ISRAEL AIRLINES

2024 ESG REPORT

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STATEMENT FROM THE CEO

Dina Ben Tal Ganancia

CEO of EL AL

The year 2024 will be remembered as one of extraordinary challenges - a year marked by war, pain, and uncertainty that profoundly impacted the State of Israel, Israeli society, and EL AL as the national airline proudly bearing the flag on the tail of every aircraft and serving as a vital infrastructure for transporting passengers and cargo.

Throughout this turbulent year, EL AL remained steadfast in its mission to support the Israeli public and strengthen national resilience. We continued to serve as Israel's air bridge to the world, operating around the clock to bring thousands of Israelis home and to transport essential cargo. We focused on destinations under security alerts, operating airlifts from select locations to meet urgent needs. We expanded our flight schedule and made necessary adjustments to support this critical effort.

In close coordination with the Hostages and Missing Families Forum, EL AL transported family members for diplomatic missions and advocacy efforts worldwide. We also supported organizations such as the IDF Widows and Orphans Organization, Beit Halohem, and the Nova Tribe Community, helping wounded soldiers, bereaved families, and Nova festival survivors access therapeutic care abroad - whether physical or emotional - and participate in international advocacy and healing activities.

To ease the burden on our reservists during wartime, EL AL issued over 1.8 billion EL AL Matmid frequent flyer points that reservists redeemed for complimentary flight tickets. We also extended a special benefits package for reservists, which remains available through 2025.
Since the outbreak of war, EL AL has also faced the operational complexity of maintaining a regular flight schedule while hundreds of our employees serve on active reserve duty. Despite these extraordinary circumstances, we continued our deep commitment to community engagement. In 2024, EL AL employees volunteered over 12,000 hours - supporting IDF organizations.

Despite the challenges, EL AL made meaningful progress on its ESG commitments:

- **Environment:** EL AL received IATA's IEnvA certification, an international environmental assessment standard recognizing an airline's commitment to improving environmental performance and sustainability. In line with new European regulations, we began using sustainable aviation fuel (SAF) on a limited basis in 2024. We also signed the largest aircraft purchase agreement in our history, marking a significant step forward in renewing our narrow-body fleet with more fuel-efficient, next-generation aircraft.

- **Social Responsibility:** For the fourth consecutive year, EL AL earned the highest possible rating-five stars - from APEX, positioning us alongside the world's leading airlines. We conducted a comprehensive employee engagement survey that reflected high satisfaction, and we continued to invest in accessibility across the customer experience, especially in digital platforms and service access. In our work with suppliers, we advanced the adoption of EL AL's ethical code as part of our procurement practices.

- **Governance:** We enhanced gender diversity on our Board of Directors by appointing an additional external director, resulting in women comprising 25% of the board. Women currently chair both the Audit & Compensation Committee and the Financial Statements Committee. In 2024, we also developed EL AL's enterprise risk map (ERM), and in response to new guidelines issued by the Israel Securities Authority regarding environmental risk disclosures, we began implementing a corporate environmental policy. In July 2024, EL AL was awarded the prestigious Platinum rating in the Maala ESG Index, which reflects the company's strong commitment to advancing ESG practices.

Our dedicated employees are at the heart of our company. They work day and night to maintain Israel's air bridge with professionalism, humility, creativity, and great love for what they do. I am profoundly grateful to them. We are fortunate to have such exceptional people who act with a deep sense of mission and who rise to meet every challenge.

As I write these lines, 50 hostages remain in Hamas captivity. I pray for their swift return. I wish all our soldiers on the front lines a safe and speedy return home. My heart is with the families who have lost their loved ones, and I hope for the full recovery - both physical and emotional - of the wounded. Let us hope that unity will overcome division, that we will listen and support one another, and that we will strengthen Israeli society's resilience together. EL AL remains committed to being a source of pride and strength for Israel and continuing to be - now more than ever, your - "home away from home."

2024 ESG HIGHLIGHTS

ENVIRONMENT	**5%** Decrease In Jet fuel related GHG emissions intensity, comparing to 2023	**7.4** M gallons/100 RTK Jet Fuel Efficiency	**15%** Electric cars		**Mapping environmental and climate risks**
SOCIAL	**5,734** Total Employees	**39%** Female in non-executive management	**3.6** Annual average hours of training per employee	**2.8** TRIR (Total recordable Incident Rate)	**Publication of Human Rights Policy**
GOVERNANCE	**50%** Independent directors	**25%** Female representation in Senior management	**0** Incidents involving leaks, theft or loss of client information		**Identification and mapping of ESG risks across the supply chain**

ABOUT THE REPORT

About the Report

EL AL Israel Airlines Ltd. is proud to present its 2024 ESG Report, highlighting EL AL's ongoing commitment to transparency and sustainable business practices. This report provides a comprehensive overview of EL AL's ESG performance, strategies, achievements and challenges throughout the 2024 fiscal year.

Prepared with reference to the Global Reporting Initiative (GRI) 2021 Standards and for the first time in alignment with SASB (Sustainability Accounting Standards Board), this report builds on our previous ESG disclosures, enhancing the scope and depth of our reporting to provide stakeholders with meaningful insights.

This ESG report highlights EL AL's extensive efforts in 2024 to integrate sustainability into its operations and strategy. Over the past year, EL AL has strengthened its ESG framework by advancing its approach to managing ESG-related risks, enhancing its responsible value chain, and publishing its Human Right Policy. EL AL has also taken significant steps to improve transparency, implement sustainable business practices, and foster long-term value creation for its stakeholders. These initiatives reflect the Company's commitment to accountability, environmental stewardship, and responsible corporate governance.

For any inquiries or feedback regarding our ESG report or sustainability initiatives, please contact us. EL AL welcomes your input as we continue to advance our sustainability journey and create long-term value for our stakeholders.

Ayelet Recanati
Corporate Responsibility (ESG), Welfare Services
Human Resource Division
Ayeletr@EL AL.co.il | 054-2466661 | 03-9716909

ABOUT EL AL

About EL AL Group

EL AL Israel Airlines Ltd., established in 1948, serves as Israel's flag carrier and plays a vital role in connecting the nation to the world. With a rich history spanning over seven decades, EL AL has grown from its humble beginnings to become a prominent player in the global aviation industry, serving nearly 50 destinations across Europe, the Middle East, the Americas, and Asia.

As of 2024, EL AL's ownership structure has evolved. Kanfei Nesharim Aviation Ltd., owned by Eli Rozenberg, remains the controlling shareholder, holding approximately 47.64% of the Company's regular shares as of December 31, 2024. The ownership breakdown is as follows: Individual Insiders: 47%, General Public: 40.4%, Institutions: 10.1%, Public Companies: 2.48%.

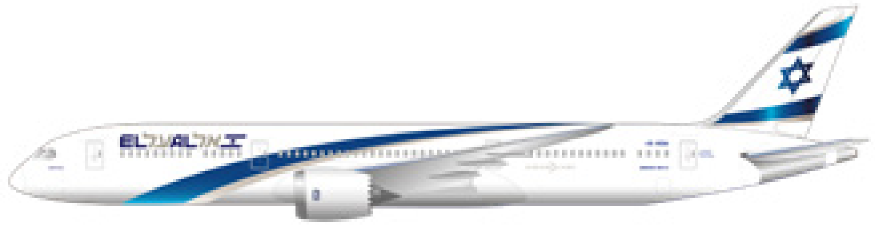
EL AL continues to be a public company listed on the **Tel Aviv Stock Exchange** (TASE), with the Israeli government retaining a **Special Share**, granting it specific rights in circumstances that serve national interests. Despite facing complex national and business challenges in 2024, including a multi-front war, EL AL maintained its crucial air bridge between Israel and the world while successfully implementing its strategic plan.

