



PALRAM ESG REPORT 2024

Environmental, Social and Governance

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LETTER FROM THE CHAIRMAN OF THE BOARD AND THE CEO

Dear Partners,

We are proud to present Palram's third Corporate ESG Report, reflecting another year of progress in our commitment to sustainable growth, responsible management, and continuous innovation. This report marks not only continuity in our journey but also tangible advancement toward the ambitious goals we have set for 2030.

Since our foundation in 1963 at Kibbutz Ramat Yohanan, Palram Industries has remained dedicated to the communities we serve and to the environment in which we operate. Over the past year, we have further strengthened this commitment - integrating sustainability into every layer of our decision-making, production processes, and corporate culture.

The challenges and global shifts of recent years have only reinforced the importance of resilience, transparency, and accountability. Throughout 2024, Palram continued to expand environmental data collection, add sites that use renewable energy, and develop innovative products that promote efficiency and circularity. At the same time, we invested in our people, our communities, and our governance frameworks, ensuring that ethical business conduct remains at the heart of our operations.

With an eye toward the future, our ESG strategy remains

clear - to minimize our environmental footprint, empower our employees, and deepen our positive impact on society. We believe that long-term success depends on cooperation, fairness, and innovation - values that have defined Palram for over six decades.

We extend our sincere gratitude to our employees for their dedication, creativity, and professionalism; to our partners and stakeholders for their continued trust and collaboration; and to our customers, who inspire us to evolve and improve every day.

Enjoy the read,

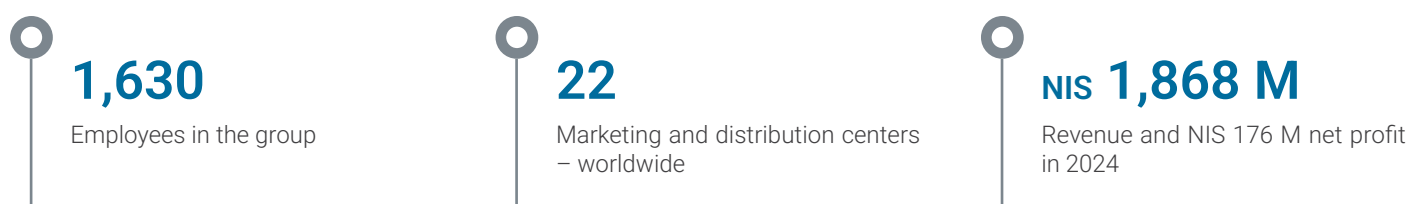


Ido Rodoy
Chairman of the Board

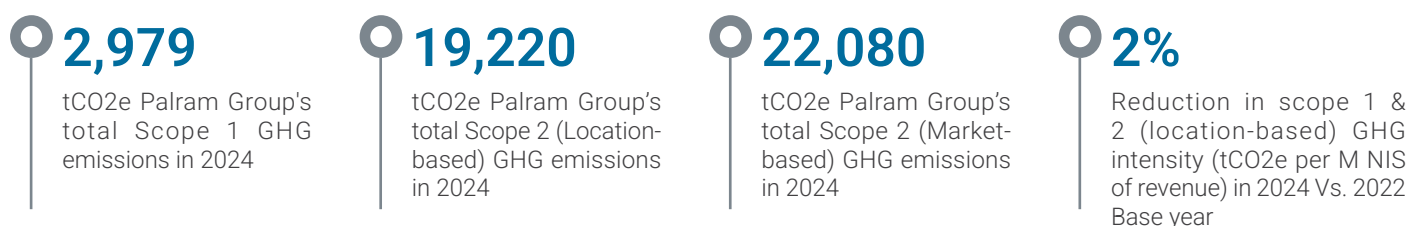
Shai Michael
CEO



ESG HIGHLIGHTS IN 2024



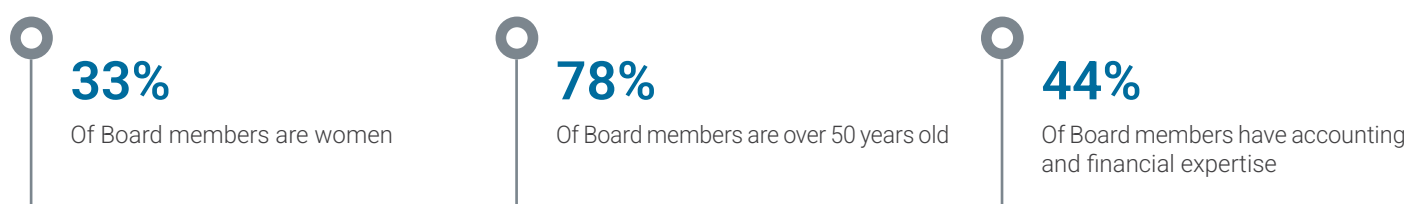
General



Environmental



Social



Governance



PALRAM'S¹ 3rd ESG REPORT

This is Palram Group's third Environmental, Social and Governance (ESG) report. The information provided in this report reflects the Group's ESG performance from January 1, 2024, to December 31, 2024. This report covers Palram Group's substantial global operations.

The report details Palram Group's policies, procedures, programs and performance regarding the Group's main environmental, social and governance issues.

Throughout these pages, you will find detailed accounts of our sustainability initiatives, KPI, and progress we have made towards the ESG goals. We are excited to share the positive impact we've achieved, and the areas where we aim to make further strides in the coming years.

Within the pages of this report, you will find Palram Group's key initiatives and processes during the reporting period in the ESG field:

- For the first time, Scope 2 emissions were calculated on a market-based approach for FY 2024.
- Expanded Scope 1 reporting to include, for the first time, natural gas consumption for heating.
- Contribution amount was raised by 187% mainly due to contribution of materials and products, to support the recovery of the resurgent communities.
- New internal communication system implemented at almost all of Palram's sites.
- An upgrade to a Silver medal in our second year of participating the EcoVadis platform with Palram 4U page.
- Issuing of a Company's annual Regulatory Standard Sheet.

As we improve our data-collecting processes, we also add data that was not collected in 2022.

Therefore, some of the data and calculations that are based on it will be adjusted accordingly.

A group of managers and relevant professional employees took part in preparing the report. The contents and information published in the report is approved by the senior managers, each in their field, also, the publication of the ESG report is approved by the management and the Board of Directors (the "Board").

As we present our 3rd ESG report we thank the Palram Group team, with special thanks to the representatives of our global sustainability network, whose dedication and innovation drive our sustainability efforts, and our valued stakeholders for their continued support and partnership.

Palram Group is committed to continually increasing its transparency and stakeholder engagement through its next ESG reports. For any feedback and questions regarding the activities and programs outlined in the report, as well as for any issues you would like to see addressed in the future, you may contact ESG@palram.com. Your comments are welcome.

¹Palram Industries (1990) Ltd ("Palram" or the "Company") together with its subsidiaries will here in after be referred to as the "Group" or "Palram Group".



ESG Areas of Focus

The process of identifying the ESG Areas of Focus that are most material to Palram Group's ESG journey was conducted with the support of ESG specialists and managed by the Group's ESG steering committee led by Palram Group's CEO. The identifying process was conducted in line with the GRI reporting standard's methodology on materiality, aiming to determine the ESG areas most significant for Palram Group and its stakeholders, based on a sector-specific benchmark analysis.

Relevant sources include:

- Leading polymer materials manufacturers and suppliers in the global market
- Leading ESG rating agencies
- Key reporting standards

By adhering to the GRI standard and following best practices in ESG reporting, Palram Group ensures a materiality process that appropriately identifies primary influence on environmental, social and governance (ESG) topics.

The initially selected topics were then discussed with the ESG steering committee representing the perspective of all stakeholders, which then finalized the material topics.

The substantial ESG topics which will be at the focus of Palram Group's ESG report, strategy and journey are:

	Topic	Consists of
Environmental (E)	Efficient and responsible use of resources	Exploiting the potential of raw materials, reducing waste generation, ensuring proper waste treatment, and promoting the efficient use of water and energy.
	Reducing the carbon footprint (GHG emissions)	Tracking the Group's carbon footprint (Scope 1+2) and the actions taken to reduce it.
	Environmental and climate management	Tracking, managing, and reducing the environmental and climate impacts of the Group's operations and products.
Social (S)	Occupational health and safety	Working to create a healthy, safe, and secure working environment for employees.
	Human capital development	Investing in employees through continuous development and engagement. Generating a work environment that promotes diversity, equal opportunity, and inclusion.
	A responsible supply chain	Actions and policies aimed at ensuring supply chain accountability.
Governance (G)	Risk management	ESG-related risks and opportunities policies and assessment mechanisms.
	Innovation	Developing sustainable manufacturing practices and promoting the efficient use of resources. Taking an innovative approach to R&D aiming to provide quality products that inspire people and enable them to live more sustainable lifestyles.
	Compliance	Compliance with ESG laws, regulations, and guidelines in each jurisdiction



Palram Group's Stakeholder Engagement

Palram Group's leadership views each of Palram Group's stakeholder groups as a genuine component of Palram Group's sustainable development. Palram Group considers as stakeholders people and organizations that are affected by its operations and those that could be affected by it.

With this view, Palram Group is investing an ongoing effort to create, maintain, and improve a vital dialogue and to build strong relationships with all stakeholder groups, which are considered as vital to the development of Palram Group's business.

Stakeholder groups	Dialogue Channels
Employees	<ul style="list-style-type: none"> ▪ Open door organization culture ▪ Engagement program ▪ Regular periodic meetings at the regional level ▪ Ad-hoc meeting prior to organizational changes ▪ Annual performance reviews
Customers	<ul style="list-style-type: none"> ▪ Dialogue with appointed sales managers ▪ Periodic meetings with customers for discussions, training and feedback ▪ Empowering Professionals through digital engagement platform Panel Pros. ▪ Social networks/Public ads
Suppliers	<ul style="list-style-type: none"> ▪ Dialogue with designated procurement team ▪ Supplier approval process and on-going audits
Shareholders	<ul style="list-style-type: none"> ▪ Annual General Meeting ▪ Annual report and quarterly reports
Regulators	<ul style="list-style-type: none"> ▪ Regular exchange with relevant government agencies ▪ Compliance procedures dialogue with local regulators ▪ Participation in various innovation programs
Communities, the public, neighbors, and NGOs	<ul style="list-style-type: none"> ▪ Ongoing communication regarding local community engagement projects ▪ Ad-hoc communication to promote local collaborations ▪ Continuous dialogue with municipalities and local employment centers ▪ Participation in municipal education program - EDGE



Contributing to The UN's Sustainable Development Goals (SDGs)

The United Nations Sustainability Development Goals (UN SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to tackle social and environmental issues while also targeting economic growth, reduced inequalities and innovation. At the Palram Group, sustainability is considered a crucial business growth-engine enabling

the provision of long-term value and added value. Palram Group views its commitment to sustainability as an integral part of the Group's vision and values. As one of the leading companies in its field, Palram Group contributes to the SDGs by improving its understanding of its impact and investing in R&D efforts to generate a positive impact.

3 GOOD HEALTH AND WELL-BEING



"Ensure healthy lives and promote wellbeing for all at all ages"

We manufacture products that support public health and wellbeing and offer true value to our customers and end users by providing them with new innovative solutions to their changing needs. Using Palram polycarbonate sheets as skylights or sidelights in buildings positively impacts the occupants and workers. Exposure to natural light is considered a necessity for a healthy and productive lifestyle.

Translucent panels used for small projects around the house such as pergolas, patio covers, and gazebos, allow people to spend more time outside their homes, benefiting from fresh air and natural light, while protecting them from the rain. Hobby greenhouses by Palram Canopia Ltd enable people to grow their own produce, providing health benefits from both gardening activities and exercise, as well as from nutritious fresh vegetables.

In addition, Palram Group's product, Suntop corrugated panel that is made mostly from recycled material, serve as an environmentally friendly alternative to asbestos and cladding panels with antibacterial additive helps create a healthier environment in hospitals, food processing facilities, and more.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



"Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation."

As part of its first and most significant steps in its ESG journey, Palram Group's leadership, assumed responsibility for developing sustainable and resilient infrastructure through its products and by embedding an ESG strategy into the Group's core business operations. These efforts aim to better support inclusive and sustainable economic development.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



"Ensure sustainable consumption and production patterns."

As a large manufacturing Group, Palram Group's Procurement policies and manufacturing methods promote efficient use of water, energy and raw materials. Environmental considerations are integrated into Palram Group's production processes, as it aims to increase the use of recycled materials in Palram Group's products.

8 DECENT WORK AND ECONOMIC GROWTH



"Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"

Palram Group's employees are the driving force behind its operations. The company strives to provide a safe, fulfilling, and rewarding environment - one that offers opportunities for all employees to grow and develop their skills. In 2024, Palram Group continued the Champion Program, a training initiative for mid-level managers and continue implementing the new internal communication system in the different regions.

5 GENDER EQUALITY



"Achieve gender equality and empower women."

The company incorporated UN Goal 5 into its ESG reporting to reflect its commitment to promoting gender equality and empowering women at all levels of the organization. This commitment is supported by, alongside a clear code of conduct on sexual harassment, an anonymous complaint mechanism, and consistent tracking of the proportion of women in management roles. The company has set a target to increase female representation in senior management and on the Board of Directors to 35% by 2030.



Palram's ESG strategy

Palram is striving to reduce its ecological impact on climate and the environment. Palram promotes sustainable processes, products, and innovative solutions for the efficient use of resources.

The ESG journey was led by the CEO and launched at the Palram Group Conference 2022 for the executive and global management of the Group. As part of the ESG journey, in 2023 Palram Group started working on its ESG strategy. The strategy expresses Palram Group's commitment to sustainable growth while setting the targets for its realization. Palram Group's ESG strategy is aligned with its business strategy and based on Palram Group's core values which are reflected in the corporate code of ethics. Palram Group recognizes the opportunities inherent in implementing sustainable considerations in the core business, in Group-wide processes and decision-making procedures as well as within the engagement with its stakeholders.

Led by the CEO, with the assistance of the ESG strategy dept. at BDO, we used the process described below to determine the strategic objectives and long-term goals that were approved by Palram's management and Board.

The Process:

Incorporating ESG aspects into the Group's business strategy through a process that originates in its vision and values.

Mission:

As a global Group, we strive to be a leading international company while preserving our unique character.

Core values:

- **Creativity and innovation** - Leading the market by encouraging the pursuit of creative solutions that break conventions and integrate innovation.
- **Agility** - Palram Group promotes flexibility and quick responses to changing circumstances while maintaining focus on purpose and effectiveness.
- **Accountability** for the environment, people, and law.
- **Honesty and integrity** - Our decision-making and behavior are guided by honesty, personal ethics, and being loyal to the truth.
- **Teamwork and collaboration** - The Group's success depends on achieving shared goals through respect for others, mutual responsibility, teamwork, and individual contributions to our collective efforts.
- **Make things happen** - Our success relies on executing defined tasks with professionalism and excellence.

The mission and values were examined through an ESG prism, and with the insights from internal meetings set the foundations for the ESG objectives. The objectives were defined as material focus areas within the environmental, social, and governance disciplines that are relevant to, and reflected in the Group's business strategy.

