air conditioner water for irrigation and wastewater recycling, expected to contribute to water conservation and efficiency of operations at the properties.

## Germany

Implementation of smart water management systems, such as 360 Leak, which enables ongoing monitoring and detection of leaks in real time. The systems contribute to preventing waste, improving operational efficiency, and reducing environmental impacts in key assets.

## UK

Promoting responsible water use by installing secondary water meters in all properties to accurately monitor consumption and encourage responsible behavior among tenants.



## Water Consumption Reduction in Income-Generating Properties

During 2024, leaks were identified in the water systems of several properties. These incidents had the potential to cause significant damage to building infrastructure and water resources, but were addressed quickly and professionally. The system detected the leaks in real time and sent alerts to the operations teams, who promptly located the source and acted immediately to shut off the main taps.

Thanks to careful management and a rapid, effective response, approximately **6,730 cubic meters** of water waste was prevented, and potential threats of costly damage to equipment, infrastructure, and electrical systems were avoided.



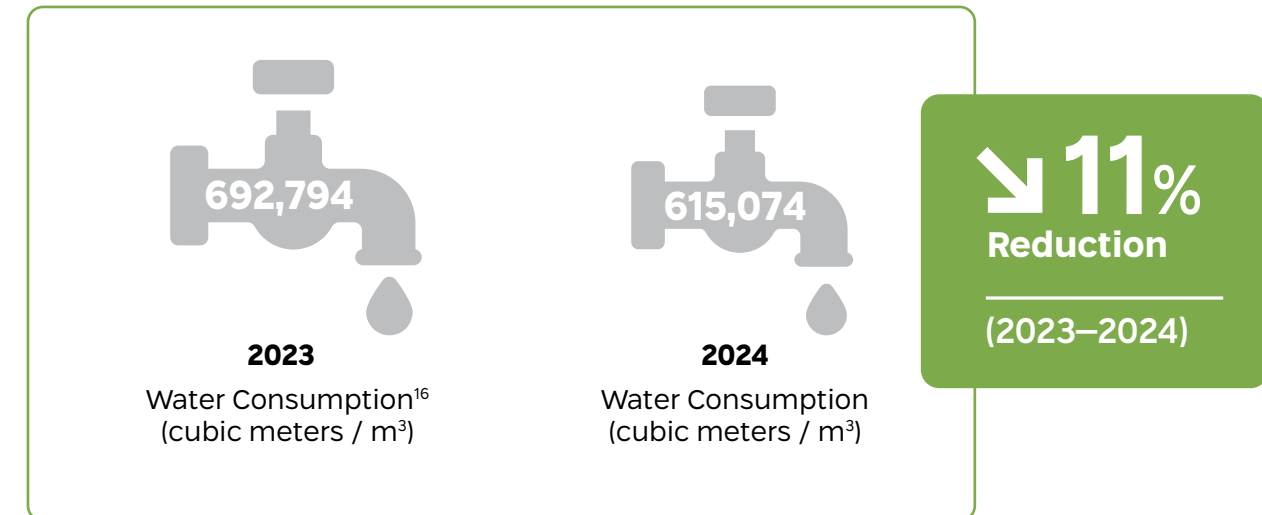


## Improving Infrastructure and Streamlining Wastewater Management at BG BOND

As part of the planning and construction of BG BOND's new paint factory, advanced measures were implemented to treat wastewater in compliance with the most stringent environmental standards. The factory's wastewater is routed to a dedicated treatment system at Beit Guvrin, which uses an advanced physicochemical process. This system separates the wastewater into sludge and purified liquid; the sludge is treated according to environmental guidelines, while the purified liquid is safely discharged into the public sanitary system.

gravel from the quarry

## Total Water Consumption in Ashtrom Group



This decrease was influenced, among other things, by the impact of the 'Iron Swords' War and restrictions on construction volumes during 2024, with the understanding that these restrictions may affect the intensity calculations and assessment of future trends.

### ► Ashtrom Group's Water Intensity (m³ per area / ton of product)



**0.62**

2023

**0.54**

2024

**13% Decrease**  
in Water Intensity

<sup>16</sup> In 2024, a data update was conducted following improvements in the quality of data collected from the Group's systems. In 2023, we launched an initiative to complete usage data and gradually phase out consumption estimates based on paid bills.



# Waste Management

As a Group operating in the real estate, construction, and infrastructure industries, we recognize the significant amounts of waste generated through our work processes—and the importance of managing it efficiently and responsibly. Responsible waste management is a key part of the Group's broader efforts to reduce the environmental impact of its operations.



## Production and Marketing of Construction Materials

**Ashtrom Industries and Drachim** act to reduce the use of virgin raw materials and promote the integration of recycled materials. As part of this effort, Ashtrom Industries incorporates recycled content into its product packaging.



## Property Development and Planning

**Ashtrom Residences, Ashtrom Properties, and Ashtrom Residences for Rent** incorporate waste management strategies in the early stages of property planning, promoting recycling and efficient resource use throughout the entire project life cycle.



## Construction and Development

**Ashtrom Construction** actively works to recycle iron waste. Construction waste generated at Ashtrom Construction's sites is transferred to suppliers who, as part of their services, transport the waste to authorized facilities for recycling processes.



## Property Management

**Ashtrom Properties** implements waste recycling solutions across the commercial and industrial areas it manages.



## Renewable Energy

**Ashtrom Renewable Energy** promotes waste recycling following the installation of solar panels.

During 2024, the process of collecting and reporting waste data was significantly expanded across **Ashtrom Industries, Ashtrom Construction , and Ashtrom Properties<sup>17</sup>**.

### Revenue from Selling Recyclable Waste 2024

  
**Iron**  
**980,470 NIS**

  
**Wooden Pallets**  
**4,249 NIS**

  
**Steel**  
**236,000 NIS**

  
**Sale of Recyclable Waste**  
**1,966 NIS**

**Total Revenue from the Sale of Waste**  
**1,222,685 NIS**

### Waste Output Across Ashtrom Group 2024

**Construction**  
**73,741 Ton**

**Industries**  
**311,408 Ton**

**Properties**  
**2,104 Ton**

**Total Waste Output**  
**387,253 Ton**

<sup>17</sup>. Ashtrom Properties' waste data includes data from the headquarters of Ashtrom Residences, Ashtrom Residences for Rent, Ashtrom International, and Ashtrom Renewable Energy, all located on sites owned by Ashtrom Properties.



# Data on Key Waste Streams Across Ashtrom Group Divisions



## Ashtrom Construction

 **Iron**  
**1,259** Ton

 **Construction Waste**  
**72,482** Ton

Total Waste Output Ashtrom Construction **73,741** Ton

Approximately **95%** of Ashtrom Construction's construction waste is transferred to suppliers, who report that around **90%** of this waste is delivered to authorized sites for recycling processes.

## Ashtrom Industries

 **Recyclable Wood**  
**55** Ton

 **Recyclable Plaster**  
**4,208** Ton

 **Recyclable Plaster**  
**755** Ton

 **Recyclable Nylon**  
**4** Ton

 **Sludge**  
**119** Ton

 **Recyclable Steel**  
**245,100** Ton

 **Recyclable Concrete**  
**14,830** Ton

 **Concrete: Reuse & Landfill**  
**46,337** Ton

Total Waste Output **Ashtrom Industries** **311,408** Ton

Total Wooden Pallets Transferred for Reuse – Ashtrom Industries **1,890** singularity

## Ashtrom Properties

 **Recyclable Concrete**  
**19** Ton

 **Landfill Concrete**  
**3** Ton

 **Recyclable Cardboard**  
**316** Ton

 **Landfill Cardboard**  
**43** Ton

 **Recyclable Nylon**  
**28** Ton

 **Landfill Nylon**  
**157** Ton

 **Total Recyclable Waste**  
**211** Ton

 **Total Landfill Waste**  
**1,327** Ton

Total Waste Output: **Ashtrom Properties<sup>17</sup>** **2,104** Ton

<sup>17</sup>. Ashtrom Properties' waste data includes data from the headquarters of Ashtrom Residences, Ashtrom Residences for Rent, Ashtrom International, and Ashtrom Renewable Energy, all located on sites owned by Ashtrom Properties.



Yavne Campus

# Waste Management Projects in Ashtrom Group



## Drachim Company Promotes Circular Economy

Drachim integrates recycled materials into its asphalt plant operations, accounting for 15% of the total aggregates used. In 2023, the company launched a dedicated upgrade project focused on approved mixtures that comply with the specifications of Netivei Israel and general industry standards. The project aims to increase the use of recycled materials to approximately 40% of total raw materials. However, its implementation has been delayed due to the 'Iron Swords' War.

**Ashtrom Residences for Rent** has invested over 4 million NIS in the installation of an advanced internal pneumatic garbage disposal system. This innovative system significantly reduces the garbage truck movement within urban areas, leading to less noise, soot, energy waste, and air pollution. By implementing advanced technologies, Ashtrom Residences for Rent is promoting a cleaner, quieter, and more efficient living environment—for both residents and the surrounding community.

**Ashtrom Properties** promotes advanced and comprehensive waste management solutions, with an emphasis on reducing landfill waste, encouraging recycling, and minimizing environmental impact across all areas of its operations:

### Israel

During 2024, a monitoring system for wet waste compactors was installed in the LYFE Towers, enabling maximum utilization of compactor capacity and reducing the frequency of waste evacuations. In addition, Ashtrom Properties is advancing infrastructure for the separation of additional waste streams—such as deposit bottles and packaging—through the purchase of designated bins and collaboration with relevant recycling corporations. Oil recycling is also carried out across all commercial complexes within the company's properties.

### Germany

The properties are equipped with dedicated bins for sorting various waste types, including cardboard, plastic, organic (biological) waste, and general waste. This system enables efficient recycling and a significant reduction in landfill waste, with professional management provided by specialized waste removal companies.

### UK

**Ashtrom Properties UK** is advancing a sustainable waste management strategy across its portfolio. This includes installing signage with clear waste separation guidelines and training new tenants on proper recycling practices. At First No. 8 Street, all construction waste is recycled and repurposed to produce Refuse Derived Fuel (RDF), avoiding landfill disposal. Recycling facilities are already in place at key properties such as First No. 8 Street and Central Square, and planning and pricing for additional facilities at Exchange Flags have been completed.



# Reducing the Impact on Biodiversity

Biodiversity is essential to the proper functioning of ecosystems and the continued availability of vital global resources. In line with our sustainability principles, we strive to minimize the environmental impact of our operations, preserve and restore natural systems, and collaborate with professional organizations and local communities. Through innovative initiatives and strategic planning, we aim to align business growth with the protection of biodiversity—for the benefit of future generations.



## Production and Marketing of Construction Materials

**Ashtrom Industries** works to preserve quarry areas by planting trees and creating green spaces that serve as natural habitats.



## Property Development and Planning

**Ashtrom Residences, Ashtrom International, Ashtrom Properties, and Ashtrom Residences** for Rent carry out, when required, environmental assessments, tree preservation, and tree relocation in accordance with the guidelines and instructions of local authority and forestry officials. They also undertake green area restoration and green park planning as part of the overall planning process, supporting the preservation and rehabilitation of ecological systems.



## Construction and Development

**Ashtrom Construction** and **Ashtrom International** carry out landscape restoration and ecological habitat rehabilitation as part of their construction activities.



## Property Management

**Ashtrom Properties** maintains and manages green roofs, installs beehives to foster habitats within urban environments, and supports biodiversity restoration efforts.



## Renewable Energy

**Ashtrom Renewable Energy** restores native vegetation within its solar projects, enhancing local ecosystems and providing refuge for native species.

As part of our efforts in this area, we published [a biodiversity policy](#) this year on the Group's website. The policy outlines guiding principles for preserving natural systems, integrating ecological considerations into decision-making processes, and fostering collaboration with environmental organizations and local communities.



# Preservation of biodiversity at Ashtrom Group

## Sao Paio Apartments: A Sustainable Development in Portugal

The Sao Paio Apartments Project, led by **Ashtrom International**, combines urban development with environmental sustainability. Located on the banks of the Douro River in Vila Nova de Gaia, Portugal, the complex includes 9 buildings designed and constructed in accordance with the highest European standards, with an emphasis on thermal and acoustic insulation and stone-clad facades.

Sustainability is central to the project, highlighted by the development of an ecological park spanning approximately 16,500 sqm. In 2024, a significant planning change was approved: all construction was redirected away from the river channel, which was preserved in its natural clean state. This change expanded the ecological park area and contributed to the protection of local natural assets.

## Preserving Biodiversity in the Herzliya HaMenofim Complex Project

As part of the preparations for the launch of **Ashtrom Construction** project, and in collaboration with the Herzliya Municipality and dedicated volunteers, wildlife in the area was monitored and relocated to alternative habitats to minimize harm to biodiversity. Following the initial evacuation, an additional scan was conducted to ensure no animals remained on-site, prioritizing their safety.

On the day of the demolition, designated openings were left in the perimeter fence to allow any remaining animals to exit safely. These actions reflect our commitment to preserving biodiversity and reducing the environmental impact of construction activities, with full consideration for the local ecosystem

## Preserving Biodiversity at the El Patrimonio Project Near San Antonio, Texas

The El Patrimonio Project in Texas demonstrates **Ashtrom Renewable Energy's** commitment to integrating biodiversity preservation into the planning and design of its solar energy facilities. Located along a key migratory route for birds, the project underwent early environmental surveys to identify sensitive zones and avoid disruption to vital habitats.

The facility's design incorporates technologies that reduce risks to birds and preserve natural habitats within the project area. In addition, the company is actively engaged in environmental restoration near the solar field, including the planting of native vegetation and the creation of nesting sites for birds.

Ongoing collaboration with experts and environmental organizations enables continuous monitoring of the project's ecological impact and helps raise local community awareness about the importance of biodiversity conservation.





# Progress Towards Goals

By 2050

**NET ZERO** (carbon neutrality)



## Intermediate Targets

- 50% reduction in greenhouse gas emissions (Scope 1 & 2) by 2040
  - 20% of total private vehicles to be hybrid, plug-in, electric, or alternative propulsion by 2035
  - 30% of total private vehicles to be hybrid, plug-in, electric, or alternative propulsion by 2040
- 75% of electricity consumption from renewable sources in material income-generating assets under our control and management by 2040



## Significant Achievements

- ★ Formulated a decarbonization plan and set interim targets to support the overall goal and promote key projects
- ★ Achieved a 6% reduction in Scope 1 and 2 emissions between 2023–2024 | Recorded a 7% reduction in fuel consumption during travel<sup>18</sup>
- ★ Integrated renewable energy into existing assets in Israel and globally
- ★ Began purchasing electricity from renewable energy suppliers for selected assets in the UK
- ★ Established new, energy-efficient production facilities at BG BOND
- ★ Expanded Scope 3 emissions reporting

By 2050



**100%**

**certification for all assets and products**

## Green Certification for Properties



## Significant Achievements

- ★ Acquired a new property in the UK with an Outstanding BREEAM rating, joining
- ★ an existing UK property with an Excellent BREEAM certification.
- ★ Received LEED Glod(O&M) certification for Beit HaGavish in Netanya
- ★ 7 properties in Israel currently in planning with LEED Goldcertification
- ★ One property in Israel in planning for LEED Platinumcertification
- ★ Achieved BREEAM "Good" and "Very Good" ratings for 14 properties in Germany
- ★ 2 properties in Israel certified with two stars under the Israeli Green Building Standard (5281)
- ★ Joined the DGNB Club in Germany.

<sup>18</sup> Following the definition of interim goals and improvements in environmental data collection processes, we consider the 2023 data as the baseline for tracking progress toward our goals.

## Green Product Certification



## Significant Achievements

The majority of Ashtrom Industries products have a Green Label or Environmental Product Declaration (EPD):

- ★ 4 concrete mixes certified with EPD
- ★ Over 90% of BG PAINT products carry a Green Label
- ★ Most BG BOND products are certified with a Green Label
- ★ 19 BG BOND products have completed the EPD process
- ★ Over 90% of Ashkalit products are certified with a Green Label
- ★ 100% of Ashbond products are certified with a Green Label
- ★ Ashbond Block 10 and Block 6 products have completed the EPD process



# A Healthy and Safe Community Environment



Community event – Ashtrom Residences for Rent





# A Healthy and Safe Community Environment

**Our employees are a source of pride and a key driver of Ashtrom Group's success over the years. We are committed to their health, well-being, training, and empowerment, and actively promote fair employment, equality, diversity, and inclusion. We also work to encourage these values among our business partners and suppliers.**

At Ashtrom Group, we believe in equality and uphold the human rights and well-being of all employees. We do not tolerate discrimination based on gender, age, religion, disability, political opinion, sexual orientation, family or personal status, economic background, or any other characteristic. Ashtrom Group places great importance on providing equal opportunities to every employee and candidate in hiring, role appointments, and professional advancement.

To reinforce this commitment, we published a [Human Rights Policy](#) this year, emphasizing our dedication to the issue and promoting its adoption among our key suppliers.