EL AL FLEET OVERVIEW[1]

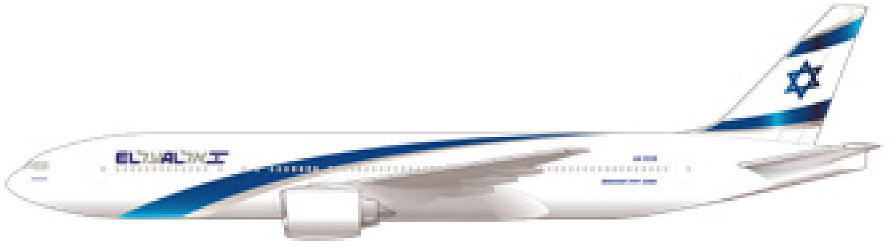
17 Boeing 737-800[2]

8 Boeing 737-900ER

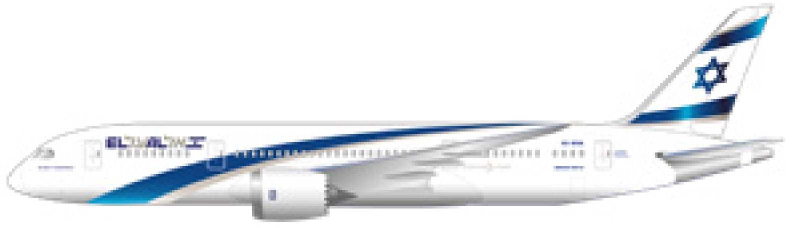
12 Boeing 737-900ER



6 Boeing 737-900ER



4 Boeing 737-900ER



[1]As of December 31, 2024, EL AL's fleet comprised of 47 aircraft, including 2 aircraft that are currently not in service. For further information regarding EL AL's Fleet as of December 31, 2024, please see Note 10 in Chapter C of the Financial Statements.

[2]Including one Cargo Aircraft

About EL AL Group

Corporate Structure

EL AL has several subsidiary relationships; however, this report focuses solely on EL AL's activities. The subsidiary relationships include:

- EL AL Frequent Flyer Ltd. (the "Frequent Flyer") - a subsidiary which was established during 2022. As of today, the Company holds approximately 80.1% of the Frequent Flyer, and the remaining shares are held by Phoenix Insurance Company Ltd.

- Sun D'or International Airways Ltd. ("Sun D'or") - Sun D'or markets the charter flights through the sale of entire aircraft capacity to third parties as well as partial capacity to various wholesalers and travel agents and Sun D'or markets the scheduled flights through direct sales to travel agents and the public.

- Tamam Aircraft Food Industries (Ben Gurion Airport) Ltd. ("Tamam") - A wholly owned subsidiary of the Company and is mainly in the production and supply of kosher meals to airlines. In addition, it also provides catering services to various institutions. Tamam's offices and production plant are located at Ben Gurion Airport.

- Borenstein Caterers Inc ("Borenstein") - Operating in New York, USA, Borenstein specializes in producing and delivering kosher meals to the Company, as well as to other airlines and institutions.

- Cockpit Innovation Ltd. ("Cockpit") - operates investments in portfolio companies linked to the aviation industry. The Company holds an approximate 80.9% in Cockpit. This subsidiary operates as an incubator for investment ventures linked to aviation.

- Superstar Holidays Limited ("Superstar") - This UK-based subsidiary focuses on marketing tour packages and selling flight tickets for routes operated by the Company.

- Air Consolidators Israel Ltd ("ACI") - focuses mainly on the air transport of cargo from Ben Gurion Airport. The Company holds 50% of ACI.

- EL AL Israel Airlines Gulf FZCO - established in Dubai for the provision of security services to the Israeli airlines.

About EL AL Group

Corporate Structure

Sun D'or International Airways Ltd ("Sun D'or")	100%
EL AL Israel Airlines Gulf FZCO	100%
Tamam Aircraft Food Industries (Ben Gurion Airport) Ltd	100%
Borenstein Caterers Inc (USA)	100%
Cockpit Innovation Ltd	80.9%
EL AL Frequent Flyer Ltd.	80.1%
Air Consolidators Israel Ltd.	50%

Superstar Holidays Limited is in the process of voluntary dissolution.
EL AL Israel Airlines Gulf FZCO was established in Dubai (United Arab Emirates) for the purpose of providing security services to Israeli airlines.

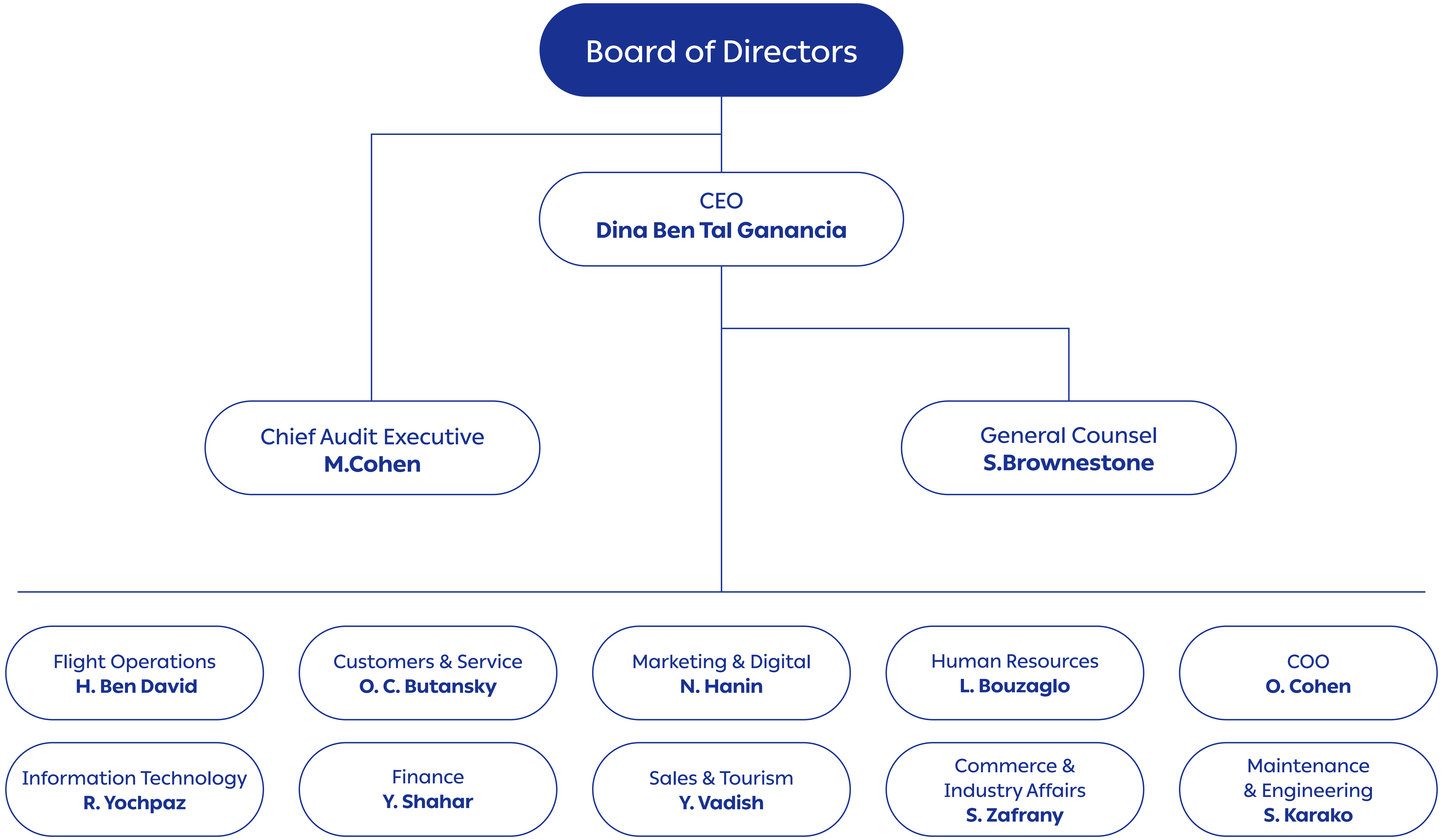
About EL AL Group

Governance Structure

The ongoing management of the Company's affairs is entrusted to the CEO of the Company, who relies on the management team to fulfill its role.