We concentrated on the most critical issues and defined the following ESG strategic objectives:

- Reducing environmental footprint and incorporating circular economy
- Promoting sustainable products
- Employee engagement – providing a supportive, safe, promotive, decent, diverse, and inclusive workplace
- Growing our impact on communities
- Diverse Board and executive management
- Strengthening business ethics
- Continued development in ESG management

The next step in the process was to determine the correct Key Performance Indicators (KPIs) which will reflect the measurement of the objectives. We set for each KPI a baseline (2022) and a strategic target to be achieved by 2030. The outcome of the strategic process are the following metrics:



The outcome of the strategic process are the following metrics:

	Objective	KPI	Units	Base 2022	2024	Change	Goal for 2030	Progress
Environmental	Reducing Environmental Footprint, incorporating circular economy	GHG emissions intensity, scope 1&2	tCO2e / Million NIS Rev	12.1 ²	11.9	-2%	-20%	10%
	Mitigating climate change risks	Renewable energy	%from all sources	<1%	3%	+2%	20%	10%
	Promoting sustainable products	Use of Bio-Base & Recycled materials	% of material in production	19%	20.4%	+1.4%	25%	82%
Social	Employees engagement - providing a supportive, safe, promotive, decent, diverse and inclusive workplace	Average Training hours for employees	Hours / Employee	4 (2023) ³	10.6	+165%	13	73%
		TRIR	(Recordable work - related injuries / Total working hours) *200,000	4.22 (2023) ⁴	4.87	+15%	-30%	
	Growing our impact with communities	Contribution	% Growth	NIS 301K	NIS 864K	+187% ⁵	30%	100%
Governance	Governance & Executive management	Women in Board & Executive management	% Women	22% / 25%	33% / 25%	+50%/0%	35%	48%
	Business ethics	Code of Ethics training	% of employees trained bi-annually	>90%	>95%		>95%	100%
	ESG management in Palram	Board & management involvement	1 Annual report 2 BOD meeting 4 Management reviews	1 st Report	3rd Report 2 BOD meetings 3 Management reviews		Development	86%

² 2022 data was changed due to additional data collection

³ 2022 data does not exist; The change in average training hours will be measured based on 2023 data.

⁴ P. IL data was not included in 2022 measurements; therefore, we use 2023 data as a baseline.

⁵ The significant increase in donations in 2024 compared to the 2022 base year is attributed to contributions made following the events of the Iron Sword War, reflecting Palram's commitment to assist and support resurgent communities.



Key 2024 Efforts Driving Palram Group ESG Objectives and KPI Objectives:

Reducing Environmental Footprint

- Implemented energy monitoring solution in DPL
- Upgraded fleet to electric and hybrid vehicles – moved to EV and HB fleet in Israel
- Converted line motor from AC to DC - Paltough
- Installed reactive Power Conditioning System for main power in the US - to reduce electricity usage and improve power factor efficiency

Mitigating climate change risks

- Installed solar panels at PLC and Molan

Promoting Sustainable Products

- Developing RECLAME – family of products with 30-60% post-industrial material

Employees engagement

- Implemented operator training software in Israel and the UK
- Conducted restricted electrician training in Israel

Growing our impact with communities

- Organized volunteer events to support local communities

Women in Board and Executive management:

- Increased number of women in management roles at Hyginic & Able

Code of Ethics training:

- Conducted first on-site Code of Ethics training in India

Board & management involvement:

- Implemented ESG action reporting format for management and Board review





PALRAM GROUP OVERVIEW



General

1,630

Employees In The Group

22

Marketing And Distribution
Centers Worldwide

NIS 1,868 M

Revenue and NIS 250 M Net
profit in 2024

About Palram

Palram, a publicly traded company on the Tel Aviv Stock Exchange since 1993, is a leading manufacturer of extruded thermoplastic sheets and panel systems. Established in 1963 at Kibbutz Ramat Yohanan in Israel, the Company has evolved from its humble beginnings into an industry leader and multinational corporation with operations on six continents. By focusing on advanced technologies and outstanding human capital, Palram Group offers professionals and users the solutions and support they need for a wide variety of applications.

64.85% of Palram Industries (1990) Ltd.'s outstanding shares and voting rights are held by Ramat Yohanan Industries & Agriculture Development – an agricultural cooperative society owned by Kibbutz Ramat Yohanan.

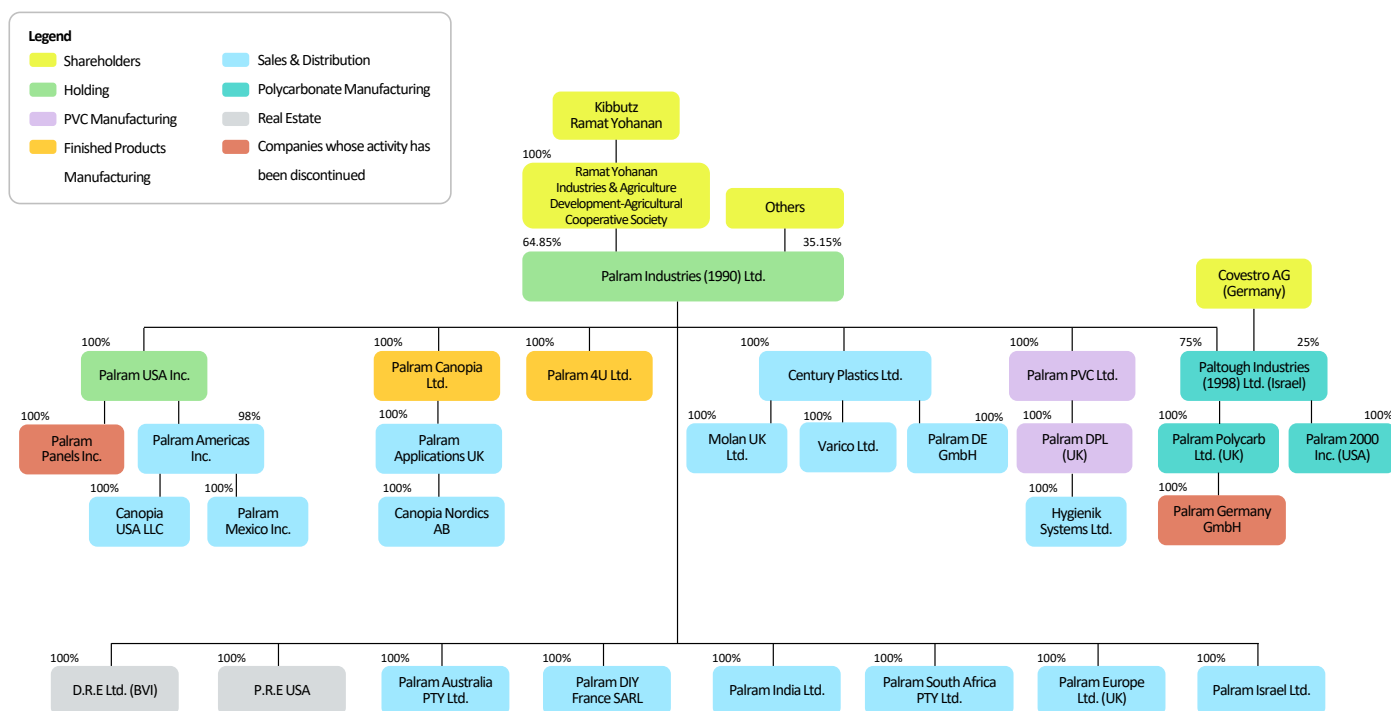
The Group's headquarters are located in Kibbutz Ramat Yohanan, Israel, and the company is incorporated as Palram Industries (1990) LTD. The Company owns 100% of the PVC, Canopia, and P4U activities, and 75% of the polycarbonate activity, which is incorporated under Paltough Industries (1998) Ltd., along with 25% ownership by Covestro AG (Germany), a strategic partner of Paltough. With over 60 years of experience, a large portfolio of products, and thousands of customers, Palram is recognized as a leading brand for quality and service. Palram's global presence ensures the continuous availability of products with standardization for global customers.



Palram's structure and operations

Palram Group's business & legal structure

Below is a diagram describing the holding structure of the essential companies in the group.





The group operates in four areas of activity: Polycarbonate, PVC, Finished Products for the Home Environment (formerly Canopia) and Sales and Display stands (POP & POS)(formerly Palram 4U)

Polycarbonate

In this field of activity, the Group is primarily focused on the development, production, and sale of rigid thermoplastic sheets and panels made from polycarbonate polymer, produced through extrusion at three factories located in Israel, the United States, and the UK. Sales are conducted through the Group's global distribution network, which includes regions such as the United States, Europe, Australia, Israel, India, and the UK. The Group also operates websites that primarily sell polycarbonate sheet-based kits for the home environment (BTC). Starting in October 2024, the Group also began distributing kits through its subsidiary, Varico, which operates a separate website for installers. Additionally, this field of activity also includes Molan, the company's production and logistics center in the UK, which specializes in cut-to-size polycarbonate kits and serves the professional installer market.

Finished products for the Home Environment (formerly Canopia)

In this business segment, Canopia is engaged in the development, production and sale of finished outdoor living products— such as - greenhouses, storage sheds, pergolas, gazebos, carports— through Palram Canopia Ltd., located in Israel. Distribution is supported by logistics centers in key operational regions, managed by subsidiaries. This structure allows the company to maintain inventory close to its markets, support efficient distribution systems, and enable short-term, direct-to-customer delivery (drop shipping). Most customers are large retail chains that sell these products primarily online.

PVC

In this field of activity, the Group is mainly engaged in the development, production and sale of thermoplastic sheets and panels produced by extrusion using the PVC polymer at two factories located in Israel and the UK. Sales are conducted through the Group's global distribution network, primarily in the United States, Australia, the UK, Israel and India. This network also includes the operations of Hygienic, a company acquired in June 2023. Hygienic specializes in distributing dedicated PVC panels— manufactured by the Group and by third parties— primarily used for sanitary wall coverings. These products are sold mainly through direct sales to professional installers.

Sales and Display Stands (formerly Palram 4U)

In this business segment, Palram 4U is primarily engaged in the development, production, and sale of point of sale (POS) and point-of-purchase (POP) display stands for various sectors. These include POP displays ordered by tobacco manufacturers, as well as displays for food and natural products for retail chains. Additionally, the segment includes the development and production of indoor cabinets for hydroponic vegetable cultivation through Palram 4U Ltd., located in Israel.

In the second quarter of 2024, Palram 4U completed the acquisition of the operations of Tizug-Pedgo Plastic Ltd., a company engaged in the production of display stands for additional industries and promotional sales products made from various materials, primarily serving the cosmetics and retail sectors. This acquisition expands both the product portfolio and the customer base in the segment.



Palram Through The Years



2018

Palram 4U established through acquisition



2004

Canopia established



2003-2024

Increasing worldwide distribution activity



2000

Polycarbonate sheet production activity in the United States



1997

Exclusive distribution agreement with The Home Depot



1996

Polycarbonate sheet production activity in the UK



1993

Palram Americas established



1993

IPO on TASE – Palram becomes a public company



1992

PVC sheet production activity in the UK acquired



1985

Start of polycarbonate sheet production activity in Ramat Yohanan



1963

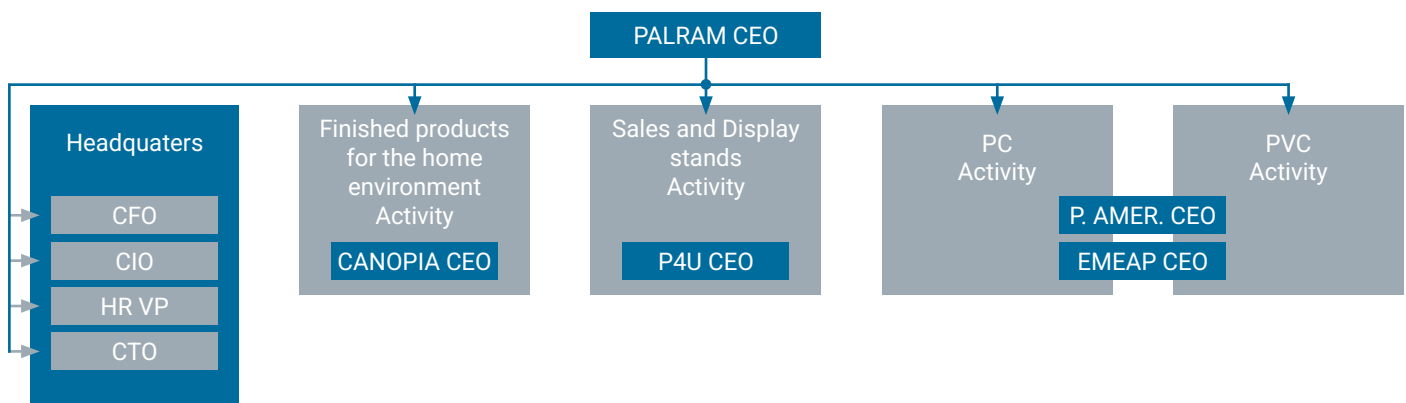
Start of PVC sheet manufacturing activity in Ramat Yohanan



Palram Group's Management Structure

Palram Group's management operates in the following segments of activity:

- **PVC** - The Americas management oversees the Group's PVC operations in the United States and Mexico, while EMEAP management is responsible for PVC operations in the UK, Europe, Israel and the Rest of the World (ROW).
- **Polycarbonate** - The Americas management oversees polycarbonate operations in the United States and Mexico, while EMEAP management is responsible for the Group's polycarbonate operations in the UK, Europe, Israel and the Rest of the World (ROW).
- **Sales and display stands** – Operations are based in Israel.
- **Finished products for the home environment** - Operations are based in Israel, the UK, the United States, Germany, Sweden, and France.



Operations

Palram is a global company with technological leadership in the field of corrugated panels, both in Israel and worldwide. This leadership gives it a competitive edge in key markets. With an extensive geographical presence, the Group operates 22 marketing and distribution centers strategically located near its customers. This proximity helps reduce emissions and minimize its carbon footprint by limiting the need for long-distance road and air freight. The Group is engaged in the applied development of new products, as well as the advancement of production processes to enhance operational efficiency and customer service. It benefits from skilled personnel and deep productive knowledge, enabling the production of a wide variety of products and providing a competitive advantage.

The Group possesses specialized expertise in producing multilayer PVC panels with unique properties, utilizing a technology that incorporates recycled materials to help reduce the panels' carbon footprint. In addition, the Group has unique expertise in the design and manufacture of outdoor living solutions, such as hobby greenhouses made from polycarbonate panels that mimic the appearance of glass. Additionally, the Group has unique knowledge in the development of point-of-sale displays, primarily made from PVC panels, allowing for easy transportation and assembly.



A Range of Solutions

Palram Group offers a range of solutions utilizing its products:



Commercial Buildings



Industrial Construction



Home & Outdoor Living



Agricultural Construction



Industrial Fabrication



Sign & Display

Manufacturing

Palram Group manufactures its polycarbonate products in three plants located in Israel, the United Kingdom, and the United States, utilizing 15 production lines to produce corrugated, flat, and multi-wall sheets. Its PVC products are produced in two plants in Israel and the United Kingdom, using 11 production lines to manufacture flat, corrugated, and foam PVC products.

