

## **ALROV CODE OF ETHICS**

### **Company Vision**

The Alrov Group is a real estate and enterprise leading Group, that harmoniously combines heritage, innovation and state-of-the-art design in order to provide a unique luxurious experience, relying on stable, high-quality and long-term foundations.

### **Purposes of the Code of Ethics**

The Alrov Group is a well-established and experienced Group that has always been operating while aiming to achieve excellence and innovation. With the expansion of its activities, the Group decided to adopt a Code of Ethics to express the values underlying its operations and continue to instill such values among all the Group's managers and employees both in Israel and around the world.

Alrov believes that relentless commitment to professionalism, creativity and high standards, along with fostering its unique characteristics in the business environment in which it is operating, are crucial for its success. Such commitment is reflected in the Group's products and services provided to its customers, its responsibility *vis-à-vis* the employees and a strict observance of an honest, fair and decent conduct with respect to all its decisions and acts.

The Code of Ethics and first and foremost our core values guide the Group and are a resource that helps Alrov's managers and employees navigate their way.

### **Application of the Code of Ethics**

The Code of Ethics applies and binds the entire Alrov Group, including the Group's managers and employees, members of the board of directors as well as service providers.

### **Group Values**

The Alrov Group chose seven core values that characterize its mode of operation and constitute guidelines for all managers and employees of the Group:

#### **• Groundbreaking Leadership**

We lead a unique and innovative way in our field, which is expressed both in our business enterprises and our modes of operation.

#### **• Unyielding Excellence**

We act relentlessly to be the best in anything we do. We will conduct ourselves according to preplanning and long-term perspective to see the entire picture, along with attention to all details.

#### **• Integrity and Fairness**

We follow our personal and professional integrity and fairly act with all our stakeholders.

#### **• Commitment and Responsibility**

We assume responsibility and act on the basis of deep commitment to our tasks and our

stakeholders.

• **Respect and a Sense of Belonging**

Respect is the foundation upon which our interactions with our stakeholders are based; At the same time, we strive to nurture a sense of belonging in all entities with whom we cooperate.

• **Service Conferring the Experience of Luxury**

We choose to provide our customers the most luxurious service available, while creating a unique lifestyle experience.

• **Human and Environmental Harmony**

We devote resources for creating harmony with, and among, people in our work and in creating harmony and aesthetics in our enterprises, combining old and new, the enterprise and the environment and the enterprise and the community.

**Alrov's Stakeholders**

We are committed to acting in accordance with our values and the provisions of the Code of Ethics *vis-à-vis* all our stakeholders:

Customers	Managers	Community
Shareholders	Employees	Suppliers
Environment	State Authorities	

**The Code of Ethics and Rules of Conduct**

The approach underlying our Code of Ethics is that acting in compliance with the Code of Ethics is mandatory and constitutes the business code of conduct of the Alrov Group as set forth below:

- Behavior in accordance with the sustainability approach
- Behavior in accordance with the law, with decency and integrity and in compliance with the Group's rules, procedures and enforcement plans
- Behavior that manifests respect for others
- Acting responsibly and in a manner which would not harm or endanger the Alrov Group.

• **Groundbreaking Leadership**

**We lead a unique and innovative way in our field, which is expressed both in our business enterprises and our modes of operation.**

It is very important for us to be innovative and unique in both our enterprises and mode of operation and therefore we follow the Group's vision of forwards looking, creativity and initiative. We will look at things from the wider, multi-dimensional and

groundbreaking perspective and always try to create something new and continue to lead the way in our industry. We operate with a sense of joy from our creations and endeavor to make a substantial mark on our clients, stakeholders, managers, employees, shareholders, the community and the environment.

• **Unyielding Excellence**

**We act relentlessly to be the best in anything we do. We will conduct ourselves according to preplanning and long-term perspective to see the entire picture, along with attention to all details.**

We aspire to achieve perfection and excellence without compromises. We diligently act to reach maximum quality and therefore use professionals of the first class, excellent quality materials and strict working methods. We follow careful preplanning and thoroughly organize our work and pay attention to all details, in order to complete our assignments at the highest possible level.

We devote resources in the personal and professional development of our managers and employees and provide them with knowledge and tools to optimally accomplish their job duties. As a company, we back our managers and employees so that they will be able to grow, develop and act without fear, whilst maintaining a high professional level and excellence. We tolerate good faith mistakes and learn our lessons from them in order to minimize future mistakes.

• **Integrity and Fairness**

**We follow our personal and professional integrity and fairly act with all our stakeholders.**

We observe the laws of the State and comply with the spirit of the law. We act in maximum transparency *vis-à-vis* the capital markets and the regulatory system.

Each employee and manager of Alrov shall cooperate in the discharge of his duties with the Government, its ministries and employees and with any statutory entity and act responsibly, honestly and professionally, as required and in accordance with the purposes, policies and procedures of the Alrov Group.