The Company's Board of Directors (the **"Board"**) is dedicated to implementing effective corporate governance strategies that align with current industry standards. The Board recognizes and values the significance of ESG issues and the impact they have on our stakeholders.

The management team represents the core leadership structure of the Company.



About EL AL Group

Evaluation of Governance Practices and Board Performance

As part of its commitment to maintaining the highest standards of corporate governance, EL AL conducts an annual corporate governance questionnaire. This assessment tool evaluates the effectiveness, transparency, and accountability of the organization's Senior Management and the Board, ensuring that the governance practices meet the required standards and maintain a high level of integrity.

The corporate governance questionnaire addresses several key aspects, including the independence of the Board, the competence and qualifications of the Board members, the frequency and structure of Board meetings (including convening General Assemblies), and the separation between the functions of the CEO and the Chairman of the Board. It also evaluates the effectiveness of various committees, such as the Audit and Compensation Committee and the Financial Statements Committee. By conducting this annual review, the Company identifies areas for improvement, enhances its corporate governance structure, and demonstrates its commitment to transparency and accountability to stakeholders.

The role responsible for assessing the Board's performance falls under the purview of the Company's Internal Auditor (the **"Internal Auditor"**). This evaluation is conducted independently and occurs in alignment with the Internal Auditor's annual work plan.

The frequency of the assessments is determined collaboratively by the Board, CEO, and the Internal Auditor, as part of the annual working plan discussions.

This proactive approach to corporate governance is an integral part of the Company's ESG strategy, as the Company believes that a robust governance structure is essential for managing the unique risks and opportunities in the aviation industry. The Company's commitment to strong corporate governance supports its efforts to minimize the environmental impact of its operations, foster positive social changes, and delivers a long-term value to the relevant stakeholders.

MATERIAL TOPICS

Material Topics

In 2024, we updated our materiality assessment to reflect changes in our understanding of key ESG impacts and evolving stakeholder priorities. The identification of material topics was conducted through a sector benchmark analysis, aligning with the methodologies of GRI reporting standards, SASB standards, and ESG rating agencies. This process focused on determining the most significant ESG focus areas for EL AL and its stakeholders.

As part of this update, the material topic "Managing our Environmental & Climate Impact" was divided into two distinct topics: Climate Change and Environmental Management. This differentiation enables a more focused approach, addressing both climate-related risks and impacts, as well as the broader management of environmental issues such as air emissions, noise pollution, soil contamination, and biodiversity.

Risk Management and Business Resilience was removed from the material topics list. Although it remains an important part of our disclosures, ESG risks are covered throughout the report, so it is no longer listed as a separate topic.

By aligning with leading standards and ESG best practices, EL AL ensures that its material topics are appropriately identified and addressed to meet the expectations of its stakeholders.

Environmental

Climate Change

Environmental Management

Waste and Material Management

Energy and Fuel Efficiency

Social

Health & Safety

HR Experience Development

Fair Employment in a Diverse Environment

Customer Experience

Governance

Responsible Supply Chain

Responsible Corporate

Governance & Business Ethics

The Stakeholders

EL AL's operations have a significant impact on numerous individuals both locally and globally. With a workforce of thousands in multiple countries, extensive supplier networks, and customer outreach spanning the globe, EL AL's reach is extensive. As such, the Company holds steadfast to the value of ongoing dialogue with stakeholders identified as having an interest in the Company's activities and their natural influence on us. This dialogue is vital for enhancing the Company's organizational performance and aligning the Company's services and operations with emerging needs. Below is an overview of our stakeholder engagement approach across various categories:

Customers: The Company conducts more than 10,000 monthly customer surveys, utilizing proactive communication to maintain continuous improvement. The Company holds strategic meetings with customers prior to their flights at the Company's main hub, Ben Gurion Airport, aimed at anticipating needs and aligning services accordingly. Additionally, the Company convenes focus groups to identify needs and tailor offerings to meet customer expectations. The Company's customers also initiate dialogue through proactive outreach, allowing for responsive service adjustments.

Suppliers: The Company maintains diverse communication channels with suppliers, including workshops for taxi drivers serving the air and ground operations, and surveys for supplier feedback. These interactions ensure the smooth coordination of services.

Employees: Regular surveys, ongoing communication, feedback meetings, and an "Open Door" policy foster a robust internal dialogue. The Company's internal communication portal, internal communication app (ELAPP), and internal Facebook group.

Community: The Company engages extensively with various organizations and associations. The Company's engagement with communities is marked by sustained dialogue, meetings, and conferences especially in 2023-2024.

Subsidiaries: Continuous business dialogue is maintained with our subsidiaries.

Government Authorities: Regular dialogues are conducted with governmental authorities and their representatives, ensuring mutual understanding and adherence to relevant regulations.

SUSTAINABLE DEVELOPMENT GOALS

SDGs

In 2015 the United Nations published the "2030 Agenda for Sustainable Development", comprised of 17 Sustainable Development Goals (SDGs) aimed at addressing a broad spectrum of social, economic, and environmental challenges. All 193 United Nations member countries, Israel included, ratified these goals and sub-goals that address social, economic, and environmental issues.[3]

In 2024, we reassessed our contribution to the SDGs to ensure our efforts align with these global goals. EL AL is committed to reflecting and contributing to the ESG objectives outlined in the SDGs throughout its operations. This commitment guides our efforts to create a sustainable future, and we will continue to work diligently to contribute to the global and national goals set forth by the United Nations.

[3] Government Resolution 4631 of July 2019.

SDG	Relevant Sub-Goal	EL AL's Activity
5 GENDER EQUALITY	5.5 – Ensure women's full participation in leadership and decision-making	Promoting gender diversity in leadership roles and fostering an inclusive workplace.
7 AFFORDABLE AND CLEAN ENERGY	7.3 – Improve energy efficiency globally	Investing in fleet modernization, including fuel-efficient aircraft and operational best practices to reduce energy consumption.
8 DECENT WORK AND ECONOMIC GROWTH	8.5 – Achieve full and productive employment with equal pay for equal work	Ensuring fair employment policies, diversity and inclusion programs, and career development opportunities.
13 CLIMATE ACTION	13.2 – Integrate climate change measures into policies and planning	Adopting innovative solutions to lower emissions.
17 PARTNERSHIPS FOR THE GOALS	17.16 – Enhance global partnerships for sustainable development	Collaborating with international aviation organizations, industry leaders, and governments to drive sustainability initiatives.