Distribution

The Group offers a wide and diverse product portfolio ("One Stop Shop"), both through its own distribution companies and third-party distributors. Its global distribution network has expanded through both organic growth and mergers and acquisitions, allowing the Company to maintain a strong presence in key markets. This network also enables direct sales to customers' homes, as the Group holds inventory at its own sales sites and distribution centers located in key logistics hubs across its main markets. To support this, the Group operates warehouses in the US, UK, Germany, Australia, Israel, South Africa and India.

There are separate distribution systems for finished products for the home environment (formerly Canopia), while Palram 4U products are sold directly to customers without the use of distribution systems.





Palram's Products And Fields Of Activity

Annual Sales by Field of Activity

**NIS 969
Million**

Polycarbonate

**NIS 435
Million**

PVC

**NIS 261
Million**

Finished products for
the home environment
(formerly Canopia)

**NIS 198
Million**

Sales and display stands
(formerly Palram 4U)

Palram Group offers a diverse range of products and solutions through four main areas of activity:

Polycarbonate, PVC, finished products for the home environment (formerly Canopia) and sales and display stands (formerly Palram 4U), catering to various industries and applications. Palram Group is one of

the few manufacturers in the world that provides a comprehensive range of polycarbonate, PVC, and acrylic products - including solid, foam, multiwall, flat, and corrugated sheets and panels - making it a true one-stop shop for these materials.





Palram Group PVC And Polycarbonate Activities

In the polycarbonate and PVC fields of activity, the Group produces semi-finished panels with varying properties that serve a wide range of solutions. There is synergy between the areas of activity of the PC and PVC, in the development of production technologies, the use of shared production infrastructure, and common marketing and distribution channels. Furthermore, the panels produced in the PC and PVC segments form a significant part of the raw materials used in the Group's other two fields of activity - Sales and Display Stands and Finished Products for the Home Environment. This integration creates a strong vertical supply chain within the group, enhancing efficiency and product consistency.

Palram Group's PVC and polycarbonate panels, as semi-finished products, are used in a wide range of applications— including home improvement, construction and architecture, sign and display, safety and security glazing, agriculture and industrial fabrication. All PVC and PC manufacturing plants are equipped with advanced technologies that support dry manufacturing processes— using no water (with the exception of the PVC sheet plant in the UK) and ensure efficient use of energy and materials. Palram Group is also committed to fair employment practices and maintaining a safe, supportive work environment across all its plants and sites.

PVC

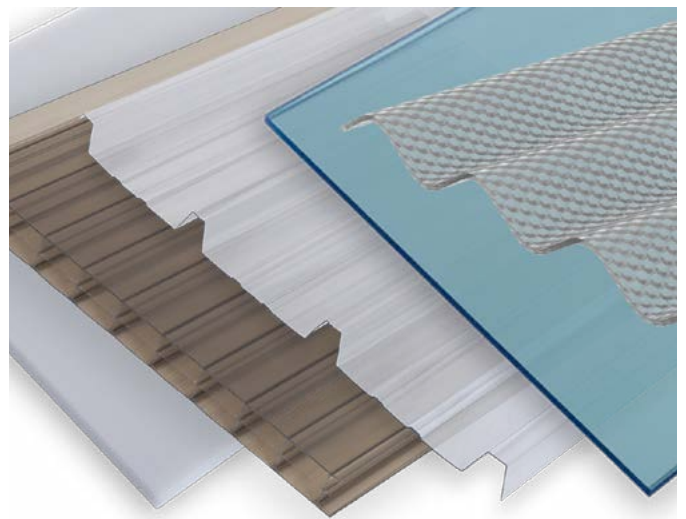
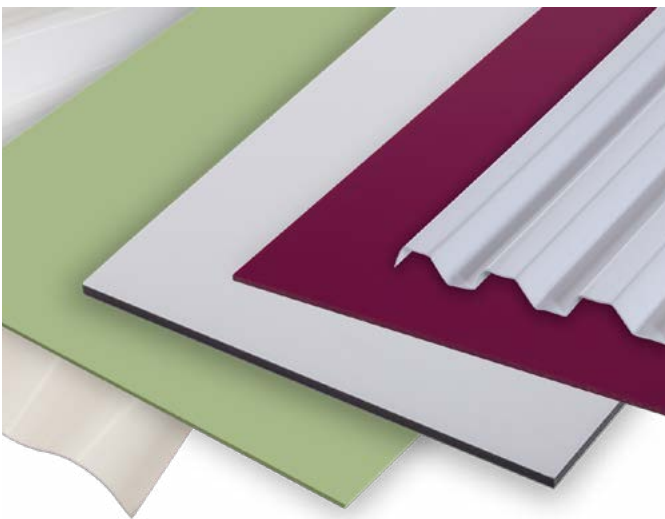
Semi-Finished Sheets

- Recycled corrugated panels
- Hygienic anti-bacterial wall cladding
- Corrosion-resistant roofing sheets
- Home & outdoor construction and roofing
- Digital printing media, signage and advertising
- Sheets for industrial fabrication and design and for manufacturing display stands

Polycarbonate

Semi-Finished Sheets

- Home & outdoor construction and roofing
- Skylights for industrial structures
- Commercial construction
- Signage and advertising
- Industrial fabrication of protective elements
- Agricultural structures





Sales and Display stands and Finished products for the home environment

These 2 activities are responsible for the production of versatile finished products that are based on the PVC and PC panels that are produced by Palram Group, through Palram 4U Ltd and Palram Canopia Ltd. Canopia manufactures a wide range of DIY kits for the home and its surroundings. Palram 4U manufactured preassembled

products for commercial spaces. Palram Group is committed to fair employment and ensuring a safe and conducive work environment as well as to promote a diverse, equal and fair employment opportunities across the Canopia and Palram 4U activities.

Sales and Display Stands (Formerly Palram 4u)

- Hydroponic system cabinets
- Retail display, sales, advertising, and branding systems
- Point-of-Sale displays for food and natural products



Through Palram 4U Ltd., located in the Tziporit Industrial Park in Israel, Palram 4U is primarily engaged in the development, production, and sale of follow-on B2B products. These include Proleafy™, hydroponic system cabinets designed to make it easier to grow healthy, freshly picked vegetables anywhere.

Finished Products for the Home Environment (Formerly Canopia)

- Hobby greenhouses
- Garden awnings and shading solutions
- Carports
- Domestic storage sheds
- Domestic swimming pool coverings
- DIY products



Through Palram Canopia Ltd., located in the Teradion Industrial Park in Israel, Palram Group develops, produces, and sells finished products for the home outdoor environment. Canopia's products enable homeowners to grow their own vegetables and enjoy quality time in their outdoor spaces.



Impact Through Palram Group's Products

Palram Group products allow daylight to enter through transparent/translucent panels that contribute to energy savings while preventing exposure to carcinogenic UV radiation. Daylighting provided by Palram Group's sheets installed on the building's roof or façade, is research proven to improve inhabitants' health, productivity, and overall well-being. Polycarbonate skylights installed in industrial buildings are a common example of how natural light can replace artificial lighting - benefiting both the environment and the well-being of workers inside the building.

Palram Group promotes sustainable manufacturing practices and the efficient use of resources. Its products are lead-free and comply with environmental regulations such as RoHS, REACH and other standards detailed in the company's annual Regulatory Data Sheet (RDS).

Palram provides quality products that inspire and enable people to live a more sustainable lifestyle.

Palram PVC and polycarbonate products are designed for long-term use and are 100% recyclable.

They offer a significantly more sustainable alternative to glass –which requires a much heavier supporting structure – and to any "single use" materials.

Palram polycarbonate sheets offer an eco-friendly solution for commercial greenhouse covers, replacing other transparent alternatives. Compared to glass, Palram's sheets are significantly lighter and require a much simpler supporting metal structure.

Palram SUNLITE multiwall sheets provide excellent thermal insulation and help reduce energy costs in cooler climate regions. Additionally, polycarbonate sheets require significantly less energy to produce compared to glass, resulting in a lower carbon footprint. Unlike polyethylene greenhouse covers – which often need to be replaced at the end of the growing season and contribute to plastic pollution in agricultural areas – polycarbonate panels are designed for long-term use. They are also easy to remove and recycle, generating no landfill waste.

Palram Group's products further support sustainability through innovations such as recycled corrugated PVC panels, which offer an eco-friendly alternative to asbestos roofs. PVC panels enhanced with antibacterial additives help slow or prevent the spread of bacteria, making them ideal for hygiene-sensitive environments. In corrosive settings, PVC panels serve as a rust-free alternative to metal sheets. For instance, metal roofing used for fertilizer storage often corrodes after a few years and requires replacement, whereas PVC roofing panels resist harsh chemicals and salty conditions for extended periods.

In the home gardening sector, Canopia's Hobby Greenhouses and Palram 4U's Proleafy™ systems make it easy to grow healthy, freshly picked vegetables anywhere.





Palram Group Contribution to Reducing Emissions – Polycarbonate Skylights

Palram Group's polycarbonate panels offer a natural lighting alternative to conventional electric lighting during daylight hours.

SUNTUF is one of the world's leading profiled polycarbonate sheets, used in architectural, industrial, agricultural, and DIY projects. It is commonly installed on roofs, façades, and skylights of various buildings and structures. The transparent panels provide natural daylight while blocking harmful UV radiation and helping reduce energy consumption through efficient light transmission.

SUNTUF polycarbonate skylights and polycarbonate sheets are available in hundreds of profiles and match most standard metal profiles. Palram's MetalMatch™ technology gives Palram Group an almost unlimited ability to customize new solutions and design a tailor-made corrugated profile for any structure. Weighing half the weight of glass, SUNTUF profiled

sheets also offer multiple advantages over traditional alternatives: up to 20 times greater impact resistance, the highest light transmission rates, the lowest yellowing index, the highest load rating, and the highest resistance to wind uplift.

These outstanding properties, confirmed in accredited laboratory testing and in installations around the world since 1984, make SUNTUF profiled polycarbonate roofing an optimal solution.

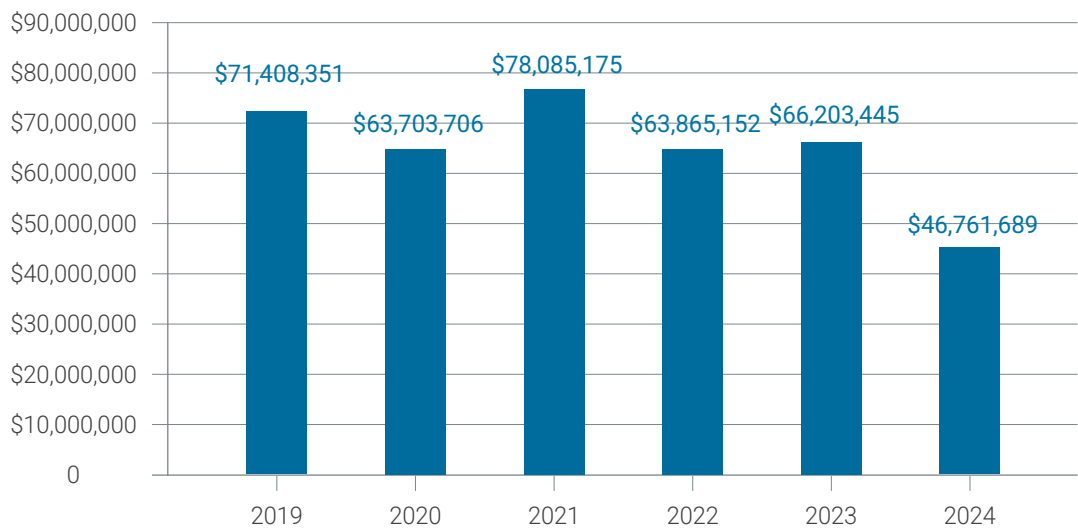
Palram's development team estimates that each square meter of SUNTUF skylight generate annual electricity savings of \$15 to \$27 (averaging \$21) in lighting costs.

Under this assumption, Palram Group's sales of 2.23 million square meters of SUNTUF skylight material in 2024, generated customer savings of approximately USD 46.5 million on electric bills.





Estimated additional potential Saving on Electric Lighting



The actual extent of electricity saving naturally depends on several variables, including the percentage of skylights

in the roof, the availability of natural light, the shape of the structure, and the type of electric lighting being replaced.

Development for Sustainability

Between 2019 and 2022 Palram PVC participated in the Israeli National Innovation Authority's R&D programs (CYRCLE) in the field of universal technologies aimed at increasing recycling capacity. While participating in these programs, Palram Group's staff and management became increasingly aware of the importance of sustainability and the opportunities presented by this field for Palram Group's industry.

Consequently, Palram Group's development staff deepened their professional knowledge and focus on the field of "green" products, that are increasingly based on recycled materials. Palram Group's current "Make a Difference" product catalog features three new products in different levels of development and manufacturing:

1. **BIOBASE:** A family of polycarbonate products made of resin that is 89% attributed to renewable sources via mass balance. Renewable materials replace traditional polycarbonate resin that is a derivative of non- renewable fossil fuel material.
2. **PALBOARD TERRA:** A sheet that contains post-consumer landfill destination waste – is offered in a limited product range with the plan to continue and increase the product availability based on market requirements.
3. **RECLAME:** Family of products produced with 30-60% post-industrial material.



Economic Performance

Palram Group's Direct Economic Value Generated (EVG) and Distributed (EVD)

	2023	2024
Economic value generated	NIS 1,718 Million	NIS 1,868 Million
Economic value distributed	NIS 1,542 Million	NIS 1,618 Million
Economic value retained	NIS 176 Million	NIS 250 Million

Governmental Financial Assistance

Government grants approved for Palram under Israel's Encouragement of Research, Development and Technological Innovation in Industry Law (the 'Law'):

1. Under the Law, a grant program valued at NIS 1.5 million was approved in February 2019 for Palram 4U, and a continuing grant program valued at NIS 1.2 million was approved in 2021. These grant programs were approved for Palram's hydroponic growing units project. Both programs were completed and by the end of 2022, Palram Group had received a total of NIS 2.4 million in grants, along with official confirmation of program completion. In accordance with the grant terms, Palram agreed to pay the Israel Innovation Authority royalties equal to 3% of its sales of hydroponic growing units.
2. A Grant Program by The National Innovation Authority of the State of Israel: Between 2019 and 2022, Palram PVC participated in the National Innovation Authority's R&D programs (CYRCLE), focused on universal technologies aimed at increasing recycling capacity. As part of these programs, approximately NIS 1.028 million in grants was awarded to Palram PVC until 2023. Based on the knowledge gained from these programs, the Group developed a new product in the PVC field that incorporates recycled materials.

Tax Disclosures and Compliance

Palram undertakes comprehensive efforts to ensure compliance with material legal and regulatory frameworks across all jurisdictions in which it operates, including tax legislation. To minimize corporate exposure, Palram Group engages tax advisory firms in each jurisdiction to review all tax calculations prior to submission to the relevant authorities. Tax risks are identified, assessed, managed, and monitored through ongoing coordination between the Group's headquarters and external auditors.