## Our Goals for Promoting a Healthy and Safe Community Environment

Reduce workplace accidents and achieve a  
**TRIR of 1**  
(Total Recordable Incident Rate)  
for Ashtrom Group employees by 2030

**30%**  
of women in senior and middle management positions By 2030

**4%**  
of employees with disabilities in the workforce at Ashtrom Group's headquarters By 2030

  
Expand employee involvement in regular and ongoing volunteering activities

At least  
**0.5%**  
of net profit before tax contributed to the community<sup>19</sup>

19. Calculated from the previous year's net profit before tax, excluding one-time profits.



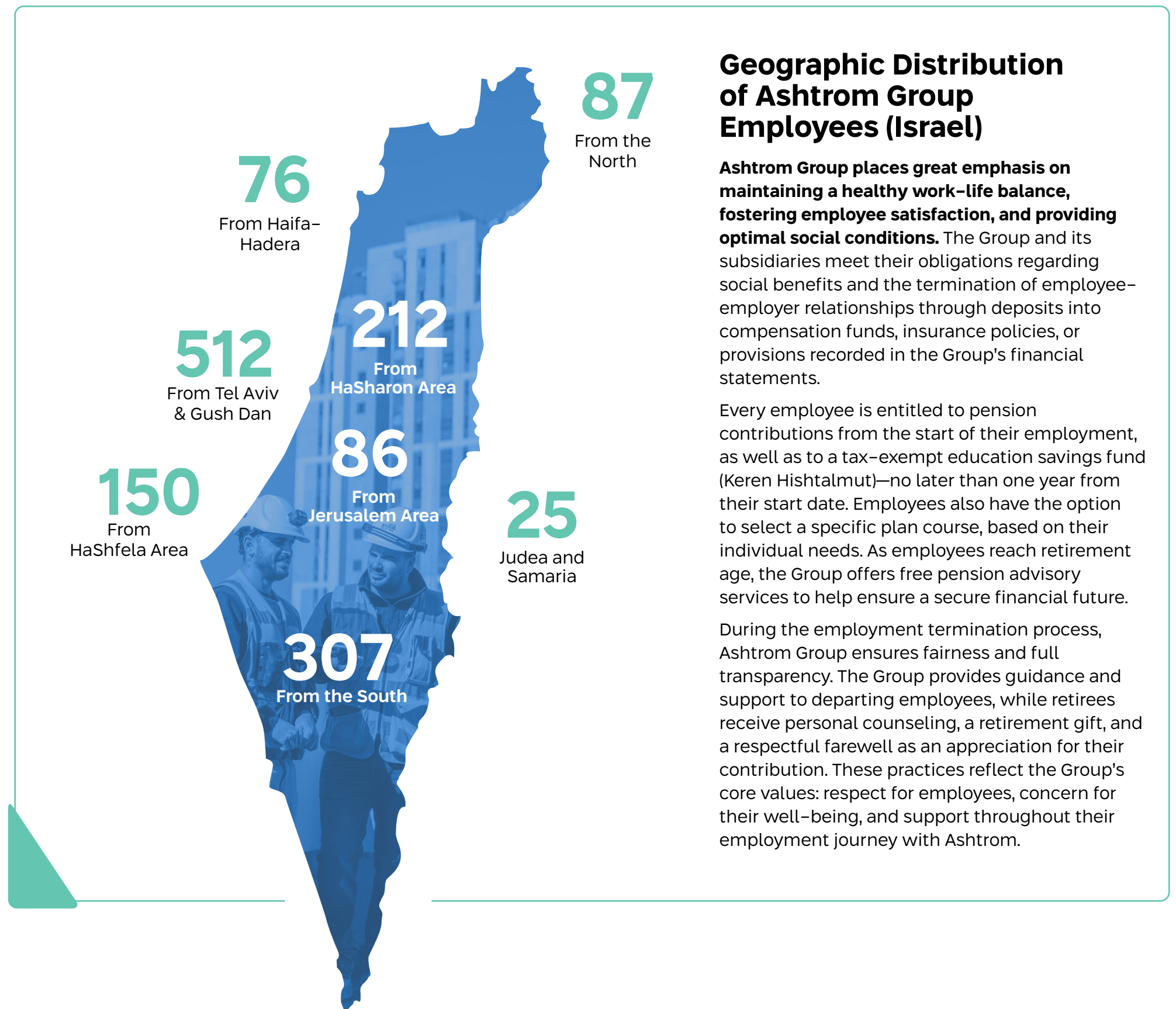
## Fair and Respectful Employment

We strive to ensure our employees feel valued and fully realize the unique potential inherent in each and every one of them, while fostering an organizational culture built on open dialogue, a family-like atmosphere and mutual respect.

Ashtrom Group's Human Resources Department manages the Group's human capital and is headed by VP of Human Resources, who is responsible for labor relations. In Israel, Ashtrom Group employees are generally employed under personal employment contracts, except for a group of employees who are covered by collective agreements in the construction sector.

As of the end of 2024, Ashtrom Group employs **1,455 people**—a 7% decrease compared to the previous year, primarily due to business changes within the Group's subsidiaries. Ashtrom Group does not employ minors and strictly opposes any form of forced labor. Surveillance cameras installed at the entrances to construction sites help ensure that only authorized personnel who have completed the required training are granted access.

### Total Employees in Ashtrom Group



## Geographic Distribution of Ashtrom Group Employees (Israel)

Ashtrom Group places great emphasis on maintaining a healthy work-life balance, fostering employee satisfaction, and providing optimal social conditions. The Group and its subsidiaries meet their obligations regarding social benefits and the termination of employee-employer relationships through deposits into compensation funds, insurance policies, or provisions recorded in the Group's financial statements.

Every employee is entitled to pension contributions from the start of their employment, as well as to a tax-exempt education savings fund (Keren Hishtalmut)—no later than one year from their start date. Employees also have the option to select a specific plan course, based on their individual needs. As employees reach retirement age, the Group offers free pension advisory services to help ensure a secure financial future.

During the employment termination process, Ashtrom Group ensures fairness and full transparency. The Group provides guidance and support to departing employees, while retirees receive personal counseling, a retirement gift, and a respectful farewell as an appreciation for their contribution. These practices reflect the Group's core values: respect for employees, concern for their well-being, and support throughout their employment journey with Ashtrom.



# Caring for the health, safety and well-being of our people

## Employee welfare and benefits at Ashtrom Group

At Ashtrom Group, our approach to employee welfare is built on a broad framework that focuses on two key dimensions : the personal and family circle, which strengthens the employee and his family's sense of belonging to the group, and the organizational circle, which deepens the connection between the employee and the organization through a variety of benefits and services that are not dependent on salary or performance. The welfare model accompanies each employee through five key areas:

- **Individual well-being**  
personal and health support, based on the personal needs of each employee
- **Organizational cohesion**  
Initiatives that strengthen employees' sense of belonging to the organization.
- **Benefits**  
assisting employees in improving their quality of life through preferential conditions and unique services.
- **Training and Enrichment activities**  
personal development, professional training, and cultural events
- **Community Engagement**  
taking part in community activities and social initiatives, which strengthen the sense of mission and involvement.

As part of our ongoing commitment to enhancing employee well-being and the overall work experience—and following an in-depth, comprehensive process—a decision was made to significantly upgrade the employee benefits package, effective January 2025.

### Investing in the Future of Our Employees and Their Families: Scholarships, Support, and Loans

In 2024, Ashtrom Group launched a scholarship program aimed at encouraging higher education and professional development for the children of its employees. Following a thorough review process, 26 applications that met the criteria were approved, and scholarships totaling approximately 250 thousand NIS were awarded.

At the same time, Ashtrom Group offers employees the option of receiving financial support in the form of loans during significant life events. These loans are granted subject to the necessary approvals and in accordance with applicable laws and the Group's policies. In 2024, loans totaling approximately 802 thousand NIS were granted to employees.

### Health Insurance: Supporting the Well-Being of Employees and Their Families

As part of its commitment to the health and well-being of its employees, Ashtrom Group provides all employees with comprehensive and collective medical insurance. This coverage includes transplants and specialized treatments, access to costly medications not included in the national health basket, and an access to a dedicated website offering medical information and services.



## End of Summer Event for Ashtrom Children

### Examples of Welfare Initiatives in 2024:

During 2024, Ashtrom Group focused on strengthening the connection between employees and the organization through two key approaches: fostering connections reinforcing ties with employees' families, and offering personalized welfare options that allowed each employee to choose the benefits and gifts most relevant to them.

The annual welfare plan was thoughtfully designed to address the diverse needs of employees across the Group, while also being tailored to each subsidiary and organizational unit. Activities included company-wide events, team-building days, and personalized gestures—each aimed at strengthening employees' sense of belonging to their teams, their individual divisions or subsidiaries, and the broader Ashtrom Group.

#### 🎁 Flying with Imagination" – Shafitu Circus Event

Approximately 400 children and grandchildren of employees took part in a special day of experiential activities, combining themes from the world of construction with an exciting circus performance and a variety of engaging experiences.

#### 🎁 Gifts for First-Graders and New Recruits

Children of employees entering first grade received schoolbags filled with educational supplies, while those enlisting in the military were gifted personalized boxes to mark this important milestone.

#### 🎁 Decade of Service Recognition Ceremony

In a special ceremony honoring long-term dedication, 41 employees who reached ten years of service received prestigious wristwatches as a token of appreciation.

#### 🎁 Summer Treats and Holiday Activities

During the summer months, popsicles were distributed to field workers. On Purim, employees chose personalized "Mishloach Manot", and during Hanukkah, a festive holiday event was held to celebrate the season together.

#### 🎁 Community Events and Women's Empowerment

In honor of International Women's Day, a special "The Power of a Woman" panel was held, featuring inspiring personal stories by the group's managers and a keynote lecture by Hila Korach, who shared her personal story.



## Dialogue with Employees

**Ashtrom Group** places great importance on strengthening organizational culture and enhancing employees' sense of belonging through effective communication and continuous dialogue.

In 2024, an annual organizational communications plan was developed by the Head of Internal Communications, aimed at fostering a culture of open dialogue and strengthening employee engagement. Communication channels include emails and SMS messages, television screens at the headquarters and factories, message boards, training sessions, and direct communication—supported by an open-door policy upheld by junior managers and senior leadership. In addition, HR managers conduct regular one-on-one conversations with employees.

In 2024, Ashtrom Group expanded its communication efforts by launching official Facebook and Instagram pages, offering a behind-the-scenes look at the Group's activities and the people driving them. These platforms help strengthen the connection with current employees and attract potential candidates. In addition, dedicated career pages were launched on the new websites of the Group and its various subsidiaries, placing a strong emphasis on the employee experience. Targeted communication channels, such as WhatsApp groups, were also activated for specific events like the Real Estate Conference, enabling tailored content and engagement for participants.

## Safe Work Environment

At Ashtrom Group, we strongly emphasize the importance of maintaining a **pleasant, safe, and respectful work environment**. We believe that the safety and well-being of our employees are fundamental to both individual fulfillment and organizational success. To that end, we ensure proper working conditions and cultivate a sense of security, care, and overall well-being.

### Zero Tolerance for Violence and Harassment in the Workplace

Ashtrom Group maintains a zero-tolerance policy toward any form of violence, harassment, bullying, or abuse in the workplace. As part of this commitment:

- Regular training sessions are held to raise awareness about respectful conduct, in alignment with legal requirements and the values outlined in the Group's Code of Ethics.
- Regulations for the prevention of sexual harassment are clearly displayed in the company's offices and on all work sites.

During 2024, three harassment complaints were registered, including one submitted by a third party. All complaints were thoroughly reviewed in accordance with applicable laws and were found to be unsubstantiated. Additionally, one complaint of sexual harassment was reported and was addressed promptly and without delay.

During 2025, Ashtrom Group will update its sexual harassment prevention regulations to reflect recent legal changes and to ensure that all employees and managers are fully informed of their rights and responsibilities. The updated regulations will be published across all Group offices and websites and made accessible to all employees. In addition, a new software will be distributed to support the implementation of the guidelines and to deepen understanding of the topic.

### Fostering a Safety Culture and Effective Emergency Response

This year highlighted the effectiveness of the training and procedures implemented in the previous year, as employees and managers were able to respond effectively to unexpected emergencies. We take pride in the culture of safety and vigilance we have cultivated—one that protects the lives of our employees and supports operational resilience and business continuity, even under challenging conditions.

### Road Safety – Promoting Awareness and Protecting Lives

Ashtrom Group is committed to enhancing road safety by regularly distributing reminders and updates from the Automotive Department, especially during high-risk periods such as winter, holidays, and the start of the school year. We actively promote safe driving practices—including maintaining a safe distance, avoiding distractions, and driving cautiously—to safeguard the well-being of our employees and all road users.



## Employee Safety

The safety of our employees is a top priority, and we actively work to minimize risks on construction sites through comprehensive procedures, continuous training, and advanced safety systems. As part of our ongoing efforts to promote employee safety and health, we have published the Ashtrom Group's [Employee Safety and Health Policy](#). During 2023, Ashtrom Group, along with Ashtrom Engineering and Construction, completed the certification process for the ISO 45001 standard for occupational health and safety management systems. Published on March 2018, ISO 45001 aims to reduce workplace injuries and illnesses. It builds on the former OHSAS 18001 standard and incorporates key principles and guidelines from the International Labour Organization, including the 2001 ILO OSH framework, as well as national standards.

## Preventing Workplace Accidents on Sites and in Factories

Ashtrom Group operates in full compliance with occupational safety laws, upholding strict standards across all activities. The Group employs professional safety supervisors who oversee operations at its various sites, and each project is assigned a dedicated foreman responsible for ensuring that all work is conducted in accordance with mandatory safety procedures.

### Safety Training and Education

We strive to reduce safety incidents on construction sites and in factories through regular training programs, the implementation of effective management and control systems, and the use of advanced protective equipment. As part of this commitment, we provide dedicated training for site managers and employees, focusing on the proper use of personal protective equipment and safe work practices. We conduct safety training sessions for both employees and managers, with an emphasis on practical, hands-on instruction. In addition, we appoint safety supervisors in factories and on work sites to further strengthen day-to-day safety practices. These efforts are central to fostering a strong safety culture—one in which every employee understands the importance of safety and takes proactive steps to maintain a secure work environment.

### Safety Management and Lessons Learned Processes

Ashtrom Group manages safety through designated safety supervisors for each area of activity, safety officers stationed at construction sites and factories, and safety committees that meet on a regular basis. These committees are responsible for analyzing safety incidents (including “near misses”), sharing key insights, and implementing recommendations. Safety incidents are documented and stored in a shared information system, accessible to all managers and safety supervisors, to support continuous organizational learning. We closely monitor all accidents and safety events—regardless of their severity—to extract lessons learned and prevent recurrence. In addition, we proactively track “near miss” incidents through dedicated systems and a built-in reporting application.

## Investing in Safety

Ashtrom Group invests tens of millions of NIS annually in safety initiatives, reflecting its deep and ongoing commitment to maintaining a safe and efficient work environment. For example, Ashtrom Construction has invested approximately 50 million NIS over the past two years in safety-related activities. Similarly, Ashtrom Industries has invested 1.25 million NIS over the last three years in the development and implementation of an advanced safety management system.





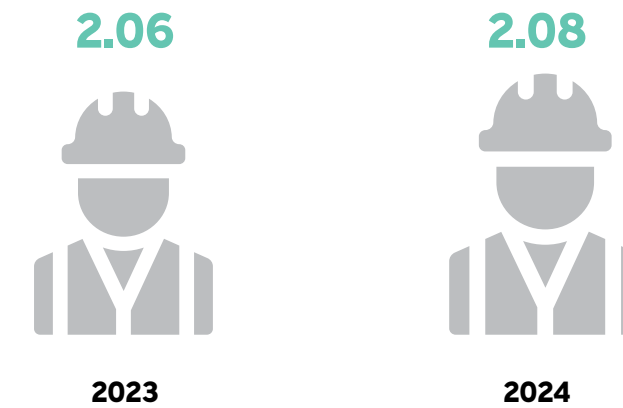
## Overview of Accidents within Ashtrom Group Over the Past Two Years:



20. Ashtrom Group Employees Only – on their way to or from the workplace and are not classified as accidents occurring at the workplace itself.

21. In 2024, there was an unfortunate fatality involving a contractor worker at Ashcrete plant, following a fall from height. Additionally, another tragic incident occurred at Israbeton plant, resulting in the death of a contractor worker.

### ▶ TRIR for Workplace Accidents Involving Ashtrom Group Employees



This year, the **TRIR** index remained stable, accompanied by a decline in the total number of employee accidents, reflecting our ongoing efforts to maintain a high standard of safety across our work sites and factories. However, in 2024, we have unfortunately faced two fatal workplace accidents involving contractor employees.

These tragic incidents underscore the ongoing challenge of ensuring the safety of everyone who enters our construction sites. The stability of the TRIR index reinforces our determination to continue progressing toward our safety goals while maintaining a culture of uncompromising safety.

## Contractor Workers

As part of its engagement with sub contractors, Ashtrom Group carefully examines their compliance with critical standards related to safety, employment conditions, and workers' rights. All contractor agreements include clauses requiring full compliance with legal obligations, including the payment of lawful wages, provision of social benefits, and the safeguarding of employee health and safety.



# Employee Development and Empowerment

Ashtrom Group nurtures its human capital and invests considerable resources in the personal and professional development of its employees. We believe that learning is more than just the transfer of knowledge—it plays a vital role in retaining our top employees, strengthening their emotional engagement, increasing job satisfaction, and significantly saving resources.

2024 was a challenging year for implementing the learning program as outlined in the annual work plan. The ongoing war routine impacted business activity and organizational focus, in part due to a significant number of our employees being called up for reserve duty.

The Learning Department adapted the annual program to the organizational and national reality in two key ways:

1. **Distance learning** – The “Ashtrom Plus” project was delivered through digital Zoom sessions, covering core skills such as artificial intelligence, negotiation, and presentation techniques. This format enabled employees, both in the field and at headquarters, to continue learning even during the wartime period.
2. **Strategic learning processes** – Efforts were focused on initiatives with a direct impact on organizational performance and employee satisfaction, as detailed later in this report

## Learning activities are carried out in three main areas:



### Regulation studies

certifications and refresher courses required by regulation, with a strong emphasis on occupational safety and health. These trainings are designed to ensure professional competence and uphold the highest standards of work and employee safety.



### Internal learning

training programs and learning processes designed to translate business objectives into dedicated development programs.



### External studies

including academic degrees, professional courses, and seminars provided through external institutions. In addition, the Group offers an external studies program that enables any employee with two or more years of seniority to receive financial support for academic studies—covering up to 50% of tuition fees, with a maximum of 10,000 NIS per year.





## Inter earning

### Cross-Group Professional Forums

- **Administration Forum**  
Improving the work with the Group's headquarters units and strengthening the connection with the Group.
- **Accounting Conference**  
Creating professional standardization across departments and delivering important updates.
- **Competency Program for Marketing Professionals**  
Equipping marketing professionals with practical tools and insights to address the business challenges faced by Ashtrom Group this year.

### Learning that Supports Organizational Processes

- **CRM System Implementation**  
A comprehensive training program was carried out to support the rollout of the CRM system. This included training internal instructors, conducting system training sessions, organizing a launch event, and providing managers with guidance on data-driven decision-making.
- **Redesign Customer Service**  
This year, we have conducted a comprehensive process to redesign the customer service experience, focusing on building a uniform service framework for all levels of employees at Ashtrom Residences for Rent
- **RACI**  
Implementation of the RACI model, which defines roles and responsibilities across organizational interfaces and serves as a foundation for streamlining work processes. The model was adopted in 2024 by several companies within the Group
- **Service Improvement Process in the IT Division**  
Establishing a clear service framework, defining roles, and creating a supportive organizational structure, alongside focused efforts on recruiting and developing human capital.

### Professional Development

- **Fire Safety at Ashtrom Construction**  
Enhancing access to fire safety knowledge and ensuring a consistent, high standard across all execution stages and relevant roles. The training covered key topics such as fire detection and smoke control, passive fire protection, and the use of fire and smoke barriers.
- **Professional Development Program: Recruitment Department**  
Establishing standardized work processes and strengthening core professional skills. This ongoing program is designed to support the recruitment team throughout 2025.



