

ESG REPORT

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

Galam

REFINING NATURE'S RAW MATERIALS



ENVIRONMENT



SOCIAL



GOVERNANCE



Growing Sustainably. Creating Value Responsibly.

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About This Report

This Corporate Responsibility Report presents Galam Group's environmental, social, and governance (ESG) performance, policies, and initiatives for the 2025 calendar year. The report reflects our ongoing efforts to create long-term value for our stakeholders through responsible innovation, operational integrity, and a focus on efficient technologies.

The report covers the activities of Galam Group. Unless otherwise stated, the information presented in this report relates to the Group's operations as a whole.

Throughout this report, references to "the Company," "the Group," "we," "us," and "our" relate to the reporting entity and its consolidated operations, unless stated otherwise. References to specific business units or subsidiaries are made only where necessary to provide context.

This is the Company's initial ESG report, intended to establish a foundation for structured ESG disclosure and to support ongoing efforts toward transparency and continuous improvement. The Company views this report as a starting point and plans to further develop its ESG reporting practices over time as processes, governance, and data collection mature.

The report was prepared with reference to widely recognized international ESG reporting frameworks, including the Global Reporting Initiative (GRI) and relevant Sustainability Accounting Standards Board (SASB) guidelines. These frameworks were used as guidance to structure the report and identify key ESG topics, while allowing flexibility appropriate to the Company's size, operations, and stage of ESG reporting.

Unless otherwise noted, the information in this report is based on internal data and qualitative assessments available at the time of publication. In the event of any inconsistency between this report and formal financial statements or regulatory disclosures, the latter shall prevail.

About Galam

Galam Group is a global company with over 80 years of experience in developing, producing, and marketing raw materials, flavors, and food additives for a wide range of industries, including food and beverages, nutraceuticals, pet food, animal feed, and non-food applications. The Group refines nature-based raw materials into high-quality sweetening solutions, starches, pre-gels, nutritional, and specialty ingredients, and specializes in technologies related to sugar processing and refining,

including enzymatic processes. Galam's core competencies include product development, engineering design, customer support, and application services.

The Group operates through two main business areas:

- FoodTech: Development of raw materials and food additives with added value, focusing on sugar and calorie reduction, taste improvement, fiber enrichment, and prebiotic fibers.
- Industry: Production of natural and processed starches, fructose, glucose syrup, and additional nutritional ingredients for food, feed, and industrial applications. Most products are based on non-genetically modified (NON-GMO) raw materials.

Galam's activities are supported by its local subsidiary, Dagal Trade & Marketing Ltd., which focuses on the import and marketing of carefully selected, high-quality raw materials and specialty additives for the Israeli market, in accordance with international quality standards. The Group serves customers in multiple geographic markets and works with both direct customers and distribution partners.

The Group's headquarters, research and development laboratories, and main production facilities are located in Israel, with additional application and development laboratories, production sites, and distribution centers in Germany and Spain.

Our Vision

Galam strives to maintain its position as a leading global company in the field of specialty ingredients for food and beverage, Nutraceutical, Pet food, feed industries and non-food industries.

Our Mission

Galam's mission is to conduct its activities based on integrity, partnership, continuous improvement, and proactiveness, guiding its decision-making and long-term development.

ESG Approach & Responsibility

In recent years, ESG-related requirements from customers have increased, particularly in international markets. ESG-related disclosures, including environmental information, emissions data, and responses to sustainability questionnaires, are becoming a standard component of procurement and supplier evaluation processes.

This development reflects a broader shift in the food ingredients industry, where sustainability considerations are becoming an integral part of business operations. Effective ESG management enables Galam to align with evolving market expectations, strengthen relationships with customers, and reinforce its positioning as a professional and reliable supplier over the long term.

Galam's ESG approach focuses on integrating sustainability considerations into core business activities, with an emphasis on managing risks, identifying opportunities, and creating long-term value. The Company has identified a set of key ESG topics most relevant to its operations and business strategy, and has defined for each topic its business relevance, key challenges, and target maturity level.

This structured approach enables Galam to prioritize efforts, allocate resources effectively, and progressively enhance its ESG performance in line with market developments and organizational capabilities.

Material ESG Topics

As part of its first structured ESG reporting process, Galam identified the ESG topics most relevant to its business activities, operating context and stakeholder expectations. The selected topics reflect the Company's role as a food ingredients manufacturer, its reliance on agricultural raw materials and industrial processes, and the growing sustainability-related requirements raised by customers, particularly in international markets.

For Galam, these material topics are not viewed solely as compliance requirements, but as business-relevant areas that support resilience, operational efficiency, customer trust and long-term growth. The Company aims to advance these topics gradually and proportionately, considering its operational capabilities, investment capacity and level of influence across the value chain.

Human Capital and Workplace Environment

Human capital is a key enabler of Galam's operational continuity, product quality and long-term resilience. As an industrial company, Galam depends on skilled, experienced and committed employees across its production and support functions. Investing in employee development, engagement and knowledge retention supports both employee wellbeing and business performance.

Diversity and Inclusion

Diversity and inclusion are important for creating an equitable workplace and strengthening access to talent. For Galam, this topic is particularly relevant given the significant representation of Arab society employees in its production sites.

The Company sees an opportunity to expand representation in headquarters, professional and managerial roles.

Community Engagement

Community engagement reflects Galam's relationship with the local environment in which it operates. Through donations, volunteering and local partnerships, the Company can strengthen trust, reputation and employee pride. Galam aims to develop its community activity into a more structured framework, while balancing social impact with operational and budgetary considerations.

Consumer Health

Consumer health is increasingly important in the food ingredients sector, as customers and consumers seek safer, healthier and more transparent food solutions. For Galam, this topic represents both responsibility and opportunity. Products such as FOS demonstrate the Company's ability to provide ingredients with added nutritional value and support customers in developing health-oriented products.

Sustainable Agriculture

Sustainable agriculture focuses on responsible agricultural practices that support soil health, resource efficiency and long-term supply resilience. As Galam relies on agricultural raw materials, this topic is directly linked to the quality, continuity and sustainability of its supply base. Strengthening sustainable sourcing practices can help Galam respond to customer expectations and reduce exposure to agricultural and climate-related risks.

Sustainable Supply Chain Management

Sustainable supply chain management addresses environmental, social and ethical risks across suppliers and raw materials. For Galam, this topic is material because customers, particularly in international markets, increasingly expect transparency and responsible sourcing practices. Given its limited influence over some large suppliers, Galam's focus is on building practical, proportionate processes for supplier expectations, information collection and risk management.

