

Ethical Code – Suppliers

OPC Energy Ltd. and its subsidiaries ("the Group") are committed to conducting their business with the highest level of integrity and in compliance with the spirit and letter of the law. As an industry leader and a responsible business, the Group promotes the highest standards of ethics and business conduct wherever it operates. As part of its ongoing activities, the Group engages with various business partners ("suppliers"), and therefore wishes to define its basic requirements for ethical and business conduct through this ethical code.

In this context, suppliers are responsible for ensuring that all employees, agents, representatives, subcontractors, and business partners understand and comply with the requirements set forth in this code.

1. Unfair Business Practices

- 1.1. Suppliers must always comply with the requirements of all applicable laws and regulations. Under no circumstances should suppliers assume that they are permitted to violate any law or regulation while carrying out their duties, and they are explicitly prohibited from doing so.
- 1.2. We expect our suppliers to conduct their business with integrity, trust, and fairness, and to act in a manner consistent with the Group's ethical code, including avoiding conflicts of interest.
- 1.3. Suppliers are prohibited from offering gifts, cash, cash equivalents, or hospitality of significant value to employees of the Group.
- 1.4. Our suppliers are required to implement internal controls to identify, prevent, and respond to fraud and money laundering incidents, and report any potential fraud that may affect the Group promptly.
- 1.5. The supplier will not engage in any illegal anti-competitive conduct or fraudulent business practices for any reason.
- 1.6. The supplier must respect free and fair competition rules in all business relationships and act in accordance with competition and/or antitrust laws.
- 1.7. Suppliers must avoid practices or agreements that restrict competition, such as price-fixing, market allocation, or abuse of a dominant market position. Additionally, suppliers may not offer misleading goods, products, or services to the Group or its representatives.

2. Anti-Bribery and Corruption Policy

- 2.1. This document summarizes the key provisions of the Group's anti-bribery and corruption policy ("Policy Principles"). Suppliers are obligated to ensure that they have read, understood, and comply with these policy principles, including those of their representatives, both directly and indirectly.
- 2.2. The Group is committed to complying with anti-bribery and anti-corruption laws in all the countries where it operates ("Anti-Bribery and Corruption Laws"). These laws require full compliance from the Group's suppliers and their representatives, directly or indirectly, acting on behalf of the Group, with public officials (suppliers, subcontractors, consultants, service providers, etc.).

- 2.3. The Group prohibits offering, promising, or accepting bribery, defined as anything of value offered, promised, or given to a public official, directly or indirectly, to obtain an improper benefit, or to establish or maintain a business or commercial relationship, regulatory advantage, personal or unlawful benefit, regardless of whether the desired outcome is achieved. The Group also prohibits any act or behavior that could create the appearance of bribery. It is clarified that this prohibition applies to any offering of value to a private individual if the goal is to improperly influence the recipient in the performance of their duties or to obtain an improper benefit.
- 2.3.1. "Thing of value" is broadly defined and is not limited to cash – it includes travel (flights or accommodation), meals, gifts, donations, charity and sports events, parties or performances, and other tangible or intangible benefits, such as favors and services, loans, royalties, consultancy fees, preferential business terms, loan guarantees, investment opportunities, business opportunities, use of property or equipment, and job offers.
- 2.3.2. "Public official" is broadly defined and includes, among others, any person employed by government or public institutions, anyone holding an official position in a governmental body, anyone in a political office or a candidate for such office, as well as family members or agents acting on behalf of any of the above.
- 2.4. In addition to the above, the Group's suppliers are absolutely prohibited from offering bribery and must employ all means to prevent bribery and corruption and comply with anti-corruption laws. If any bribery or violation of the anti-bribery and corruption laws occurs, it must be immediately reported to the business contact within the Group or to the Group's procurement manager (contact details as specified in section 9.1).
- 2.5. The Group will demonstrate zero tolerance for violations of its anti-bribery and corruption policy. A violation could result in the Group taking steps against its suppliers, including termination of their relationship.
- 2.6. It should be noted that the full anti-bribery and corruption policy of the Group includes sections on hiring decisions, charitable donations, political activities, lobbying, anti-money laundering, anti-terrorism laws, the Trade with the Enemy Order, documentation and record-keeping, reporting, fair treatment and non-retaliation, and investigation of suspicions, as well as the consequences of violating the policy.

3. Human Rights and Fair Employment

- 3.1. The Group requires its suppliers to fully comply with all labor laws in the countries in which they operate ("Labor Laws") and to ensure fair working conditions and an appropriate working environment for their employees, including providing fair wages that are not less than the minimum wage, as well as all required contributions under the Labor Laws.
- 3.2. The supplier must not require employees to work beyond the maximum hours permitted under the Labor Laws; they must ensure that overtime work is done with the employee's consent, and that appropriate compensation is provided.

