

Profound's Responsible Investment Policy

As an investment house focusing on a long-term vision and its commitment to act in our client's best interests, we at Profound have pledged ourselves to conducting an investment review of the holdings based on the concept of business partnership.

We believe that a business partnership necessitates adherence to an overall view. When a company maintains fair and decent relations with all of its interfaces, its shareholders benefit, whether employees or suppliers, clientele, or investors. After all, creating a fertile operating environment in any interface will lead to creating a whole greater than the sum of its parts and in accordance with a successful investment.

Consequently, the aspects regarding ESG (Environment, Society, Governance) are intertwined in each investment decision and its considerations.

Entire **Environmental Aspects**

We examine the investment portfolios under our management according to long-term parameters from time to time. Accordingly, and in light of our view that a long-term vector is congruous with regulatory trends, social and environmental norms, we defined several years ago "green" renewable energy as being a sustainable vector that matches our expectation regarding the fields and industries bearing long-term business and economic feasibility, in compliance and maintenance of the norms mentioned above. We will examine every industry, sector, or company to reflect their compatibility with Western norms & values regarding these aspects. Non-compliance with the expected norms leads to an excessive quantity of uncertain variables, and therefore in our view, the investment attractiveness is damaged.

Social **Societal and Social Justice Aspects**

We believe that every business should bear the most out of its various interfaces. Responsible and respectful conduct, imparting fair, equal, and decent opportunities to suppliers, clients, and employees, whether existing or potential, will exhaust the business potential of each investment and benefit its investors accordingly. Thus, we will aspire to create a comprehensive picture of each of the investments that we examine.

Governance Aspects

Appropriate transparency that respects the investor from the public as an equal partner demands fair and decent conduct. Accordingly, we view great significance in these issues, and therefore maintain several channels of activity to preserve and, if necessary, enforce them:

Active/Direct Activity vis-a-vis Companies: The various media assist us in operating vigorously even if at times discreetly to influence and change phenomena that do not align with the above.

Advertising in the Media: Profound retains the right to operate in public to the extent that we deem necessary. Whether in public presentations to the investing public or through advertisements in the various media (e.g., the company website, the internet, or written press), we will do all that we can to preserve minority investors interests, and this is under the faith that our investors show in us.

Please note that we often ask companies to publish key performance indicators (data and parameters), whether in the framework of our internal discussions vis-a-vis the companies in investment meetings or as part of public presentations where we take an active approach regarding clarifications about the state of the company's business affairs.

Activity opposite the Israel Securities Authority: In the past, we have contacted the Authority in order to alert them to incomplete or inconsistent reports in the sectors in which we have invested and we habitually alert them to activities, which we believe to be suspicious in trading before publishing a report.

As an investment house operating in a long-term view with a comprehensive outlook regarding each client, we will continue and consistently aspire for a systematic vision in our investment approach while preserving professional norms and values and concern for the society and environment in which we operate, not just for the present generation, but also coming generations.