ENVIRONMENT

Environment

2024 Highlights

12.3% Decrease

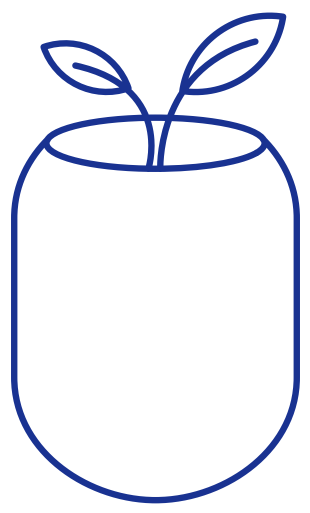
In Jet fuel related GHG emissions intensity, compared to 2019 (Base year for 2035 reduction target)

1.5% Increase

In scope 2 (Location based), comparing to 2023

Advanced Fuel Monitoring

Implementation of a GE system to track and improve flight fuel efficiency



Managing Our Environmental & Climate Impact

The Company recognizes the direct and indirect effects that our business and operational activities have on the environment. Protecting the environment, minimizing our impact, and enhancing our environmental performance are among our long-term objectives.

The climate risk owner is the Director of finance and group controller. The environmental discipline is led by the Environmental, Fuel & Sustainability Officer, which reports to the Safety, Quality and Sustainability Director.
The Officer is responsible for these main aspects:

1. Establishing, implementing and utilizing the IEnvA program. This encompasses producing formal reporting for external authorities, as well as the management of internal environmental practices within the campus.

2. Fuel Efficiency – increasing the efficiency of fuel consumption in flight operation – based on the GE system.

3. Licensing – monitoring and promoting the environmental aspects in the business licenses of the company.

A crucial part of the job is to coordinate and integrate between all units and cross-company processes involved in the environmental discipline.

Our management approach is based on IATA Environmental Management System (IEnvA) which involves monitoring emissions and other significant environmental aspects from our operations with continuous improvement applied to all of them.

During the year 2025, the Company intends to develop a work plan for the continued implementation of systems and the advancement of environmental management, as part of this, the Company plans to expand the measurement and to assess efficiency on an annual basis.

Managing Our Environmental & Climate Impact

In February 2025, EL AL successfully achieved IATA Environmental Assessment (IEnvA) Stage 2 certification, marking a significant milestone in its environmental management journey.

This achievement demonstrates EL AL's commitment to implementing effective environmental policies and procedures, as well as its dedication to monitoring progress and continuously improving environmental performance. The IEnvA standard is based on ISO 14001 and includes specific requirements for the aviation industry, making it more relevant and effective for airlines.

The IEnvA program covers topics such as fuel and emissions management, route planning and noise reduction, efficient use of aircraft, on-board waste management, reduction of energy consumption, water resource, waste separation, development and drainage improvement. Each topic has an assigned responsible champion (Sustainability Ambassador). EL AL decided to start implementation with three main topics (out of five) in IEnvA - Flight operations, Catering and Corporate activities. (MRO and Ground handling are planned to be implemented by 2026). As part of the IEnvA program, the Company's Environmental policy statement was published at the end of 2024, and was updated in January, 2025.

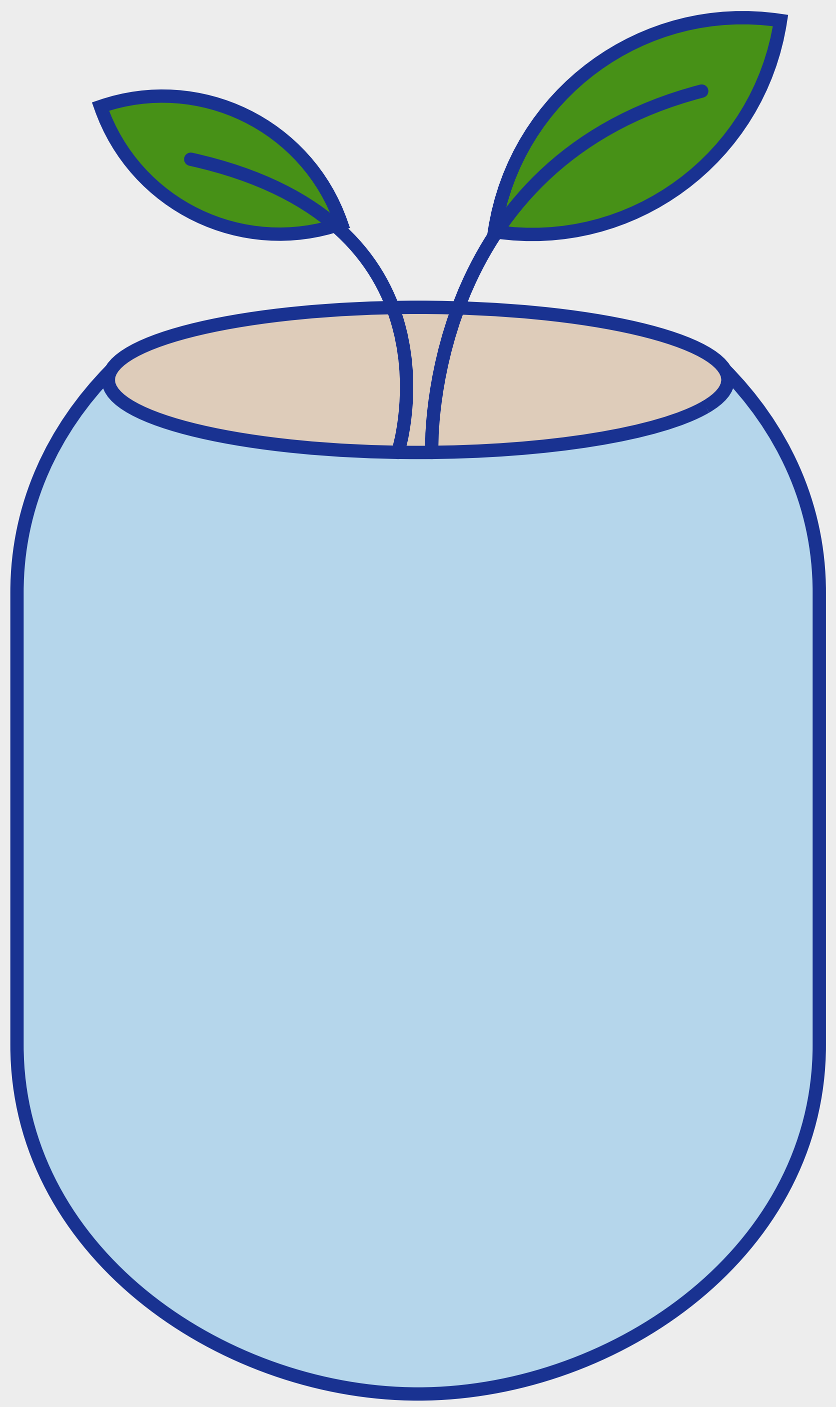
Managing Our Environmental & Climate Impact

The environmental topic is discussed twice a year within the framework of the ESG Steering Committee. During these meetings, the work plan for the environmental sector is presented, and a mid-year review is conducted to monitor the implementation and status of adherence to the plan.

In 2024, there were no fines or sanctions imposed for environmental non-compliance.

Climate-Related Risk Management

The Company's stance on climate and decarbonization is shaped by its understanding of the climate-related risks and opportunities it faces. Airlines are particularly vulnerable to climate-related risks, including extreme weather events and rising fuel expenses.
The integrator of risk management initiated an implementation process for an Enterprise Risk Management framework, and the Company has started mapping environmental and climate risks,[4] in accordance with the Israel Securities Authority regulation (for more information, please see the Risk Management and Business Resilience section).



[4] For more information about environmental and climate risks, please see Section 8.16.12 in Chapter C of the Financial Statements

Managing Our Environmental & Climate Impact

Reducing Climate Impacts; Environmental Management
The Company is committed to taking measures to minimize negative impact while adhering to environmental regulations, both in Israel and around the world. The Company's dedication to environmental responsibility is woven into long-term goals as it continuously works towards improving its environmental performance and reducing its environmental footprint.