Greenhouse Gas Emissions Reduction

Greenhouse gas emissions reduction is a central ESG topic for industrial and food-related companies operating in global markets. For Galam, emissions management is relevant due to its production processes and increasing customer requests for carbon-related data, especially in international business activities. Measuring, reporting and gradually reducing emissions can support customer trust, efficiency and strategic risk management.

Water Efficiency and Responsible Water Management

Water is a critical resource for Galam's production processes and for the agricultural value chain on which the Company depends. Efficient water management supports regulatory compliance, cost reduction and operational resilience. Galam aims to manage water consumption in a structured and measured way, while pursuing gradual efficiency improvements where operationally and economically feasible.

Waste Management and Circular Economy

Waste management and circular economy focus on reducing waste, improving resource efficiency and maximizing the value of raw materials. For Galam, effective waste management can reduce environmental impacts, support compliance and create operational savings. The Company sees this topic as an area for continuous improvement, including the integration of circular principles into relevant production processes.

Environmental

Galam is committed to managing and reducing the environmental impacts of its operations and to conducting its activities in a responsible and sustainable manner. The Group recognizes the importance of protecting natural resources and reducing environmental impacts, particularly given its presence in rural and agricultural communities.

Environmental considerations are integrated into Galam's operational approach, with an emphasis on responsible resource use, risk reduction, regulatory compliance, and continuous improvement. The Group seeks to balance business needs with long-term environmental responsibility and operational resilience.

Environmental Management

The Company applies an organizational approach to environmental management aimed at identifying, monitoring, and managing environmental impacts associated with its operational activities. This approach reflects the Company's commitment to environmental responsibility and continuous improvement.

Environmental aspects such as air emissions, wastewater, waste generation, and resource consumption are periodically assessed as part of environmental risk management processes. Significant environmental impacts may be incorporated into the Company's environmental objectives and performance improvement plans, and operational monitoring and measurement processes are implemented to support environmental performance oversight.

As part of its continuous improvement efforts, the Company implemented a project to replace older evaporators with advanced evaporator technology, contributing to improved energy efficiency and reduced energy consumption in relevant production processes.

Management Systems

The Company maintains an environmental management system certified in accordance with the ISO 14001 standard, as well as an energy management system certified in accordance with the ISO 50001 standard. These systems support the identification, monitoring, and management of environmental and energy-related aspects associated with the Company's operations.

The Company undergoes annual audits related to its ISO 14001 and ISO 50001 management systems. Galam also monitors relevant environmental processes on an ongoing basis and reports to the Ministry of Environmental Protection in accordance with applicable legal requirements.

Corrective and preventive actions are implemented where required as part of the Company's management system processes. These processes support ongoing compliance, risk management, and continuous improvement in environmental performance.

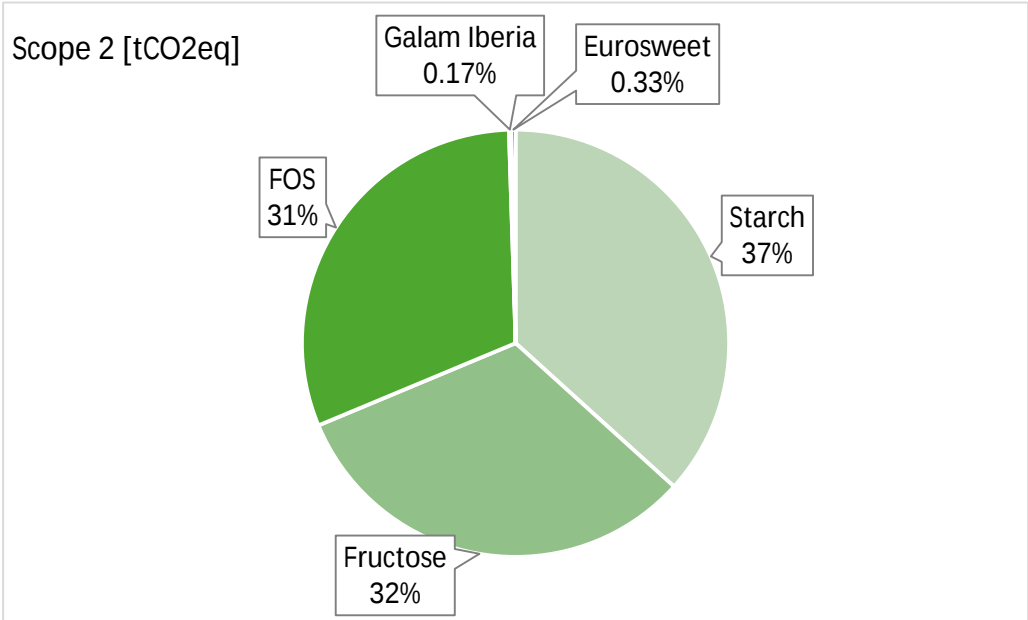
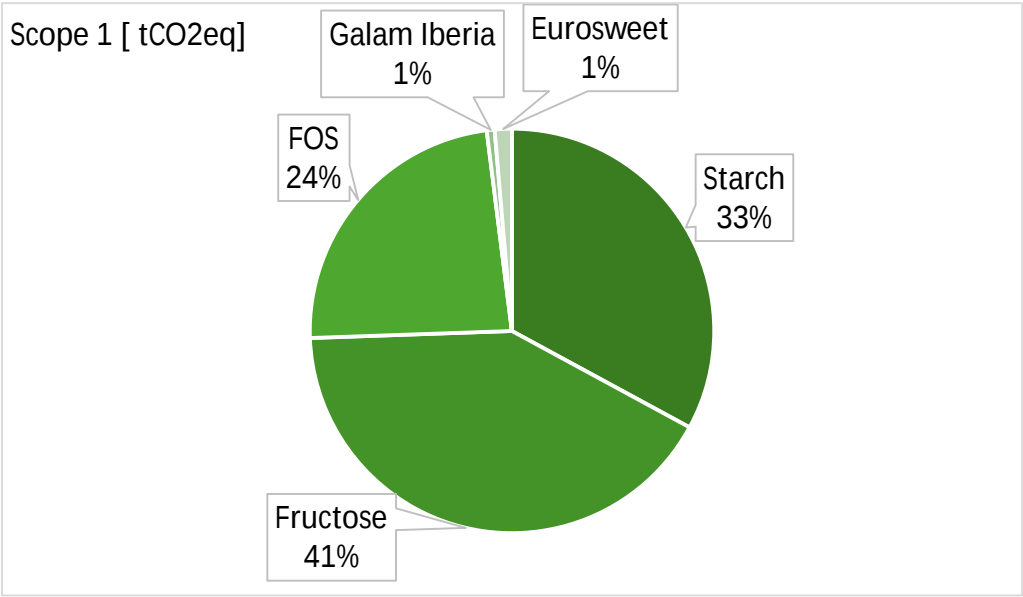
Carbon Footprint