**Total Training hours**  
for Ashtrom Group  
employees across all  
learning channels in 2024

**26,474**



**Average training  
hours**  
per employee in 2024

**18**



# Employment Diversity and Equal Opportunity

Ashtrom Group actively promotes workforce diversity and equal opportunity, recognizing the value and benefits of embracing a wide range of perspectives, cultures, and experiences that reflect the richness of Israeli society.

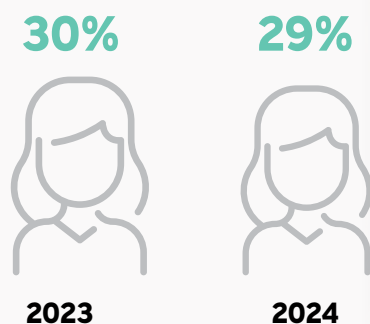
## Promoting Gender Diversity

While the construction industry has traditionally been male-dominated, women accounted for approximately **29%** of Ashtrom Group's workforce by 2024.

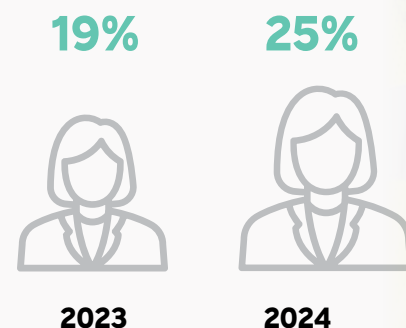
We are actively working to increase female representation across all levels of the organization, including leadership positions. By the end of 2024, women held **25%** of senior and middle management roles—progress that reflects our broader initiative to redefine roles and organizational structures.

Having achieved our previous target, we've now set a new goal: reaching **30%** representation of women in senior and middle management roles across the Group by 2030.

### Proportion of women in the total workforce of Ashtrom Group



### Proportion of women in senior and middle management positions in Ashtrom Group



## Equal Pay for Male and Female Employees

The principle of equality is a core value at Ashtrom Group. The results of the 2023 salary survey conducted across Ashtrom Group, Ashtrom Residences, and Ashtrom Properties show that in most categories, pay gaps were in favor of women. Where gaps did exist, they were primarily attributed to differences in seniority, experience, role characteristics, and additional benefits such as car maintenance allowances.

**It is important to note that 97% of Ashtrom Group employees earn a salary that is at least 10% above the minimum wage.**

## Promoting Physical and Digital Accessibility

In 2024, Ashtrom Group continued to advance both physical and digital accessibility in alignment with the "Accessibility of Services for People with Disabilities" regulations. With regard to physical accessibility, upgrades were implemented across various buildings and infrastructure. This process was supported by accessibility surveys, collaboration with maintenance managers, and the training of approximately 120 Group employees. The Group is actively working to enhance accessibility across properties owned by Ashtrom Residences, Ashtrom Properties, and Ashtrom Residences for Rent. Simultaneously, efforts are underway to improve accessibility in Ashtrom Properties' assets in Germany and England, in accordance with local accessibility standards. In Israel, all of the Group's digital assets have been made accessible. Additionally, a new digital platform for managing the Group's websites has been launched, streamlining the digital accessibility process. All online files, including reports, have been made accessible as part of this initiative.



### Supporting Employees Over 50

As of the end of 2024, around 41% of Ashtrom Group employees are over the age of 50, with approximately 18% of them serving in senior and mid-level management roles. Additionally, about 18% of our workforce is over the age of 60. These figures reflect the Group's success in preserving organizational knowledge and highlight our ability to integrate extensive professional experience with up-to-date skills.

In addition, the fact that 48% of employees are between the ages of 31 and 50 reflects our ability to attract and retain professionals at the peak of their careers. Together, these figures highlight Ashtrom's organizational stability, long-term growth, and our success in cultivating a multi-generational work environment that values both innovation and experience.

### Employees from the Arab Sector

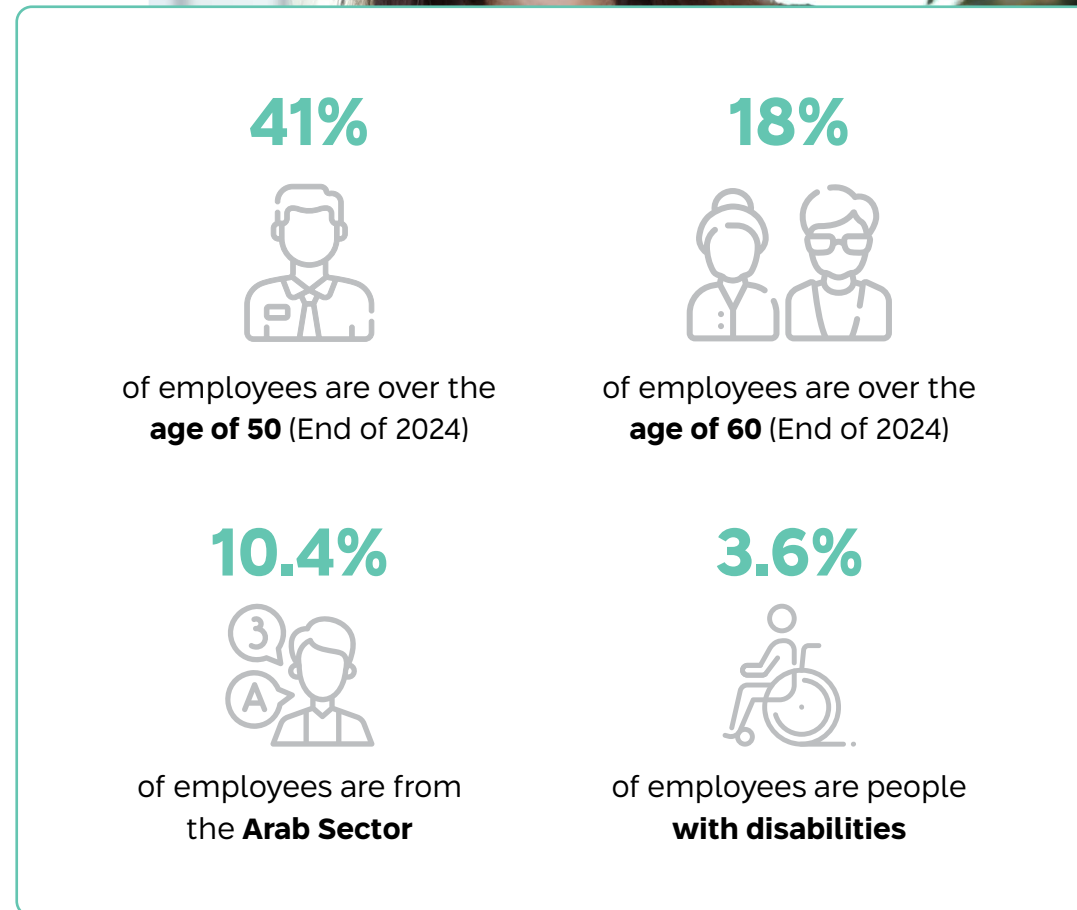
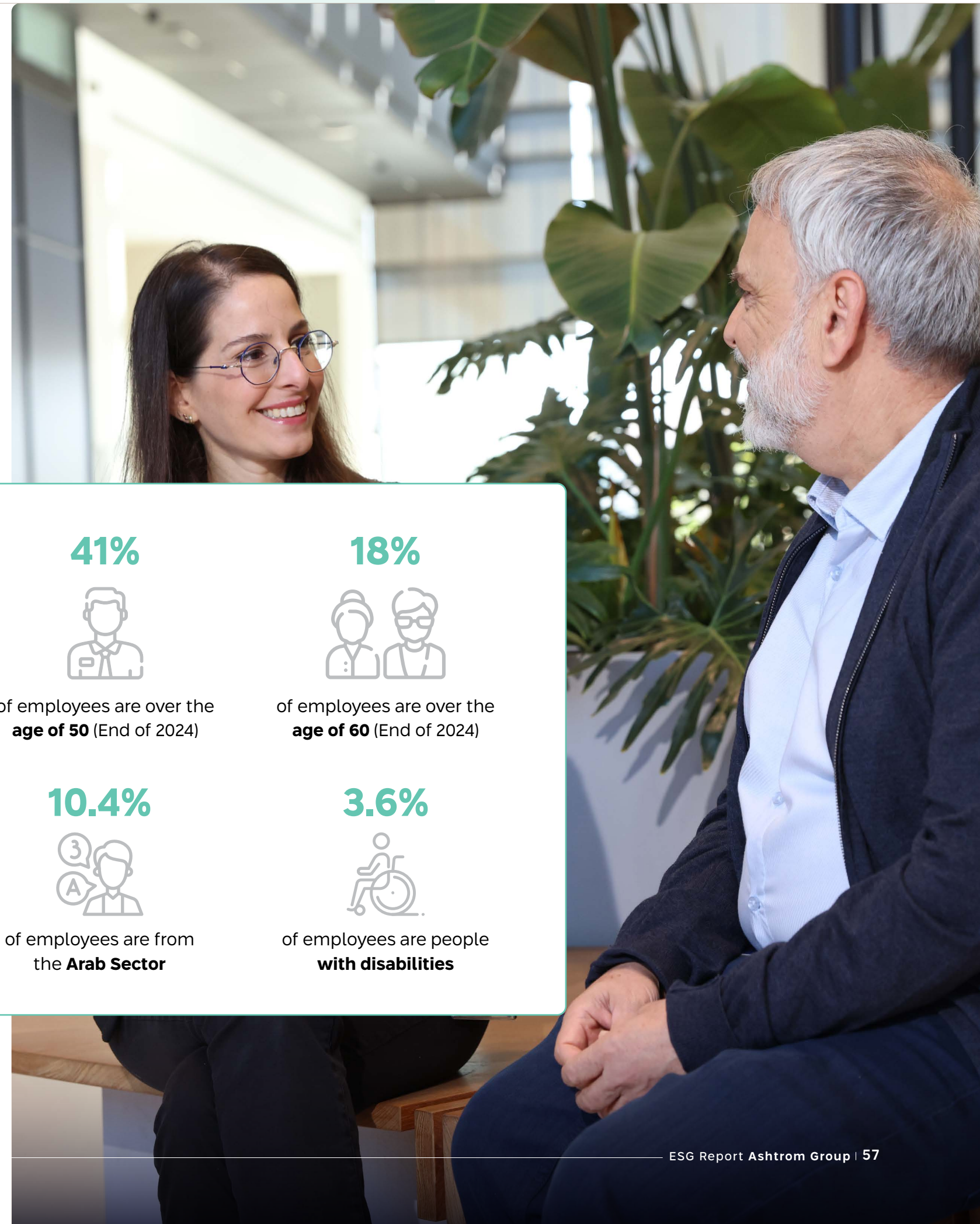
The Arab community remains one of the underrepresented groups in the Israeli labor market. At Ashtrom Group, approximately **10.4%** of all employees are from the Arab sector – a figure consistent with 2023.

### Employees with Disabilities

At Ashtrom Group, employing individuals with disabilities is regarded as both a privilege and a meaningful contribution to society. Therefore, the Group collaborates with organizations specializing in the integration of people with disabilities into the workforce. These include "Shekulo Tov" (which focuses on employing individuals with mental health challenges), "Belev Echad" (which supports the integration of IDF veterans with disabilities), and "Alvin Israel" ,among others.

Following the large number of wounded in the "Iron Swords" war, Ashtrom Group proactively reached out to the Ministry of Defense's Rehabilitation Department, offering to integrate both veteran and newly disabled IDF personnel into various roles across the organization. Currently, approximately **3.6%** of employees at the Group's headquarters are individuals with disabilities (based on self-reported data).

Ashtrom maintains a stable rate of employment for people with disabilities and is intensifying its efforts to reach its long-term inclusion goals.





# A Healthy, High-Quality Living Environment for Tenants

Ashtrom Group is committed to meeting diverse residential and employment needs by creating high-quality, healthy, and sustainable living environments.

Each area of activity—whether managing income-generating properties, developing residential complexes for rent, or initiating residential projects for sale—contributes in its own way to shaping living spaces that combine comfort, accessibility, and a sense of community.



Kiryat HaYovel • Jerusalem

## Ashtrom Properties: Creating Thriving and Sustainable Spaces

Ashtrom Properties plays a key role in shaping vibrant living and working environments that strengthen the communities it serves. By managing income-generating properties, the company acts as a driver of economic growth—fostering stronger connections between people and workplaces, and supporting the creation of common spaces where businesses and communities can meet, collaborate, and grow.

- **OLIO** – A dynamic mixed-use complex that seamlessly integrates residential, commercial, and recreational spaces, directly connected to the Bat Yam Mall via a landscaped green roof above the commercial level. The design features open areas that promote an active lifestyle, while discreetly concealing building systems and minimizing noise—enhancing the experience for both residents and visitors.
- **LYFE** – The complex offers a lifestyle that blends work and leisure, featuring green views of HaYarkon Park, a gym, a culinary hub, and easy access to public transportation.
- **RISHO** – Residents enjoy green spaces, bike paths, proximity to entertainment hubs, and accessible public transportation—offering maximum convenience and a healthy balance between work and leisure.
- **The Capital** – The complex features green spaces, bike paths, a swimming pool and a spa, along with easy access to nearby cultural and recreational centers—offering residents a unique living experience in the heart of the city. Located within walking distance of the light rail station, the project is also close to key attractions, such as the ICC Jerusalem, and “Mahane Yehuda” Market.
- **U-Comm** – With advanced urban planning, abundant green spaces, and convenient access to the light rail and HaMesila Park, the Jerusalem complex serves as an ideal connection point between work and leisure.
- **HaOrgim Complex** – A mixed-use complex spanning 200,000 sqm, planned to include commercial and employment areas alongside 1,490 residential units. The project will be built according to the “Blue Zone” model—an innovative urban concept based on principles such as fostering community and reducing polluting traffic.



## Ashtrom Residences: Creating Advanced Living Environments

**Ashtrom Residences** strives to create living environments that enhance quality of life, promote sustainability, and foster a strong sense of community. The company views the living environment not merely as a housing solution, but as a space that positively impacts tenants' well-being, health, and sense of belonging. Through advanced infrastructure, professional management, and community services, Ashtrom Residences creates a safe, green, and community-oriented living experience.

## Urban Renewal: An Engine for Sustainability and Urban Upgrading

Urban renewal revitalizes outdated infrastructure and transforms it into modern, green living environments—enhancing both quality of life and urban density. Developers play a key role in driving this process, particularly from an environmental perspective, by planning and executing projects that prioritize green construction, energy efficiency, and the integration of public spaces.

As a leading company in the field, Ashtrom Residences invests in creating sustainable urban environments that strengthen community ties and enhance quality of life—while carefully balancing private needs with public interests.























## Ashtrom Residences for Rent: Offering Community-Oriented Living Environments

**Ashtrom Residences for Rent** plays a role in shaping the residential experience in Israel by addressing the growing demand for stability and a sense of belonging in the housing market. The company provides tenants with high-quality, supportive living environments that combine a strong sense of community with advanced services and high accessibility.

Through professional management and a broad understanding of tenants needs, Ashtrom Residences for Rent helps create living environments that support personal and family well-being, while fostering a high quality of life over the long term.

Tenants feedback from the Neot Peres Haifa project reflects a high level of satisfaction. The project received impressive scores across all categories, including attitude (4.64), professionalism (4.64), and speed of response (4.81), resulting in a strong overall average. Tenants highlighted the professional and efficient service.

### Tenant Reviews

Satisfaction							
Attitude							4.64
Professionalism							4.64
Speed of Response							4.81