We believe that business should be conducted honestly and directly and therefore in our dealings with our stakeholders, we act clearly and transparently. We ensure that full, complete and reliable reports are submitted both internally and externally to our stakeholders. We avoid conflicts of interest and provide any required information to the employees, customers and suppliers, to enable them make reasoned decisions. We comply with all the agreements signed by us, observe the rights of our counterparts and ensure that our obligations towards them are kept, including timely payments to suppliers.

We refrain from accepting gifts and benefits and make our decisions solely on the basis of merit. Our marketing and advertisement are true and accurate and not intended to mislead and our attitude towards competitors is made in a respectful and honest manner.

We never offer, give, solicit or take bribes or any other illegal incentives. None of our managers, employees, consultants, representatives, suppliers, partners or any other party

will directly or indirectly offer in our name any bribes or other illegal incentives.

We strictly maintain the confidentiality of information concerning our employees, customers and suppliers. We guard the discretion and respect distance to help ensure their privacy. We maintain full confidentiality in anything relating to the Group and its activities, both in the business aspect and the personal and professional aspects.

We observe personal integrity and make sure to give a personal example in our conduct and actions to adhere to the Group's values and the Code of Ethics. We build relationships of confidence with all those dealing with us, in which we can trust one another. Such relationships are the foundation for honest business and success.

We are committed to keeping the rules of the game honest and worthy in our dealings with competitors. We conduct the Group's activities in accordance with the rules of fair competition and will never be party to any verbal or written agreements or understandings, with actual or potential competitors in contravention of the law.

- Any employee and manager in the Alrov Group is committed to keeping the rules of the game honest and worthy in our dealings with competitors. Information concerning competitors is highly valuable, but they shall only act legally to obtain such information.

- Whenever the law prohibits and especially in public tenders, they will not meet or discuss pricing or other information with competitors and never agree to any coordination with competitors or discuss other arrangements that harm competition, in violation of the provisions of the law.

- Each employee and manager in the Alrov Group will act professionally, in good faith and fairly in his/her dealings with the suppliers of the Group and see and present himself, in any contacts with external suppliers, as the representative of the Alrov Company acting in such capacity and within the boundaries of the authority vested in him and well observe the goodwill of the Alrov Group.

- Each one of Alrov's employees and managers will avoid making specific contracts with suppliers or contractors with whom he works in the framework of the Company, unless such is made in accordance with the Company's procedures. In any event, employees should not take advantage of their job duties in order to accept benefits or favors, discounts or special conditions from suppliers.

The Group will never be party to any verbal or written agreements or understandings, with actual or potential competitors in a manner conflicting with the law. The Company encourages its suppliers and business partners to adopt rules that are similar or identical to the rules in this Code.

#### • **Commitment and Responsibility**

**We assume responsibility and act on the basis of deep commitment to our tasks and our stakeholders.**

We are committed to our work, true and faithful to our duties and the Company, act diligently and devotedly to complete our tasks and determined to meet challenges in order to achieve the aims of the Group. We operate with a strong sense of

responsibility and assume liability for our decisions and actions. In our actions, we give a personal example for accomplishment of the values and actually practice what we preach.

The Alrov Group highly values the transparency of its reports. We are committed to provide to our stakeholders all the information and reports which we are required to provide, on time, fully and accurately. We protect the confidential information of Alrov, refrain from disclosing it to unauthorized entities and respect the confidential information of others.

We make use of the information and resources for the purposes of fulfilling our duties but only for such purposes and in accordance with the Company's procedures.

We, in the Alrov Group, observe any rules concerning the prohibition on use of inside information. Each one of our employees and managers will therefore:

- Maintain confidential any information reaching him while in the employment of the Company.
- Avoid trading in the Company's securities based on information reaching him in the Company.

We act professionally, on the basis of broad knowledge and deep commitment to constant learning and improvement. We follow procedures and employ control in order to maintain the highest standards. We will always try to do the "right thing" despite any inconveniences. In case of mistake, we will report the same and act to learn the lesson.

We base our decisions on long term considerations, seeing one step forward and evaluating all risks and merits for the benefit of all of our stakeholders, whilst maintaining the need for stability in the Company and minimizing its risk factors.

We ensure the creation of conditions which guarantee the safety and health of our employees, customers, contractors and visitors at all the Company's enterprises and facilities.

We safeguard the Company's assets and equipment and ensure a safe, esthetic, clean and orderly work environment. We observe efficient working procedures and save resources.

We refrain from any involvement in politics or activities which have political characteristics in the course of our operations or from using the Group's resources or assets for such purposes.