ENVIRONMENTAL PERFORMANCE

11.9

Scope 1&2 (Location-based)
GHG emissions intensity in 2024
(tCO2e/Revenue [million NIS])

2%

reduction in CO2e emissions
intensity (Location-based)
compared to 2022

+

Renewable energy sources
accounted for 3% of total energy
consumption in 2024

Palram Group remains committed to environmental responsibility and continues to advance its ESG journey by implementing measurable goals, and effective methods to uphold this commitment.

As for 2024, all Palram Groups products are lead-free and fully compliant with mandatory environmental regulations, including RoHS and REACH. The Group's development efforts focus on furthering this commitment by exploring increased use of biobased and recycled materials in its manufacturing processes.

Palram Group is committed to promoting sustainability in its operations through innovation and strives to make a difference for the environment. Palram Group management aims to understand and promote the necessary steps to contribute its part to the global goal of reducing the carbon footprint. Palram Group will work to integrate sustainability into all aspects of business conduct and strategy. Palram Group's focus on sustainability is evident in its products and processes. The Group uses sustainable materials and production methods to minimize its environmental footprint and work with customers to promote sustainable practices across its value chain. In addition to its focus on sustainability, Palram Group also emphasizes innovation. By developing new products, the Group can stay ahead of the curve and provide customers with cutting-edge solutions that meet their needs and exceed expectations. Climate change, water scarcity, and marine plastic pollution are major environmental challenges that create a demand for sustainable products. At Palram Group, these challenges are also seen as opportunities to develop innovative solutions that help protect the environment.

Palram Group is committed to reducing its environmental impact throughout the entire product lifecycle, from raw material sourcing and processing to manufacturing, shipping, use and end of life. Palram Group's products are durable products, which are sold with a manufacturer's warranty of 3 to 20 years. The Group's leadership believes that a holistic approach to sustainability can make a significant difference in the world.

Palram Group's commitment to sustainability and to reducing its environmental impact is reflected through its products, processes and operations:

- The Group uses sustainable and recycled materials in its products whenever possible.
- It implements production methods to minimize its environmental footprint such as energy efficiency measures at its manufacturing facilities.
- It reduces production waste.

Palram Group is committed to continuous improvement and constantly strives to find new ways to reduce its environmental impact and create a more sustainable future.

Each step in the product's life cycle represents opportunities for Palram Group to measure and improve the sustainability of its products and manufacturing processes.





Palram Group has implemented several sustainability initiatives to reduce its environmental impact and promote sustainable practices. Some of these initiatives are:

- **Sustainable Materials:** Palram incorporates recycled materials in its products whenever possible. All Palram products contain between 5-70% regrind materials, depending on the specific product.
- **Energy Efficiency:** Palram has implemented energy efficiency measures at various manufacturing facilities, such as LED lighting and solar PV panels.
- **During 2024,** Polycarb and Molan sites, both located in the UK, began using energy from solar PV panels. With this addition, 3% of the Group's electricity consumption now comes from renewable energy resources.
- **Sustainable Products:** Palram launches new products made from sustainable materials. For example, the Palram BioBase™ polycarbonate sheet is made from renewable resources and is fully recyclable.
- **Water Conservation:** Palram is working to reduce the Group's water consumption worldwide by installing water-efficient fixtures and appliances at all manufacturing facilities.
- **Waste Reduction:** Palram is working to reduce the Group's waste production by implementing methods for reusing production scrap

Palram Group's management is committed to reducing its negative environmental impact. We believe that, by working together, the Group can reduce its environmental footprint, produce a positive impact, and create a more sustainable future.





Environmental compliance

Palram PVC, Paltough, Palram Canopia, and Palram 4U all hold ISO 14001: 2015 (Environmental management systems) and ISO 45001: 2018 (Occupational health and safety) certifications. These certifications benefit Palram by improving working methods and prioritization processes, and by supporting its collaboration with municipal environmental control agencies.

Palram Group's products are lead-free and certified by RoHS and REACH. Our plants primarily use powder or granular raw materials, which pose minimal environmental risks. However, as a production facility handling some raw materials considered hazardous, there is always a risk of spills.

To address this, and in accordance with mandatory annual environmental survey and permits, all hazardous materials are stored inside spill containment basins.

Palram Group's ISO 14001 certification covers all its manufacturing facilities in Israel.

Furthermore, a periodic environmental risk analysis is conducted at all of the Group's manufacturing facilities in accordance with local regulations, and permits are constantly updated.

Palram DPL, a substantial manufacturing facility in the UK, published an environmental policy on April 28, 2022, announcing its commitment to protecting the environment and mitigating environmental impacts related to its activities, products and services. This commitment is part of the VinylPlus principles and commitments that Palram DPL has adopted.

Palram DPL Main Environmental Policy Commitments:

- Comply with all legal and statutory obligations, ensuring constant adherence to internal policies and procedures.
- Manage waste generated from all operations according to the principles of Reduce, Recycle and Reuse.
- Provide continuous support and training to develop and encourage environmental awareness among employees.
- Set measurable objectives to help Palram improve its environmental performance.
- Encourage suppliers and subcontractors to protect the natural environment through environmental practices

Palram DPL recognizes that these environmental objectives can only be achieved through commitment and cooperation on the part of all Palram employees.





Regulatory Compliance⁶

Palram Industries Ltd is committed to ensuring that all products comply with leading international environmental and chemical safety regulations standards. We continuously monitor regulatory developments and

engage with suppliers to confirm compliance across our value chain.

The following summarizes our adherence to key global frameworks:

REACH (EC) – SVHC Candidate List

Palram's products are defined as "Articles" with no intended substance release under normal use and are therefore, to the best of our knowledge, exempt from registration obligations (Art. 7.1). We proactively monitor the SVHC Candidate List, updated regularly under Article 59(1) of REACH. Based on the latest supplier information (January 2024 update), our products do not intentionally contain listed SVHCs in concentrations $\geq 0.1\%$ (w/w). The possible presence of trace amounts introduced through raw materials, auxiliaries, or additives cannot be excluded; however, no specific testing has been conducted.

Microplastics - REACH Annex XVII Entry 78

The 2023 EU ban on microplastics excludes industrial feedstock in the form of powders, pellets, or flakes. Microplastics are defined as synthetic polymer particles smaller than five millimeters. Palram is not responsible for the misuse, improper treatment, or incorrect disposal of solid packaging. Customers are responsible for disposing of packaging materials properly and in accordance with local regulations to prevent environmental contamination. Further details are available in the PSDS.

Phthalates

Our products comply with the REACH Annexes (XIV and XVII), Proposition 65 and US Consumer Product Safety Improvement Act (CPSIA) Section 108, which regulates the use of phthalates in consumer products. We ensure that our products do not contain phthalates above the specified limits.

TSCA (Toxic Substances Control Act)

Our products comply with the TSCA regulation, including Title VI Part 770 and Section 6(h) for Persistent, Bioaccumulative, and Toxic (PBT) Chemicals.

BPA (Bisphenol A)

Palram ensures that our products comply with BPA regulations under TSCA Section 6(h) and the REACH regulation. Our products do not contain BPA above the regulatory limits.

MCCPs (Medium-Chain Chlorinated Paraffins)

Palram's products comply with REACH Annex XVII and TSCA which regulate the use of MCCPs. We ensure that our products do not contain MCCPs above the regulatory limits.

RoHS (Restriction of Hazardous Substances Directive)

Palram's products comply with the RoHS Directive (EU) 2011/65, as amended by Directive (EU) 2024/232. We ensure that no substances listed in Annex II are present above the specified limits.

Proposition 65

Our polycarbonate and PVC products do not contain substances listed under Proposition 65 above the threshold levels. For detailed information on Proposition 65 compliance, please refer to the relevant Product Safety Data Sheets (PSDS).

PFAS (Per- and polyfluoroalkyl substances)

PFAS are not intentionally used in the manufacturing process of Palram sheets. Therefore, they are not expected to be present in our products above ubiquitous* levels.

* With respect to a chemical substance, the word "ubiquitous" means that this substance is naturally present in the environment and could at least be detectable as traces everywhere. Traces of such "ubiquitous" chemicals cannot be prevented, neither through technical nor physical or physical-chemical measures. The analytical determination of all these ubiquitous substances is not part of the process monitoring at PALRAM nor part of PALRAM's delivery specifications.

RMI (Responsible Minerals Initiative)

Palram Industries Ltd declares compliance with the Responsible Minerals Initiative (RMI), which covers both the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT). This ensures that our supply chain adheres to the ethical sourcing of minerals, addressing both the social and environmental impacts of mineral extraction and sourcing practices globally. This compliance is in line with the US Dodd-Frank Act and the EU Conflict Minerals Regulation (EU) 2017/821.

⁶ Disclaimer: The information contained in this Regulatory Data Sheet applies to products produced by Palram at the time of the publication hereof. The variety of regulations and regulatory regimes listed may not be relevant to specific Palram products. Palram Industries Ltd, to the best of its knowledge, believes that the information provided above is accurate and correct, based on the sources available at the time of writing. The company is a manufacturer of articles, and its regulatory statements are based on and reliant upon the declarations of its raw material suppliers. Due to the scope of regulations, the rapid changes in regulatory requirements, and the large number of suppliers, the company conducts a regulatory review with its suppliers annually and publishes this document once a year. This document supersedes all versions prior to the effective date. However, Palram does not assume liability for the use of this information or for any claims or damages from any third party.

For further details and inquiries regarding regulatory matters, or any specific product, please contact us at: Regulations@palram.com



Environmental risk management

As Palram Group is an industrial manufacturer, Palram Group’s management deem it a priority to minimize its impact on the environment. One important tool used

by Palram Group to fulfill this priority is conducting risk analysis. The focal areas are summarized in the following table:

Environmental Risks Resulting from Group Plant Operations

Activity	Environmental Risk	Mitigation Actions
Diesel spill from forklifts / seepage into soil	Soil contamination	Installation of absorbent sleeve stations, designated tanks and containment systems, training according to the plant emergency scenario, as defined in the plant’s emergency response plan.
Ignition of diesel in containment / fire	Air quality degradation	Removal of flammable materials, maintaining order and cleanliness, equipping with dedicated fire-extinguishing equipment, and fire response team training.
Hazardous material (HAZMAT) spill / corrosive or flammable stabilizers	Soil contamination	Storage of hazardous materials in designated, labeled warehouses; use of proper containment systems; event handling protocols included in the plant’s emergency response plan; regularly practiced spill response drills.
Pollutant emissions from chimneys (IL)	Air quality degradation	Periodic chimneys sampling were required, according to an approved monitoring plan; routine maintenance of systems.





Sustainable Innovation

Palram Group actively adapts to the changing market environment. The group's foundation lies in talented people with a true commitment to innovation, showcasing the Group's proactive mindset.

The Group's innovation combines insights from customers, consumers and market trends with its leadership's desire to create value while reducing the ecological impact on the climate and the environment. Palram Group embeds sustainability into its innovation processes employing greener production methods with a lower environmental footprint and promoting an eco-friendly product portfolio. For instance, the Group has developed energy-efficient sky and wall light solutions helping to reduce energy consumption and greenhouse gas emissions.

Circularity

Circularity is key to efficiency and the reduction of waste in the production process. To help pave the way toward a more sustainable future, Palram Group recognizes the importance of circularity and has implemented several initiatives to promote it throughout its operations:

- Sourcing recycled material from external suppliers and from reprocessed scrap from its own production.
- Almost all PC and PVC post-production scraps are recycled in-house in a closed-loop system, reprocessed into a final product. This not only reduces waste but also cuts scrap costs, making the production process more efficient and cost-effective.
- Other significant materials, such as aluminum, are returned to the manufacturer for reuse.

Palram Group's production setup reduces waste throughout the entire process to less than 1% and all Palram Group products are grindable and recyclable when reaching their service lifetime.

Production Waste Circularity

Less than 1% of raw materials production waste is disposed of to landfill. In Palram Group's production setup, approximately 20% of raw materials, for both PVC and Polycarbonate emerge as "scraps" from the initial production process. These scraps are generated from various stages, including machinery start-up, side trims, and product type changes. Importantly, over 98% of these scraps are diverted for reuse in the production of Palram Group's various products while additional 1% is directed to produce packing sheets. Consequently, at the end of the production process, less than 1% of the raw materials used – specifically as sawdust and unrecoverable losses – are directed to disposal.

Palram Group's green purpose drives it to foster a sustainable environment and minimize its ecological footprint by delivering recyclable and grindable solutions and enhancing its production and supply chain footprints.

A core aspect of this green purpose is the Group's commitment to prevent the release of toxic substances into the environment. For more details readers can consult the Regulatory Data Sheet, within this report.

Developing New Recycling Technologies

Palram's PVC manufacturing facility participated in the CIRCLE consortium, a collaborative effort funded by the Israeli Innovation Authority. This consortium brought together leading partners from Israeli industry and academia to develop new recycling technologies and innovative methods to increase the amount of regrind materials in PVC manufacturing. The consortium's activities, conducted from 2019-2022 aimed to advance these new recycling technologies.

As a direct result of its participation, Palram Group successfully developed new products that incorporate a growing percentage of recycled PVC material. Throughout the three year's program, Palram Group significantly enhanced its awareness of the sustainability field, deepened its professional knowledge and increasingly focused on developing green products based on recycled materials, such as:

1. **Biobase** is a family of polycarbonate products manufactured from resin that is 89% attributed to renewable sources via mass balance. These renewable materials replace traditional polycarbonate resin which is a derivative of non-renewable fossil fuel material.
2. **PALBOARD TERRA** is a sheet that incorporates post-consumer landfill-destined waste. It is currently offered in a limited product range with plans to increase its availability based on market requirements..



Promoting Consumer Awareness

Palram Group operates on the belief that responsible consumerism is a key aspect of using its products, as there are many environmental advantages to be gained by its customers. Accordingly, Palram Group strives to increase public awareness for real and lasting results, including:

- Daylighting products that improve energy efficiency at the customer site.
- Products that help customers earn LEED credits.
- Durable, long-service products that reduce waste.
- 100% recyclable products.

All these contribute to a reduced carbon footprint for Palram Group's clients.



Sustainable Production

Palram Group is committed to working with external technology and equipment providers to improve environmental efficiency. By working in collaboration with these partners, Palram Group can test and integrate new technological capabilities that enhance and optimize its production processes.

Environmental efficiency is evaluated based on the reduction of energy consumption, the minimization of waste production and the reduction of GHG emissions. To achieve these goals, Palram Group regularly assesses its production processes and explores ways to improve efficiency and reduce its environmental footprint.



Water And Wastewater

47,639 m³

of water consumed in 2024

In recent years, water scarcity has become one of the most significant environmental issues alongside greenhouse gas emissions. While water is one of the world's most valuable resources, access to clean water remains under threat due to the effects of climate change, increased population growth and possible contamination. Recognizing the critical importance of this issue, Palram Group maintains all of the Group's manufacturing

processes as dry processes, meaning that water is not used as a solvent or otherwise directly used in the manufacturing process, but rather is used only in chillers, gardening and for sanitary purposes (Except the PVC plant in the UK). Another result is that Canopia and Palram 4U activities do not generate industrial wastewater. In 2024, our water consumption increased by 0.5% compared to 2023.