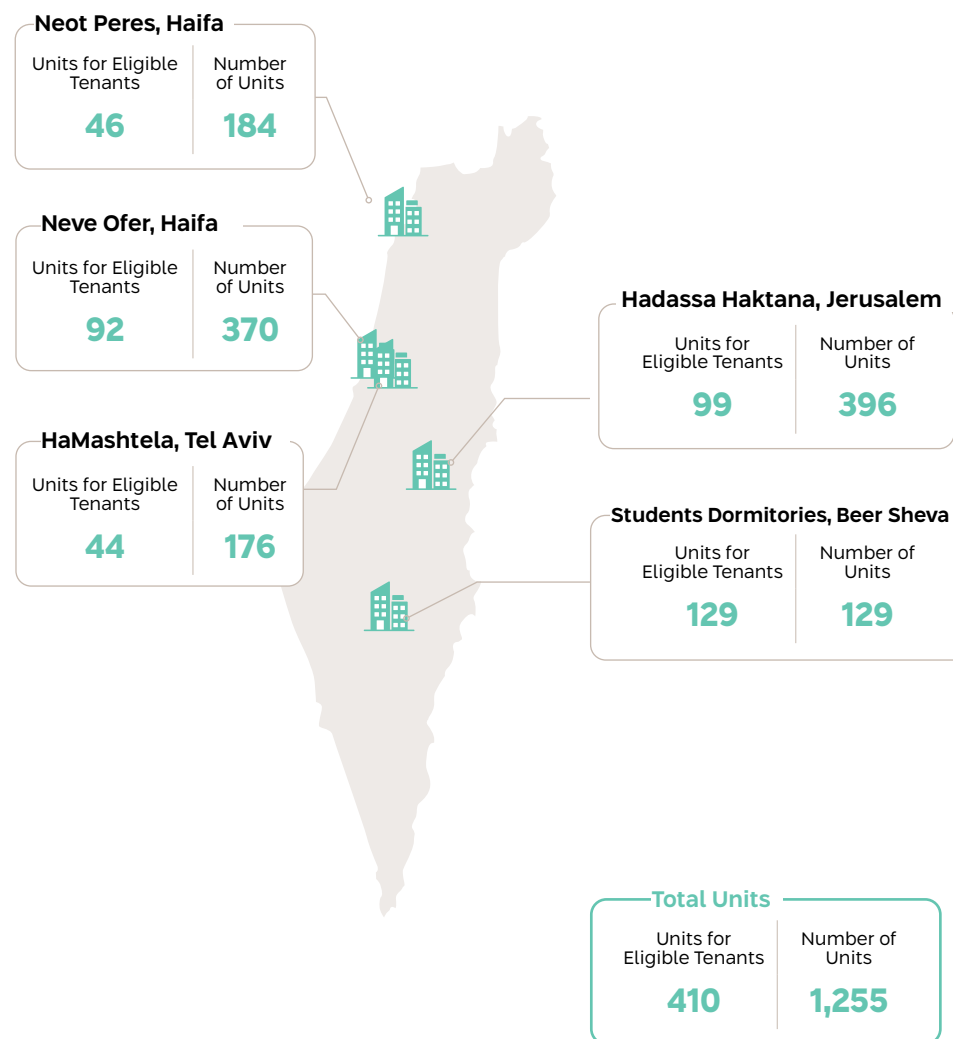
Einstein Ramat Aviv • Tel Aviv Jaffa



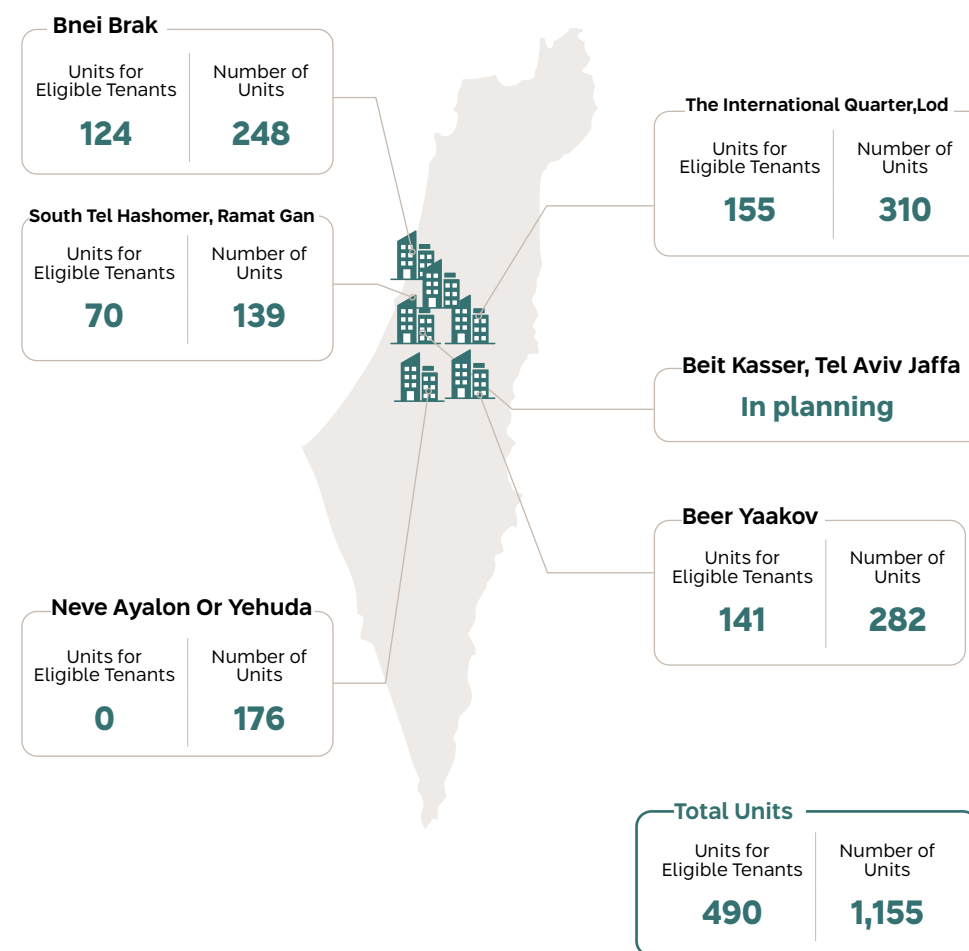
**Ashtrom Residences for Rent** designs, builds, and manages long-term rental apartments, most of which are developed through state-issued tenders. Under these tenders, between 25% to 50% of the apartments are designated for tenants eligible through the Ministry of Housing and Construction. As part of the rental agreement terms, these tenants benefit from a rent that is 20% below market rates for a period of up to 10 years.

Long-term rental housing at a controlled price currently accounts for approximately **33%** of all rental units managed by Ashtrom Residences for Rent (410 out of 1,255 apartments, including the student dormitories in Be'er Sheva).

## Income – Generating Projects



## Projects in planning



## Improving Tenants' Quality of Life and Ensuring Accessibility

**Ashtrom Residences for Rent** strives to enhance the quality of life for its tenants by creating comfortable, safe, and accessible living environments for all. As part of this commitment to accessibility and affordable housing, the company entered into an agreement with Amidar to provide housing units for tenants with disabilities who had been living in an old and unsuitable building under difficult conditions. As part of the agreement, Ashtrom Residences for Rent made the necessary adjustments to the property to ensure a safe, comfortable, and accessible living space.

The initiative included physical upgrades to enhance accessibility in both the apartments and shared public areas, adapting passageways and facilities to meet the unique needs of the residents. This collaboration reflects Ashtrom Residences for Rent' ongoing commitment to resident well-being and to creating inclusive, thoughtfully adapted living spaces that improve quality of life and foster a strong sense of community within its properties.



## Long-Term Rental as a Key to Social Stability and Sustainability

**Ashtrom Residences for Rent** offers an innovative housing model in Israel—long-term rental agreements of up to 10 years. This approach contributes to social and economic stability by allowing tenants to realize their vision of a long-term home, fostering a lasting sense of belonging and security. The model helps reduce social disparities and enhances quality of life through stable lease terms and a well-maintained, comfortable living environment. Beyond financial benefits, the company provides ongoing maintenance services that support tenants' health and well-being. Shared facilities and green spaces further promote a strong sense of community, deepen the connection between tenants and their surroundings, and encourage a healthy lifestyle.

In 2024, Ashtrom Residences for Rent organized a wide variety of activities and events across its residential complexes, aimed at fostering shared experiences and strengthening tenants' sense of community and belonging. These included creative workshops, educational seminars, FIFA tournaments, stand-up comedy shows, pizza nights, cooking classes, and circus performances for children.



Kyriat HaYovel • Jerusalem



## Promoting Community Resilience

Ashtrom Group views community involvement as a core value and a meaningful contribution to Israeli society. The Group operates under a structured [community investment policy](#), which emphasizes encouraging employee volunteerism and supporting a wide range of social and community initiatives. This is carried out alongside financial contributions to organizations and non-profits working across various sectors.

This year, the Group launched a new website and introduced a dedicated [landing page](#) that offers accessible information to the public about its community-focused activities.

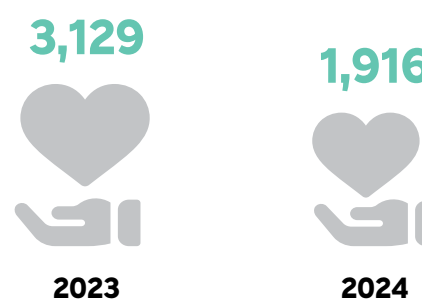
Ashtrom Group's community involvement is diverse and dynamic. Since the outbreak of the 'Iron Swords' war, activities have expanded to include agricultural picking and packing, renovating and painting community spaces, and responding to urgent needs of the local community. The Group continues to lead proactive initiatives, promoting values of mutual responsibility and strengthening partnerships with local organizations.

This chapter highlights the wide scope of Ashtrom Group's community-focused activities, emphasizing its ongoing efforts to strengthen community resilience and its meaningful contribution to social life in Israel.

Ashtrom Group has set a target to contribute approximately 0.5% of its net profit before tax to community initiatives. In 2023, the Group's operating results were significantly lower than its typical performance. As a result, in 2024, the Group substantially exceeded its contribution target.

22. Calculated based on the previous year's net profit before tax, excluding one-time profits.

### Total Donations in 2023–2024 (in Thousands of Shekels)



Donation to soldiers in 'Iron Swords' war



**Ashtrom Group** launched a unique collaboration with the Technion to promote environmental entrepreneurship, funded by the Group and focused on developing innovative solutions for the construction and real estate sectors. During 2024, this partnership resulted in several academic research initiatives aimed at addressing environmental challenges and encouraging entrepreneurship in the field.



## Ashtrom Group Supports the Frontline and Adopts Fighters

On June 1, 2023, Ashtrom Group officially adopted "Bahad 1", as part of the "Ametz Lohem" project. During the 'Iron Swords' war, the Group expanded its support for frontline soldiers. In 2024, representatives from Ashtrom Group's management visited the 727 Eitam Battalion at the "Yotam" base in the Arava, with the aim of personally meeting and honoring the battalion's fighters and command staff. During the visit, an official adoption ceremony was held to mark the Group's commitment to the battalion.

Additionally, as part of the Group's ongoing involvement with "Bahad 1", Ashtrom representatives took part in the graduation ceremony of the "Dolev" officers' course. This course is designed for reserve soldiers who served as platoon commanders during the war and underwent training to receive their officer ranks before returning to their units. During the ceremony, a modest gift was presented to the cadets, and the Group was proud to discover that one of the graduates is an employee of Ashtrom Construction.



## Ashtrom Embraces Families and Supports the Home Front During the 'Iron Swords' War

### → Activities for Employees and Their Families

In 2024, amid the ongoing "Iron Swords" war, Ashtrom Group focused on maintaining business continuity while providing comprehensive support to its employees and their families. This included assistance for young parents coping with the disruption of the educational system and aid for those evacuated from conflict zones.

Evacuated employees were offered fully equipped alternative housing and financial support for hotel accommodations during their transition. The Group ensured transparent, ongoing communication through emails, SMS updates, and direct phone calls from managers, along with personal support provided by the HR team.

### → Supporting Our Employees During Their Reserve Duty

The Group provided close support to employees who were called on their reserve duty, as well as to their families, throughout the entire period. Thoughtfully curated care packages were sent to show appreciation and boost morale, including seasonal items such as dried fruit for Tu BiShvat and Israeli-made holiday packages for Passover, featuring the "Haggadah of Hope" from Kibbutz Be'eri. In addition, the Group purchased essential equipment for reserve units, valued at approximately half a million NIS, based on requests from employees and their families. The equipment was packed and delivered to bases in both the south and north by Ashtrom employees who volunteered for the task. As a token of appreciation for their service, employees who completed extended periods of reserve duty received digital gift certificates for leisure and recreational activities.

### → Strengthening Ties with the Families of the Hostages

To mark the anniversary of the October 7 attack, Ashtrom Group displayed messages from the Hostages' Families Forum across its digital screens and set up memorial stands in solidarity. Commemorative ceremonies were held at the Group's divisions, including a moment of silence and the release of yellow balloons to honor and support the families. The Group purchased "Bouquets of Hope" — yellow tulips — for its female employees on Women's Day, with proceeds donated to the Hostages' Families Forum. In addition, "Haggadot of Hope" were included in Passover packages given to the families of employees called to reserve duty.



## Spirit of Volunteerism

Throughout the year, Ashtrom Group actively encouraged its employees to engage in volunteer activities that support the Israeli society—both as a way to give back to the community and as a means of personal growth and empowerment. The Group's dedicated team of employee volunteers has grown to approximately 250 individuals, who took part in various initiatives such as packing food baskets for those in need, donating blood in collaboration with Magen David Adom, and assisting farmers in harvesting and packing agricultural produce in moshavim across the country.

In 2024, a formal volunteering policy was introduced, establishing a clear framework for employee volunteer hours. In 2025, volunteer partners and activities will be selected in collaboration with the CEOs of the Group's various divisions, with the aim of expanding and deepening employee engagement in meaningful community contribution.



**250**

**employees volunteered**

'in initiatives related to the "Iron Swords" war

## Contributing to the Community and Strengthening Resilience During Wartime

Throughout the year, **BG BOND** actively supported the community through socially impactful initiatives and collaborations—particularly during the "Iron Swords" War:

- As part of the "Shana of Tikva" initiative, BG BOND donated paint products for a unique pop-up exhibition showcasing optimistic artwork, aimed at fostering community growth and resilience.
- **SPLASH Project** – An artistic and social initiative led by the late Lior Shram, who was tragically murdered at the Nova festival. The project seeks to connect communities to sports through the creative renewal of public sports fields. BG BOND donated the coating materials for the renovation of these fields.
- BG BOND donated paint products for the creation of vibrant murals at the Nova Gym, established in Kibbutz Brur Hayil in the Otef Gaza area. The gym holds significant rehabilitative value, serving as a space for both emotional and physical recovery for members of the kibbutz.

**Donation of paint to a gym in the Gaza Envelope**



## Ashtrom Residences for Rent

During the "Iron Swords" War, **Ashtrom Residences for Rent** focused on strengthening community resilience and addressing the evolving needs of its tenants. Community managers organized activities aimed at providing emotional relief, including baking workshops, art classes, and sports sessions for both children and adults—helping tenants cope with the challenges of the time

Ashtrom Residences for Rent expanded its social involvement by volunteering to paint the Beit Rachel Community Center in Kiryat HaYovel, Jerusalem. As part of the initiative, a memorial area was also established in honor of the late Osher and Michael Vaknin, who were murdered at the Nova party, and the late soldier Major Yakir Biton, who fell in the war.

## Ashtrom Properties

In honor of World Blood Donor Day, Ashtrom Group, in collaboration with Magen David Adom (MDA), held a blood donation Day at Ashtrom Port, located in the LYFE Towers in Bnei Brak. Employees of the Group and tenants of the towers volunteered and donated blood in a meaningful event.

Ashtrom Properties employees also volunteered at the absorption center for new immigrants in Kibbutz Ivim. They planted fruit trees, vegetables, and flowers as a symbol of hope and renewal. During the day, they heard the powerful story of Zion Ben Hanan, the head of security in Ivim, who shared his personal account of bravery during the defense of the kibbutz during the war.





# Progress Toward Goals

By 2030



30%

**Women in Senior and Middle Management**



**Significant Achievement:**

The original target of 18% women in management was successfully met. As a result, a new target was set



4%

**Employees with Disabilities at Group Headquarters**



**Significant Achievement:**

During 2024, two additional employees with disabilities were hired at the Group's headquarters



**Expanding Employee Involvement in Ongoing Volunteer Efforts**



**Significant Achievement:**

A formal volunteering policy was developed in 2024 and is set to be implemented across the Group in 2025



**Reducing Workplace Accidents and Achieving a**

**TRIR of 1**

(Total Recordable Incident Rate) for Ashtrom Group Employees



**Significant Achievement:**

The total number of workplace accidents continues to show a downward trend, with the TRIR (Total Recordable Incident Rate) remaining stable.



0.5%

**Community Contribution from Net Profit Before Tax<sup>23</sup>**



**Significant Achievement:**

Amid the challenges of the war and changes in business activity, the Group recorded a one-time increase in its community contribution rate

<sup>23</sup>. Calculated based on the previous year's net profit before tax, excluding one-time profits.



# Ethical Business Environment





# Ethical Business Environment

At Ashtrom Group, we are committed to conducting our business ethically, fairly, and fully complying with the law. We believe that consistent, honest, and principled behavior is essential to building and maintaining the trust of our employees, customers, business partners, suppliers, and all stakeholders. This unwavering commitment to integrity is a cornerstone of our long-term success.

Ashtrom Group operates in accordance with a **code of ethics** that serves as a guiding compass for all its activities. It has even set ambitious goals to strengthen its ethical practices further:

By 2035


 **0**  
material events<sup>24</sup>

By 2040

 **100%**  
Assessment of ESG material suppliers

 **100%**  
implementation of the Code of Ethics among suppliers and key business partners

By 2050

 **NET ZERO**  
for material suppliers

**24.** Refers to material events based on the magnitude and scope of their potential impact on Ashtrom Group's operations and reputation.

## Ethical Infrastructure Management

At Ashtrom Group, we operate according to the principles of business ethics, fairness, professionalism, and reliability. We are aware that some of the fields in which we operate may be seen as complex or sensitive, and we therefore place great emphasis on maintaining the highest standards of conduct in these areas. The Group adheres to a structured code of ethics and ensures that all employees are familiar with the procedures that govern our activities. We are committed to doing everything in our power to identify and address any issues that may compromise our ethical standards.







## Ashtrom Group's Code of Ethics

Ashtrom Group's [Code of Ethics](#) reflects the Group's commitment to conducting business responsibly and fairly, in accordance with legal requirements and widely accepted ethical standards. It sets clear expectations for the conduct of employees across the Group and its subsidiaries, offering guidance for specific situations as well as general principles for addressing ethical dilemmas.

Beyond legal obligations, every senior manager or employee of Ashtrom Group is expected to uphold high standards of ethical conduct, both personally and professionally. This includes demonstrating honesty, integrity, and trustworthiness in interactions with colleagues, customers, suppliers, the public, the business community, and government or public institutions.

Employees have the option to submit concerns related to potential violations of the Code of Ethics at any time. All reports are handled with sensitivity and confidentiality, ensuring protection for the reporting individual, including the option to report anonymously.

Employees may report to the Code of Ethics Supervisor, the HR Department, the CEO of Ashtrom Group, and/or the Chairman of the Audit Committee. In cases involving senior officers, employees may also contact the Chairman of the Board of Directors.

Violations of the Code of Ethics are considered disciplinary breaches and may result in measures such as disciplinary action, dismissal, or a hearing before management and the Audit Committee. Failure to comply with the Code may result in additional consequences, including civil or criminal liability, if it involves a breach of a legal obligation.

In recent years, no anonymous complaints have been received regarding violations of the Code of Ethics or the conduct of Ashtrom Group that required special attention.



**93%** of the group's employees read and approved the Code of Ethics during 2024

## Prevention of Bribery and Corruption

Ashtrom Group is committed to conducting its business with fairness, transparency, and **zero tolerance for bribery and corruption**. Such practices are fundamentally opposed to the Group's core values of honesty and ethical conduct, and might pose serious risks—including reputational damage, financial exposure, and potential criminal or administrative penalties. As part of its ongoing efforts, the Group promotes awareness among its employees, establishes clear work procedures, and implements a comprehensive compliance program to prevent bribery and corruption.

The compliance program for [preventing bribery and corruption](#) includes clear guidelines, procedures, and resources for identifying and managing related risks. The program was developed following an in-depth risk assessment conducted across the Group's divisions and subsidiaries, taking into account their geographic locations, business activities, and sector-specific characteristics.

As part of the Group's annual internal audit program, ad hoc reviews are conducted periodically, as needed, to assess compliance with anti-bribery and corruption guidelines. The findings and activities of the internal auditor are regularly reported to the Group's management, Board of Directors, and Audit Committee.



# Privacy Protection and Information Security

Ashtrom Group strives to safeguard the **privacy and information security** of its employees, customers, and business partners. The Group operates in full compliance with applicable laws and relevant regulations.

