

ARAD Ltd. Safety, Health and Environmental (EHS) Policy

Arad Ltd. specializes in development, production and marketing of water meters in a broad variety of types and diameters, designed for both local and international markets.

Arad's products contribute greatly to reduced water consumption and to improved control of the national water supply network.

Arad, as a global leading company is committed to creating innovative and groundbreaking solutions to water resources management worldwide

Safety, health and environmental protection are central values and an integral part of Arad's business management.

Arad Ltd. is committed to protecting the environment, including pollution prevention, using renewable resources and preserving biodiversity, and aspires to reduce safety, health and environmental risks which might be caused by its activities by EHS management system as required by SI 14001 and SI 18001

Arad's management and employees are committed to protect and constantly improve the environment and safety management systems for the sake of performance enhancement, while maintaining high functioning levels and resources allocation as required.

The EHS policy will be implemented in all parts of the organization. It aims to:

- Improve awareness among employees for EHS issues by training activities
- Ensure internal communication between different units in the organization
- Initiation of inspection for EHS effects on the organization activities
- Comply with applicable EHS laws, regulations and other requirements
- Ensure that all employees are familiar with EHS procedures and understand them (each in his relevant work area)
- The Company's management has defined the level of acceptable risk factor 3 and will reduce the risks accordingly.
- Maintaining sustainability and environmental values

In order to reduce EHS risks, the following actions will be performed:

- Setting measurable goals for EHS and examination of these goals at any time.
- Operating EHS management system with proper resources and personnel.
- Planning and performing activities for EHS continuance improvement

Arad's management will inform its suppliers and customers of this policy

This policy is available of public review.

Operations and EHS Manager

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General Manager

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