#### • **Respect and Belonging**

**Respect is the foundation upon which our interactions with our stakeholders are based; At the same time, we strive to nurture a sense of belonging in all entities with whom we cooperate.**

We are committed to respect others, tolerate multi-cultural and inter personal diversity and follow and respect local practices. We build rapport and nicely treat all our employees as equals and create a respecting, open and clear communication. We avoid all verbal or physical violence. We keep a quiet, friendly and calm environment also in

case of pressure.

We act to accomplish diversified employment, provide equal opportunities to all employees, invest resources in personal and professional development of the employees and encourage promotion of employees from within the Company.

We cultivate the sense of family and belonging for all our employees and act to create a team spirit. We highly value the entities that work with us and we provide them a stable working environment, nurture them and see to their sense of comfort. We trust our employees, allow them freedom of action and a wide perspective that bring about meaningful achievements and possibilities for expression and exhausting their abilities.

We operate in cooperation, transfer information and aim to a common goal. We ensure that any activities which require an interface between employees and units will be performed in harmony and in full cooperation.

The Group's policy prohibits all forms of harassment. We will not tolerate any harassment, in general, and sexual harassment, in particular. Alrov takes and shall seriously take any appropriate actions in any case of suspicion of harassment by or against the employees.

The Alrov Group categorically and unequivocally condemns any manifestations of discrimination based on gender, age, origin, race, religion, family status, sexual orientation or physical disability.

If you suspect that acts of harassment or discrimination on a sexual or other basis take place, please do not hesitate and contact the human resources manager or the person in charge of prevention of sexual harassment at the unit in which you work. In any event of romantic relationships between a manager and his/her subordinate, whether directly or indirectly, please report to the human resources manager or the person in charge of prevention of sexual harassment of the company in which you work.

• **Service conferring the Experience of Luxury**

**We choose to provide our customers the most luxurious service available, while creating a unique lifestyle experience.**

We lead the way in the lifestyle area and strive to provide our customers and guests an experience of wellbeing and wholeness. We create a unique experience of luxury and provide our customers an exceptionally personal service. We care for our customers' satisfaction and do our utmost to ensure they will return.

In order to provide such experience to our customers, each one of us gives and provides the best available quick and quality services in accordance with the promises given concerning the execution date and quality. We respect our colleagues and understand that their requests are intended for the advancement of the Company and its stakeholders.

## • **Human and Environmental Harmony**

**We devote resources for creating harmony with and among people in our work and in creating harmony and aesthetics in our enterprises, combining old and new, the enterprise and the environment and the enterprise and the community.**

We are committed to the creation of harmony between conservation of the heritage and the need for innovation, between the existing environment and community and the new enterprises that are combined into the local landscape.

We create high and meticulous levels of aesthetics in all our areas of activities, with the choice of unique location, architecture and design, that combine sensitivity and interaction with the environment together with the creation of an added value to the site.

We are committed to the communities in which we operate. We establish connections with the communities surrounding the Group's enterprises and facilities and contribute to the promotion of the community and people.

We believe the business world forms an integral part of the environment and society. The Alrov Group acts to fulfil its vision with the integration of the principles of sustainability across its many activities and in particular, by balancing economic, environmental and social interests and influences.

All managers and employees of the Alrov Group shall take into account economic, social and environmental considerations and seek to contribute to the creation of a sustainable and advanced ecosystem. For Alrov "sustainability" means a managerial approach based on the balance between economic, environmental and social considerations.

We seek for sustainability and protection of the environment for future generations' sake. We adopt efficient processes and energy efficient and saving systems in order to preserve natural resources and minimize harm to the environment. We make sure to keep the environment clean, save resources and recycle, if possible.

## • **Our Commitment**

The law, the Company's procedures and rules of conduct included in Alrov's Code of Ethics serve as guidelines for an appropriate ethical behavior towards those around us. Sometimes, however, in the complex environment in which we operate, moral/ethical dilemmas may arise. Such dilemmas require the making of decisions concerning the appropriate behavior in case of a conflict between values or contradictions among our various stakeholders.

Faced with such dilemmas and in case of doubt, it is recommended to ask the following questions:

Are my actions consistent with the Group's values and the Code of Ethics?

Do they comply with the law?

Are my actions compatible with the sustainability approach?

Are my actions consistent with the Group's image?

If I were the other person - would I be happy to be treated in this manner?

Will I sleep at night with clean conscience after taking such actions?

Will I feel comfortable if my actions are made known to the public?

In case of doubt, it is recommended to consult such matters with the Group's legal counsel. In case of any question, dilemma or need to clarify matters, please contact:

Email: [legal@ALROV.CO.IL](mailto:legal@ALROV.CO.IL)

Tel: 03-7147777

The Group's management and managers will act to instill the Code of Ethics and realize our values. The management and supervisors will act to build an ethical climate and organizational culture that encourage dialogue and honest handling of ethical dilemmas and undertake to avoid retaliatory actions against any employees who raise ethical dilemmas.