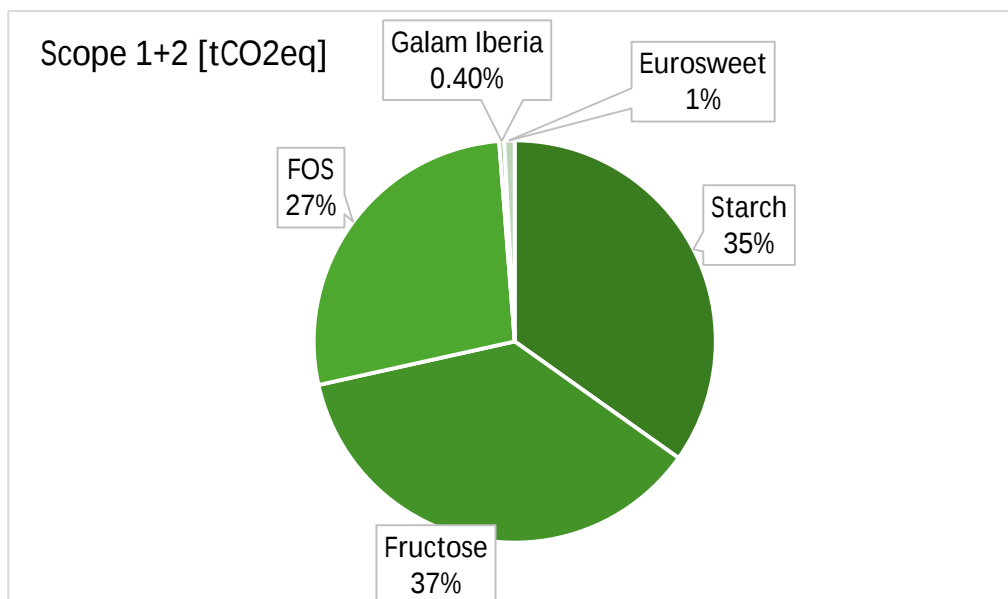
Galam views carbon footprint management as an evolving area and is committed to gradually strengthening its understanding, monitoring, and management of greenhouse gas emissions as part of its broader environmental approach. The Company recognizes the importance of improving transparency regarding its emissions profile and continues to enhance its internal processes for data collection, monitoring, and environmental performance management.

As part of its overall environmental management approach, Galam continues to develop its understanding of greenhouse gas emission sources and identify opportunities for future reduction, including through energy efficiency measures, operational improvements, and gradual transition to lower-emission technologies where feasible. To support product-level carbon transparency, Galam assessed the Scope 1 and Scope 2 carbon footprint of its FructoOligoSaccharide (FOS) product, which amounted to 1.55 kg CO₂e per kg of FOS product based on 2022 data.

Our Carbon Footprint for 2025:

	Starch	Fructose	FOS	Galam Iberia	Eurosweet	TOTAL company
Scope 1 [tCO2eq]	8,166	10,299	5,844	155	341	24,805
Scope 2 [tCO2eq]	9,371	8,173	7,863	45	84	25,536
Scope 1+2 [tCO2eq]	17,537	18,472	13,707	199	425	50,341





Decarbonization efforts

To reduce its carbon footprint, Galam is focused on practical, gradually implemented measures aimed at improving operational efficiency and lowering emissions from key activities. These efforts currently include:

- Fleet transition: continuing the replacement of conventional vehicles with hybrid and electric alternatives, where feasible;
- Electrification of internal logistics: maintaining and expanding the use of electric forklifts and other lower-emission equipment;
- Operational efficiency: identifying opportunities to improve energy efficiency across facilities and production processes;
- Improved emissions management: strengthening internal monitoring and data collection processes to support more accurate carbon footprint measurement and inform future reduction initiatives.

As part of its efforts to reduce greenhouse gas emissions from operational activities, Galam has taken steps to gradually transition from conventional gasoline and diesel-powered vehicles to hybrid and electric alternatives. As of 2025, the majority of the Company's vehicle fleet consists of modern fuel-efficient hybrid or fully electric models, contributing to reduced fuel consumption and lower direct emissions. The remaining gasoline-powered vehicles are expected to be replaced over time with more sustainable alternatives, subject to operational needs and replacement cycles. In addition, most forklifts used in operational logistics are electric-powered, helping to reduce emissions from internal transportation activities. Galam sees decarbonization as a gradual process and intends to continue advancing its approach

in line with business needs, technological developments, and evolving environmental practices.

Air Emissions

Galam manages air emissions from its operational activities in accordance with applicable regulatory requirements, including the Clean Air Law and the emissions permits applicable to its facilities. Air emissions from operational sources are periodically sampled and monitored to assess compliance with permitted thresholds for key pollutants.

To support responsible air quality management, the Company operates emission control systems, including filtration and treatment units, designed to reduce air emissions associated with production processes. Monitoring results are reviewed as part of Galam's environmental management processes, and corrective actions are implemented where required.

Air Emissions (tons)

Pollutant	2023	2024	2025
NOX	21.3	18.3	18.5
SO₂	2.0	1.6	9.1 ¹
TOC	12.2	9.8	12.5
CO	16.2	14.5	14.4
SPM	7.9	7.0	8.7

Energy Management

We are committed to optimizing energy consumption across our operations to minimize our environmental impact and operational costs. We actively monitor total energy consumption across our facilities and seek opportunities to improve energy efficiency. Where feasible, Galam works to utilize renewable energy sources and promote energy conservation as an important element in reducing its operational environmental footprint.

Galam operates an on-site cogeneration facility that supplies a substantial share of the Company's electricity demand, while remaining connected to the national grid. In addition, the Company makes use of biogas generated from its wastewater treatment process to operate a steam boiler, supporting the use of recovered energy

¹ The increase in SO₂ emissions in 2025 reflects the inclusion of four additional process stacks at the starch plant in the 2025 measurement scope, which were not measured in previous years.

in its operations. Fuel oil is used only for emergency purposes, reflecting a shift away from its past routine use.

The Company's energy management approach is supported by certification in accordance with the ISO 50001 standard, achieved in 2023. The certification supports the structured management of energy performance as part of the Company's broader environmental approach.

Energy Consumption (GJ)

Energy source	2023	2024	2025
Electricity	141,944	143,726	162,713
Natural gas	444,117	398,959	390,439
Gasoline	1,723	1,774	1,981
Diesel	1,124	1,213	1,236
Low-sulfur fuel oil	2,250	1,987	2,603
Total energy consumption	591,158	547,659	558,971

Materials and hazardous materials

Galam considers safety and environmental aspects when selecting production technologies and raw materials. In the past, the Company made a strategic decision to move away from certain processes due to concerns related to hazardous materials.