The Group has established comprehensive security policies and procedures, covering key areas such as information system protection, access authorization management, password protocols, data backup and recovery, physical security, documentation and control, and dealing with cyber incidents. In addition, it operates a monitoring center for cyber incidents, conducts regular information security surveys, and performs periodic penetration tests.

Security procedures are implemented through training sessions and cyber incident drills, including initiatives to raise employee's awareness of phishing attempts.

The area falls under the responsibility of the Group's Head of Cyber and Privacy Protection and is periodically reviewed during Board of Directors meetings.

In addition to the measures outlined above, the Group holds an extended cyber insurance policy designed to protect against a wide range of cyber-related risks. This includes financial, legal, and operational exposure resulting from incidents such as system intrusions, data breaches, or disruptions to digital services.

The insurance policy offers a broad range of coverages, including expenses as a result of cyber incidents, data recovery, ransom payments in cases of extortion attacks, and compensation for income loss due to business interruption. It also includes coverage for third-party claims and regulatory actions related to privacy violations or data breaches—all in accordance with the terms of the policy.

## Coping with Cyber Threats in 2024

During 2024, the Group faced several attempted cyberattacks aimed at accessing its information assets. Thanks to advanced information security systems, continuous monitoring and rapid response measures, as well as the implementation of strict cyber and privacy policies, the Group successfully prevented any business disruption or exposure of sensitive information.

## Key Steps to Maintain and Improve Security

In 2024, Ashtrom Group continued to strengthen its security infrastructure across various areas. As part of these efforts, the Group expanded and updated its employee training and awareness programs, with a focus on information security, privacy, and cyber protection. Additionally, the Group conducted drills to test the performance of its backup systems and its preparedness for crises, including disaster recovery processes.

The Group has continuously enhanced its monitoring and response capabilities through the advanced integration of organizational tracking and control systems, while also strengthening collaboration with external monitoring centers. In addition, Ashtrom Group has invested in new information security technologies and cyber protection systems, alongside ongoing upgrades and updates to existing infrastructure to ensure resilience against evolving cyber threats.



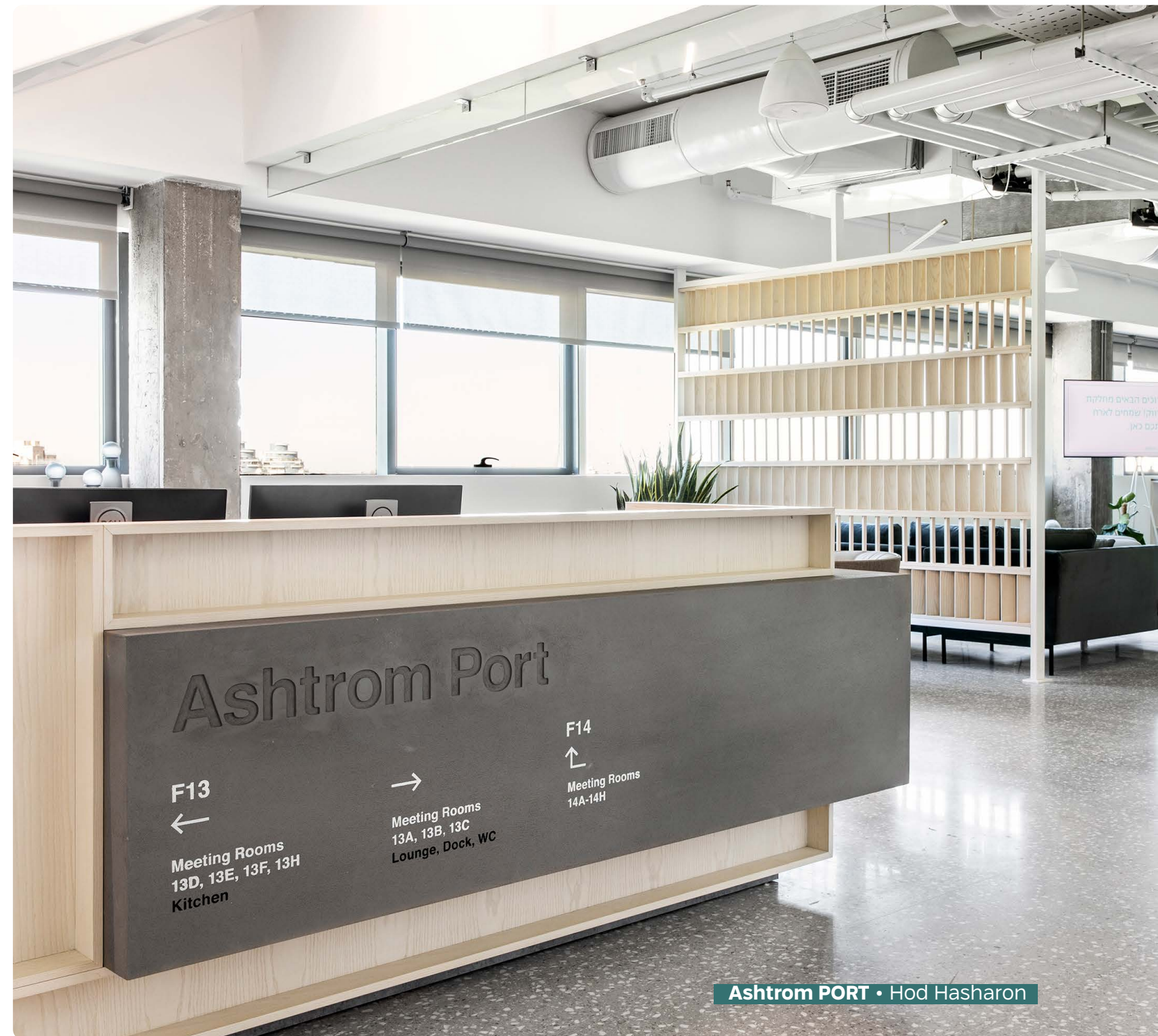
# Administrative Enforcement Plan in the Securities Sector

Ashtrom Group places great importance on legal compliance, particularly concerning securities laws and the Companies Law, recognizing it as a fundamental value essential to the Group's continued success both in Israel and abroad. In line with this, the Group has developed an enforcement plan centered on the principle of proper disclosure, serving as a cornerstone of responsible conduct and preserving the Group's well-earned reputation.

This program applies to **all Ashtrom employees**, across all levels and areas of activity and is designed to prevent, identify, and address violations of securities and corporate law while enabling continuous learning and the improvement of enforcement practices.

The enforcement mechanisms include a designated supervisor and an enforcement committee composed of at least three directors, including at least one external director. The committee is responsible for appointing the supervisor, overseeing the enforcement process, handling any identified violations, and drawing operational lessons. The committee works to ensure the effective implementation of the plan and to correct any deficiencies, as needed.

In 2022, the enforcement plan was implemented across all relevant employees, accompanied by periodic training sessions as part of an ongoing effort to strengthen awareness and accountability in this area. The Group's Legal Advisor serves as the designated Enforcement Officer and submits a detailed report on the matter to the Board of Directors every six months.



**Ashtrom PORT** • Hod Hasharon



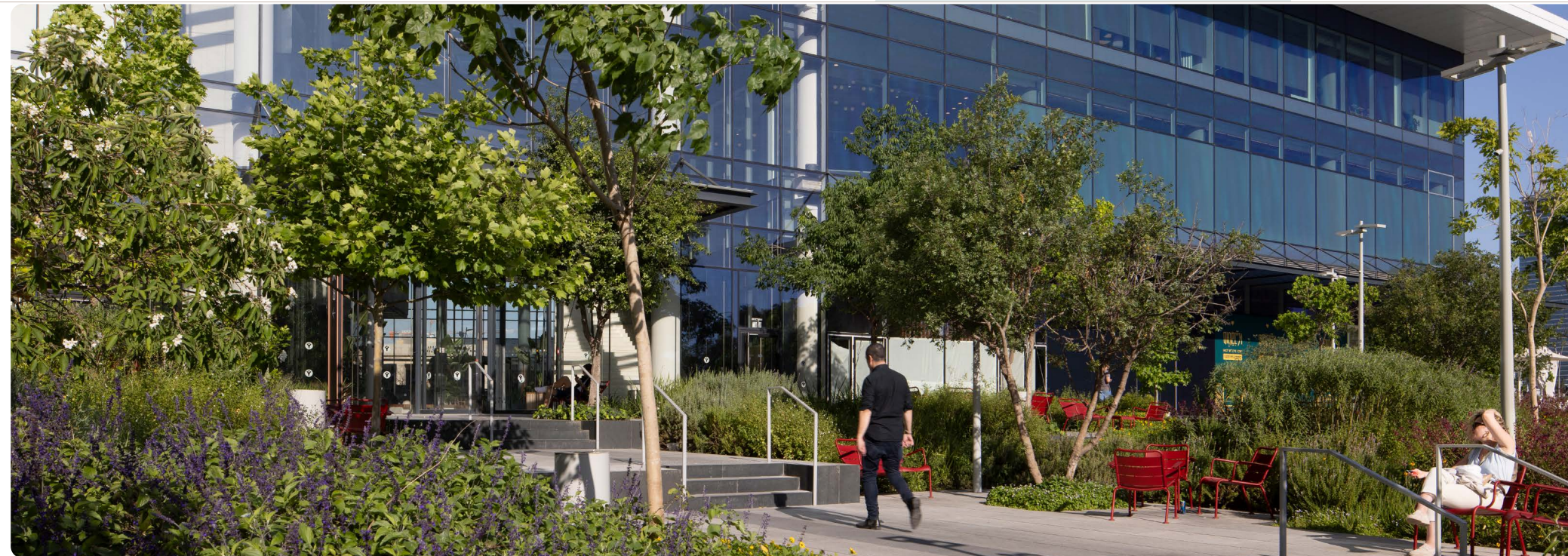
# Ashtrom Group: Board of Directors and Management

Ashtrom Group Board of Directors is composed of seven members. As of December 31, 2024, two women serve on the Board (**28.5%**), and three members are external directors (**43%**). Two directors possess financial expertise that enables them to thoroughly understand financial statements and assess the financial aspects of the Group's operations. In addition, the Board includes members with diverse expertise in fields such as real estate, security, and finance.

The appointment of Board members is based on their qualifications and professional experience, aligned with the organization's needs and areas of activity, while also ensuring the Board's independence and promoting gender diversity.

**Ashtrom Group's management** includes 13 members, of whom one is a woman (8%). For more information on the members of the Board of Directors and executive management, please refer to the [Group's website](#) or the 2024 periodic report, available on the MAYA and MAGNA websites.

As of the reporting date, two women serve on the Board of Directors of Ashtrom Properties, representing 25% of its members. In addition, one woman serves on the management team, constituting 15% of its members. Further details regarding the members of the Board of Directors and the management board can be found on the [Ashtrom Properties website](#) or in the company's 2024 periodic report, available on the MAYA and MAGNA websites.



## The Work of the Group's Board of Directors

The statutory committees of the Board of Directors include the Audit Committee, the Financial Statements Review Committee, and the Remuneration Committee. Additionally, an Enforcement Committee has been established, composed of the same members as the Audit Committee. The Audit Committee is made up entirely of external and independent directors, the majority of whom have financial expertise. The committee convenes as needed to address various matters and holds at least one annual meeting with both the internal auditor and the external auditor, without the presence of company management, to discuss any deficiencies identified in the corporation's management.

## Board of Directors Discussions on Strategy and Risk Management

The work of the Board of Directors is assessed based on the quality and scope of its members' involvement and their contribution to advancing the Group's activities. Ashtrom Group carries out a wide range of projects in line with its strategy and work plans, including pre-approved plans and budgets.

The Board of Directors delegates responsibility to appointed and senior managers as part of the ongoing decision-making process, ensuring appropriate frequency and the establishment of effective reporting mechanisms.

Market risk management is overseen by the Group's Chief Financial Officer, who reports to both management and the Board of Directors on all identified risks presented in Ashtrom Group's financial statements. The Board of Directors is ultimately responsible for risk management and conducts regular discussions on market risks as part of its strategic decision-making processes.

Board meetings include discussions on the Group's short – and long – term strategy, with a focus on reviewing current activities and the projected scope of operations in the coming years. These discussions encompass evaluations of potential new development areas, future market trends, and macroeconomic factors that may influence the Group's direction. Within this framework, the Board of Directors analyzes key parameters concerning operational profitability, the Group's debt structure, and required resources. Based on these insights, the Board shapes policies and strategies that support sustainable growth and advance the Group's long-term vision.





## Board of Directors Discussions on Innovation and Sustainability

Throughout the year, Board members took part in a review meeting focused on the Group's annual ESG activities. In addition, senior managers across the organization were assigned responsibility for innovation and sustainability efforts, aligned with their respective areas of expertise and activity within the Ashtrom Group.

## Stakeholder Management and Transparency

Some of Ashtrom Group's shareholders also hold positions within the company and its subsidiaries. The Group ensures full compliance with legal regulations concerning stakeholder involvement in Board of Directors' committees. Appropriate disclosure of stakeholder activity is provided in the Group's periodic reports. Stakeholders who serve as directors do not participate in the various Board committees, which are managed independently by external directors. This principle also applies to the implementation of the compensation policy for senior executives and stakeholders.

In addition, the Group is committed to maintaining transparency in all transactions involving stakeholders—whether routine or exceptional—as well as in transactions with related parties and other relevant entities.

For comprehensive information about our activities in this area, please refer to Chapter D – Additional Details About the Corporation – in Ashtrom Group's 2024 Periodic Report.

## Prevention of Conflict of Interest

Conflict of interest considerations are carefully reviewed in all matters related to the activities of the Board of Directors, due to the involvement of stakeholders with Ashtrom Group and its subsidiaries. Accordingly, a clear mechanism governs the participation of controlling shareholders and stakeholders in Board activities, ensuring their exclusion from statutory committees. Additionally, any connections between these individuals and suppliers, transaction parties, or other entities working with Ashtrom Group are thoroughly examined, with appropriate disclosures made to the Audit Committee.



# Risk Management

Risk management is a key component of strengthening corporate governance at Ashtrom Group. The Group and its subsidiaries, operating in Israel and internationally, are exposed to a range of risks across various areas—including strategic, financial, and operational risks (including industry-specific risks), as well as regulatory, compliance, and environmental risks.

As part of the implementation process, Ashtrom Group continuously works to strengthen a risk-aware organizational culture among its managers and employees, while fostering synergy across the Group's activities.

The Group has a comprehensive risk management policy based on the ongoing monitoring of its various divisions and subsidiaries. This includes regular reporting from the managers of these entities to support early risk identification, maximize protection, reduce potential risks, and effectively manage any risks that materialize.

As a leading group, and in light of the importance we place on environmental, social, and corporate governance (ESG) issues, the Group is actively preparing to address both environmental and social risks.

# Remuneration Policy for Executives

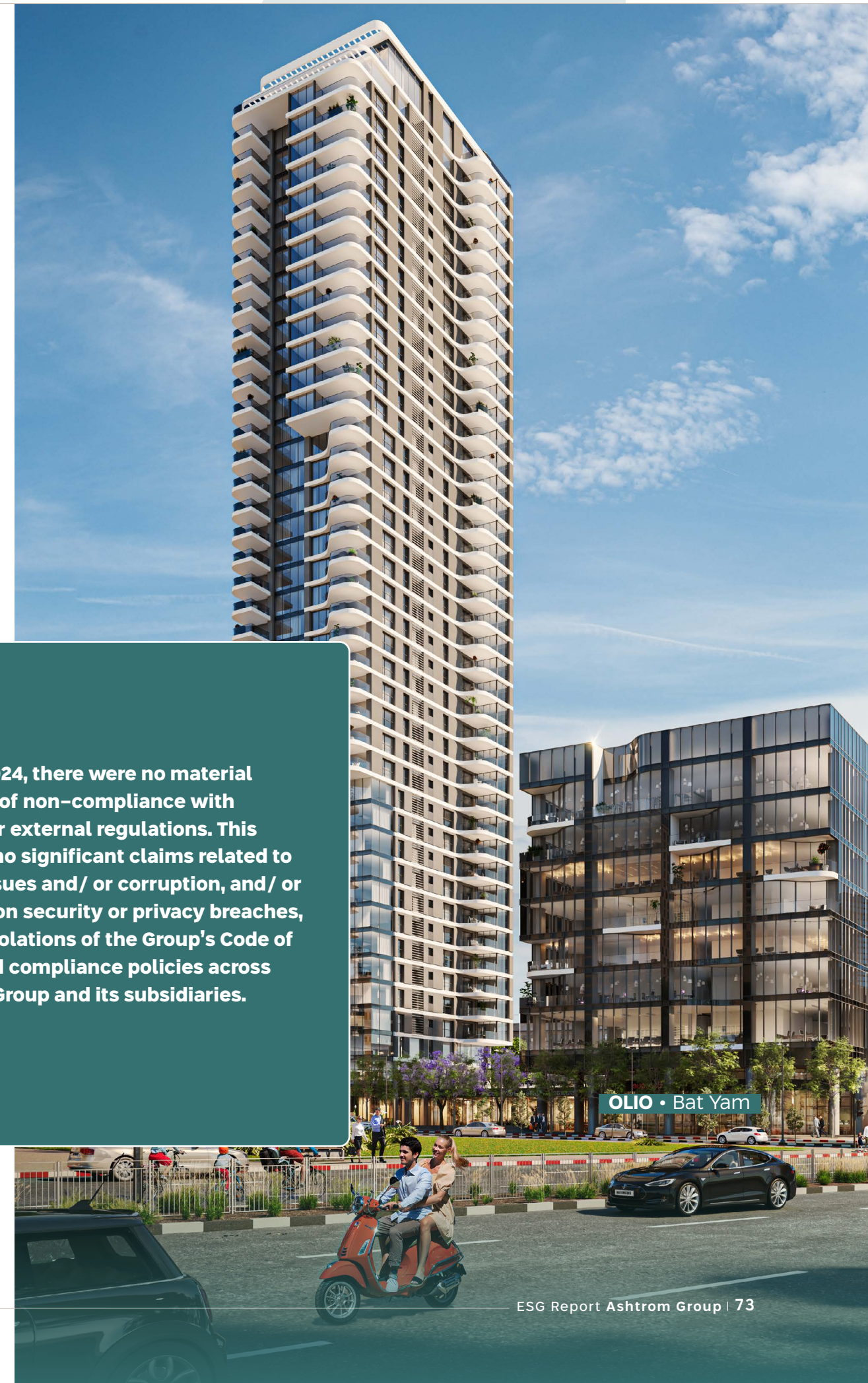
Since July 2014, Ashtrom Group has implemented a formal remuneration policy designed to promote appropriate, long-term compensation solutions. The policy takes into account a range of parameters related to the performance outcomes within each executive's area of responsibility. A similar remuneration policy is in place at **Ashtrom Properties**, a publicly reporting company.

