

## **Aquestia - Quality, Safety and Environment (QSE) Policy**

Aquestia is an international company, which specializes in the development, production, and marketing of water flow solutions in a wide range of uses and applications, while ensuring compliance with the requirements of international standards. The company's products provide solutions in the following fields: water and sewage systems in civil engineering, waterworks, industry, firefighting, and irrigation (open fields, greenhouses, landscape irrigation etc.)

Quality, Safety, and environmental protection are cornerstone fundamentals to the company's success, and secure both high customer satisfaction, while ensuring the health and safety of our employees and the environments we operate in.

### **Scope**

This policy applies to all the company's operational sites. We also encourage our suppliers, contractors, and service providers to follow same values and practices presented in the policy.

### **Aquestia's guidelines in promoting QSE:**

#### **1. QSE Management Systems and Regulatory Compliance**

Aquestia is committed to the continuous improvement of its quality management system and providing high-quality products and ancillary services while minimizing use of resources, and adhering to legal requirements, and employees, customers, and stakeholders' expectations.

Aquestia works to adopt and implement international standards for the management of QSE to effectively implement processes that reduce and prevent the risks and hazards to employees and guests, and to safeguard employee health, with a commitment to identifying, assessing, and managing risks in the workplace, and reducing them 'acceptable risk' levels.

Aquestia will allocate resources for the management of the QSE system and adhere to the work processes with the cooperation and consultation of employees, managers, and stakeholders in the organization, who will carry out, maintain, and continuously improve the level of quality control of the products and services. Employees will also be consulted on safety and environmental issues.

We prioritize the health and safety of our employees above all else. We adhere to the **ISO 45001** standard and implement comprehensive safety procedures, preventive equipment, and regular training. Additionally, we provide health insurance and medical check-ups to ensure employee well-being.

Aquestia's products protect the environment by preventing contamination, saving energy and reducing water use. In development, manufacturing, and marketing, we adhere to stringent sustainability standards – like the Clear Air Act and **ISO 14001** – to minimize our carbon footprint.

## 2. QSE Targets and Goals

Aquestia will set annual targets and goals for improving the QSE quality system and practices for all of its operational sites.

Our mission at Aquestia is to promote responsible QSE management. We focus on zero pollution, waste reduction, water conservation, energy efficiency, more sustainable products and packaging, and zero incidents and accidents.

**The company has set reduction targets for Scope 1 and Scope 2 emissions, as detailed below:**

- **23% overall reduction in Scope 1 and Scope 2 emissions** by end of 2028
- **28% reduction in Scope 1 emissions**, based on the transition to electric vehicles by the end of 2028
- **15% reduction in Scope 2 emissions**, based on the installation of solar panels at the Dorot site by the end of 2028

To effectively manage our employee health and system commitments, we monitor the Total Case Incident Rate (TCIR) and the Lost Days Incident Rate (LDIR). These metrics provide valuable data to track performance, identify areas for improvement, and drive continuous progress.

## 3. Promoting QSE among stakeholders

Aquestia is committed to establishing trade relationships with suppliers based on mutual trust and profitability, which will ensure quality supplies.

Aquestia is committed to responding immediately to customer complaints and providing effective and timely corrective actions to achieve customer satisfaction.

We actively promote **QSE awareness across the organization**. Through regular communications and targeted educational materials, we encourage employees to use energy responsibly, reduce overall resource consumption and remain informed about their health and safety rights and obligations. Aquestia views this engagement as a key driver in advancing its performance and achieving its objectives in this area.

#### 4. Advancing QSE Practices

Aquestia undertakes to reduce or prevent any environmental pollution resulting from its activities, and to protect natural resources, the environment, and the community, for the mutual benefit of all involved, and for future generations. Furthermore, the company is committed to promote dedicated initiatives to reduce its environmental impacts – focusing on **renewable energy, transition to electric cars, and energy efficiency initiatives**.

We actively address the **end-of-life management** of our metal products by ensuring they are recycled. For our plastic products, we are exploring enhanced recycling options. We also work on enhancing the sustainability of our packaging by transitioning from foam bags to bubble wrap, reducing environmental impact and improving recyclability, while ensuring full product protection. It is important to note that all of the company's external product packaging is made of cardboard or wood, making it fully recyclable.

As a company dedicated to **improving water resource management** for our customers, we implement various measures to reduce water consumption. These include utilizing a closed-loop system in our test wells for water recovery, transitioning to static valves and closely monitoring water usage to identify opportunities for further conservation. The Company manages materials, products, and waste responsibly, using only non-hazardous chemicals and continuously striving to reduce resource consumption, minimize waste generation, and promote safe and sustainable product use throughout our operations.

#### QSE Governance Structure – Roles and Responsibilities

QSE operations at Aquestia are led by a dedicated Global QSE Manager who reports directly to the COO.

The company's QSE governance is supported by clearly defined roles and responsibilities across key functions at each site. The **Toxic Materials Supervisor** oversees all aspects of hazardous materials management on site, including cataloging and system management. The **Firefighting Supervisor** is responsible for fire prevention and response, including maintaining firefighting equipment and reporting fire incidents to the Israeli Ministry of Environmental Protection. The **First Aid Supervisor** manages all first aid equipment, ensuring proper inventory and expiration monitoring. The **Safety Officer** actively participates in safety committees, maintain awareness of departmental hazards, review risk assessments, and report any safety incidents or potential hazards within their areas.

Each **site manager** is responsible for overseeing all environmental activities related to Aquestia's operations and manufacturing, including managing contractors, ensuring visitor safety, complying with statutory requirements, conducting environmental risk assessments, participating in the site's environmental protection team, managing emergency procedures and incidents, and maintaining contact with regulatory and regional authorities regarding environmental protection matters.

Other managers and key personnel across the company support QSE activities in line with the relevance of their roles, ensuring the achievement of the company's objectives in this area.

The **CEO** is regularly briefed on progress, key developments, and challenges in these areas to ensure ongoing oversight and strategic alignment.

**The Board of Directors** receives an annual report covering selected environmental indicators and the company's consumption of natural resources, as part of the ongoing monitoring and oversight of our environmental performance.

### **QSE Policy Implementation**

This QSE Policy will be communicated and explained to all employees and made available to stakeholders and the public through the company's website.

Employees are encouraged to raise concerns, share feedback, and propose improvements to support continuous enhancement of our QSE performance.

The QSE Policy will be reviewed annually in management reviews, to ensure its continued relevance to the organization's performance and objectives.



Celso Hamer

Aquestia Chief Executive Officer