Climate Change

Scope 1

2,979

tCO₂e Palram Group's total Scope 1
GHG emissions in 2024

Scope 2

19,220

tCO₂e Palram Group's total Scope 2
(Location-based) GHG emissions in 2024

Scientific evidence clearly indicates that climate change is anthropologically related, as the increasing average global temperature is directly connected to the rise in greenhouse gas (GHG) emissions to the atmosphere. Rising temperatures lead to more extreme weather conditions affecting supply chain, manufacturing and living environments. Extensive efforts are therefore necessary to reduce greenhouse gas emissions.

Palram Group's management deems it a priority to minimize its environmental impact. They believe that sustainable energy consumption represents both an economic and environmental opportunity which also advances the Group's sustainable growth.



Energy Management

All of Palram Group's manufacturing machinery is operated by electricity. The Group recognizes the importance of reducing energy consumption and increasing the share of renewable energy in its sources of electricity.

Shifting to Renewable Energy Sources

Palram Group aims to increase the share of renewable energy in its electricity sources. Currently, Palram Group's three manufacturing facilities in Israel, as well as Molan and Polycarb in the UK, use solar energy as part of their electricity consumption. Collectively, this accounts for 3% of the total electricity consumed across Palram Group's facilities.

Energy Efficient Initiatives

Palram Group is actively reducing its energy consumption by installing LED lighting, purchasing electric forklifts and promoting the replacement of old, low-efficiency machinery with less energy-intensive new technology. These efforts help reduce energy consumption at its facilities and minimize its environmental footprint.



Palram Group's carbon footprint

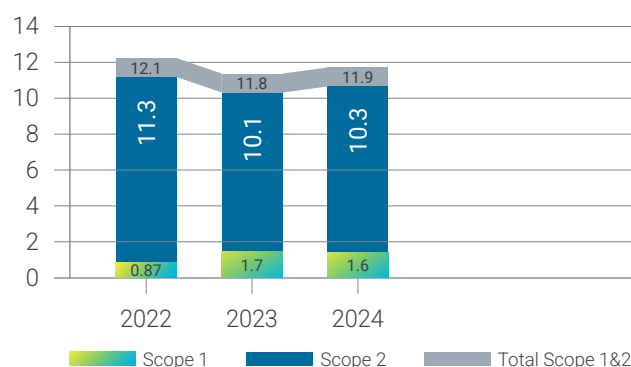
The greenhouse gas (GHG) emissions data provided in this report is collected from Palram Group's manufacturing facilities and offices and consists of the following:

- **Scope 1 Emissions** - Palram Group's direct emissions, derived from both its manufacturing operations and its vehicle fleet. In 2024, Scope 1 emissions amounted to 2,979 tCO₂e, representing a 2% increase compared to 2023. 2024 is the first year that natural gas consumption for heating is reported, under Scope 1; calculations have been applied retroactively to previous years for consistency.
- **Scope 2 Emissions** - Palram Group's indirect emissions, derived from the electricity purchased for its manufacturing and administrative operations. In 2024, Palram Group's Scope 2 (Location-based) emissions amounted to 19,220 tCO₂e, an 11% increase compared to 2023, mainly due to higher electricity consumption at our production site in Ramat Yohanan, and P4U site in Israel, following operational expansion. Relative to the 2022 base year, however, these emissions represent a 6% reduction. This year, for the first time, we calculated Scope 2 emissions (Market-based) for 2024, which amounted to 22,080 tCO₂e.
- **Scope 3 Emissions** - Palram Group's ESG Steering Committee will consider the assessment of the group's full Scope 3 emissions.

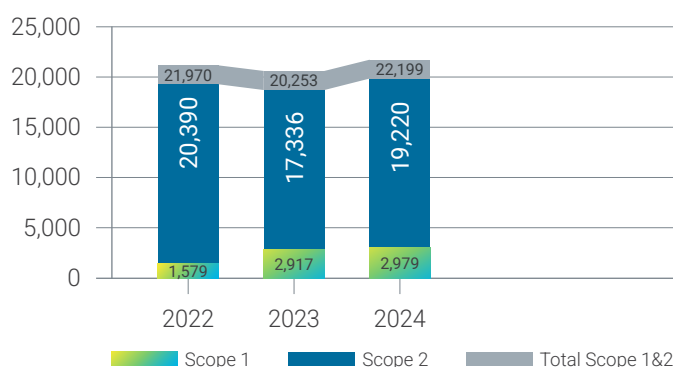
In the UK, Palram reports Scope 2 carbon emissions to the Environment Agency as part of the Climate Change Agreement⁷.

The CCA scheme continued to operate in 2024. Savings made for this period on the climate change levy were £102,186. Palram's UK performance would have required a buyout of £24,925.

Scoup 1 & 2 GHG Emissions Intensity [(tCO₂e) / Revenue (M NIS)]



Scoup 1 & 2 Absolute Emissions (tCO₂e)



⁷ Climate change agreements (CCAs) are voluntary agreements entered into between a UK industry and the Environment Agency for the purpose of reducing energy use and carbon dioxide emissions. In return, businesses receive a discount on the Climate Change Levy (CCL), a tax added to electricity and fuel bills. The Environment Agency administers the CCA scheme on behalf of the entire UK.



Air quality

Palram Group prioritizes air quality and is dedicated to providing its employees with a safe working environment. To prevent dispersion of dust in the air during the manufacturing process of pellets and regrinding raw materials, vacuum systems have been installed at the relevant manufacturing sites. Moreover, to ensure the safety of all employees and maintain a safe and pleasant working environment, machinery that emits odors or generates fumes or dust, such as vacuum forming and extruders, welding workstations, CNC machinery and saws - are equipped with fume hoods or forced circulation system where relevant.

VOCs emissions are monitored only in our production site in Ramat Yohanan. The business licenses for both factories operating on this site mandate compliance with air pollution control based on the 2002 TA LUFT standard:

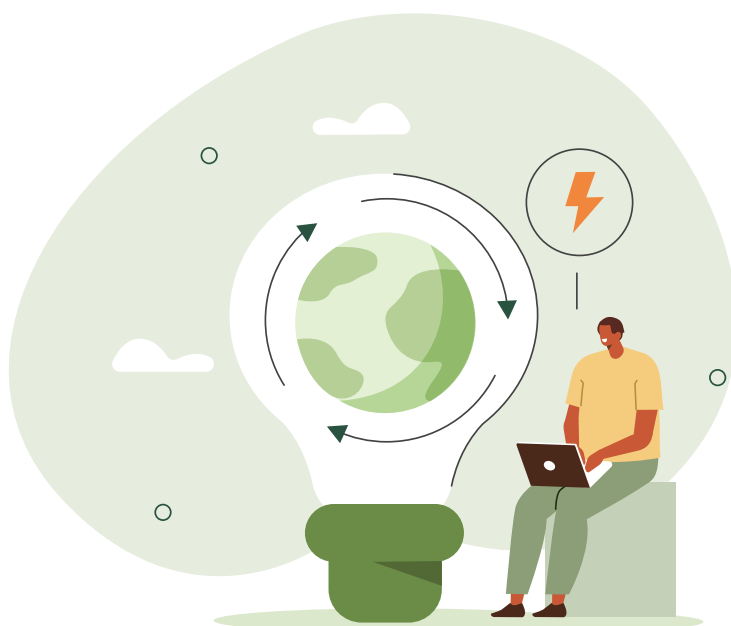
- The Total Organic Carbon (TOC) value will not exceed a concentration of 50 mg/m³ or an emission rate of 0.5 kg/hour.
- Factory chimneys are not required to be sampled for Volatile Organic Compounds (VOC) due to the non-large-scale use of volatile raw materials that would require this sampling.

During 2024 no abnormalities were observed in the measured TOC values, in any chimney.

Conclusion - All sampled values from both factories' chimneys are consistently well below the standard thresholds – indicating a normal and compliant situation.

This trend of no observed abnormalities in sample values has been consistent for several years.

Palram Group conducts semi-annual/annual reviews, in compliance with regulations, and adjusts the activities at all its manufacturing facilities accordingly.





Waste Management

Industrial companies can negatively impact the environment through manufacturing processes that produce waste or as a result of their business relationships.

Some of the activities that can contribute to waste production at Palram Group include:

- **Extraction of raw materials:** The extraction of raw materials, such as minerals, metals and fossil fuels used for manufacturing PC and PVC, can generate a significant amount of waste.
- **The production process itself.**
- **End of life:** Palram Group's products are physical products. As such, at the end of use, they are disposed of as waste.

It is a well-known fact, that a linear economy has significant negative impact on both the environment and finances, especially concerning the disposal of process waste. Improper waste management, in particular, causes air, water and soil pollution and can lead to health issues, both for humans and wildlife. Additionally, significant waste management costs can increase overall manufacturing expenses, which in turn may lead to a higher cost for the finished product.

Palram Group values its raw materials and recognizes the negative impact of a linear economy. Therefore, Palram Group strives to promote responsible waste management practices. As part of this commitment, over 98% of all PVC and polycarbonate initial production waste and defective products are ground and then reused, thereby forming an internal circular economy where almost no waste is produced. By recycling and reusing these materials, Palram Group not only minimizes the environmental impact associated with the production process but also enhances operational efficiency and reduces costs.

Palram follows the Three Rs of waste reduction – Refuse, Reduce, Recycle:

Being environmentally aware, Canopia follows the Three Rs of waste reduction.

Refuse: Refusing to produce unnecessary waste. Canopia has adopted and implemented a zero-disposables office policy by providing all employees with reusable dishware.

Reduce: All cutouts are designed for maximum efficiency and minimum waste.

Recycle: Canopia and Palram 4U recycle most of the production leftovers by separating different materials to be sent back to their manufacturers for reuse whenever possible.

Managing the negative impacts of manufacturing waste at Palram DPL, UK.

Palram DPL, a manufacturing site of Palram Europe Ltd. in the UK, implements several measures to manage its manufacturing waste effectively, including:

- **Preventing** waste through the design of more efficient and less wasteful processes.
- **Reducing** post-production waste by recycling and reusing materials.
- **Waste disposal:** DPL disposes of waste in an environmentally responsible manner.

DPL tracks the effectiveness of its waste management efforts by monitoring environmental performance and setting goals for continuous improvement.

All waste at Palram DPL is managed externally by SUEZ, which draws on its wide-ranging expertise and services to manage DPL's waste more cost-effectively and comply with all regulations, turning waste into new resources and contributing to a circular economy.

Packaging Materials

Palram Group's panels are shipped on wooden pallets made of disinfected wood in compliance with regulation. Palram Group attempts to collect and reuse these pallets as much as possible, either internally or by our clients.



SOCIAL PERFORMANCE

25%

Of executive managers in the group are women.

38%

of the Group's employees in Israel are of religious minorities.

Over 90%

of Palram Group's employees were paid above local minimum wage.

Palram Group's Human Capital⁸

71%

of female and 88% of male employees underwent a performance and career development review in 2024.

Over 90%

of Palram Group's employees were paid above local minimum wage.

Palram Group considers human capital its most valuable and critical resource. It expends considerable time and resources into nurturing, retaining and developing employees who together make up the Palram Group family. In 2024, Palram Group continued to execute an 'engagement program' aimed at protecting and strengthening their bond with the organization.

- Palram Group complies with all labor laws and regulations in its countries of operation.
- The Group strives to promote a healthy workplace and a strong bond by employees at all locations and in all operations – as a key factor to success.
- The Group is committed to creating and maintaining a fair and respectful work environment in which all employees can be free of discrimination and mistreatment of any kind, while being free to grow, learn, develop and collaborate as proud members of the Palram Group family.
- Palram Group's recruitment procedures focus on professional requirements, as the company believes in equal employment opportunities for all.

Palram Group's leadership is also aware of the potential negative impacts that positive economic performance

and growth may have on employees. Increased workload, for example, might create a more stressful working environment for employees. Therefore, Palram Group's various HR policies are aimed, among other purposes, at mitigating such potential negative impacts on employees. Policies include a performance appraisal procedure, training and development plans and above all, an "open door" policy allowing every employee direct access to the management.

As part of the unique relationship between Palram Group and the community of Kibbutz Ramat Yohanan, the Kibbutz provides the Group with human resource services as well as qualified personnel for non-management positions and officers for management positions.

This is done by virtue of agreements approved by the Audit Committee and the Company's Board and further presented to the general meeting of the company's shareholders for its approval.

The individuals assigned to Palram Group by the Kibbutz under these agreements are members of Kibbutz Ramat Yohanan and are defined as "Kibbutz Assignees"⁹. These assignees, in all employment levels are placed according to the Group's needs and at its sole discretion¹⁰.

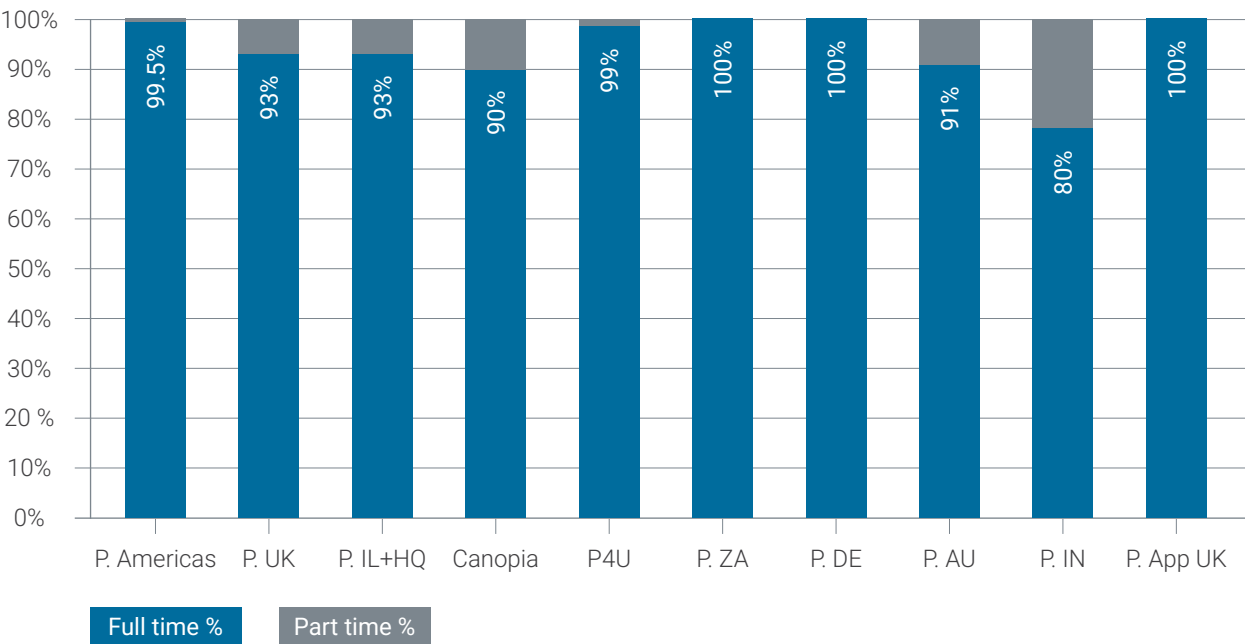
⁸The employment data analysis presented in this report, covers 95% of the group's employees, which are employed by the Company. The total amount of employees is 1630, while the analyses in this report, refer to the amount of 1,543 employees.