EL AL has invested significant resources in minimizing its environmental impact. The main component of the Company's environmental impact is greenhouse gas emissions resulting from flights. To address this, the Company has taken the following steps:

1. Purchasing and operating modern fuel-efficient aircraft.

2. Establishing a management system for the entire fuel sector and implementing best-practice fuel savings initiatives.

3. Using modern flight planning systems to optimize route selection on a case-by-case basis, taking into account available airspace capacity and constraints.

4. Monitoring relevant KPIs, such as fuel efficiency and GHG emissions.

5. Examining new state of the art technologies for implementation on Aircraft.

The Company works in collaboration with other organizations to ensure sustainable aviation and is taking part in the CORSIA (The Carbon Offsetting and Reduction Scheme for International Aviation) global plan and the European Union's Emission Trading Scheme (ETS) from their first phases.

Environmental risk assessment is carried out as part of the IEnvA program in the Flight Operations Division, the Administration Division and Construction & Assets Division and Tamam (Tamam Aircraft Food Industries company, which is fully owned by EL AL).

Managing Our Environmental & Climate Impact

The Company conducts ongoing audits and monitoring. Environmental aspect and risk factor analyses serve not only as tools for emergencies, but also for process analysis and improvement, aiming to prevent or minimize environmental and worker harm.

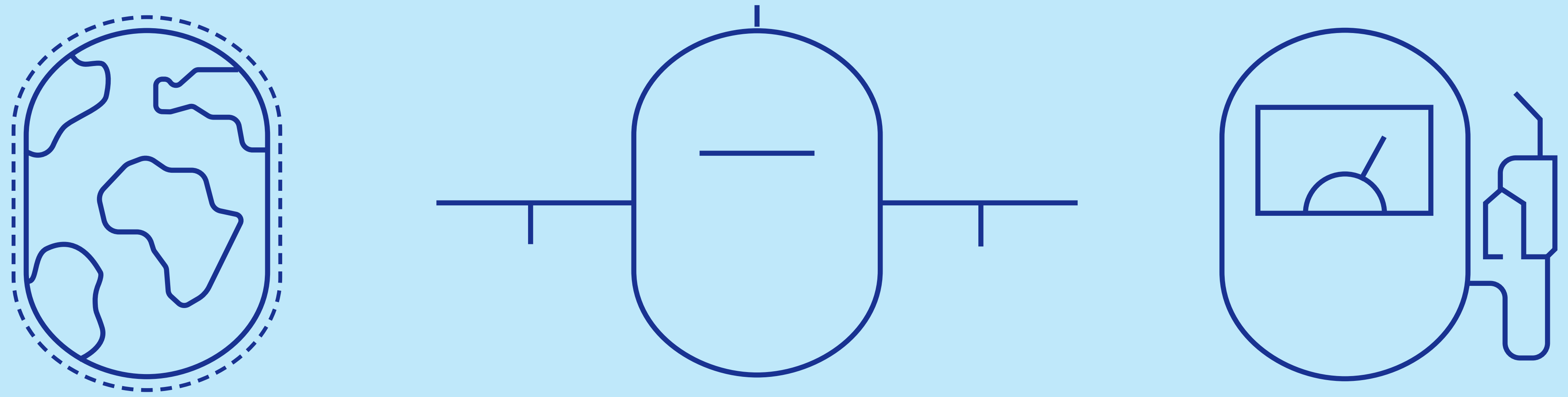
GHG Emissions
The majority of the Company's greenhouse gas emissions result from its aviation activities. The remaining emissions stem from EL AL's ground operations at the Company's facilities at Ben Gurion Airport. The primary sources of these ground emissions are fuel consumption for vehicles and electricity usage. The company's GHG emissions are independently verified by a third party in line with the IENVA program.

EL AL's Carbon Footprint (tCO2e)	2021	2022	2023	2024
Scope 1	945,082	1,563,915	1,906,805	2,221,959
Scope 2 (Market based)	8,070	8,644	8,232	8,159
Total (Scope 1+2 Market based)	953,152	1,572,559	1,915,036	2,230,118
Scope 2 (Location based)	7,065	7,739	7,395	7,509
Total (Scope 1+2 Location based)	952,147	1,571,654	1,914,200	2,229,468

Managing Our Environmental & Climate Impact

The Company has experienced a significant increase in Scope 1 emissions over the past years. The increase from 2022 to 2024 was primarily caused by expanded business operations and increased flight routes. It's important to note that due to the ongoing war, the Company has had to alter its flight paths, avoiding certain countries. These route changes have often resulted in longer flights, contributing to higher fuel consumption and, consequently, increased emissions. Further than that, as a result of the war, many flights of international airlines were canceled, therefore EL AL operated more flights than in previous years.

Scope 2 emissions using the Location-based method, increased in 2024 by 1.5 %, due to the expansion of reporting scope in 2024 of electricity consumption from external sources such as the IAA and the increased airport's activity during the war. The Market-based method showed a 0.9% decrease compared to the previous year, due to improved efficiency by one of EL AL's electricity suppliers.



Energy and Fuel – Sources & Efficiency

Aircraft Fuel Efficiency and Fleet Management
The Company is proactively exploring opportunities to enhance fuel efficiency and reduce its carbon footprint. EL AL's Environmental, Fuel & Sustainability Officer is responsible for promoting sustainable innovation. As part of our commitment to sustainable innovation, the Company is planning to embark on a fleet renewal initiative for narrow body aircraft, starting in 2028.

During 2024, the Company implemented a GE system that helps to monitor fuel consumption for efficiency purposes – the system will help to measure the progress in the different initiatives in this field. The Company will continue the implementation of the system during 2025.

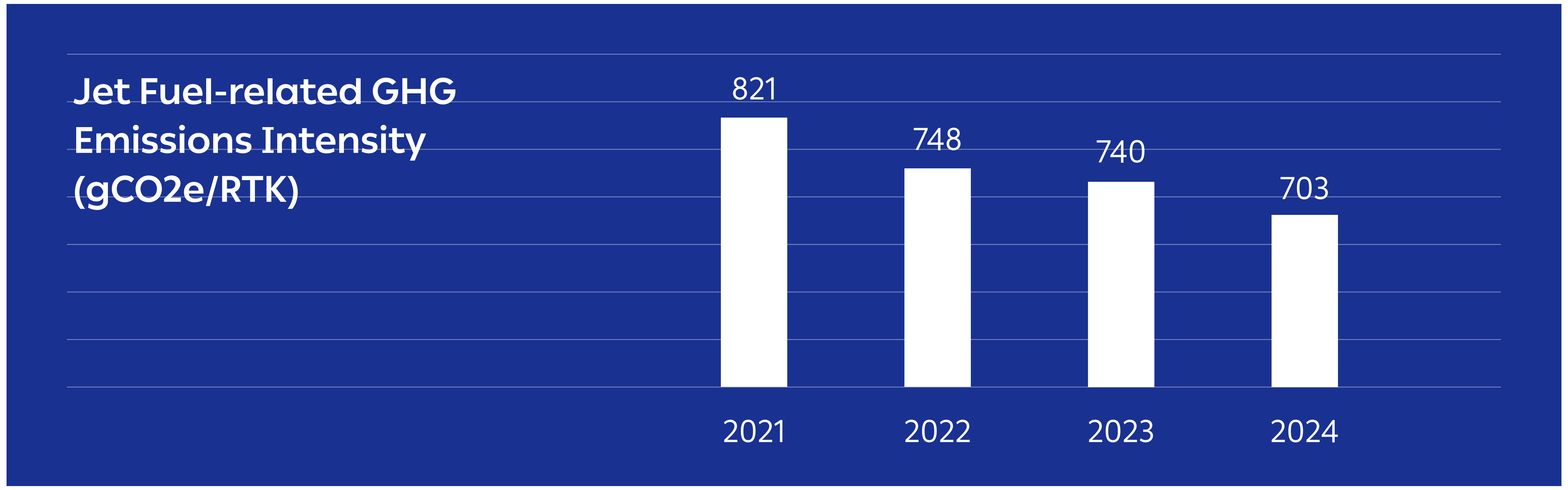
The Company operated a demonstration SAF powered flight from Boeing's facilities in Seattle to Ben Gurion Airport in July 2023, which brought the Company's sixteenth Dreamliner purchased from Boeing. Furthermore, the Company signed a Memorandum of Understanding with Boeing, the Technion Institute of technology and many other leading relevant stakeholders to form an innovation center consortium dedicated to developing a competitive advanced Israeli SAF.