## Compliance

Ashtrom Group places the utmost importance on full compliance with all applicable laws and regulations and has implemented procedures to ensure adherence throughout the organization.

All employees are responsible for complying with the legal requirements relevant to the Group's operations. Since unlawful conduct by employees can also negatively impact the Group, we take proactive measures to prevent such behavior wherever possible.

**During 2024, there were no material incidents of non-compliance with internal or external regulations. This includes no significant claims related to ethical issues and/ or corruption, and/ or information security or privacy breaches, and/ or violations of the Group's Code of Ethics and compliance policies across Ashtrom Group and its subsidiaries.**





# Promoting Innovation for a Sustainable Future

In 2024, Ashtrom Group continued to lead Israel's construction and real estate market by integrating innovative tools and strategies across the entire value chain—from developing advanced, environmentally friendly construction materials, to initiating and planning projects designed for the future, and managing sustainable properties with maximum efficiency.

We harness cutting-edge technologies and innovative work methods to enhance performance, deliver added value to our customers, reinforce our leadership position, and minimize the environmental impact of our activities.



## Innovation at Ashtrom Group

As part of our strategic vision, we cultivate groundbreaking collaborations with leading partners from both the business sector and academic institutions. These partnerships provide significant value through their deep expertise in advanced industries, their capacity to shape long-term investment strategies, and their ability to identify and support initiatives that promote sustainability and innovation.

Through these collaborations, we generate strong synergies that integrate cutting-edge technologies, practical experience, and leading research capabilities.

**Our vision for innovation centers on implementing meaningful changes in order to continuously streamline processes, products, and services—creating lasting value for our customers and leading the construction and real estate sector toward a more sustainable future.**

**We view innovation not only as a means to improve efficiency and performance, but also as a powerful lever for generating positive impact on the environment, the economy, and society as a whole.**

**Ashtrom Group's innovation strategy is built on several key principles:**



### Innovation across the value chain

We integrate innovative solutions throughout every stage of our operations—from production and planning, to execution and management. This includes the adoption of digital technologies, advanced materials, and smart approaches to process management.



### Promoting sustainability

We place strong emphasis on environmental sustainability by developing materials that reduce resource consumption—both during the construction process and throughout a property's lifecycle—with the goal of minimizing our ecological footprint.



### Groundbreaking Collaborations

We actively promote partnerships with startups, academic institutions, and leading technology companies, driven by our belief that breakthrough ideas emerge from diverse perspectives.



### Digitization and Turning Data into a Competitive Advantage

We embrace advanced technologies such as AI, IoT, and project management systems to generate data-driven insights that enhance decision-making and improve operational performance.



**BG BOND Lab**



Our strategic efforts place significant emphasis on the field of construction materials, recognizing its broad influence across the real estate value chain. We see this area as a key opportunity to create meaningful value—both by improving processes and advancing sustainability. This includes reducing the environmental impact of raw materials, streamlining production processes, and incorporating advanced materials. Through continuous investment in development and the adoption of new technologies, we aim to drive ongoing improvement in the industry and support its alignment with global standards of sustainability and quality.

This year, Ashtrom Group continued advancing innovation through approximately 50 different projects:

**23**

were rejected

**3**

are currently under review

**2**

are in the pilot phase

**7**

digital products

**2**

development of sensors

**9**

new products

**4**

were developed in partnership



# Sustainable Innovation Across the Value Chain: From the Foundation Stone to Sustainable Management



## Production of Construction Materials

We explore the development of innovative construction materials that minimize environmental impact and improve the energy efficiency of buildings. By leveraging advanced technologies, we offer solutions such as reduced-emission concrete, integration of recycled materials, and promotion of circular economy practices. This approach not only meets evolving market demands but also contributes to the creation of sustainable, high-quality infrastructure.

As part of our strong commitment to innovation and sustainability, we are proud to share examples of groundbreaking solutions that reflect Ashtrom's vision for green construction and advanced industry:

- **Green Bond** – An innovative gypsum block developed by Ashbond, patented in 2024, offers enhanced thermal insulation, fire resistance, and acoustic improvement—while significantly reducing the carbon footprint of buildings.
- **CLSM** – Developed as a fill material based on local clay soil, CLSM is an advanced concrete that reduces the need for mining, supports circular economy practices, conserves water, and minimizes construction waste.
- **ISRA-TERMI** –An advanced thermal insulation system that was developed using innovative technology. The system offers enhanced energy efficiency and contributes to emission reduction, all while meeting the most stringent industry standards.
- Collaboration with **Super Polymer** – Ongoing efforts aimed at developing an advanced thermal plaster using innovative polymer technology. This solution reduces the environmental impact of construction materials while significantly improving thermal insulation performance.



# Sustainable Innovation Across the Value Chain: From the Foundation Stone to Sustainable Management



## Development and Planning Stage

During the development and planning stages, we lead a holistic approach centered on green and sustainable design. We integrate smart technologies such as 3D simulations, life cycle assessments, and artificial intelligence to optimize the planning of residential and office buildings. By applying green building principles from the earliest stages, we enable the construction of energy-efficient buildings that offer maximum comfort for tenants while minimizing long-term environmental impact.



## Construction

In the execution phase, we promote innovation by implementing advanced digital tools to monitor and manage the processes and quality of construction. Digital project management systems enable precise, transparent oversight at every stage, allowing for early detection of potential issues and real-time process optimization. Additionally, we incorporate automation technologies and cutting-edge innovations that streamline execution timelines and ensure adherence to the highest industry standards.

At Ashtrom Group, we are constantly working to improve on-site construction processes through the integration of advanced technologies that create environmental value and enhance the customer experience. This year, we introduced two key tools that exemplify our innovative approach:

- 1. Lessons Learned System** – This system enables us to analyze and consolidate knowledge gained from projects and apply key insights across additional sites—driving continuous improvement, internal initiatives, and innovation. For example, in a pilot conducted at one of our construction sites, we implemented a water management system that enabled real-time leak detection and significantly improved water use efficiency. The results of the pilot were shared across other sites.
- 2. Resident Customization Portal** – This digital portal enhances the customer experience throughout the change process by providing easy access to information, transparent tracking, and a simple management of requests. The platform streamlines processing times, ensures high-quality execution, and strengthens communication—ultimately improving overall customer service.



## Prefabricated Construction

Over the past year, Ashcrete has continued to lead Israel's prefabricated construction sector, investing in advanced technologies such as REVIT, a parametric modeling software, and ELISLAB, a specialized software for calculating precast prestressed slabs. These technologies enhance product quality, reduce production errors, and support the efficient design and manufacturing of prefabricated elements. They also significantly improve operational efficiency, minimize material waste, and ensure compliance with strict design requirements and industry standards.



## Property Management

Our property management efforts are currently focused on optimizing operational processes and integrating advanced technologies for efficient maintenance and waste monitoring. By leveraging smart solutions, we can track waste generation, enhance its management, and reduce overall waste volumes—while maintaining high-quality service and prioritizing tenant well-being. In addition, we invest in management practices that promote sustainability throughout the entire property life cycle.

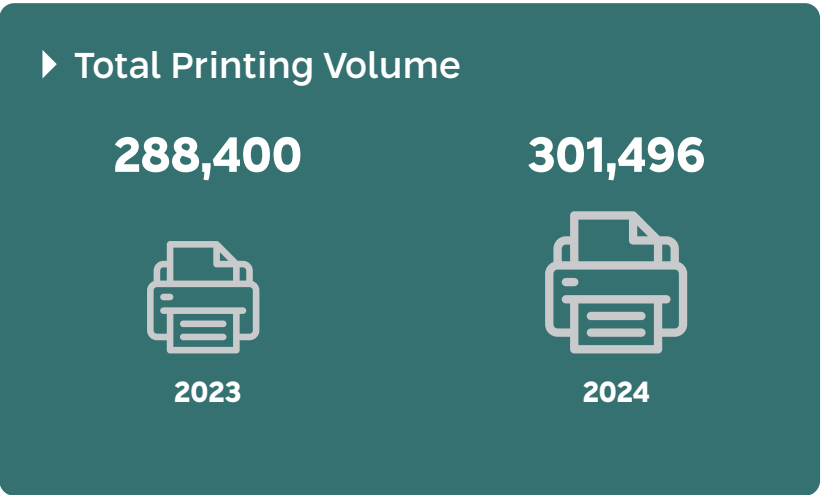


# Digital Transformation

In recent years, Ashtrom Group has advanced large-scale digital transformation initiatives aimed at streamlining both internal and external processes, reducing paper use, and enhancing overall management quality. These efforts include the implementation of digital process management tools such as ERP systems, employee portals, and digital signature platforms, alongside technological upgrades at project sites—such as the adoption of BIM systems and the use of tablets in the field. These improvements contribute to more efficient operations across both headquarters and construction sites, reduce errors, and enhance the Group's ability to manage information effectively.

In addition, dedicated digital interfaces have been developed to manage customer and tenant relationships, including apps and portals for handling payments, service requests, and property handover processes. These tools have improved customer satisfaction while enabling more efficient and transparent management.

Over the past few years, these digital initiatives have also contributed to a consistent reduction in total printing volumes across the Ashtrom Group.





# Transparency and Stakeholder Dialogue

Ashtrom Group has not received any claims related to violations of labor laws or other local regulations. We are committed to fairness in marketing and advertising, and no complaints have been filed on this matter over the past three years.

 **0**  
Claims related to violations of labor laws

## Customer Service

**Ashtrom Group** strives for the continuous improvement of its customer service processes—aimed at building trust with buyers and tenants, and ensuring a positive, efficient, and convenient experience. As part of this ongoing effort, **the Group launched a new website in 2024, providing direct contact information for each division, as well as for every income-generating property and any project currently in the marketing phase.** This initiative enhances information accessibility and streamlines communication with our customers.

**Ashtrom Residences** continuously enhances its customer service processes and its quality monitoring, with a strong focus on delivering a positive customer experience. The company works closely with its customers throughout all stages of the project—from initiation to the handover of keys to landowners or buyers, and through to the registration of rights in the Land Registry. Each of the five divisions within Ashtrom Residences operates a dedicated customer service department, designed to provide prompt, professional assistance from the most relevant function, ensuring every customer's needs are met efficiently and effectively.

We place great importance on learning from customer inquiries and providing prompt, effective responses to their needs. To support this approach, Ashtrom Residences has developed a dedicated resident portal, now operational in most of its projects. The portal enables buyers to view their current account status, access key contract documents, submit service requests to the relevant departments based on the nature of their inquiry, and receive updates on project progress and other important information.





**Ashtrom Residences for Rent** continues to develop and expand its service and community offerings, with the goal of creating a high-quality, comfortable, and innovative living environment for its residents:



#### Streamlining Customer Service

Throughout the year, **Ashtrom Residences for Rent** conducted numerous workshops and training sessions focused on customer service. These initiatives were designed to enhance the interaction between the company and its tenants, while streamlining and improving the overall customer service system.



#### Digital Platforms

The **My Ashtrom Rent** tenant portal serves as a central platform for managing digital services and maintaining continuous, transparent communication with tenants. Through the portal, tenants can sign digital agreements, make payments, book gym and tenant club access, submit maintenance requests, register for events, and reserve shared areas. In 2024, the portal was also launched as a mobile app, providing convenient, on-the-go access to all services and real-time updates.



#### Dedicated Common Spaces for the Community

Tenants clubs, gyms, and other shared areas, while expanding the infrastructure beyond what was outlined in the original development agreements. These efforts place special emphasis on enhancing communal areas.



#### Communication Channels with Tenants

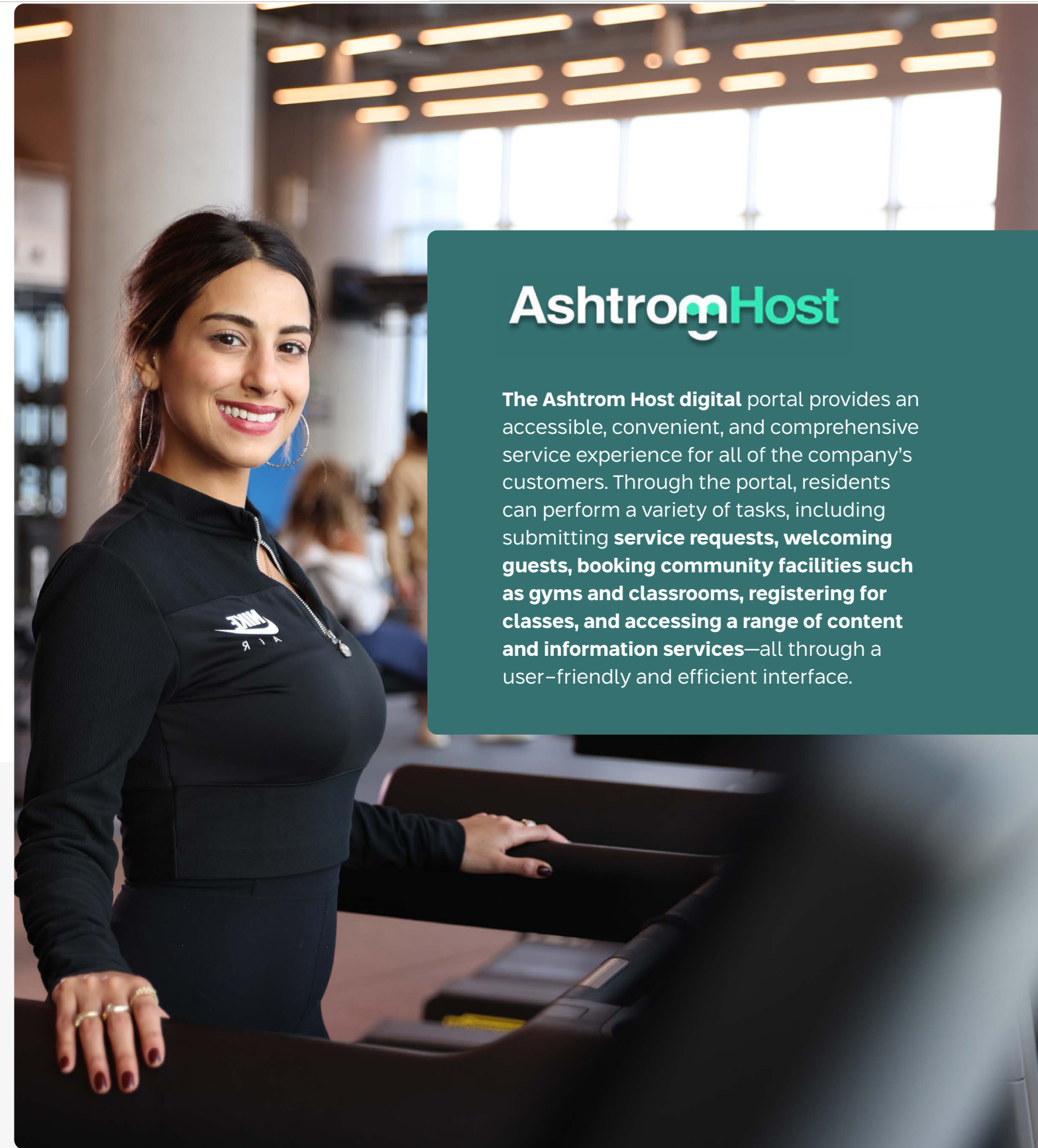
Closed WhatsApp groups, periodic newsletters, and physical information boards placed in our residential projects—featuring announcements about upcoming events, new services, and important updates.



#### Community Activities and Enhancing Neighborhood Life

We organize engaging events designed to connect tenants, foster social interaction, and support a variety of community groups and targeted activities.

**Ashtrom Properties** delivers a comprehensive, **high-standard management and maintenance service package** for each of its properties, with a strong emphasis on **tenant experience**. The company strives to **create a comfortable, pleasant, and innovative living and working environment**—ensuring an optimal user experience that supports tenants' everyday needs.



## AshtromHost

The **Ashtrom Host digital** portal provides an accessible, convenient, and comprehensive service experience for all of the company's customers. Through the portal, residents can perform a variety of tasks, including submitting **service requests, welcoming guests, booking community facilities such as gyms and classrooms, registering for classes, and accessing a range of content and information services**—all through a user-friendly and efficient interface.



## Fairness and Ethics with Tenants

Our stakeholders—primarily apartment buyers and property tenants in Israel—are facing growing housing demand and rising living costs. Ashtrom Group is committed to acting with fairness and integrity toward its stakeholders, actively listening and continuously seeking ways to improve the solutions it offers. This includes the initiation and development of residential buildings that foster a sense of community through Ashtrom Residences, as well as a range of long-term rental options at significantly reduced rates for eligible individuals—offered by **Ashtrom Residences for Rent**, in collaboration with the Ministry of Housing.

**Ashtrom Properties** conducts an extensive annual review to evaluate current rental rates and management fees. To support this process, a dedicated file is periodically updated by the Survey and Market Research Institute. This data forms the basis of a marketing dashboard, enabling informed decision-making and pricing strategies grounded in market trends and exclusive internal databases.

## Product Safety and Quality

The safety and quality of the real estate assets we develop, build, and manage are top priorities for Ashtrom Group, forming a key pillar in maintaining the trust of our stakeholders. We also expect all subcontractors to uphold the same high standards we apply and to promote comparable levels of quality and safety in their operations

A portion of **Ashtrom Construction's** activities is carried out with the support of subcontractors, who are also required to comply with the ISO 9001 quality standard implemented by Ashtrom Group. Contractual agreements with subcontractors define the guidelines for standard implementation, including testing procedures, documentation audits, in-process testing, final inspections, management of non-conforming products and materials, product identification and traceability, verification of testing and inspection status, etc. Subcontractors are required to assign their own quality control teams, who report directly to Ashtrom Group's quality control managers.

The implementation of the ISO 9001 standard by **Ashtrom Industries** supports the improvement of production and marketing processes, enhances customer satisfaction, and helps mitigate business risks.



**Ashtrom Group applies strict quality standards across the majority of its operations, including the implementation of the ISO 9001 standard**



Israbeton Concrete Lab



## Responsible Supply Chain

**Ashtrom Group is committed to promoting a responsible and ethical supply chain, recognizing that our influence in this area is substantial and extends across all aspects of our operations.**

Ashtrom Group and its employees do their best to work with contractors and/or suppliers who conduct their business honestly, fairly, in accordance with the law, avoid corruption, and adhere to ethical behavior. As part of its efforts to strengthen corporate responsibility and establish a responsible supply chain, this year Ashtrom Group took two significant steps: publishing a [human rights policy](#) on the Group's website, reflecting its commitment to protecting human dignity and rights, and advancing the implementation of ESG clauses in agreements with suppliers—another step toward creating high standards of ethics and business responsibility.