⁹As of the report's date, the Kibbutz has provided Palram the services of 66 qualified personnel for non-management positions and 5 officers who are Kibbutz assignees (same as in 2023).

¹⁰This report treats all Kibbutz assignees as employees of Palram. Apart from Kibbutz assignees, in 2024 there were 71 workers working for Palram Group worldwide who are not employees of the Group. Such non-employee workers are commonly subcontractors or personnel agency workers hired to deal with significant workloads and cover sick leaves and vacancies of Palram employees when needed.



Employees by job scope - 2024





Working Conditions, Benefits And Welfare

Employees of Palram Group, who are not Kibbutz assignees, are employed under personal employment agreements or under a document specifying their working conditions, all pursuant to the provisions of Israel's Employee and Job Candidate Notification (Working Conditions and Screening and Hiring Procedures) Law, 2002 and in accordance with the legislation and regulation existing in each of the countries in which Palram Group employs workers through any of the companies associated with the Group. Their terms of employment are governed by personal contracts, which are determined for each employee based on their qualifications and position.

Compensation¹¹

Employees of Palram in Israel are insured through pension funds or executive insurance, at the employee's discretion and in accordance with the provisions of the law. Israel's labor laws and the Severance Pay Law require the company to pay compensation to an employee upon dismissal or retirement or to make regular deposits into defined deposit plans pursuant to Section 14 of the Severance Pay Law. The Group's liability for these measures is treated as a benefit upon the termination of employment, and this arrangement is defined as a "defined deposit plan" under Palram Group's obligations.

Palram Group also employs in Israel a limited number of employees whose employment agreement does not include the aforementioned Section 14. The part of the compensation payments not covered by the Group's defined deposit plan is treated by the Group as a defined benefit plan.

Senior officers are employed under personal agreements. The salary, conditions and social benefits of such officers are determined according to the attributes of their position. In addition to the conditions customary at Palram Group for other employees, they are also entitled to a company car, a mobile phone, managers' insurance and a study fund.

Palram Group's Pension Plan

At all locations, personnel policy is aligned with the statutory requirements, such as those for severance, pre-retirement, and retirement payments.

Palram Group goes beyond compliance by offering employees in the USA an option to join the 401k plan.

Wellbeing Initiatives

The Human Resources department at Palram Group's HQ requires each region and both its substantial companies to perform an annual engagement plan. These include programs such as employee enrichment days, departmental fun days, gifts for employees, celebratory gathering for local holidays, organized company vacations and various activities in honor of important occasions such as Family Day and other pertinent dates.

¹¹The remuneration for Kibbutz assignees is paid by Palram Group directly to the Kibbutz and the agreement provides that no employee-employer relationship exists between Palram Group and the Kibbutz Assignees working in the Group. Accordingly, Palram Group does not accrue obligations for pension, severance pay, and retirement pay to the Kibbutz Assignees. As those components are all paid by the Kibbutz directly.



DPL's Better Health at Work

The Better Health at Work Award recognizes the efforts of employers in the North East and Cumbria who address health and well-being issues within the workplace.

The Group is assessed annually to ensure that it is promoting healthy lifestyles and is mindful of its employees' health. Throughout 2023 the Better Health at Work team promoted health and wellbeing programs such as physical activity, work-life balance, cancer awareness, mental health awareness, and heart health. The information was delivered to employees in a number of ways, including slides on TV screens throughout the site, leaflets, cards, and on-site activity mornings to raise awareness of the various health and wellbeing topics. In 2024 Palram DPL received the Better Health at Work Maintaining Excellence standard award, Having completed a full portfolio of work covering many areas, and improving health and understanding for employees.

The team continued with the Wellbeing Wednesday initiative which sees the whole site being provided with a free healthy breakfast once a month.

Parental Leave

All of Palram Group's employees are entitled to parental leave in accordance with local laws. In the reported period, 12 employees took parental leave, of whom 5 are males and 7 females. In addition, 7 employees, 2 female and 5 males, have returned from parental leave during 2024 and 5 employees have completed 12 months of employment at Palram since their return.



Diversity, Equity And Inclusion At Palram Group

38%

of the Group's employees
and

22%

of the Group managers
in Israel are of religious minorities

25%

of the executive managers
in the Group are women

34%

of the Group's employees
are over 50 years old

Palram Group's leaders encourage a respectful approach and equal opportunity for all. The company operates according to the laws protecting equal pay and prohibiting distinctions based on gender, age, ethnicity or other non-professional factors.

Palram's hiring procedures greatly emphasize encouraging gender representation and developing an age-diverse team. It encourages employees to bring their unique personalities to the table, fostering collaboration in teams that promote inter-cultural communication and, ultimately, innovation.





Composition of Group Employees by Job Category and Gender	Percentage of females			Percentage of males		
	2022	2023	2024	2022	2023	2024
Executive management	25%	27%	25%	75%	73%	75%
Non-executive management	23%	22%	28%	77%	78%	72%
Professionals	21%	22%	22%	79%	78%	78%
Service workers	22%	30%	35%	78%	70%	65%
Total	21%	23%	23%	79%	77%	77%

Composition of Group Employees by Age and Position	Under 30			30-50			Over 50		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Management position	5%	1%	3%	58%	58%	55%	37%	40%	42%
Non-managerial position	20%	28%	24%	47%	42%	43%	32%	30%	33%
Total	18%	23%	21%	49%	45%	45%	33%	32%	34%

Percentage of Women among the Top 10% Highest-paid Employees of Palram Group			
Company	2022	2023	2024
P. Americas	20%	16%	26%
P. UK	21%	24%	24%
IL	30%	27%	36%
Canopia	33%	28%	30%
P4U	10%	10%	10%
ZA			70%
AU			33%
DE			0
IN			0
APP UK			0



Palram Group's employment policy in Israel encourages the employment of diverse minorities and local workers from the social and geographical margins of Israel's North Region.

In 2024 38% of the Group's employees in Israel were from the Arab minority, and 22% of management positions in Israel were held by managers from the Arab sector.

Group Employees from the Arab Population in Israel	% of employees from the Arab sector		
	2022	2023	2024
Management position	21%	20%	22%
Non-managerial position	47%	42%	43%
Total	44%	40%	38%

In 2024, Palram Group employed 7 employees with disabilities in Israel.

Prevention of Discrimination and Harassment in The Work Environment

Palram Group strives to maintain a workplace free of unlawful discrimination, harassment and bullying, fostering an environment where employees treat one another with decency, respect and kindness. This commitment extends to protecting its employees from harassment incidents caused by non-employees such as customers, clients and suppliers.

Furthermore, the Palram Code of Ethics commits to dignity and equal opportunities in the workplace, reflecting its commitment to fair employment practices and preventing unlawful discrimination against employees, customers, suppliers, and any potential business partners alike.

At Palram group, HR managers in substantial subsidiaries and primary regions serve as appointed sexual harassment prevention officers for their respective companies or regions. All appointed HR managers have received external training to adequately perform this important role. Internal and formal regulations for sexual harassment prevention are published in several languages and are accessible to all employees in accordance with the local laws. The regulation is also provided as part of the corporate application for internal corporate communication. In 2024, three incidents of sexual harassment were reported (compared to two in 2023), all of which were investigated and resolved according to internal procedure.

Every new employee hired by Palram Group undergoes mandatory training on the Code of Ethics, Enforcement Plan and sexual harassment prevention as part of their orientation and/or onboarding process. Every two years, every company employee is required to undergo a code of ethics and sexual harassment prevention refresher training.

The training includes instruction on reporting incidents or violations of the Code of Ethics through various means (appointed sexual harassment prevention officer, enforcement officer, hotline). The company also instructs employees to report incident they witness as a bystander. Additionally, in most subsidiaries and regions, the management team receives in-house training on the prevention of harassment and discrimination in the workplace.



Development, Training And Education

NIS 819 K

spent on employee training in 2024¹²

Palram Group's training programs in 2024 were designed and implemented based on an inquiry into the Group's training needs, developed by Palram Group's headquarters and implemented with appropriate adjustments in each region and subsidiary. Each region and subsidiary conducted the inquiry among its personnel and designed its training program based on its findings. Programs were then reviewed and approved by the area managers. The training programs were then carried out under the responsibility of the local HR managers or the general manager of the region.

The trainings included statutory requirement, such as safety and regulatory compliance, alongside voluntary customized sessions based on the needs identified during the inquiry.

Palram continues to provide mandatory computerized training on Information security and AI & Cyber risks for all employees who use company computers.

Over 94% of relevant employees completed these trainings in 2024 (compared to 82% in 2023). This improvement resulted from better monitoring and control implemented, following the 2023 performance reduction.

Regarding the Ethics training, which is mandatory every other year, in the years 2023 and 2024 over 90% of employees completed it, the same as in previous years.

As part of Palram Group's ESG strategy, the Group aims to improve its data management procedures regarding employee training and education. This includes better tracking of resources, work hours and evaluations performed, ensuring alignment with various reporting standards and stakeholder requirements.

Management Training Programs

Recognizing the inevitability of management changes, Palram Group promotes various programs aimed at identifying, qualifying and developing candidates for management and key professional positions, cultivating the next generation of leadership across its various subsidiaries and regions.

In 2024, Palram Group continued its second cycle of Global Champions Program. Each business unit selected several participants based on its relative size. The program's goal is to secure a solid pipeline of high-potential managers ready to lead in these disruptive and challenging times. Sixteen participants from around the globe attended an intensive week in England, engaging in workshops on various themes that were selected by the HR VP and the CEO. This culminated in a Hackathon that produced four innovative projects developed by this impressive group.

Promoting Education and Professional Development

Employees, like individuals in general, thrive best when they are free to pursue their own goals while still being guided in the right direction. With this in mind, Palram Group offers financial assistance to support its employees' pursuit of higher education, associate degrees and external trainings across its various regions of operation. This initiative aims to foster both professional and personal growth among the workforces. In addition to financial support, Palram Group also understands the value of time dedicated to studies. Therefore, the Group provides employees with days off from work to focus on their educational endeavors. Eligibility for financial assistance is typically contingent upon full-time employment with Palram Group, and the chosen studies must be relevant to the employee's current position or align with a future role designated by their management.

Performance and Career Development Reviews

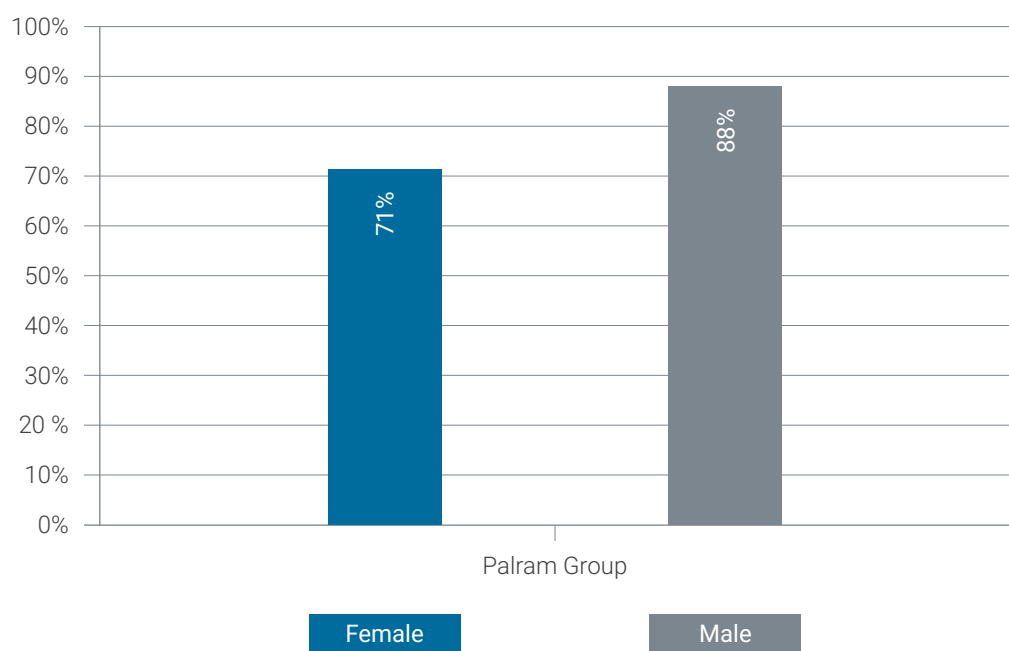
Managers in Palram Group are required to conduct performance reviews with their employees at least once a year. The performance evaluations conducted by the managers serve several organizational purposes, such as providing both supervisors and employees with the opportunity to discuss work tasks and training needs, identify and correct weaknesses, recognize and encourage strengths and discuss the planning of development – for the organization as well as the employee. Pay raises are also based, among other criteria, on the employee's annual performance review.



¹²This calculation refers to expenses on external training providers only.



Percentage of Employees Reviewed by Gender - 2024





Occupational Health And Safety

Palram Group is committed to ensuring a safe and healthy environment for its employees. The Group makes every effort to reduce exposure to risk in its manufacturing

facilities around the world and in all related operations and guides its employees to exercise caution when carrying out activities posing a possible risk.

- Most of Palram Group's regions and substantial subsidiaries use a localized health and safety management system customized for the health and safety needs and risks involved in their operation. At the end of 2023, a new H&S management system was implemented at the Ramat Yohanan site, to improve managing the management of trainings and authorizations for relevant employees, as well as to enhance the monitoring and control of all safety-related actions. In each region and subsidiary, the local EHS manager, who reports to the Business Unit Managing Director (BU MD) or CEO, oversees the management of the subject of occupational health and safety. Their responsibilities include prescribing the annual management plan, implementing the H&S management plan and proposing and implementing

initiatives to encourage health and safety among all employees. They also maintain records of work-related injuries, claims and inquiries regarding occupational health and safety concerns. Ultimately, the EHS manager is responsible both for reporting the health and safety status upstream to the CEO and the local safety committee, and for implementing a training for all relevant employees downstream, instilling in them any relevant EHS information and instructions. In certain regions, such as the UK, the EHS manager reports monthly, and all regions and companies are required to submit an annual report, at the very least.

- 100% of Palram Group's employees are covered by the H&S management system.

Absence data (in days)	2024							
	Illness	Vacation Days	Military Reserve	Occupational Illness/work accident	Injuries	Car Accidents	Personal Events	Total
Female	2,103	6,248	190	33	446	-	196	9,216
Male	7,385	20,899	2,534	1,401	2,053	87	545	34,904
Total	9,489	27,147	2,724	1,434	2,499	87	741	44,120

In 2024, 82 work-related injuries were recorded 4 of which were deemed high-consequence injuries. Palram Group Rate of recordable work- related injuries for 2024 stands

on 4.87 and the rate of high-consequence work-related injuries is 0.24.¹³

¹³ This calculation is based on the methodology and formulas presented in the compilation requirements of disclosure 403-9 of the GRI standards 2021. It is also assuming that the working hours for 2024 full-time employees in the group are approximately 182 working hours per month.