Hazardous materials are used in certain production processes and are managed in accordance with applicable safety requirements and accepted industry practices. Galam operates dedicated storage infrastructure for hazardous materials, including tank farms equipped with safety measures such as secondary containment and control systems. These measures support the safe storage, handling, and monitoring of hazardous materials across relevant operational activities.

Water Management

Galam recognizes water as a critical natural resource and manages its use across operations with an emphasis on efficiency and conservation. Water management is particularly important given that a significant portion of the Group's activities takes place in regions where responsible use of water resources is essential.

The Company monitors water consumption across its operations. The primary source of water used by Galam is water supplied by Mekorot. Water is used mainly as part of production processes, including dissolution, as well as in washing and cleaning

processes. Where feasible, Galam reuses wash water from production processes to reduce freshwater consumption and support more efficient use of resources.

An on-site wastewater treatment plant supports regulatory compliance and responsible water management. Measures aimed at conserving water and promoting efficient use are embedded in daily operations, and water efficiency remains an ongoing operational focus.

Irrigation and Conservation Practices

An external company manages irrigation at the plant, following measures designed to minimize water use and waste:

- Lawns are irrigated with low-flow MP sprinklers.
- Gardens and flower beds use drip irrigation exclusively.
- Irrigation systems are automated to operate efficiently and prevent unnecessary water use.
- Watering is conducted during the night and early morning to reduce evaporation.
- Weekly inspections are carried out to detect potential leaks.

Additional operational measures include regular inspections of water systems and cleaning procedures designed to use only the required water volume.

These practices reflect Galam’s commitment to responsible water management, operational efficiency, and sustainable resource use.

Water Performance

	2023	2024	2025
Freshwater consumption (M3)	496,792	525,800	535,760
Wastewater discharged (M3)	293,396	316,488	293,396

Waste Management

Galam seeks to reduce waste generation across its operations as part of its environmental responsibility. The Group promotes efficient production processes and works to minimize material loss, supporting responsible waste management and reduction practices wherever feasible.

Across operations, waste separation practices are applied, including the segregation of metal, plastic, and wood waste streams. Certain by-products and side streams generated during production are reused where appropriate, including transfer to the

animal feed industry. These practices support more efficient resource use and reduce waste disposal.

The Company implements recycling and reuse practices for waste generated from production processes, packaging materials, and office activities. Materials unsuitable for sale or operational use may be recycled internally or repurposed where appropriate, promoting the circular use of resources. Waste streams such as plastics, metals, paper, cardboard, wood, electronic waste, and batteries are collected and transferred for recycling in coordination with authorized waste management providers. Recycling activities are periodically monitored and documented to support oversight of waste management performance.

Operational measures are implemented to prevent leakage and spillage of organic by-products generated during production processes. Actions are being taken to reduce the organic load (COD) in wastewater and minimize environmental impacts associated with liquid residues. Infrastructure improvements are being evaluated to support the effective collection and reuse of process liquids and reduce environmental nuisance. Engineering solutions are under consideration to improve drainage, cleaning effectiveness, and containment of organic residues in operational areas.

Employees receive internal training on waste segregation practices to support recycling efforts across operational activities. Together, these measures demonstrate Galam's commitment to minimizing waste, promoting resource efficiency, and ensuring sustainable and responsible operations.

Industrial Waste (Tons)

	2023	2024	2025
Hazardous Waste	13.57	13.81	13.03
Landfilled	7.6	5.44	7.83
Recycled	5.97	8.37	5.2
Recycling Rate (%)	44	60.6	39.9
Non-hazardous Waste	897	1,043	913
Landfilled	315	506	389
Recycled	582	537	524
Recycling Rate (%)	64.9	51.5	57.4
Total Galam	910.57	1056.81	910.57

Biodiversity and Deforestation

Galam recognizes the importance of protecting natural ecosystems and reducing potential impacts on biodiversity. The Company's activities are not located in proximity to natural areas or areas identified as having ecological sensitivity.

While Galam has not conducted a dedicated biodiversity impact assessment, relevant environmental aspects are managed through the Company's broader environmental management processes. These include monitoring and controls related to emissions, wastewater, waste, and resource consumption, which support responsible management of potential environmental impacts associated with the Company's operations.

Social

Our People

Galam's employees are at the heart of the Group's operations and long-term success. The Company's workforce reflects the diversity of the communities in which it operates and is supported by an organizational culture that emphasizes open dialogue, cooperation, and transparency. Galam is committed to fair employment practices and to providing equal opportunities for all employees.

The Group fosters a collaborative working environment in which employees are encouraged to contribute, share ideas, and work together toward common goals. It recognizes the important role each employee plays in its growth and success and seeks to maintain a respectful and inclusive workplace across all levels of the organization.

The Company's human resources priorities focus on supporting organizational growth, strengthening resilience and stability, building a diverse and united employee community, and promoting personal and professional development. These priorities are reflected in efforts to recruit and retain employees and managers according to organizational needs, strengthen internal communication, increase employee engagement, and support a culture of continuous development.

Employee and manager development is aligned with the Company's business challenges and organizational objectives and is supported through development processes, internal promotion opportunities, and ongoing dialogue throughout the employee lifecycle. Employee engagement is further strengthened through regular communication, recognition initiatives, team-building activities, company events and employee benefits.

Looking ahead, the Group aims to continue developing new and middle managers, standardize the onboarding and mentoring process for new employees, retain next-generation employees, and strengthen managerial responsibility for employee development. It also plans to continue strengthening the sense of community, connecting employees, and celebrating organizational diversity.

Galam Employees 2025

Age Group	Employee Level	Women	Men
Under 30	Senior Management	0	0
	Mid-Level Management	0	0
	Non-Managerial Employees	10	33
	Total	10	33
30-50	Senior Management	1	2
	Mid-Level Management	4	6
	Non-Managerial Employees	28	87
	Total	33	95
Over 50	Senior Management	1	2
	Mid-Level Management	3	11
	Non-Managerial Employees	10	49
	Total	14	62

Employee Turnover

Gender	Age Group	Total Employees	New Employees	Departures ²	New Employee Rate (%)	Turnover Rate (%)
Women	Over 50	14	1	3	7.10%	21.40%
	30–50	33	14	19	42.40%	57.60%
	Under 30	10	3	1	30.00%	10.00%
Total Women		57	18	23	31.60%	40.40%
Men	Over 50	62	2	6	3.20%	9.70%
	30–50	95	26	19	27.40%	20.00%
	Under 30	33	14	5	10.50%	15.20%
Total Men		190	42	30	22.10%	15.80%
Total		247	60	53	24.30%	21.50%

Health, Safety, and Wellbeing

At Galam, the health and safety of employees are a fundamental priority. The Company is committed to maintaining safe and healthy working conditions for employees, contractors, and visitors as an integral part of its operational activities. Operations are conducted in accordance with applicable legal, regulatory, and occupational health and safety requirements. Health and safety considerations are integrated into daily operations through structured management processes, training, risk prevention measures, and ongoing monitoring.