In 2024, flights departing from Charles de Gaulle airport (CDG) in France consumed approximately 1.5% SAF, in accordance with the French Mandate. Beginning in 2025, all flights departing from EU airports will be subject to a minimum SAF blend of 2%, as mandated by the ReFuelEU Aviation regulation. EL AL has proactively prepared for compliance with this regulation, including by entering into advance agreements with fuel suppliers capable of providing SAF.

Energy and Fuel – Sources & Efficiency

Energy & Fuel – Sources and Efficiency

	Unit of Measurement	2021	2022	2023	2024
Jet Fuel	million gallons	99.4	164.5	200.9	234.1
Jet Fuel Efficiency	million gallons/100 RTK	8.7	7.9	7.8	7.4



Despite a significant increase in its operations, the airline has managed to improve its fuel efficiency consistently and annually, with a 5% efficiency enhancement from 2023 to 2024.

This ongoing multiyear decrease in Jet fuel-related GHG emission intensity suggests that EL AL has become more efficient due to a combination of factors, including fleet modernization and enhanced fuel management. The improvement can also be attributed to the increased Revenue Ton Kilometers (RTK). In 2024, several initiatives were implemented to reduce fuel consumption and consequently greenhouse gas emissions. These efforts included optimizing launcher flight plans and reducing the use of dual engines during transportation.

EL AL is committed to long-term environmental sustainability, targeting a 15% reduction in carbon emissions intensity from jet fuel compared to 2019 levels, to be achieved by 2035. As of the current reporting year, a 12.3% reduction has already been achieved.

It should be noted that a significant portion of the improvement is due to an exceptional increase in RTK, driven by the unusually high Passenger load factor as a result of the war. This effect is expected to normalize in the coming years.

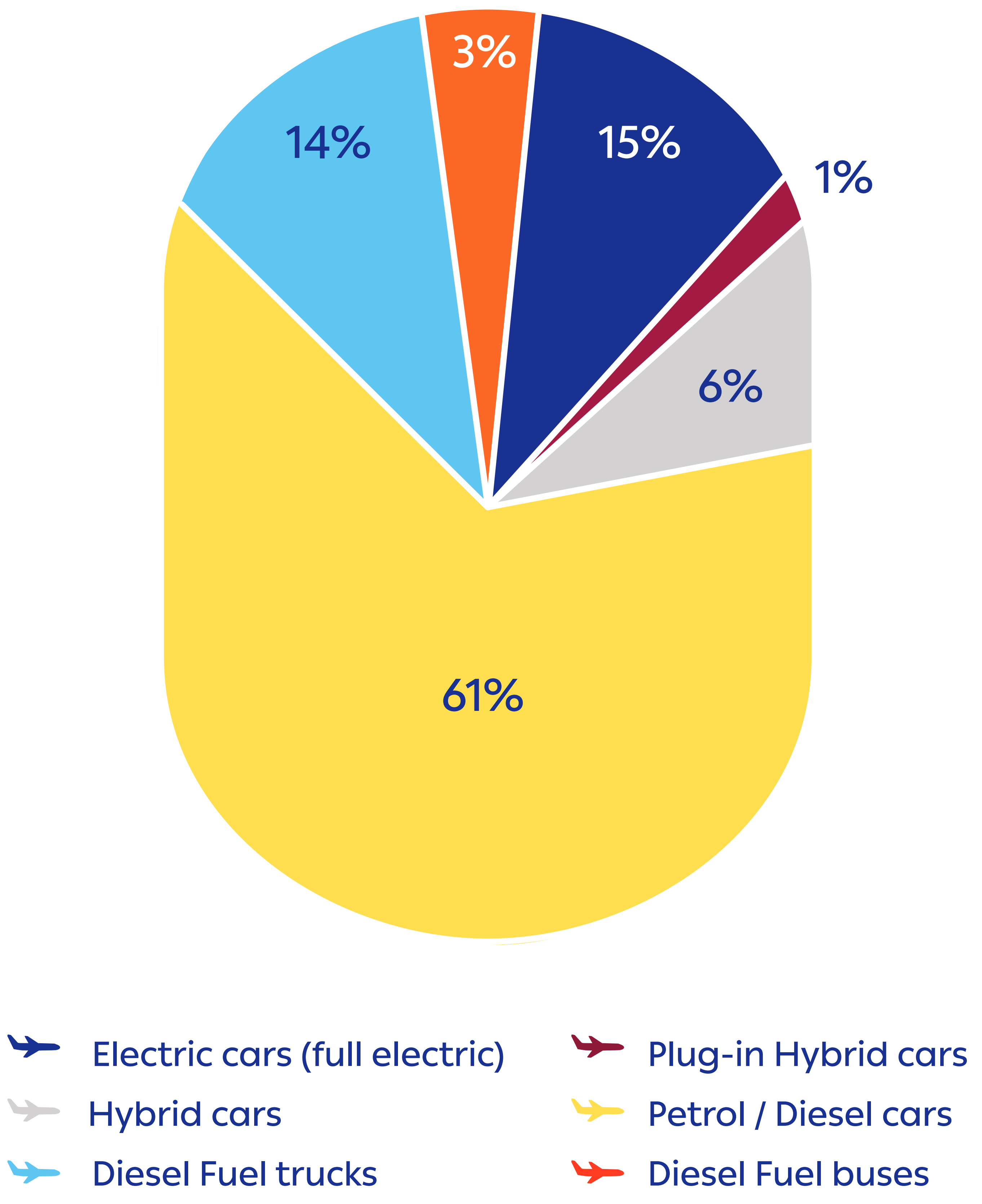
Reducing Aircraft Noise

The Company has implemented a comprehensive Noise Abatement Procedure and fully complies with the airport's regulations regarding departure and arrival paths, as well as operating hours, to significantly minimize the impact of aircraft noise on surrounding communities.

Vehicle fleet Fuel Efficiency

The composition of our vehicle fleet reflects our commitment to sustainable transportation options. Within our fleet, we have a diverse range of vehicles aimed at enhancing fuel efficiency and reducing our environmental impact. Currently, we operate more than 40 fully electric cars (In 2024, the number of electric vehicles increased by 14% from the previous year), in addition, we have 16 hybrid cars. In our effort to balance efficiency and convenience, we have incorporated 162 petrol and diesel cars. To support our logistics operations, we operate 38 diesel fuel trucks and 7 diesel fuel buses, which are essential for certain transportation needs while we continue our pursuit of sustainable alternatives. In addition, the Company operates shared transportation for its employees, which includes bus shuttles as well as shared rides among employees in taxis.

Vehicles Fleet Segmentation



Energy Consumption
EL AL is committed to minimizing its energy consumption and enhancing material efficiency as part of its sustainable business practices. The organization has undertaken initiatives as transition to smart lighting, installation of energy-efficient bulbs and timer switches for electric water heaters, occupancy sensors were implemented, and Internal campaign took place for water and electricity conservation.