Community Engagement at Palram

NIS 864 K

monetary value of Palram Group's community initiative and contributions in 2024 (compared to NIS 331K in 2023)

Palram Group's engagement with the community is constantly growing. From the Group's very outset and its roots in the community of Kibbutz Ramat Yohanan in 1963 in Israel's northern region, through the stalwart tree trunk that Palram Group has become today, and through its many branches now extending across the globe and engaging with diverse local communities, Palram Group remain dedicated to giving back to the community in the three ways it values:

- Local suppliers and employees
- Volunteer activities, philanthropy, education, cultural preservation, social and community development.
- Contribution of materials and products.

In 2024, we increased our contribution of materials and products, to support the recovery of the resurgent communities. The total monetary value of Palram Group's community initiative and contributions was NIS 864 thousand (compared to NIS 331 thousand in 2023).

Palram Zvulun Water Polo –

Palram promotes its brand by sponsoring the Zvulun Regional Council's Water Polo club, which trains at Kibbutz Ramat Yohanan and hosts players aged 6 to 50 from all over northern Israel. Palram Zvulun is a competitive water polo club that promotes values such as persistence, hard work, teamwork, excellence, honesty and friendship, aligned with the spirit of high level athletic achievement.





EDGE project 2024 - A one-year entrepreneurship program that annually trains approximately 30 youth from the Arab Bedouin community in business entrepreneurship and innovation, in which Palram participated.

As part of the program, 10th grade students at Ramot Zevulun High School are given the opportunity to understand the entrepreneurship process through practical experience, accompanied by senior mentors from the business world, and to acquire tools for life – both from the field of entrepreneurship and technology and from the fields of creative thinking and empowerment.

The youth participating in the program experience in a practical way the entrepreneurial process from the idea stage to the prototype development and building of a business plan, and in the process acquire the knowledge and tools for success and integration into the world of business and entrepreneurship. The youth in the program will learn concepts from the world of business and entrepreneurship and acquire various technological tools. Palram chose to join and provide resources, both financial and knowledge and professionalism, to this important project.

Palram india – World's Mental health day

Palram Germany – Palram Germany donated new uniform for the children's local football team – SV Eintracht Gemmer

"Ecology for a Protected Community" – Canopia Ltd. operates a community initiative in collaboration with the "Ecology for a Protected Community" rehabilitation plant, which is a social- ecological project employing about 80 employees with special needs. "Ecology for a Protected Community" collects electronic waste from factories, repairs and refurbishes computer and communication equipment, shreds magnetic media and recycles electronic waste. As part of Canopia's annual program of contribution to the community, Palram's employees volunteer in various activities alongside employees of "Ecology for a Protected Community". The annual program includes holiday activities, creative workshops, tours and training sessions at the Palram Canopia factory. It also involves collecting secondhand clothing for donation, collecting electronic equipment for the rehabilitation plant, and supporting ecology workers with personalized, professional trainings.





Volunteering at Beit Eden Hostel –

Beit Eden is a network of non-profit hostels providing a home, a community, employment and other needs for children, teenagers and adults with intellectual developmental disabilities and people on the autistic spectrum. Palram employees have been volunteering at the hostel for the past six years since 2018. Palram employees arrange bi-weekly, two-hour activity sessions with the tenants of the local Beit Eden Hostel.

US activities include: Stephen Webber Table, 2024 Foundation Event, Mercury One Donation for NC state disaster recovery, Swing for Charity Lowe's Charity Event and Salvation Army Meal Prep

Supporting charity and community projects in the UK –

The Group's social responsibility policy in the UK outlines the purpose and procedure for evaluating requests for charity or community support projects in the local areas.

In 2024 community projects include, among others, supporting families in need, sports teams and local communities' events like:

Glow Church – Created Sensory boards for The Glow church for children

Little Cubs Nursery – Carried out a project at a nursery by building outdoor play equipment and building them a shed to store their outdoor equipment

Aycliffe Dance Academy – make show props for their Dance show

Helping Aycliffe Football Club by providing boards for pitch advertising and provided Sponsorship of Leeds Macabi FC equipment

Building a Christmas grotto for the Community Spirit Newton Aycliffe Charity which supports local families, helps those in need and brings the community together.





MANAGEMENT AND CORPORATE GOVERNANCE

9

Directors

33%

of Board members are women

78%

of board members are over 50 years old

44%

of board members have accounting and financial expertise

Strong Corporate Governance at Palram Group

Palram prides itself on its strong corporate governance infrastructure, which is supported by a Board and an executive management team that share Palram's values and vision. With its expertise, knowledge, capabilities and experience, Palram is able to promote a successful, sustainable and meaningful business.

The ongoing management of Palram Group is entrusted to the CEO, who relies on the executive management team to fulfill their roles. The executive management team is divided into the main headquarters and four operational divisions. The Board oversees the conduct of the Group's businesses and supervises the management.

As of December 31, 2024, Palram's Board consists of nine

directors: Ido Rodoy (Chairman) , Yitzhak Goldenberg, Dafna Shalev-Flamm, Ori Flatau, Amir Yavor, Lea Kotler, Nitzan Dror, Michael Sagi and Oded Gillat. The Chairman of the Board, Mr. Ido Rodoy serves as an Executive Chairman and the Kibbutz is paid for his services.

The nomination of members to the Board of Directors is conducted in accordance with Israel's 1999 Companies Law and the guidelines of the Israel Securities Authority. Directors are elected by the general meeting of shareholders.

Palram's Board oversees a range of four committees, each responsible for specific areas of the Group's operations.

Composition Of The Board

9

Directors

33%

of Board members are women

96%

Average attendance in all Board and Board committee meetings

Seven of the Board's members are over the age of 50. Four members possess accounting and financial expertise, three are women, two serve as external directors and one is an independent director. Six directors are affiliated with Palram Group's major shareholder, Kibbutz Ramat Yohanan.

Board Committees

Audit Committee

Financial Statements Committee

Remuneration Committee

Strategy Committee

The composition of the Board meets all the requirements imposed by the Israel Securities Authority and by the Israeli Companies Law. Our corporate governance practices are overseen by the Board and the Board's committees.



Remuneration Policy

Palram's remuneration policy for executive officers and Board members are discussed, designed and finally recommended by the Remuneration Committee and approved by the Board, prior to final approval by the general meeting of shareholders. Remuneration for board members includes an annual fee and a "per-meeting" attendance fee for both Board and committee meetings, all in accordance with the Companies Regulations (Rules Concerning the Compensation and Expenses of External Directors), in Israel.

The remuneration package for executive officers consists of a fixed monthly salary, and a "performance- dependent" variable component.

The Board may also decide, after receiving the recommendation of the remuneration committee, to award a one-time grant to a company officer subordinate to the CEO – whether as a signing or retention grant or one awarded for substantial effort or special performance by the officer. In addition, Palram's remuneration package includes additional conditions and benefit components, including social benefits, adjustment fees, reimbursement of expenses and full or partial coverage of the costs of an officer's higher education studies, courses or training, as determined by the CEO.

Remuneration Ratio For Executives		2022	2023	2024
Ratio of remuneration given to the median salary earner in the subregion\ company to highest salary	P. Israel	29%	31%	24%
	P. UK	23%	21%	22%
	P. Americas	19%	19%	19%
	Canopia	17%	13%	18%
	P. 4U	13%	15%	12%
	Palram HQ	73%	58%	67%
	P. DE			29%
	P. AU			33%
	P. IN			20%
	P. ZA			7%
Ratio of remuneration given to the average salary earner in the subregion \ company to highest salary	P. Israel	34%	35%	24%
	P. UK	26%	22%	23%
	P. Americas	21%	23%	23%
	Canopia	14%	13%	21%
	P. 4U	16%	19%	15%
	Palram HQ	64%	59%	67%
	P. DE			26%
	P. AU			39%
	P. IN			40%
	P. ZA			15%



ESG Management in Palram Group

Palram Group's dedication to social and environmental responsibility, sustainable development and good corporate citizenship has always been ingrained in its DNA. Since its founding as a small plant by the Israeli community of Kibbutz Ramat Yohanan, Palram Group has grown into a large worldwide corporation. Its ownership by a collective community with unique features as that of Kibbutz Ramat Yohanan, then and now, has cemented Palram Group's loyalty to its growing community alongside its corporate progress.

In late 2022, Palram established an ESG Steering Committee to manage all relevant themes within the Palram Group supporting its ongoing commitment to society, the environment and other ESG matters. The committee is made up of the two regional CEOs of Palram Group's PVC and PC activities along with the CEOs of Palram 4U Ltd. and Palram Canopia Ltd. The CEO of Palram Group serves as the chairman of Palram's ESG Steering Committee.

To manage Palram Group's ongoing ESG journey, the Group appointed an ESG manager in 2022. The manager is responsible for coordinating the development of Palram Group's annual ESG report and strategy, reporting to both the ESG Steering Committee and the Board, and overseeing the coordination and management of Palram Group's ESG efforts.

To reflect Palram Group's dedication, Board and management involvement was established as one of the Group's strategic objectives.





Responsible Business Conduct

Palram Group places great importance on ethical behavior. The Group's success growth, and excellent business relationships, depend on integrity and transparency in all its commercial interactions. Palram Group maintains a zero-tolerance policy for bribery, corruption, fraud and other unlawful activities. The Group relies on each of its managers, employees and partners to promote and foster ethical conduct. Palram Group's responsible business conduct is outlined in its Code of Ethics and managed by the Group's CEO and a designated HQ management committee which includes the HR VP. At the regional or specific entity level, this subject is managed by the local CEO and HR manager. During 2024, Palram Group addressed five incidents of Code of Ethics violations, each handled according to the Company's internal procedures.

Responsible Supply Chain

Palram Group is committed to conducting business responsibly toward people and the environment, a commitment reflected in its supply chain. The most significant component of the Group's procurement budget is dedicated to materials and raw materials.

Palram sets three primary criteria for selecting its suppliers:

- Technical certification
- Product quality
- Price

By applying these criteria, The Group ensures fair procurement practices and open competition, creating a diverse range of business partners.

Palram Group's environmental policy states that its products should, as much as possible, be made from environmentally friendly materials. Accordingly, the Group ensures that all raw materials used in its products are lead-free and comply with strict environmental regulations such as RoHS and REACH. The policy promotes the use of such environmentally friendly materials even if potentially being more expensive than other alternatives.

Palram Group requires its raw material suppliers to meet relevant environmental standards and comply with the ISO 9001 quality standard.

Palram Group's commitment to integrating sustainability throughout all phases of its operations is also reflected in its efforts to improve traceability and control over external regrind suppliers.

A significant step towards achieving this goal was the development of a new "Regrind Supplier Questionnaire" in 2022, which enables Palram Group to better track and monitor the sustainability practices of its external suppliers.

As part of Palram Group's ESG journey, the Group will adopt a Supplier Code of Conduct reflecting its commitment to social and environmental responsibility across its supply chain.

Compliance With Legal Requirements

Palram Group places great importance on complying with the various legal rules applicable to its activities, both on the group level and for individuals operating within the Group.

It assigns equal importance to continuous and complete compliance with all material guidelines set forth in the material laws and regulations of the various jurisdictions of the Group's operation and the material legal positions and material binding directives of each such jurisdiction's regulatory authorities. As a Group operating across various continents as a global manufacturer and distributor of products, Palram Group must assure material compliance with all material local, regional and international standards and regulations.

The internal enforcement program applies to Palram Industries (1990) Ltd. and all levels of the corporation, including all its employees and senior officers. Given their

involvement in the Company's activities, it is emphasized that this program and the relevant accompanying procedures will also apply to all subsidiaries and their employees.

In 2023, Palram reviewed and updated the Company's Enforcement Policy, which the Board approved. Palram added on its website a hotline for complaints.

During 2024, Palram Group had no instances of non-compliance with laws and regulations. Currently, the company is working with state authorities to renew the business license for its subsidiary site in Tziporit. Therefore, to its knowledge, the Group is in material compliance with all applicable material laws and regulations.



Code Of Ethics

In 2023, Palram reviewed and updated the Group's code of ethics. The new ethical code of Palram was approved by Palram's management and Board in May 2023.

Palram's Code of Ethics formulates standards aimed at shaping and maintaining an ethical corporate culture, while establishing a relationship of trust and integrity between Palram and its shareholders, customers, suppliers, and all other stakeholders.

The code describes in detail the guiding principles and values by which the Group's managers and employees are expected to operate. It is founded on the principle of compliance with the law and specifies the Group's commitments underlying that compliance.

- **Respect, integrity, fairness, reliability and equal opportunities** are upheld across all of Palram Group's business activities.
- **Commitment to Employees** – Palram Group is committed to ensuring ethical behavior toward all employees and promoting employee rights, including human rights, fair working conditions and a protected work environment.
- **Avoiding Conflicts of Interest** – Directors, officers and employees are required to act in the Group's best interests. Each Director, officer and employee of Palram Group is responsible for disclosing any transaction or relationship that could reasonably give rise to a material conflict of interest. It is Palram Group's corporate responsibility to resolve any conflict situation. Palram Group's internal enforcement program sets out procedures for immediate reporting in cases of, among other things, consideration of conflicting interests.
- **Preventing Bribery, Unlawful Benefits and Any Act of Corruption** – Palram Group established a clear and well-communicated policy regarding gifts and benefits (first published in July 2016). The policy lists circumstances in which gifts and benefits are permitted. It clearly defines situations of bribes, kickbacks and prohibited gifts and benefits. Finally, it provides practical tools for addressing doubts in this regard, enabling employees to take the proper course of action.
- **Environmental Protection** - As a manufacturer, Palram Group views environmental protection as a value of great importance, for the benefit of its workers, and for generations to come. Hence, Palram Group makes a considerable effort to minimize its environmental impact through its R&D, waste and energy management, and through constantly increasing employee awareness. Directors, officers and employees of Palram Group are expected to perform their various duties at the applicable entity while making efforts to protect the environment and minimize any foreseen negative impact.
- **Assistance and Contribution to the Community** - Palram Group considers itself part of the community and develops reciprocal relations with various community institutions - from the local community of Kibbutz Ramat Yohanan to the various communities affected by Palram Group's global operations. Palram Group's officers and employees are encouraged to give back to the community through volunteering programs, engagement in the field of industrial education, donations of products and services and generally supporting underprivileged populations.
- **Protecting Palram's Assets** – Directors, officers and employees are required to make use of Palram Group's assets – technology, systems and other assets and resources, in an appropriate manner, while committed to protect them and to avoid improper, wasteful or negligent use. Palram's Directors, officers and employees are committed to the protection of Palram Group's business and operational information.
- **Prohibiting the Use of Inside Information** – As a public company, whose shares are traded on the Tel-Aviv Stock Exchange, any use of inside information is prohibited, including communicating or transferring inside information to a third party. Any unauthorized use of inside information about the Group's developments or changes within it, may constitute a breach of the Directors', officers' and employees' commitment to the Group.