Safety Management

Galam operates under an annual safety plan and promotes a culture of prevention and continuous improvement through a Safety Committee, regular safety meetings, awareness campaigns, and employee training. The Company operates an Occupational Health and Safety Management System certified in accordance with the ISO 45001:2018 standard. The system supports the identification, monitoring, and management of workplace health and safety risks associated with operational activities and is subject to periodic external audits to ensure continued compliance with applicable standards.

² Departures represent the total number of employees who left the Company during the reporting year, including voluntary resignations, retirements, and terminations.

Safety is overseen at Company management level, led by the CEO. The VP Operations and VP Human Resources serve as management representatives in the Safety Committee, which meets at least eight times per year. Safety performance and objectives are reviewed through management review processes, Safety Committee discussions, and internal monitoring activities.

Senior management is involved in safety oversight through participation in safety walkthroughs, incident investigations, and periodic performance reviews. Safety performance is monitored through annual targets, worker exposure assessments, incident investigations, and periodic review processes.

Implementing A Culture of Safety

A network of safety representatives supports the implementation of safety practices across the organization and serves as part of the Company's emergency response teams. Employees are encouraged to participate in safety initiatives, including hazard reporting, workplace inspections, incident reviews, and involvement in safety committees. Environmental and occupational exposure monitoring is conducted periodically to assess employee exposure to physical and chemical workplace hazards.

During 2025, Galam implemented several safety processes as part of its annual safety plan and safety management system. These included pre-task Job Safety Analysis (JSA) processes to identify risks before work begins, regular Safety Committee meetings, internal and external safety training, emergency preparedness drills based on relevant scenarios, fire safety compliance activities, and safety support for significant operational and infrastructure projects.

The Company also continued strengthening the involvement of safety representatives in hazard identification, training, operational control, contractor oversight, and Safety Committee participation. As part of these efforts, safety representatives were recognized for excellence in their role and received financial recognition awards.

As part of its safety management processes, Galam focuses on areas requiring continued attention, including contractor and project work, working at height and engineering construction activities involving service contractors, work with hazardous materials, and internal site traffic involving heavy trucks, forklifts, vehicles, and shared traffic routes.

Safety Reporting and Continuous Improvement

The Company's safety objectives include reducing work accidents and absence days, conducting Job Safety Analysis processes, convening Safety Committee meetings, completing internal and external safety training, conducting medical examinations

for new employees, providing safety training for new employees, and completing root cause investigations for work accidents.

In 2025, Galam carried out six pre-task JSA processes and convened eight Safety Committee meetings during the year. These activities supported the Company's ongoing monitoring of safety risks, performance, and corrective actions.

In the event of a work accident or safety incident, the Safety Officer conducts an investigation that includes discussions with those involved, examination of the circumstances of the incident, and identification of root causes. Corrective and preventive actions are defined based on the investigation findings, and relevant reports or updates are shared with Galam employees to support learning, raise awareness, and prevent recurrence.

Work accidents involving absence are also reported to Galam's insurance company. The Safety Officer is responsible for monitoring the correction of safety deficiencies. Where required, the Safety Officer delegates responsibilities and works with safety representatives and plant or department managers to implement corrective actions, conduct on-site follow-up, and ensure that identified gaps are closed.

Safety Performance and Incident Response

In 2025, the Company set a target to complete root cause investigations for 100% of work accidents. This target was met, except for one case where the circumstances could not be reviewed due to lack of response from the employee.

Looking ahead, Galam plans to continue strengthening safety management through fire safety improvements in relevant operational areas, safety support for planned projects, further training and professional development for safety representatives, and enhanced tools for monitoring safety performance and corrective actions. The Company also intends to strengthen organizational safety capabilities by developing backup support for the Safety Officer role and improving employee participation in Safety Committee meetings.

Indicator	2025 Performance
Reported work-related injuries	4
Serious non-fatal work-related injuries	0
Employees injured	4
Absence days resulting from work-related injuries	207
Fatalities resulting from work-related injuries	0
Total working hours	499,776
TRIR	1.6

Training and Awareness

Employees and contractors receive safety training in accordance with their roles and workplace risk exposure. Training includes safety instruction during onboarding and periodic refresher training and is designed to support awareness of occupational hazards and safe working practices across operations.

Training topics include the identification and prevention of workplace risks such as exposure to chemicals, noise, machinery-related hazards, and manual handling activities. Where relevant, additional task-specific training is provided for higher-risk activities, including working at height, confined space entry, and equipment maintenance. Training emphasizes compliance with safe work procedures and the proper use of personal protective equipment, and defined competency requirements may apply to the performance of certain operational tasks.

In 2025, including final completions carried out in early 2026, Galam provided safety training to employees in accordance with the annual training plan and role requirements. Training covered operational safety, headquarters safety, maintenance safety, working at height, forklifts, monorail refresher training, traffic safety for drivers of Galam vehicles, and risk training relevant to specific workstations. Contractors and service providers working at Company facilities also receive relevant safety training, including project-related contractor training where required.

Managers participate in safety training together with their employees, and the scope of training for managers and employees is generally similar. In addition, managers receive dedicated training on legal and criminal responsibility in the field of safety.

The effectiveness of most safety training sessions is assessed through tests, verbal questions in the field, understanding checks, and follow-up controls on work quality or performance improvement after training.

In 2025, active Galam employees completed a total of 3,625.7 safety training hours, representing approximately 15.0 training hours per employee, based on 241 salaried employees. During the year, 226 employees participated in safety training, representing 93.8% of active employees.

2025 Safety Training Completion Rates

Training Area	Completion Rate
Operations Safety	99.5%
Headquarters Safety	100%
Maintenance Safety	100%
Working at Height Certification	100%
Forklifts	100%
Monorail Refresher Training	100%

Contractor Safety

The Company places strong emphasis on contractor safety, particularly during renovation and construction work. Contractors are subject to defined safety requirements and must undergo risk assessments and safety training prior to commencing work at Company facilities. Work may be suspended or terminated in cases of non-compliance with safety standards, including lack of required training or certifications, unsafe work at height, failure to use personal protective equipment (PPE), unauthorized use of Company equipment, absence of appropriate permits, or any behavior that poses an immediate risk to workers or the work environment.