- 3.3. Suppliers must respect their employees' human rights, including the protection of employee privacy, promoting diversity, and providing equal opportunities in the workplace without discrimination based on origin, gender, religion, nationality, disability, or any other criterion, while ensuring a work environment free from abuse or harassment of any kind and guaranteeing freedom of association.
- 3.4. Children under the minimum working age permitted by law should not be employed, and child labor should not be supported in any way.
- 3.5. Suppliers must not engage in forced labor and must prevent all forms of slavery and/or human trafficking.
- 3.6. Suppliers must take action to address any violation or potential violation of these rights and laws.
- 3.7. If the supplier provides accommodation for its employees, it must ensure that the living conditions are appropriate and include all necessary services (water, electricity, heating, cooling).

4. Health and Safety

- 4.1. Suppliers must comply with safety instructions provided at work sites, including arriving at work with the required clothing and equipment.
- 4.2. Suppliers must provide a safe and healthy work environment for their employees and take actions to reduce risks in the workplace on an ongoing basis.
- 4.3. Suppliers are required to develop and implement health and safety procedures in all aspects of their business. They must ensure their employees comply with all laws and regulations concerning occupational health and safety, including through regular training on the subject.
- 4.4. The supplier must hold all necessary licenses and permits according to their business area in the countries in which they operate, as well as any required certificates to perform the work, including those for subcontractors and service providers employed by them.

5. Environmental Protection

- 5.1. Suppliers are required to comply with all relevant environmental protection laws in the countries where they operate and obtain the necessary environmental permits for their activities. The Group expects its suppliers to adopt the precautionary principle to prevent potential environmental damage or at least strive to minimize their impact on the environment.

6. Trade Restrictions, Anti-Money Laundering, Anti-Terrorism Laws, and the Trade with the Enemy Order

- 6.1. The Group is subject to and operates in accordance with anti-money laundering laws and anti-terrorism laws, and the Trade with the Enemy Order. Accordingly, it requires its suppliers to comply with trade restrictions and export control regulations, as well as any sanctions and embargo rules applicable to their business activities, including trade restrictions of the European Union and the United States. They must also provide accurate information to the relevant authorities when required.
- 6.2. No one acting for or on behalf of the Group shall, directly or indirectly:

- 6.2.1. Engage in any financial transaction involving property, funds, or financial instruments that promote criminal activity or are the result of such activity;
- 6.2.2. Engage in, participate in, approve of, or assist any other person in executing any transaction related to receiving, transferring, transporting, preserving, using, organizing, diverting, or concealing the proceeds of any criminal activity, including fraud or bribery involving (1) any government employee, government-owned organization, political party, or international public organization, or (2) a political party or candidate for political office;
- 6.2.3. Engage in or be involved in, fund, support, sponsor, promote, or assist in any way with terrorist activities or a terrorist organization;
- 6.2.4. Engage in or become involved in any activity prohibited by the Trade with the Enemy Order.

7. Information Security, Record Keeping, and Data Privacy

- 7.1. The Group places the highest value on the privacy of its customers and employees and operates according to the privacy policy published on the Group's website. Furthermore, it does not use personal data except in accordance with the privacy policy and the law. Therefore, the Group requires its suppliers to comply with the applicable laws on this matter and to not misuse personal data they obtain about the company's customers and employees, maintaining their privacy.
- 7.2. As part of its commitment to information security, the Group takes proactive steps to secure its business and personal data, complying with regulatory requirements regarding data security and reducing cybersecurity threats.
- 7.3. Suppliers must comply with all applicable laws and the Group's policies and the provisions of any agreements with it regarding privacy and information security.
- 7.4. The supplier agrees to maintain the confidentiality of business/commercial information in general, and specifically, not to share any information regarding quantity, price, strategy, etc., with any other supplier or client.

8. Fair Trading in Securities

- 8.1. In accordance with applicable laws, and due to the Group's public status, suppliers are absolutely prohibited from trading the Group's stock if they are exposed to or have access to insider information or from passing on such information to others.

9. Handling Complaints

- 9.1. The Group allows for complaints or inquiries to be submitted via email to opc_vendors_channel@opc-energy.com or by mail to: Menachem Begin 121, Floor 40, Azrieli Sharona Towers, Tel Aviv, regarding any potential deviation from the values and principles outlined in this document and the Group's ethical code (available on the website).

10. Monitoring Compliance

10.1 From time to time, at its discretion, the Group may review the supplier's compliance with the conditions of this code of conduct, through ongoing checks and audits, either by itself or through its representatives.

10.2 If necessary, the supplier must provide the Group with any information required to allow it to check and verify compliance with the supplier's obligations as outlined in this document.

10.3 In any case where the Group determines that the supplier is not complying with the provisions of this code, the Group may take steps to terminate its relationship with the supplier.

Sincerely,
Procurement Department