Management of Risks and Opportunities

As detailed in the 2024 annual report (pages 40-43), Palram's main risks include those unique to Palram Group and to the industry such as changes in raw material prices and availability, reliance on large customers, cyber risks and regulatory changes in its various operating jurisdictions. The Group's risk map also includes macroeconomic risks such as the consequences of deteriorating security in Israel, where its headquarters and some of its factories are located. Furthermore, logistical risks from the prices and availability of transporting goods and raw materials, as well as global economy risks like inflation and interest rates, are also a key focus.

Environmental And Climate Risk Management

Most environmental risks identified by Palram Group in previous risk assessments were considered to be at a low-medium level. The main environmental risks identified are managed by preventive actions in full compliance with the environmental laws and regulations at the various jurisdictions of Palram' Groups operation.

Climate Risks

Climate risks consist of two main groups – physical risks and transition risks:

Physical Risks Deriving from Climate Change

1. Risks to Production Sites and Infrastructure

- Climate change may result in an increase in the frequency of extreme weather events: floods, storms, rising sea levels, extreme heat waves, etc.
- Sites located in sensitive areas (e.g., near the sea or in areas prone to flooding) may be exposed to damage to infrastructure, power outages, delays in the supply of raw materials, etc.

2. Supply Chain Disruption

- Natural disasters or extreme weather events in raw material producing countries or at logistics and distribution centers may cause delays, higher transportation costs, or shortages of essential materials.
- Increased insurance costs, due to increased risk of physical damage to facilities, equipment or infrastructure.

3. Accelerated Wear and Technical Failures

- High temperatures or increased humidity may damage mechanical and electronic equipment in factories or require more intensive maintenance.

As a global company, Palram is exposed to regional climate changes. However, management and the Board of Directors assess that the immediate risk these events having a material impact on the company is limited.

Transition Risks

4. Technological Changes

- A global transition to technologies and production processes with lower emissions require investment in new equipment and adaptation of the production line.
- Technological gaps and competition may affect profitability and production capacity, if competitors adopt greener or cheaper technologies more quickly.

5. Changes in Consumer Preferences

- Shifting demand for biodegradable products (Bio-based Plastics) or solutions with higher recycling rates.
- Pressures to switch to more environmentally friendly polycarbonate (PC) or to products without hazardous chemicals, at the expense of PVC which is considered less "green" in some respects.

6. Increasing Prices of Raw Materials or 'Brown' Energy

- If carbon taxes or emission quotas are imposed on factories, or if fossil energy prices increase due to regulation, oil-based production may become more expensive.
- Requires strategic preparation for alternative and efficient energy sources.

7. Tightening Environmental Regulations and Restrictive Legislation

- Many countries, especially in the European Union, the UK and the US, are tightening laws and regulations related to plastics use, recycling, greenhouse gas emissions, and carbon tax.
- There may also be a tightening of carbon emission quotas or emissions pricing requirements (Cap & Trade), which could increase the price of raw materials or production costs.

8. Regulation of Chemicals in Plastic Products

- Legislation and standards relating to hazardous components such as PVC additives (e.g. Phthalates), bans or restrictions on certain raw materials.
- Changes in environmental legislation may require a transition to less-polluting raw materials, or investment in costly filtration and environmental restoration technologies.

The company stays updated on the various regulations, through its raw material manufacturers, who are at the forefront of dealing with regulators. It's currently too early to assess the potential long-term impact of transition risks. Despite the challenges it poses, climate change also presents opportunities for Palram Group as it promotes sustainable processes, products and innovative solutions for the efficient use of resources and energy.



Cyber Security, Data Protection And Information Security

Palram Group owns information security systems and periodically invests in their update and upgrade to protect against cyberattacks and ensure a rapid, effective recovery capability. Palram Group conducts penetration testing, field risk assessments and other tests to gauge the resistance of its information security systems. Annual work plans, based on these results, as well as on surveys and inspections, outline the action methods and timelines.. Recently, Palram Group also instituted a number of protocols and organized work processes for dealing with, and reacting to, cyber crisis, as well as secured insurance coverage of this field.

Palram Group's VP of Information Systems (CIO) and

external information security managers (CISO) oversee the Group's preparation for cyber risk management.

Palram Group provides mandatory annual training on information security and data privacy for all employees and contractors who use the Group's internal computers and communication systems. In 2024, one "phishing campaign" was conducted to test employee awareness (Same as in 2023).

Additionally, employees who handle Palram Group's business credit cards undergo annual training dedicated to credit card information security. In 2024 Palram reported no complaints regarding privacy breaches or data loss.

Auditing Processes

Internal Audits

Palram's internal audits are conducted by an internal auditor, unanimously appointed by the Board in November 2018.

The audits follow an annual plan based on Palram's risk assessment and are overseen by the Boards Audit Committee. The plan covers financial, operational, and ethical issues, as well as compliance, data security, and privacy. For each topic, the auditor reviews adherence to regulatory requirements, internal codes, policies and procedures, fraud prevention and KPI setting and measurement. All audit are performed in accordance with accepted professional standards and the guidance of the Audit Committee, as pursuant to Section 4(b) of Israel's Internal Auditing Law, 5752-1992.

In accordance with section 9 of Israel's Internal Auditing Law, the internal auditor is granted complete freedom of action and unmediated access to the Group's information systems, including the company's financial data. During 2024, written audit reports on Mergers and Acquisitions, the Quality Assurance system, and Information Security were submitted and discussed. The audit committee held two meetings to address internal audit subjects, and regular reports on the internal auditor's findings were provided to the company's board of directors. In 2024, Palram Group allocates 400 work hours for internal auditing.

External Auditing

The external audit of the Company and its subsidiaries, which are registered and operate in Israel and the UK, is conducted by EY Israel (Kost, Forer, Gabbay & Kasierer, CPAs). Audits for the Group's other subsidiaries are performed by various firms: E&Y in Germany, Buckno-Lisicky & Co., CPAs, in the US, Grand Thornton in Australia, BDO in South Africa, and RGE in France. Palram's external audits are primarily executed for financial and internal control purposes. Their main objective is to provide the external auditors' certification that the annual consolidated financial statements accurately represent Palram Group's financial position in all material aspects and in accordance with IFRS.

This ESG report is not part of Palram's current or periodic financial statements. This report includes forward-looking statements (according to the Securities Law, 1968) which include: expectations, forecasts, goals, assessments and plans concerning the Group's activities. The statements presented in this report reflect an assessment and statement of intent made by Palram at the time of writing the report and are subject to changes and updates. The information and data presented in this document reflect data about the Group's activities as of December 31, 2024 and to the best of the Group's knowledge. This document may include estimates, omissions, errors and/or inaccuracies. In any case of contradiction or inconsistency between the information presented in this report and the information appearing in the Company's public financial statements published on the website of the Securities Authority and the Tel Aviv Stock Exchange, the information appearing in the publications shall prevail.



GRI CONTENT INDEX

GRI-1 Foundation 2021

Palram has reported the information cited in this GRI content index for the period January 1st 2024 - December 31st 2024, with reference to the GRI Standards.

GRI 1: FOUNDATION 2021			
GRI Standard	Disclosure	Description	Location
GRI 2: General Disclosures 2021	2-1	Organizational details	12-13
	2-2	Entities included in the organization's sustainability reporting	5
	2-3	Reporting period, frequency and contact point	5
	2-4	Restatements of information	60-61
	2-6	Activities, value chain and other business relationships	16-24
	2-7	Employees	61
	2-8	Workers who are not employees	61
	2-9	Governance structure and composition	50
	2-11	Chair of the highest governance body	50
	2-12	Role of the highest governance body in overseeing the management of impacts	50
	2-13	Delegation of responsibility for managing impacts	52
	2-14	Role of the highest governance body in sustainability reporting	50
	2-15	Conflicts of interest	54
	2-16	Communication of critical concerns	56
	2-19	Remuneration policies	51
	2-20	Process to determine remuneration	51-52
	2-21	Annual total compensation ratio	39, 52
	2-22	Statement on sustainable development strategy	6, 8, 9-11
	2-27	Compliance with laws and regulations	6, 53-54
	2-29	Approach to stakeholder engagement	7

GRI 3: Material Topics 2021			
GRI Standard	Disclosure	Description	Location
GRI 3: Material Topics 2021	3-1	Process to determine material topics	6
	3-2	List of material topics	6
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	24
	201-3	Defined benefit plan obligations and other retirement plans	39
	201-4	Financial assistance received from government	24
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	37



Compliance			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	27-28, 53
	205-1	Operations assessed for risks related to corruption	53-54
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	44
	205-3	Confirmed incidents of corruption and actions taken	53
GRI 207: Tax 2019	207-1	Approach to tax	24
	207-2	Tax governance, control, and risk management	24
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	41-43
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	43
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	56
Efficient and responsible use of resources			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	32-36
GRI 302: Energy 2016	302-1	Energy consumption within the organization	33, 60
	303-1	Interactions with water as a shared resource	25-26, 29, 32
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts	29, 32
	303-5	Water consumption	32, 60
Reducing our carbon footprint			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	4, 32, 34, 60
	305-1	Direct (Scope 1) GHG emissions	4, 25, 32, 60
	305-2	Energy indirect (Scope 2) GHG emissions	4, 25, 32, 60
GRI 305: Emissions 2016	305-3	Other indirect (Scope 3) GHG emissions	34
	305-4	GHG emissions intensity	4, 34, 60
	305-5	Reduction of GHG emissions	4, 5, 34
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	36
	306-2	Management of significant waste-related impacts	21, 36
	306-4	Waste diverted from disposal	36



Human Capital Development			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	39,40,44,45,61
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	61
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39-40
	401-3	Parental leave	40
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	44-45
	404-3	Percentage of employees receiving regular performance and career development reviews	37, 45
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	7, 47-49, 54
	413-2	Operations with significant actual and potential negative impacts on local communities	25-26, 36

Occupational Health and Safety			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	46
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	46
	403-2	Hazard identification, risk assessment, and incident investigation	46
	403-6	Promotion of worker health	40, 46
	403-8	Workers covered by an occupation health and safety management system	46
	403-9	Work-related injuries	46
	403-10	Work-related ill health	46

Innovation			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	9, 23-25, 30

Responsible supply chain			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	53

Risk management			
GRI Standard	Disclosure	Description	Location
GRI 3: Management of material topics	3-3	Management of material topics	29, 55



ESG DATA TABLE

Environment

	Topic	Unit	2022	2023	2024
Energy Consumption ¹⁴	Electricity - Grid	MWh	57,181	51,711	56,917
	Electricity – Renewables (Out of grid)	MWh	680	1,904	1,648
	Fuel Oil	Liters	17,474	1,200	600
	Diesel	Liters	221,672	554,758	683,079
	LPG	Liters	74,358	201,956	237,294
	Gasoline	Liters	250,765	376,576	214,435
	Natural Gas	m ³	104,400	111,330	131,241
Greenhouse Gas Emissions	Scope 1 ¹⁵	tCO2e	1,579	2,917	2,979
	Scope 2 ¹⁶ (Location-based)	tCO2e	20,390	17,336	19,220
	Scope 2 ¹⁷ (Market-based)	tCO2e	-	-	22,080
	Total Scope 1+2 (Location-based) emissions ¹⁸	tCO2e	21,970	20,253	22,199
	GHG intensity ¹⁹	tCO2e/Revenue [M NIS]	12.1	11.8	11.9
Water	Water withdrawal ²⁰	M3	50,785	47,418	47,639

¹⁴ The figures for diesel, LPG, and grid electricity consumption were retroactively updated for FY 2023, reflecting additional data from four sites and corrections to misreported figures from three sites.

¹⁵ Scope 1 emissions for FY 2022–2023 were adjusted to include Natural Gas for heating (first reported in 2024 and applied retroactively), as well as to reflect the additions and corrections noted in footnote ¹⁴.

¹⁶ Scope 2 (Location-based) emissions for FY 2022–2023 were revised due to adjustments made to our emission factors, the inclusion of previously unreported 2023 electricity data from one site, and a corrected figure from another site.

¹⁷ We began calculating Scope 2 Market-based emissions for the first time in 2024. Figures for 2022–2023 are not available due to the absence of complete data from certain suppliers.

¹⁸ The 2022–2023 figures have been adjusted to reflect the changes mentioned in the above footnotes. Scope 1 and 2 include: Palram DPL, Palram Polycarb, Palram Americas HQ, Palram 2000, Palram Germany (until 2023 – closed Nov 2022), Palram DE, Palram Australia, Palram IL, Palram 4U HQ, Palram Canopia HQ, Palram App UK, Palram App US, Palram India, Palram ZA, Molan and Hygienik (both from 2023). Molan and Hygienik are two new distributors that were acquired and integrated into our operations in 2023.

¹⁹ GHG intensity for 2022–2023 has been updated due to changes in Scope 1 and 2. The intensity is reported for Scope 1 & 2 (Location-based).

²⁰ The 2023 figure has been revised due to correction for misreported figures from two sites. Water withdrawal data include: Palram Canopia HQ, Palram Germany (until 2023 - closed Nov 2022), Palram DPL, Palram 2000, Palram DE, Palram Australia, Palram IL, Palram ZA, Palram 4U HQ, Palram Americas HQ, Palram Panels Inc. (closed Nov 2022), Palram Polycarb, Molan (only 2023), Hygienik (from 2023) and Palram India.



Social²¹

Composition of group employees by job category and gender	Female			Male			Total		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Executive management	12	14	16	36	37	47	48	51	63
Non-executive management	36	36	59	118	128	154	154	164	213
Professionals	197	247	279	745	862	988	942	1,109	1,267
Service workers ²²	33	10	25	120	23	46	153	33	71
Total	278	307	379	1,019	1,050	1,235	1,297	1,357	1,614

Composition of group employees by age and position	Under 30			30-50			Over 50			Total		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Management position	10	3	8	118	125	151	74	87	117	202	215	276
Non-managerial position	222	306	309	520	466	543	353	337	415	1,095	1,109	1,267
Total	232	309	317	638	591	694	427	424	532	1,297	1,324	1,543

New hires by age & gender	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
30-50	22	58	80	29	100	129	28	118	146
50 and above	10	26	36	5	30	35	19	34	53
Under 30	16	57	73	19	157	176	20	142	162
Grand total	48	141	189	53	287	340	67	294	361

Turnover by age & gender	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
30-50	36	162	198	27	104	131	40	136	176
50 and above	16	85	101	7	45	52	22	51	73
Under 30	25	104	129	17	108	125	14	110	124
Grand total	77	351	428	51	257	308	76	297	373

²¹ 2022 Data include P. IL, P4U, Canopia, P. Americas and P. UK. 2023 data include P. IL, P4U, Canopia, P. Americas, P. UK and P. ZA.. 2024 Data include P. IL, P4U, Canopia, P. Americas, P. UK (including Molan and Hygeinik), P. ZA, P. AU, P. IN and P. DE

²² Service workers – refer to workers who are not employees



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11.2025