At some of the Group's construction sites, access control is managed through entrance cameras that verify the identity of authorized employees—ensuring they have completed the required training and are not minors.



**95%**

of our procurement is conducted through local suppliers



**80%**

of our procurement is conducted through local suppliers







BG Factory

## Assessment of material suppliers

This year, the Group continued evaluating its material suppliers to promote greater awareness of ESG principles throughout the supply chain. The questionnaire-based assessment was expanded to include **Ashtrom Residences** and **Ashtrom Industries**, in addition to its ongoing implementation in **Ashtrom Construction**, **Ashtrom Properties**, **Ashtrom Residences for Rent**, and **Ashtrom Renewable Energy**.

The 2024 results reflect the level of commitment among suppliers to sustainability practices. Among those who responded to the survey, 53% reported having an ESG strategy and operating within a structured ethical framework, while 42% indicated that they have set clear goals for advancing ESG-related issues.

The response rate among material suppliers at Ashtrom Properties was high, reaching approximately 85%. In the assessment conducted with **Ashtrom Properties UK** suppliers, results indicated a strong commitment to sustainability and the existence of formal policies addressing key material issues. Half of the respondents reported holding ISO certifications for environmental management, and no environmental claims have been reported in recent years. In **Ashtrom Properties Israel**, survey results showed that over 80% of suppliers have established ESG-related policies. Additionally, approximately 50% of the respondents are small businesses, businesses located in the periphery, or women-owned enterprises.

**Ashtrom Contstruction** received a high response rate in its supplier assessment, with results indicating a strong overall commitment to ESG-related issues. Among the suppliers who responded, **95%** reported having an ethical framework and a policy addressing employee health and safety. Additionally, 67% have an environmental policy in place, and 64% actively promote environmental initiatives, such as the use of green materials and waste recycling. However, only 36% of responding suppliers reported having a human rights policy, highlighting an area that requires further attention and improvement in the coming years.

In Ashtrom Industries, Ashtrom Residences, and **Ashtrom Residences for Rent**, the response rate to the supplier assessment was relatively low. However, the responses received reflect a positive approach toward sustainability. Suppliers who participated indicated that they maintain ethical policies and demonstrate a commitment to environmental responsibility, including environmental risk management, waste recycling, and the use of green materials. The Group will continue to develop its dialogue with suppliers in these areas, aiming to





# Progress Toward Goals

**0**

**Ethical Incidents** <sup>25</sup>  
by 2035



**Significant Achievement**  
Consistently maintaining  
this standard over the  
years

25. Refers to material events based on the magnitude and scope of their potential impact on Ashtrom Group's operations and reputation.



**100%**

**ESG Assessment of Material Suppliers** by 2040



**NET ZERO**

**Emissions from Material Suppliers** by 2050



**Significant Achievement:**  
To date, material suppliers have been assessed across multiple divisions, including **Ashtrom Properties, Ashtrom Construction, Ashtrom Industries, Ashtrom Residences, Ashtrom Residences for Rent, and Ashtrom Renewable Energy**



**100%**

**Implementation of the Code of Ethics among Key Suppliers and Business Partners** by 2040



**Significant Achievements**

During the year, the Group published a formal **Human Rights Policy**, outlining its core principles in line with international standards and reaffirming its commitment to social responsibility. In addition, significant progress was made in integrating ESG clauses across most of the Group's activities



# About the Report

**This report is the third ESG report of the Ashtrom Group, which aims to reflect the Group's efforts to promote responsible business conduct in all areas of its activity, including the construction and real estate sectors, in accordance with the most advanced standards in the world.**

Ashtrom Group's activities in this field represent a significant opportunity to generate positive impact on both people and the environment. At the same time, they present considerable challenges due to the broad scope of the Group's operations, the nature of the sector in which it operates, and the substantial environmental impacts involved. Despite these challenges, Ashtrom Group is committed to advancing meaningful action. To that end, clear goals have been set and work plans developed to drive positive change in a highly complex and demanding field.

To effectively determine the qualitative and quantitative topics included in this report, we conducted a materiality impact analysis, which was updated again this year. We believe that the topics presented in this report reflect the majority of material issues relevant to our business sector.

This report, along with the data presented in the accompanying **GRI Index** and **SASB Table**, covers the period from January 1, 2024 to December 31, 2024, and is prepared in accordance with the 2021 GRI Standards and SASB guidelines for the construction and real estate sector. The report includes all companies in which Ashtrom Group holds a stake of 50% or more, according to the Group's various operating divisions. The report does not include companies with no activity or with activity deemed negligible to the Group. It covers data related to Ashtrom Group employees based in Israel only. In the coming years, we aim to deepen and expand the scope of reported topics, success parameters, and policies.

his report was prepared with the assistance of external ESG consultants—Arioz Ltd., Eitan Foss on behalf of Green Rise, and Visual Studio. While the report has not undergone formal external assurance by an accredited body, appropriate validations were conducted,

including internal reviews and third-party checks. We have reasonable confidence in the accuracy of all data and practices presented, which, to the best of our knowledge, reflect the Group's operations as of the publication date in all material respects.

However, as with any document, this report may contain generalizations, estimates, inaccuracies, errors, or omissions. Ashtrom Group accepts no responsibility for any inaccuracies unknown to it and does not authorize reliance on the information contained herein. In the event of any discrepancy between the information in this report and the information disclosed in the Group's official public filings—including disclosures made under the Securities Law, 1968, and the Group's financial statements—the information in the official filings shall prevail.

This report contains future – oriented information as defined in the Securities Law. Accordingly, it includes, among other things, forecasts, assessments, and estimates made by Ashtrom Group regarding future events. The realization of such events is uncertain and not fully within the Group's control, and actual outcomes may differ materially from those presented in this report.

It is further clarified that future – oriented information does not constitute a proven fact and is based solely on Ashtrom Group's subjective assessments and viewpoint as of the date of this report's publication. The Group is not obligated to update or revise the contents of this report in light of events or information that may come to its attention after its publication.

We welcome any feedback, insights, or suggestions from our various stakeholders. We invite you to forward any comments regarding this 2024 report to Gal Omer, CFO of Ashtrom Group, Maya Feuer, Head of Sustainability and Innovation of Ashtrom Group, and/or Noa Maman, head of Environmental affairs of Ashtrom Group, via email:

- Gal Omer: [galo@Ashtrom.co.il](mailto:galo@Ashtrom.co.il)
- Maya Feuer: [mayaf@Ashtrom.co.il](mailto:mayaf@Ashtrom.co.il)
- Noa Maman : [noam@Ashtrom.co.il](mailto:noam@Ashtrom.co.il)

**Attached to this report are the 2024 GRI Index and SASB Table.**

The index will be available as a PDF report on the website only.



The Carmel tunnels • Haifa

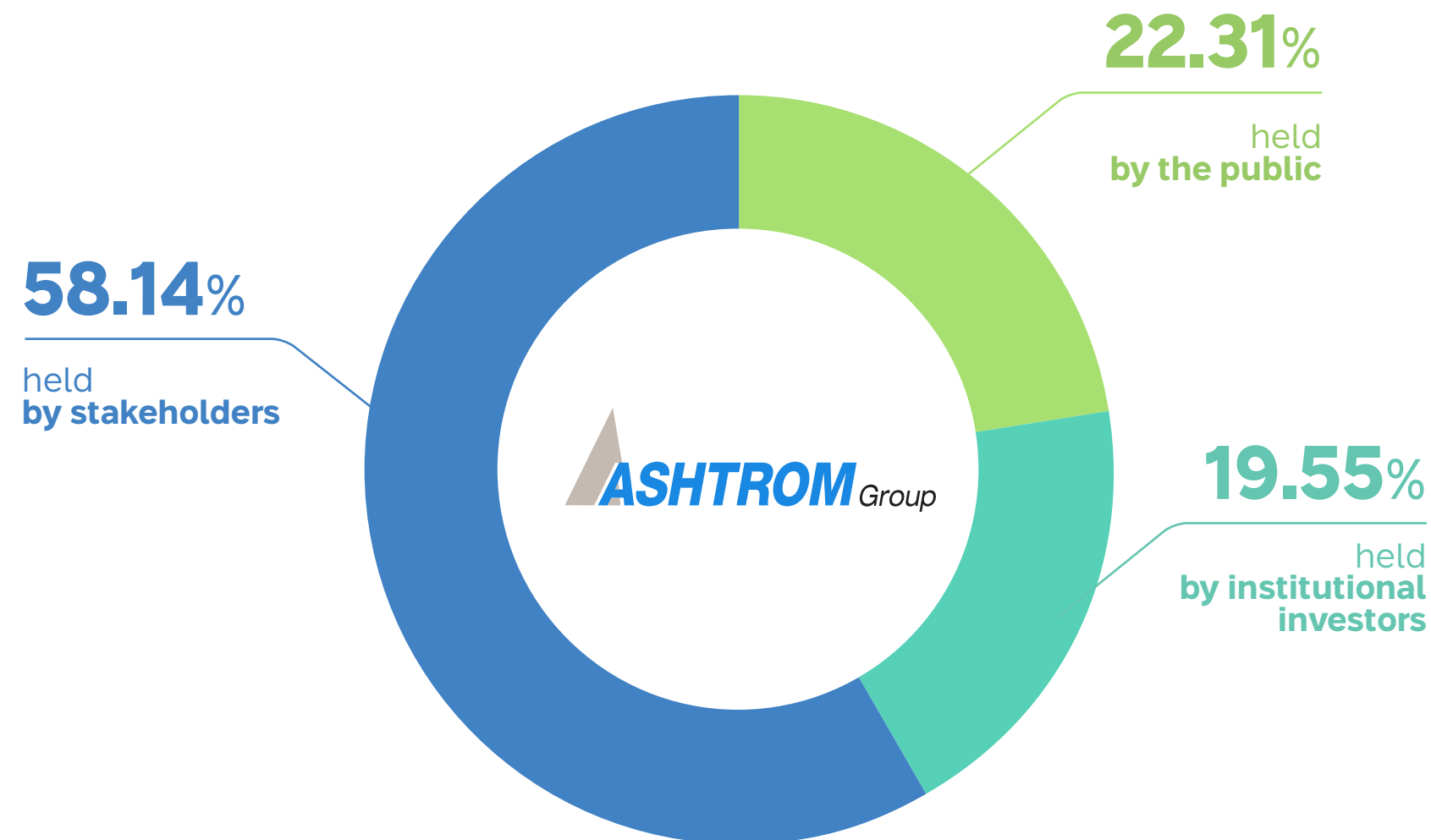


# Appendices





# Ashtrom Group's Ownership Structure



53.71% of Ashtrom Group's shares are held by its parent company, UNEDCO United Engineering and Development Ltd. UNEDCO is owned by the founding families: the Nussbaum family (33.33%), the Guirom family (33.33%), the Meshorer family (15.31%), the Rubin family (10.93%), and the Mayblom family—currently represented by the Mor and Lifshitz families (7.10%).

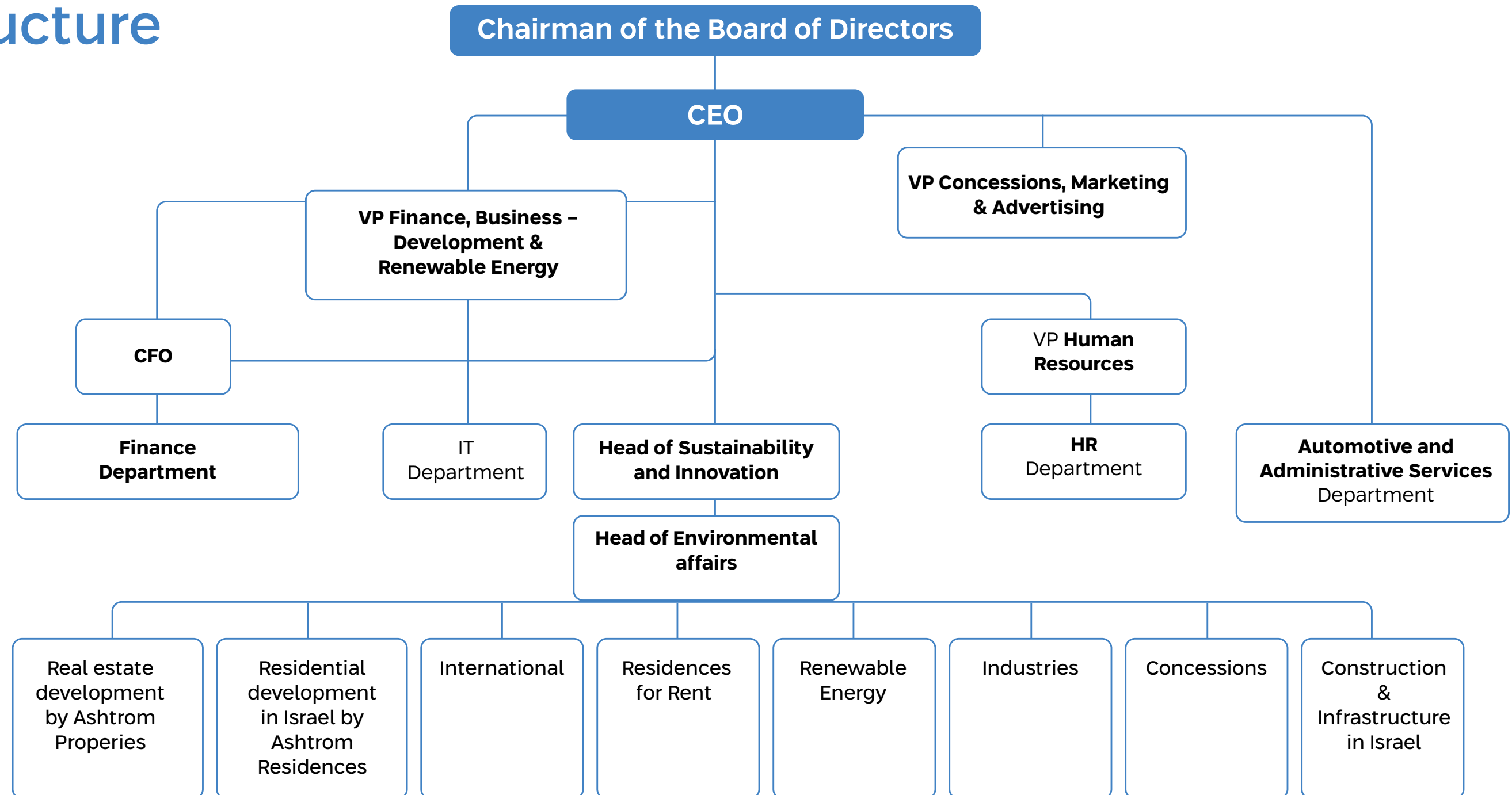
**This data is correct as of March 10, 2025**