During 2025, safety committees reviewed several incidents involving contractors, subcontractor employees, drivers, and external suppliers. These included minor injuries, unsafe work practices (such as work at height), traffic-related incidents, and cases of non-compliance with safety procedures. These events were systematically reviewed and used to support continuous improvement in safety controls and awareness.

The Company applies strict enforcement measures where necessary. For example, work was suspended for a contractor performing work at height in an unsafe manner until appropriate supervision was ensured. In more severe cases, individuals were removed from Company sites due to repeated non-compliance with safety instructions or behavior that posed a risk to workers and the work environment. In such cases, contractors may be required to provide formal commitments to prevent recurrence.

The Company continues to strengthen its contractor safety oversight processes and is enhancing its approach to contractor-related safety performance to support improved accountability and continuous improvement.

Wellbeing

Galam supports employee wellbeing through ongoing dialogue with employees and managers, regular feedback mechanisms, and practical responses to workplace needs. The Company's approach focuses on understanding employees' workplace experience, strengthening engagement and organizational connection, and identifying issues that may require attention at either an individual or organizational level.

Employee wellbeing and satisfaction are assessed mainly through qualitative feedback and ongoing interactions with employees. Galam reviews employee engagement through workplace indicators and employee input, including participation in Company activities, involvement in improvement initiatives, and insights regarding employees' day-to-day work experience. During challenging periods, the Company places particular emphasis on understanding employee needs, maintaining communication, and providing support that helps strengthen organizational connection and stability. These inputs help Galam identify workplace challenges, respond to employee needs, and support continuous improvement in the employee experience.

Feedback is gathered through several main channels, including annual evaluation and feedback processes, personal discussions with employees, manager-employee meetings, and roundtable discussions. Additional conversations may take place at key stages of employment, such as onboarding, professional development, or exit processes. Insights raised through these interactions are reviewed and addressed according to their nature, either through individual follow-up or broader organizational actions.

Galam also works to identify workload pressure and early signs of burnout through ongoing communication between employees, managers, and Human Resources, as well as through observations of challenges arising from day-to-day departmental activity. When workload pressure, difficulty, or signs of burnout are identified, the matter is reviewed with the relevant manager and Human Resources. Where appropriate, actions may include a personal discussion with the employee, targeted adjustments, strengthened managerial support, review of workload allocation, professional support, or referral to an appropriate internal response.

In addition, workstation-level ergonomic assessments are conducted as needed to identify potential health and comfort risks related to employees' work tasks. These assessments are generally carried out following employee feedback regarding

discomfort or a need for adjustment at the workstation. Where relevant, recommendations for workstation improvements are implemented to support employee comfort, health, and wellbeing.

Through these practices, Galam aims to maintain a supportive and responsive work environment, strengthen employee engagement, and address workplace challenges in a practical and timely manner.

Prevention of Workplace Harassment

The Company maintains a policy aimed at preventing workplace harassment, including sexual harassment, and promoting a safe, respectful, and dignified work environment. Harassment is considered a violation of personal rights and dignity and is not tolerated. The Company's Vice President of Human Resources serves as the designated officer responsible for the prevention of sexual harassment within the Company, and formal procedures are in place for reviewing and addressing reported concerns in a fair and sensitive manner. Employees who raise concerns are protected from retaliation throughout the reporting and review process.

Employee Learning and Development

Galam supports employee learning, professional development, and career growth as part of its broader approach to employee engagement and long-term organizational capability. The Company promotes continuous learning through performance feedback, role-based training, professional enrichment opportunities, internal career development, and financial assistance for academic studies.

Performance, Training and Career Development

Galam maintains a structured performance evaluation process that includes periodic feedback discussions and supports the identification of individual development needs and goals. Managers are encouraged to support employee development through ongoing performance discussions aimed at promoting professional growth and identifying relevant learning needs.

Training activities are managed through an annual training plan and internal monitoring processes. Galam tracks the implementation of planned trainings, employee attendance, and completion of mandatory trainings. For certain trainings, effectiveness is reviewed through tests or practical checks of how the training is applied in the workplace, depending on the nature of the training.

In 2025, Galam conducted 21 mandatory trainings as part of its annual training program. Across the Company's training activities, the overall attendance rate was approximately 94%. In addition, 90 employees participated in professional conferences, seminars, or webinars, and 38 employees participated in professional courses.

Training category	Trainings included	Total training hours	Number of participants	Average hours per participant
Ethics and legal responsibility	Prevention of sexual harassment; legal responsibility for managers; labor law responsibility for managers	188.5	219	1
Safety	Annual safety training, work at height, forklifts, monorails, hazardous materials, fire safety, emergency response, first aid, PPE, traffic safety, and related safety topics	2,020.50	226	9
Soft skills	Business focus conference; leadership in the AI era	472	57	8.3
Cyber	Information security and cyber awareness	171.5	207	0.8
Food safety / Quality	Food safety, GMP, HACCP, hygiene rules in food production, HACCP team refreshers, and related quality topics	236.5	220	1.1
Environment and Energy	Environmental and energy-related training	109	218	0.5
AI tools	AI learning group, AI workshop, and use of AI tools	144.5	26	5.6

Galam also supports internal career progression based on performance, professional suitability, internal mobility opportunities, and organizational needs. Where relevant, employees may gain practical exposure to different roles and responsibilities as part of their professional development

Access and Equal Opportunity

Employee professional development is supported through external training and academic study programs. The Company provides financial support for external training and academic studies as part of employee development pathways. Access to professional development opportunities is based on objective professional criteria and provided without discrimination.

Where appropriate, reasonable accommodations may be considered to enable employees with disabilities to participate in development programs. Employees who

believe they have been subject to unequal treatment in access to development opportunities may raise concerns through established HR channels. Requests for participation in professional development programs are evaluated through a documented and transparent internal approval process.

Employee Benefits & Support

Galam offers employees a range of benefits and support mechanisms designed to promote employee wellbeing, professional development, and a positive working environment. The Company supports its workforce through financial, professional, personal, and practical benefits that contribute to employee satisfaction, work-life balance, and long-term engagement.

Key employee benefits and support mechanisms include:

- Insurance and pension benefits — Galam provides employees with insurance and pension arrangements from the first day of employment.
- Learning and development support — the Company supports professional development through subsidies for academic studies, professional training, and role-related qualifications, where relevant.
- Employee and wellbeing support — Galam provides support to employees and, where relevant, their family members during life events or personal circumstances.
- Work-life balance — flexibility is provided according to role, need, and business circumstances.
- Workplace benefits — Galam provides practical employee benefits, including meal arrangements five days a week and transportation support for eligible employees without access to transportation.

Through these benefits and support mechanisms, Galam seeks to strengthen employee wellbeing, support professional and personal needs, and foster a supportive working environment.