Waste and Material Management
The Company is committed to continuously improving its waste management practices. This includes expanding the recycling programs and collaborations with recycling partners, waste sorting and efficient collection methods, exploring new waste reduction strategies, and enhancing the waste management systems to minimize our environmental impact. These efforts are watched and monitored within the IEnvA program to track and enhance our recycling results.

In 2024, the Company initiated the use of recycled and sustainable materials (such as recycled furniture), extending product life and maintenance and repair of equipment instead of replacement. In addition, the cleaning company employed by EL AL uses green cleaning materials and recycled furniture for the Company's offices.

Solid waste is handled under the Israel Airport Authority (IAA). According to a new agreement signed by the IAA, starting from April 2025, all waste from the transfer station at the airport will be sent to a waste sorting facility for processing, and from there to landfill or recycling. The IAA reports to the Ministry of Environmental Protection about the quantities of waste, which cannot be separated from the total quantities that the IAA removes from all its customers, therefore the quantities of waste cannot be measured by EL AL at this stage.

Waste Management & Reduction
In the realm of aviation operations, waste disposal practices are being scrutinized with a focus on improvements. Addressing this vital aspect, our attention has been directed to advancing waste management practices in the coming quarters, building upon our current basic levels.

Waste Type (Tons)[5]	2021	2022	2023	2024
Cardboard Waste	4.2	17.1	50.7	96.7
Paper Waste	28.3	27.9	63	12.2
Electronic Waste	2.2	5.5	13.4	3.4
Sawdust Waste[6]	59.9	213.7	190.5	122
Hazardous Waste	118.8	250.6	236.7	256.2
Hazardous Waste Sent for Recycling	12.99	16.65	23.57	21.05
Reused Hazardous Waste	34.23	14.66	6.25	71.44

The overall trend shows an increase in waste generation, this can be attributed to the scope of activity on campus that has increased significantly compared to previous years. In previous years, EL AL partially separated cardboard and paper. In 2024, the Company added cardboard recycling stations. Therefore, the Company was able to expand its cardboard measurement, as a result - the amount of reported cardboard for recycling increased. And accordingly, the amount of paper decreased. At the same time, the amount of sawdust has decreased due to the reuse of wooden furniture.

Reduction/Prevention of Food Loss

Recognizing the importance of minimizing food waste, the Company is taking proactive measures to address this issue, by implementing efficient food storage practices, optimizing portion sizes, and exploring collaborations with food rescue organizations.

[5] At this stage, the waste is measured in Israel only, which accounts for the significant portion of the total waste.

[6] In previous ESG reports, this was referred to as Solid waste.

We implement a food waste reduction program on flights departing from 11 PM onwards. As part of this program, portions are reduced from the first meal served on the flight, ensuring that the reduction is made from regular meals only, in order to ensure full coverage for passengers who order special meals. In 2024, the food reduction initiative was expanded, and a comprehensive review of the amount of food remaining on aircraft was carried out. The review included over 1,500 flights - based on the findings, recommendations were presented to increase new reductions in certain flights. We are examining and analyzing these recommendations and will work to implement them gradually.

Effluents Management

Effluents management remains a crucial component of our environmental stewardship efforts. The Company generates Effluents from maintenance activities and sanitary sources. The Company's sewage system is connected to IAA's system and is closely monitored to ensure compliance with regulations. Furthermore, the Company operates a facility constructed on its grounds that serves as an emergency reservoir in the event of any quality issues with the Company's wastewater. The treatment of other effluents is carried out through explicit protocols, guaranteeing effective and responsible management.

We continue to refine our practices to minimize our ecological footprint. Our unwavering commitment to this aspect of our operations is an integral part of our sustainability framework. The amount of effluents in 2024 totaled 65,822 cubic meters.

Soil and Water Contamination

During the reporting year, the Company conducted a soil survey at the sites of two fuel stations operating on its campus, utilizing external experts. The fuel stations were established in the 1970s. One station was decommissioned entirely during the reporting year, while the other continues to serve as a refueling facility for the Company's vehicles. Following a request from the Ministry of Environmental Protection's contaminated land supervisor, the Company was required to conduct soil investigations and sampling plans at both stations. This requirement aligns with the Ministry's policy regarding older fuel stations built before 1997.

Soil survey plans for the fuel station areas were submitted to and approved by the Ministry of Environmental Protection. Both soil surveys revealed contamination by volatile organic compounds (VOCs) and TPH compounds (hydrocarbons), which are characteristics of fuel leaks.

Considering these findings, the Company is assessing the potential for contamination to reach water sources. According to the general requirements of the Ministry of Environmental Protection, and given the concentration of contaminants found in the soil, remediation will be required. The Company is acting in accordance with the guidelines provided by the Ministry of Environmental Protection and the Water Authority to carry out monitoring and remediation processes.

SOCIAL

Social

2024 Highlights

5,734 Total Employees	**12%** Employee Turnover rate	**38%** Female in Management Positions (Executive and Non-Executive)
0 Aviation Accidents [7]	**2.8** TRIR (Total Recordable Incident Rate) [8]	**$7 million** Community Investment [9]

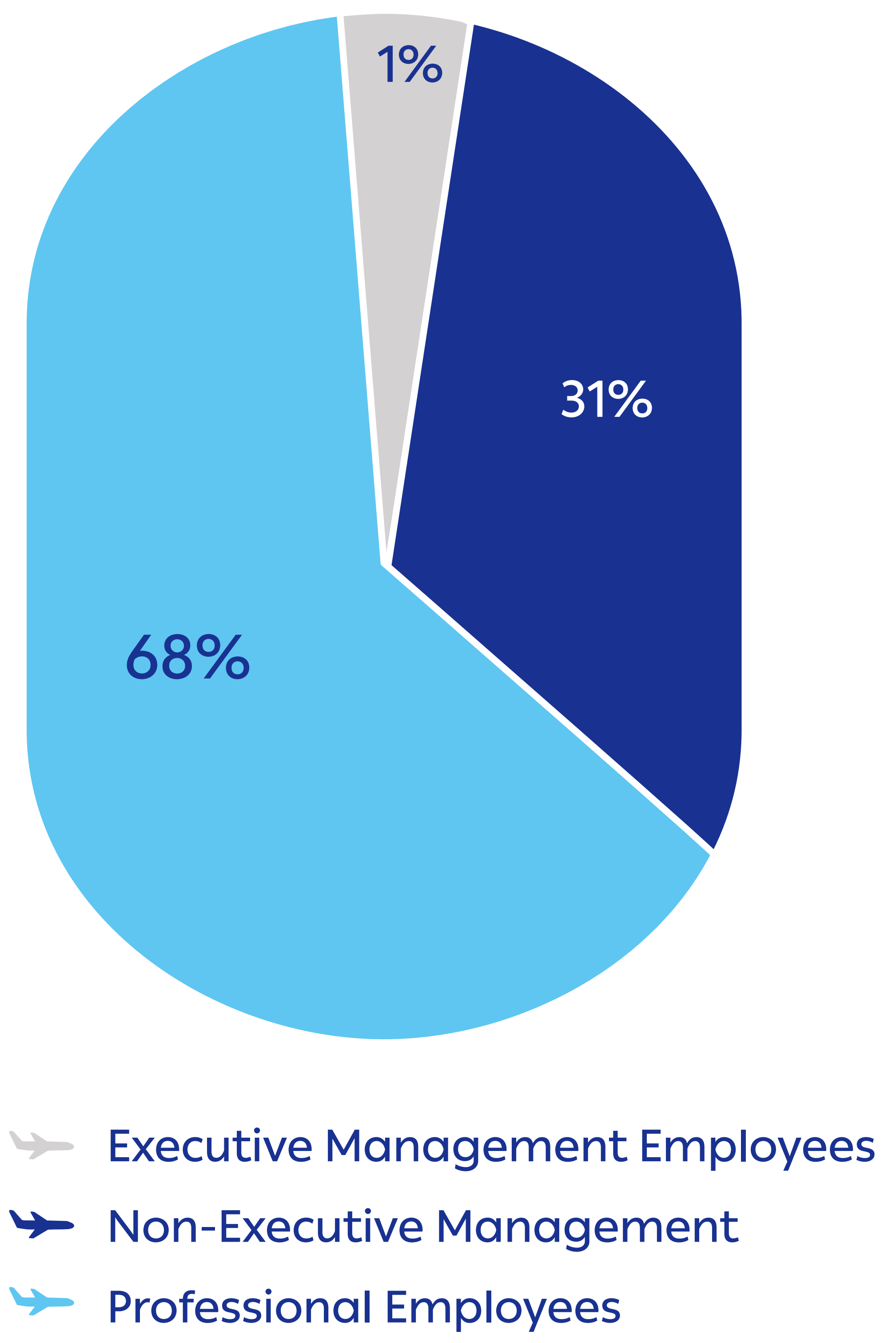
[7] Aviation accidents are defined in accordance with ICAO Annex 13.