**LYFE Towers • Bnei Brak**

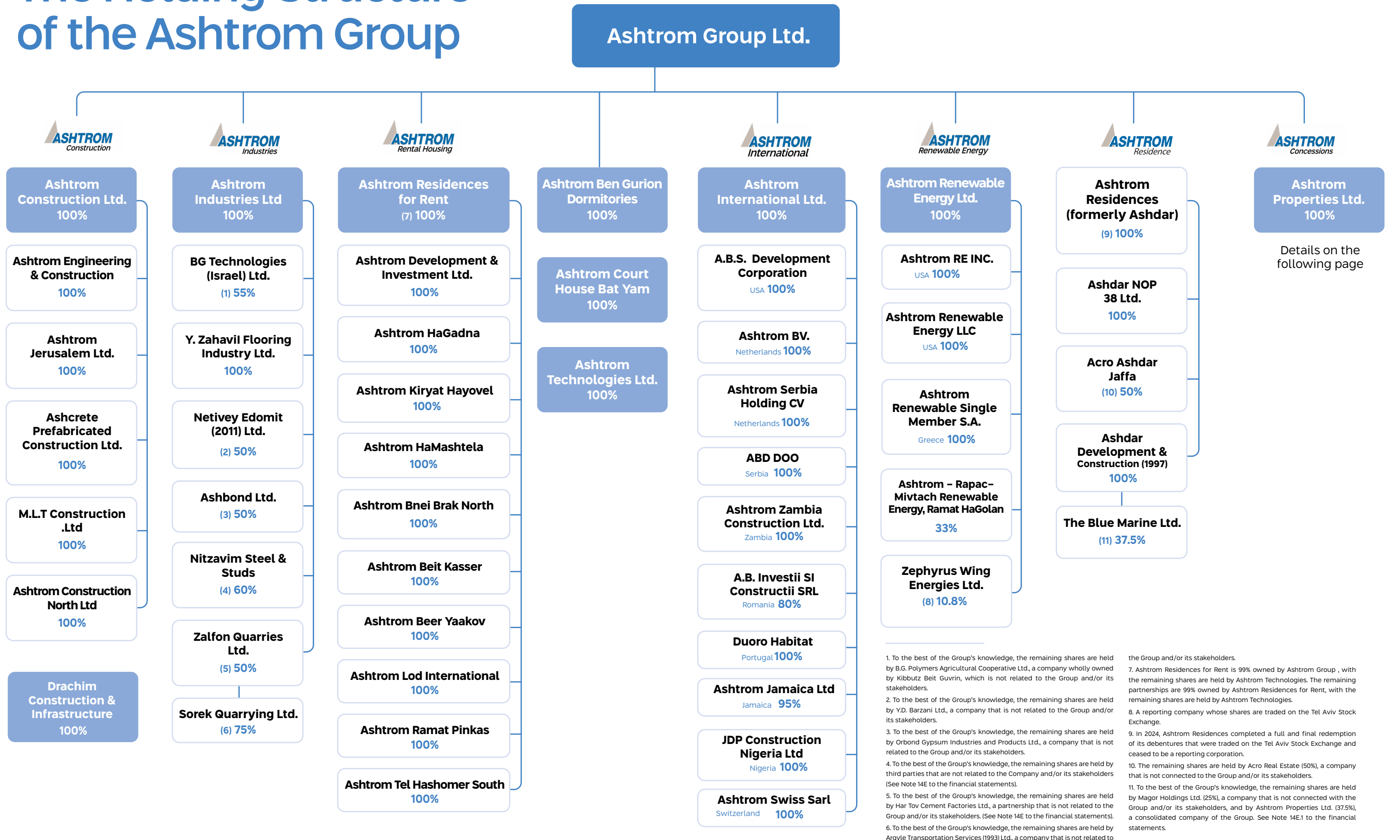


# Ashtrom Group Organizational Structure



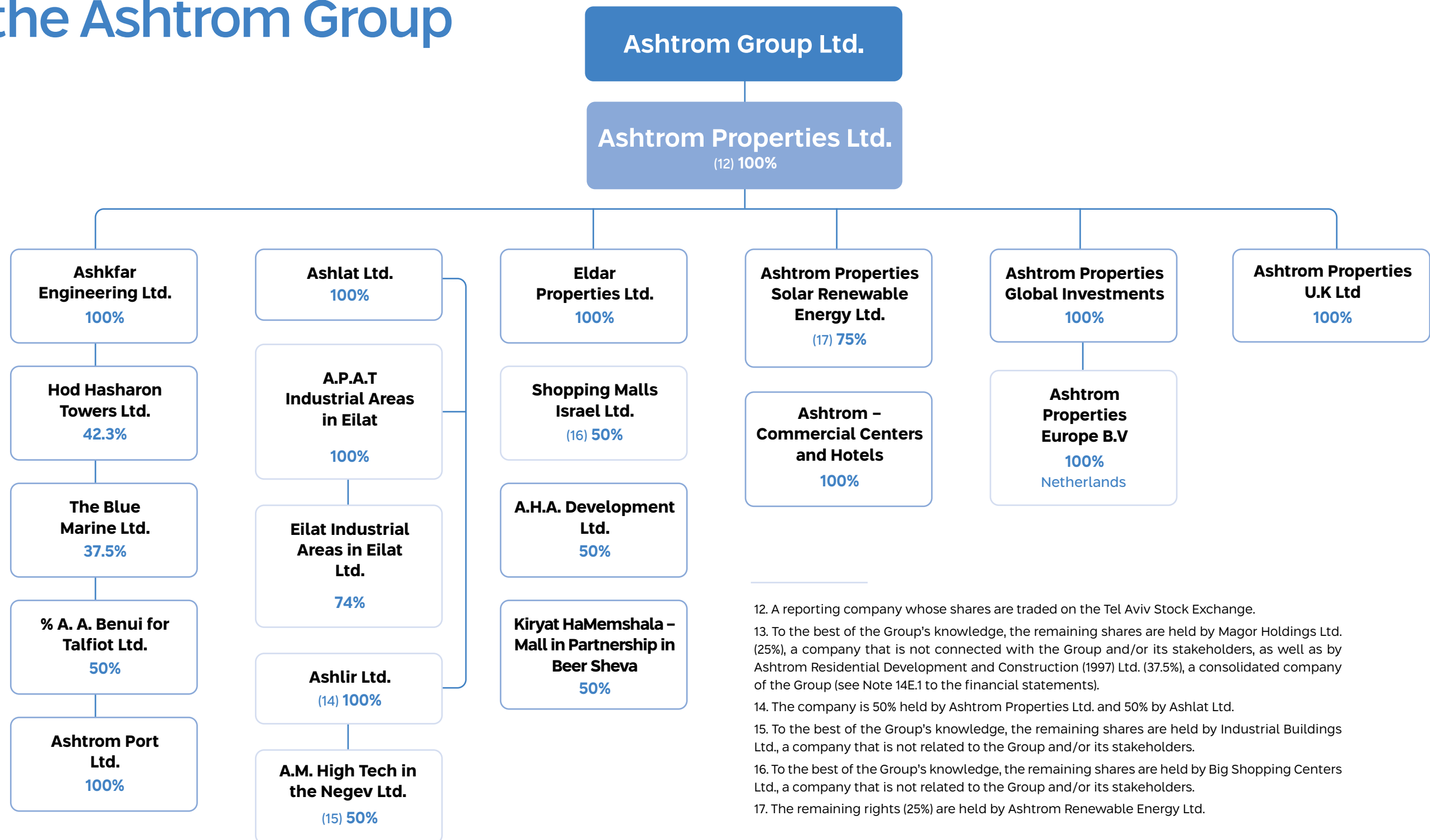


# The Holding Structure of the Ashtrom Group





# The Holding Structure of the Ashtrom Group



12. A reporting company whose shares are traded on the Tel Aviv Stock Exchange.

13. To the best of the Group's knowledge, the remaining shares are held by Magor Holdings Ltd. (25%), a company that is not connected with the Group and/or its stakeholders, as well as by Ashtrom Residential Development and Construction (1997) Ltd. (37.5%), a consolidated company of the Group (see Note 14E.1 to the financial statements).

14. The company is 50% held by Ashtrom Properties Ltd. and 50% by Ashlat Ltd.

15. To the best of the Group's knowledge, the remaining shares are held by Industrial Buildings Ltd., a company that is not related to the Group and/or its stakeholders.

16. To the best of the Group's knowledge, the remaining shares are held by Big Shopping Centers Ltd., a company that is not related to the Group and/or its stakeholders.

17. The remaining rights (25%) are held by Ashtrom Renewable Energy Ltd.



# Economic Impact on Stakeholders

Ashtrom Group creates a significant positive economic impact on the Israeli economy through its diverse business activities. These include salary payments to employees, both directly and indirectly, community investments, tax contributions, financing activities, and payments to suppliers.

In 2024, the Group's total economic impact was approximately NIS 6.3 billion.

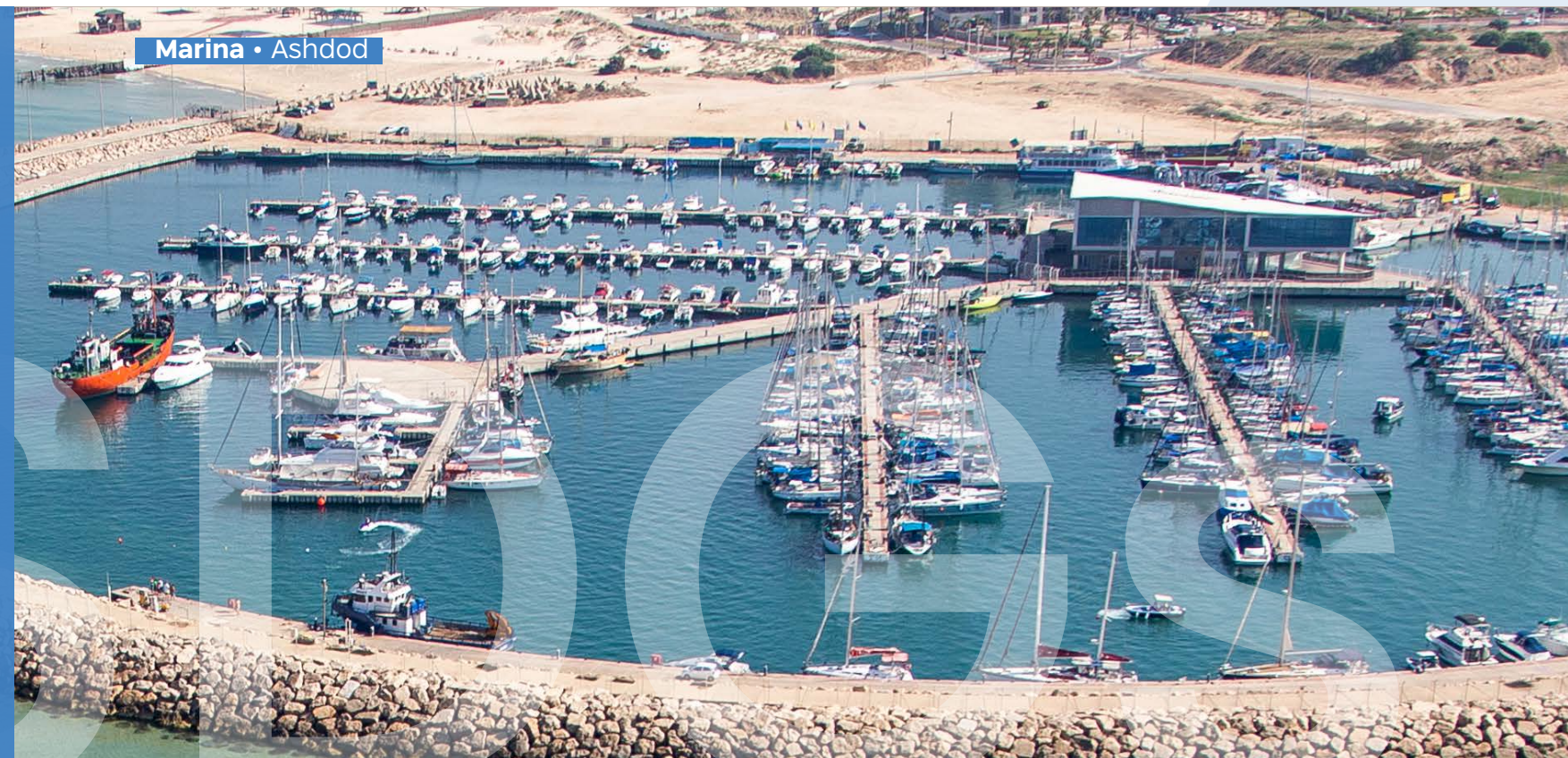
Data in thousands of shekels	2023	2024
<b>Direct economic value created by the group:</b>		
Total revenues (excluding of intercompany revenues as detailed in the annual financial statements)	4,818,920	4,459,489
<b>Economic value distributed by the group</b>		
Total operating expenses for payments to suppliers (products and services)		
Rent and miscellaneous payments (such as water, electricity, and property taxes)	4,332,347	3,998,395
Employee salaries and benefits, and other operating expenses		
Total amount paid to shareholders as dividends	200,000	0
Total payments to lenders, such as banks and financial institutions (including loan and bond repayments)	1,278,737	2,302,268
Total payments to governments (including taxes, etc)	92,564	58,143
<b>Total investment in the community</b>	<b>3,192</b>	<b>1,916</b>
<b>Total economic value distributed by the Group</b>	<b>5,912,840</b>	<b>6,358,806</b>





# Promoting the UN Sustainable Development Goals (SDGs)

The United Nations has set 17 Sustainable Development Goals (SDGs) to be achieved by 2030, focusing on areas such as reducing hunger and poverty, improving health and education systems, reducing inequality, promoting sustainable economic growth, and protecting the environment. The Group is committed to supporting these global goals by integrating them into its strategic objectives, advancing initiatives that contribute to their fulfillment, and reporting transparently on its progress. The selected goals most relevant to the Group's ESG approach are listed below, in order of priority:



11



## Sustainable Cities and Communities

We are committed to developing sustainable urban housing solutions, with a strong focus on long-term rental housing and urban renewal. We promote mixed-use projects that blend residential, commercial, and industrial spaces to create accessible, vibrant urban communities and stimulate local economic growth. In addition, we actively initiate and build projects in Israel's periphery to support balanced population distribution and advance infrastructure development.

12



## Responsible Consumption and Production

We promote the use of sustainable raw materials, expand recycling and waste reduction initiatives, and encourage a responsible supply chain—all of which are key components of the Group's ESG strategy. Our efforts also include the development of sustainable building materials designed to reduce the environmental footprint associated with the construction and operation of properties.

9



## Industry, Innovation and Infrastructure

We advance sustainable industrialization and foster innovation, leading to environmentally responsible solutions across our operations. Wherever possible, we prioritize hiring local workers and engaging local suppliers, contributing to the growth and resilience of the communities in which we operate.

8



## Decent Work and Economic Growth

We offer jobs and encourage economic growth while maintaining fair employment practices, avoiding child and forced labor, and promoting a safe and healthy work environment for employees. We implement policies to prevent discrimination, promote diversity and inclusion, and support the development and empowerment of our employees.

7



## Affordable and Clean Energy

We work to reduce carbon emissions in our operations and supply chain by setting ambitious emission reduction targets, investing in environmentally focused innovation, and managing climate change preparedness.

13



## Climate Action

We work to promote renewable energy and expand the implementation of renewable and sustainable energy projects that reduce greenhouse gas emissions and contribute to tackling the climate crisis.



# Membership in Leading Associations

Ashtrom Group is a member of several prominent industry associations and forums in Israel, working to promote the construction and real estate sectors both locally and globally. These include:



## Manufacturers' Association of Israel

**Ashtrom Industries, Ashbond, BG Technologies, Zehavi Atzmon, and Nitzavim** are members of the Israel Manufacturers' Association. Since 2022, Sharon Levanter, CEO of Ashtrom Industries, has served as a member of the Construction Division of the Manufacturers' Association. In 2024, Guy Haimovich, VP of Marketing at Ashtrom Industries, joined the Standards Committee, and Maya Feuer, Head of Sustainability and Innovation at Ashtrom Group, became a member of the Innovation Committee.



## The Israeli Green Building Council (ILGBC)

**Ashtrom Industries and Ashbond** are members of the Israel Green Building Council, with Ashtrom Industries executives actively participating in the council's workshops and training sessions in addition to their membership.



## Council of Tall Buildings & Urban Habitat

**Ashtrom Group** is a member of the Council on Tall Buildings and Urban Habitat (CTBUH).



## Association of Contractors and Builders

**Ashtrom Construction** is a member of the Contractors and Builders Organization – Tel Aviv and Central District.



## The Israeli Association of Concrete Manufacturers (IAC)

**Ashtrom Industries** is a member of the Israeli Association of Concrete Manufacturers (IAC), where Sharon Levanter, CEO of Ashtrom Industries, serves as the association's secretary and is authorized to sign on its behalf.






## The Association of Civil and Infrastructure Engineers

**Ashtrom Group** takes an active part in the organization's annual conferences, with the active participation of Ashtrom Engineering and Construction CEO, Mr. Dotan Hazan, and Ashtrom Properties' VP of Engineering, Mr. Eyal Cohen, who also served in 2024 as chairman of the 15th Construction and Infrastructure Conference of the Association.






# Mapping of communication channels and key discussion topics with principal stakeholder groups:

 Stakeholder Group	 ongoing dialogue mechanisms to ensure meaningful stakeholder engagement in all our activities	 Key dialogue topics and the objectives of engagement
Employees of the Ashtrom Group and its subsidiaries	<ul style="list-style-type: none"> <li>Periodic meetings with division managers</li> <li>Compensation and feedback conversations</li> <li>Hotline</li> </ul>	<ul style="list-style-type: none"> <li>Terms of employment</li> <li>Well-being and work-life balance</li> <li>Employee safety and health</li> <li>Employee development and empowerment</li> <li>Employee community involvement</li> <li>Responsible business conduct</li> <li>Promoting innovation</li> </ul>
In Construction and Concessions public entities such as government ministries (including government companies abroad), local authorities and municipal companies abroad private real estate development and construction companies	<ul style="list-style-type: none"> <li>Ongoing conversations, meetings, and inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Operational excellence</li> <li>Quality of execution, product Quality, and product safety and sustainability</li> <li>Responsible business conduct</li> <li>Promoting innovation</li> </ul>
Private Customers	<ul style="list-style-type: none"> <li>Sales meetings</li> <li>Customer service</li> <li>Various and ongoing dedicated surveys</li> <li>Tracking consumer inquiries to customer service</li> <li>Monitoring customer conversations on social networks</li> </ul>	<ul style="list-style-type: none"> <li>Fair Pricing</li> <li>Responsible business conduct</li> <li>Operational excellence</li> <li>Promoting innovation</li> </ul>
Consumers – users and tenants (in PPP Concessions projects, Residences for Rent), property tenants in offices and residences (Ashtrom Properties, Ashtrom International, and, income-producing properties in Israel and abroad.	<ul style="list-style-type: none"> <li>Ongoing conversations, meetings, and inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Operational excellence</li> <li>Quality of execution, product quality, and product safety and sustainability</li> <li>Responsible business conduct</li> <li>Promoting innovation – emphasis on digitization and innovative applications to enhance service accessibility and efficiency</li> </ul>
Business Partners	<ul style="list-style-type: none"> <li>Ongoing conversations, meetings, and inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Responsible business conduct</li> <li>Quality of execution, product quality, and product safety and sustainability</li> <li>Reducing environmental impacts</li> <li>Promoting innovation</li> </ul>



# Mapping of communication channels and key discussion topics with principal stakeholder groups:

 Stakeholder Group	 ongoing dialogue mechanisms to ensure meaningful stakeholder engagement in all our activities	 Key dialogue topics and the objectives of engagement
Suppliers and subcontractors (construction companies that employ foreign workers) for development, infrastructure, and construction; Raw materials suppliers in Israel and abroad; subcontractors in Israel and abroad; engineering service providers (architects, planners, project managers, coordinators, inspectors, and various consultants in fields like electricity, water, air conditioning systems, and acoustics), service providers in Israel and abroad, including cleaning, guarding, security, and maintenance; marketing service providers; brokers, marketers, and advertisers; consulting bodies; attorneys, CPAs, and others, (including organizers of urban renewal transactions, etc).	<ul style="list-style-type: none"> <li>Periodic dedicated survey</li> <li>Ongoing conversations, meetings and inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Empowering suppliers</li> <li>Responsible and local supply chain</li> <li>Reducing environmental impact</li> <li>Responsible business conduct</li> </ul>
Startups and entrepreneurs in the PropTech field	<ul style="list-style-type: none"> <li>Dedicated Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Minimizing environmental impacts</li> <li>Safety on the construction site</li> <li>Promoting innovation – focusing on digitization, accessibility, and efficiency of work processes</li> <li>Identifying new green construction materials and methods</li> <li>Collaborations with academia</li> <li>Increasing productivity</li> </ul>
The communities we operate in	<ul style="list-style-type: none"> <li>Dedicated meetings</li> <li>Ongoing activity in communities adjacent to Ashtrom Group sites and properties</li> </ul>	<ul style="list-style-type: none"> <li>Community resilience</li> <li>Diversity and inclusion</li> <li>Employee engagement</li> <li>Responsible business conduct</li> </ul>
Enviromental organizations and assiciations	<ul style="list-style-type: none"> <li>Meetings and conversations</li> </ul>	<ul style="list-style-type: none"> <li>Responsible business conduct</li> <li>Reducing environmental impacts</li> <li>Operational excellence</li> <li>Promoting innovation</li> </ul>
Government and regulatory bodies	<ul style="list-style-type: none"> <li>Ongoing conversations, meetings and inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Operational excellence</li> <li>Quality of execution, product quality, and product safety and sustainability</li> <li>Responsible business conduct</li> <li>Promoting innovation</li> </ul>





**ASHTROM** *Group*

[www.ashtrom.co.il](http://www.ashtrom.co.il)