Labor Practices and Human Rights

Galam is committed to upholding high standards of ethical conduct, responsible labor practices, and respect for human rights across its operations. The Company maintains a policy prohibiting child labor, forced labor, human trafficking, recruitment fees, retention of identity documents, and any form of coercion in employment. All employment relationships are based on free and voluntary participation, in accordance with applicable labor laws and internal policies. The

Company applies age-verification controls as part of its recruitment process to prevent the employment of individuals below the legal working age.

The Company is committed to maintaining a respectful and inclusive workplace, free from discrimination in recruitment, compensation, training, promotion, termination, and retirement. Equal opportunity principles are embedded in Galam's policies and human resources practices, and employees may raise concerns through established reporting channels.

Responsibility for implementing Galam's human rights, labor standards and Ethical Code is assigned to the VP of Human Resources. The Ethical Code is communicated to employees through onboarding and periodic training, internal digital communication channels, and workplace notice boards. Training completion and understanding are documented and monitored through the Company's internal training system, supporting consistent implementation and auditability.

Managers and relevant personnel receive training as part of their role on applicable labor regulations, including working hours and rest requirements, child labor prevention, forced labor, human trafficking, and employee rights, with refresher training provided periodically. Senior management is accountable for ensuring adherence to labor laws governing working hours, rest periods, and weekly leave, and the Company operates in full compliance with applicable labor legislation.

Employee Representation and Reporting

The Company recognizes employees' right to freedom of association and engages in collective bargaining with employee representatives to establish employment terms and working conditions. Galam operates under a collective labor agreement applicable to eligible employees, covering 78% of the workforce. The site maintains active employee representation through a union committee affiliated with New Histadrut, supporting ongoing dialogue between employees and management on employment terms, workplace conditions and employee concerns. A joint review mechanism involving employer and employee representatives may be established in the event of labor-related disputes.

Galam provides employees with multiple channels to raise concerns, suggestions and grievances, including confidential and anonymous reporting channels, internal mailboxes, direct access to Human Resources, hotline numbers, open-door communication, and the Galam application. These mechanisms are intended to support accessible reporting, timely review of concerns, and protection from retaliation.

External Ethical Audits

Galam undergoes periodic third-party ethical audits conducted in accordance with the SMETA methodology. These audits evaluate compliance with internationally recognized standards related to labor practices, working conditions, and human rights. Verified practices include the absence of child labor, voluntary employment relationships, non-discrimination in hiring and employment practices, the operation of worker representation mechanisms, and the availability of confidential grievance channels.

Diversity, Equity & Inclusion

The Company is committed to fostering an inclusive and equitable work environment for all employees, regardless of background or personal characteristics. Equal opportunity principles apply to recruitment, professional development, and compensation. Diversity is viewed as a contributor to organizational resilience, innovation, and long-term growth.

The Company implements initiatives aimed at promoting dialogue and cooperation among employees from diverse cultural backgrounds. Shared observance of cultural events representing different employee communities is held to promote mutual understanding. Opportunities for language learning may also be provided to support cross-cultural communication within the workforce. In addition, the Company supports external initiatives that promote intercultural dialogue and shared social engagement.

Employees can raise initiatives or requests for support through the Human Resources function, which is responsible for overseeing diversity and inclusion efforts within the organization. Where appropriate, physical or procedural accommodations may be considered to support employees with disabilities.

Impact and Local Communities

Galam views community engagement as an integral part of its culture and supports employee volunteer activities, including monthly social enrichment programs for children from both Arab and Jewish communities. The Company also promotes educational initiatives such as the Dr. Willi Groag scholarship fund and sponsorships for high school biotechnology studies and regularly hosts educational forums and site visits at its production facilities and laboratories.

Volunteering

Galam encourages community involvement through selected employee participation in social initiatives, alongside the Company's broader community investment activities. In 2025, employee involvement included a targeted volunteering activity

held as part of an operations management team-building event, during which managers participated in packing holiday food parcels for families in need.

Beyond employee participation, Galam supports community initiatives through financial contributions to social and educational organizations. This includes support for seminars at Givat Haviva, which promote dialogue, familiarity, and cooperation between Jewish and Arab communities. As part of this collaboration, Galam representatives periodically participate in seminars and present the Company's activities, and workplace characteristics, which brings together employees from diverse communities and backgrounds. The Company also provides financial support for participants in need in Givat Haviva's preparatory programs.

Product Quality, Safety, and Risk Management

Product quality and food safety are managed through structured systems and defined operating procedures. Galam maintains an internal chemical laboratory and conducts routine testing, while microbiological testing is performed through accredited external laboratories. Quality risks related to raw materials and processes are reviewed on a regular basis through dedicated management forums, supporting proactive identification and mitigation of operational risks.

Customer feedback and complaints are monitored and addressed through structured processes, including corrective and preventive actions, supporting ongoing improvement in product quality and supply reliability.

The Company maintains product traceability through batch identification and customer distribution records. A formal product recall process is implemented in cases where potential product safety or quality risks are identified. Risk assessments may be conducted to evaluate impacts on public health, including vulnerable populations where relevant, and regulatory authorities are notified in accordance with applicable requirements. Returned products are subject to investigation processes to identify root causes and implement corrective actions. Periodic recall exercises are conducted in order to assess preparedness and improve response procedures.

The Company's food safety management approach is supported by certification in accordance with the FSSC 22000 standard.

Responsible Products and Nutritional Innovation

The Company develops ingredients designed to support the formulation of sugar-reduced and fiber-enriched food products. Certain product offerings incorporate prebiotic dietary fibers intended to enhance nutritional value. Selected products are manufactured using non-GMO materials, are free from common allergens, and do

not contain materials of animal origin. Products are developed in accordance with applicable international food safety and regulatory standards.

Governance

Galam's governance approach is grounded in high standards of corporate ethics, accountability, and compliance. The Company operates in a highly regulated environment, where adherence to food safety, quality, financial accounting and reporting, and regulatory requirements are essential. Regulatory obligations and customer expectations play a central role in shaping product development, operational processes, and decision-making. Galam continuously reviews and adapts its governance practices, supported by structured systems and controls, to respond to evolving regulatory and market requirements.

Board of Directors

Galam recognizes that the composition of its Board of Directors and senior management plays an important role in supporting effective governance, oversight, and decision-making. The Company recognizes the importance of promoting diversity in the composition of its Board of Directors and management, across gender, professional experience, areas of expertise, and business background.

Director's appointments are subject to review by the General Meeting, which considers, among other factors, candidates' professional qualifications, managerial experience, familiarity with the Company's areas of activity, and ability to contribute relevant knowledge, independent judgment, and practical experience to Board discussions and decision-making. Galam aims to continue promoting diversity in the composition of the Board of Directors and management by considering candidates from a variety of professional and personal backgrounds, in accordance with the Company's needs, candidate qualifications, and applicable legal requirements.

The Board of Directors oversees the Company's risk management processes, including through the review of material risks related to Galam's activities and ongoing reports from management. This oversight includes operational, financial, regulatory, environmental, and supply chain risks, as well as discussions on control measures, business continuity, and compliance with regulatory requirements.

Following its IPO in June 2026, Galam is further strengthening its public company governance framework in line with applicable requirements. This includes advancing the appointment of an external director and appointing an internal auditor. Once appointed, the internal auditor is expected to conduct a comprehensive risk survey together with the Company's office holders and develop an internal audit plan to be presented to the Audit Committee. This process is intended to support independent

oversight, internal controls, and continuous improvement in the Company's governance practices.

Corporate Governance and ESG Oversight

Galam's ESG-related matters are managed by the Company's executive management, led by the CEO together with the senior management team, and are overseen by the Board of Directors. This governance structure supports the integration of ESG considerations into business planning, decision-making, risk management, and ongoing operational practices.

ESG topics are discussed periodically by the Company's management and brought to the Board of Directors when they are material to the business, linked to regulatory requirements, or reflect significant developments in the field. These discussions enable Galam to monitor key ESG matters and respond to evolving expectations related to responsible business conduct, compliance, operational resilience, and sustainability performance.

The Company supports governance and oversight through internal control mechanisms and internal audits designed to assess compliance with applicable requirements and internal procedures. These processes contribute to the ongoing monitoring of ESG-related practices and help strengthen accountability, consistency, and risk management across the organization.

Responsible Supply Chain

Galam expects its business partners to adhere to internationally recognized human rights standards and to provide work environments free from harassment and discrimination. The Company's supply chain governance approach currently focuses on food safety, quality, and regulatory compliance, supported by supplier declarations, contractual requirements, and customer audit expectations.

Galam recognizes increasing stakeholder expectations regarding sustainable sourcing and responsible supply chain management. As part of these efforts, participation in Sedex (SMETA) provides visibility into labor practices, health and safety, and human rights considerations within the supply chain, supporting transparency and risk mitigation. The Company continues to assess opportunities to further integrate ESG considerations into its supplier management processes over time.

Compliance

Anti-Corruption Awareness and Training

The Company provides employee training focused on awareness and prevention of corruption and bribery risks. These sessions are delivered across the organization, with additional emphasis on roles exposed to increased compliance risks, such as

procurement, finance, regulatory affairs, and sales. The training is intended to enhance understanding of applicable legal and internal requirements and to provide practical guidance on the identification, prevention, and reporting of suspected unethical conduct.

Topics covered include ethical dilemmas related to gifts and hospitality, conflicts of interest, and interactions with suppliers, customers, and authorities. Internal control mechanisms supporting anti-corruption efforts include conflict of interest declarations, procurement and financial oversight procedures, and designated internal reporting channels, including protections for whistleblowers.

Stakeholder Engagement

Galam's key stakeholder groups include employees, customers, suppliers and business partners, including strategic procurement suppliers, investors and shareholders, regulatory bodies, financial institutions, and communities located near the Company's sites, with particular attention to Kibbutz Ma'anit.

The Company maintains regular communication with stakeholders through a range of engagement channels, including:

- Work meetings and periodic discussions;
- Satisfaction surveys;
- Ongoing communication with customers and suppliers;
- Reports and disclosures to investors and regulators;
- Employee training and internal communication channels;
- Handling of inquiries and feedback processes;
- Participation in professional conferences and community activities;
- Meetings of the Board of Directors and its committees;
- Publication of periodic results and immediate reports through the Israel Securities Authority reporting system.

Business Continuity and Disaster Recovery

The Company maintains a Business Continuity and Disaster Recovery (BCDR) framework designed to support the continuation of operations in the event of technological failure, cyber incidents, natural disasters, or other operational disruptions. Responsibility for the implementation and maintenance of the

framework is assigned to designated management personnel and supported by an internal emergency response team that includes senior leadership representatives.

The framework includes backup and disaster recovery systems intended to enable the restoration of critical information systems and business processes, where required. Periodic reviews, training activities, and simulation exercises are conducted to assess operational readiness and identify areas for continuous improvement. Critical personnel and business systems are identified as part of the Company's contingency planning, enabling the prioritization of essential operations during recovery processes. Where appropriate, external service providers may be engaged to support the management of continuity and cybersecurity-related incidents.

Cybersecurity & Data Privacy

Galam is committed to transparent and responsible data handling. We maintain rigorous protocols to ensure the integrity of our digital infrastructure and the privacy of our stakeholders, including a commitment to notify relevant authorities and affected individuals in the event of a confirmed security breach, in accordance with legal requirements. In 2025, Galam has not experienced any significant cybersecurity incidents.

Information Security Governance

The Company's information security framework is managed through a structured governance model. Senior management is responsible for defining and approving the information security policy and periodically reviews its implementation, ensuring the adequate allocation of relevant resources. This oversight is supported by a specialized management team, which includes an external Chief Information Security Officer (CISO), an Information Systems Manager, dedicated leads for IT and OT (Operational Technology) networks, and a Database Manager.

To minimize risk exposure, Galam maintains a strict separation between IT and OT environments. Operational networks are isolated from public networks, providing an essential layer of protection for our industrial systems.

We maintain a structured information security program focused on continuous improvement and risk reduction. Key technical controls include:

- **Access Control:** System access is governed by user-specific authentication, multi-factor authentication (MFA), and secure remote access protocols.
- **External Validation:** To evaluate potential vulnerabilities, periodic penetration testing and risk assessments are conducted by independent external experts.

- **Third-Party Security:** Supplier engagement includes strict confidentiality and data protection requirements for any third-party service provider with access to Company information.
- **Employee Preparedness:** Recognizing that human behavior is a critical defense, we conduct annual cybersecurity training and periodic simulated phishing exercises. These initiatives strengthen employee preparedness against social engineering threats and help foster an internal culture of security.

Data Privacy and Employee Protection

Galam is committed to protecting the personal data of its employees through a dedicated internal privacy policy. We ensure that personal data is collected and processed solely for legitimate business and human resource management purposes. All employee data is securely stored and managed in accordance with applicable data protection requirements.

The transfer of employee information to third parties is limited to defined business purposes and conducted under strict confidentiality and information security standards. Employees retain the right to request access to, correction of, or deletion of their personal data. Oversight of these protections is managed by an appointed Information Security Officer, who ensures that privacy remains a priority throughout the employment lifecycle.

Galam is committed to transparent and responsible data handling and will notify relevant authorities and affected individuals in accordance with legal requirements in the event of a confirmed breach.