[8] According to the Occupational Safety and Health Administration formula: (Total Recordable Injuries*200,000)/ Total Employee Hours Worked in a Year. This is a slight increase from the 2023 rate, which stood at 2.4.

[9] The Company made direct monetary donations totaling around $500,000, while in-kind donations amounted to approximately $6.5 million.

Human Capital

Role Tier Representation in Company Structure[10]



At EL AL, we recognize that our strength lies in our people. The Company is dedicated to cultivating a workplace culture built on the foundations of mutual respect and trust, where everyone feels valued and empowered to reach their full potential. EL AL is committed to providing equal opportunities in recruitment, performance evaluation, career progression, and professional development.

EL AL strives to be a preferred employer in the aviation industry and across Israel. Its internal procedures are designed to prevent harassment, inappropriate conduct, and conflicts while actively cultivating an organizational culture that promotes excellence and collaboration, enhancing human diversity as part of the Company's DNA. The Company maintains an ongoing and continuous dialogue with employee representatives, ensuring that employees' voices are heard. In 2024, there were no work stoppages in the company.

Fair Employment and Labor Relations

The Company is committed to upholding and protecting the full range of rights of its employees, as part of its broader commitment to safeguarding human rights, that was published in 2024.[11]

The Company ensures full compliance with all relevant labor laws, including employees' right to unionize, fair employment agreements, and the provision of appropriate benefits. It maintains a strict non-discrimination policy and actively works to prevent harassment in the workplace, including appointing a designated officer for reporting sexual harassment anonymously. The Company also prohibits forced labor and the unlawful employment of minors, adhering to all legal standards regarding age and working conditions.

[10] Professionals refer to all employees that don't hold management positions - it includes all aircrew (pilots and flight attendants) and low rank ground personnel. Executive management employees include senior management.

[11] https://www.EL AL.com/heb/about-EL AL/human-rights-policy

Human Capital

EL AL has established a robust and long-standing system of collective labor relations, which plays a crucial role in fostering a positive working environment and promoting fair treatment of employees. EL AL has signed a series of collective agreements that outline the Company's operational activities, including processes for compensation, recruitment, promotion, mobility, and employee separation. These agreements set clear expectations and guidelines, protecting employee rights and enhancing organizational efficiency.

The Company's labor committees are divided into four distinct sectors: Pilots, Flight Attendant Personnel, Maintenance and Engineering, and Management. In addition, there is a cross-sector committee that deals with general issues affecting all sectors. This structure is intended to increase flexibility in managing labor relations and to tailor agreements to the unique needs of each sector.

Collective Bargaining Agreements

EL AL ensures fair working conditions for employees in Israel using Collective bargaining agreements.[12] These conditions are regulated through special collective agreements signed with the New General Federation of Workers (Histadrut) and through company guidelines. 97% of Employees are covered by the collective bargaining agreement.

In recent years, new agreements have been established to balance operational flexibility and efficiency with fair and attractive working conditions for employees. These agreements focus on enhancing flexibility in employee placement, defining employment volumes and workforce recruitment, and updating salaries based on company performance.

The Collective Agreements outline provisions for each workforce sector and differentiate between permanent and temporary employees. They comprehensively define compensation, covering salaries, allowances, shift and additional work bonuses, expense reimbursements, pension contributions, and social benefits. In many cases, these agreements grant employee rights beyond the statutory labor laws in Israel.

[12] Not relevant for senior staff and those employed under personal agreements

Human Capital

EL AL's collective agreements establish clear guidelines on working hours, promoting a balanced work-life environment while considering the operational constraints of the aviation industry. Agreements include provisions addressing employee health and emphasize the responsibility of employees to adhere to safety protocols. They also include performance-based incentives such as bonuses, salary upgrades, and sector-specific rewards, recognizing employees' efficiency and contributions. Outstanding achievements are further acknowledged through company procedures, reinforcing a culture of excellence and motivation.

In 2024, EL AL signed a special collective bargaining agreement with the company-wide workers' committee and The Histadrut. This agreement supplements previous sector agreements and addresses issues such as flight tickets, welfare, and additional payments. It is effective until the end of 2025. Additionally, an agreement was signed this year with the Pilots Committee and the Histadrut. This agreement sets out a series of arrangements to align pilot employment terms with the Company's strategic plan, including expanding the capacity and accelerating the pace of pilot training. For further details, refer to the 2024 periodic report, Section 8.4.5 (Special Collective Bargaining Agreements).

EL AL prioritizes career development by offering structured training programs and remuneration adjustments where applicable. Internal promotions are emphasized over external hiring, with mandatory internal bidding for management positions available to unionized employees. Aircrew members have structured pathways for advancement, including opportunities to become captains, pursers, and training instructors. EL AL also upholds equal employment opportunities, with collective agreements prohibiting discrimination and ensuring workplace adjustments for employees with disabilities. These agreements reflect EL AL's broader ESG commitment to fair labor practices, employee well-being, and long-term sustainability.

Human Capital

Advancing Diversity, Equity, and Inclusion at EL AL

EL AL regards workplace diversity as a core value. EL AL believes that a diverse team fosters innovation, creativity, and enhances service for customers from various backgrounds and cultures. EL AL remains committed to enhancing workforce diversity among its employees and focuses on employing individuals with disabilities, increasing the representation of employees from minority groups within Israeli society, expanding the number of women in "male-dominated" professions and the number of men in Flight Attendant Personnel roles.

To achieve its diversity goals, EL AL employs several strategies, including adapting recruitment and selection processes for diverse populations by providing training on unconscious biases for recruiters. Additionally, EL AL fosters an inclusive work environment that accommodates employees from various backgrounds. It also promotes awareness of workplace diversity through training and workshops and has established an internal diversity forum with representatives from all divisions to advance related initiatives.
In relevant recruitment efforts, specific adjustments are made for candidates, such as flexible working hours, assistive devices, and more. After a candidate is hired, the organization provides ongoing support for a certain period until the employee is fully integrated into the company.

Human Capital

The groups recognized as minorities and vulnerable populations include the ultra-Orthodox, ethnic minorities, individuals with disabilities, people of Ethiopian descent, and the elderly. EL AL collaborates with organizations and NGOs that assist these groups in finding employment.[13] The main objective is to identify relevant populations for recruitment and to mediate between their needs and the positions offered by the company, with the understanding that these organizations, being familiar with the population, are better positioned to match candidates to roles.

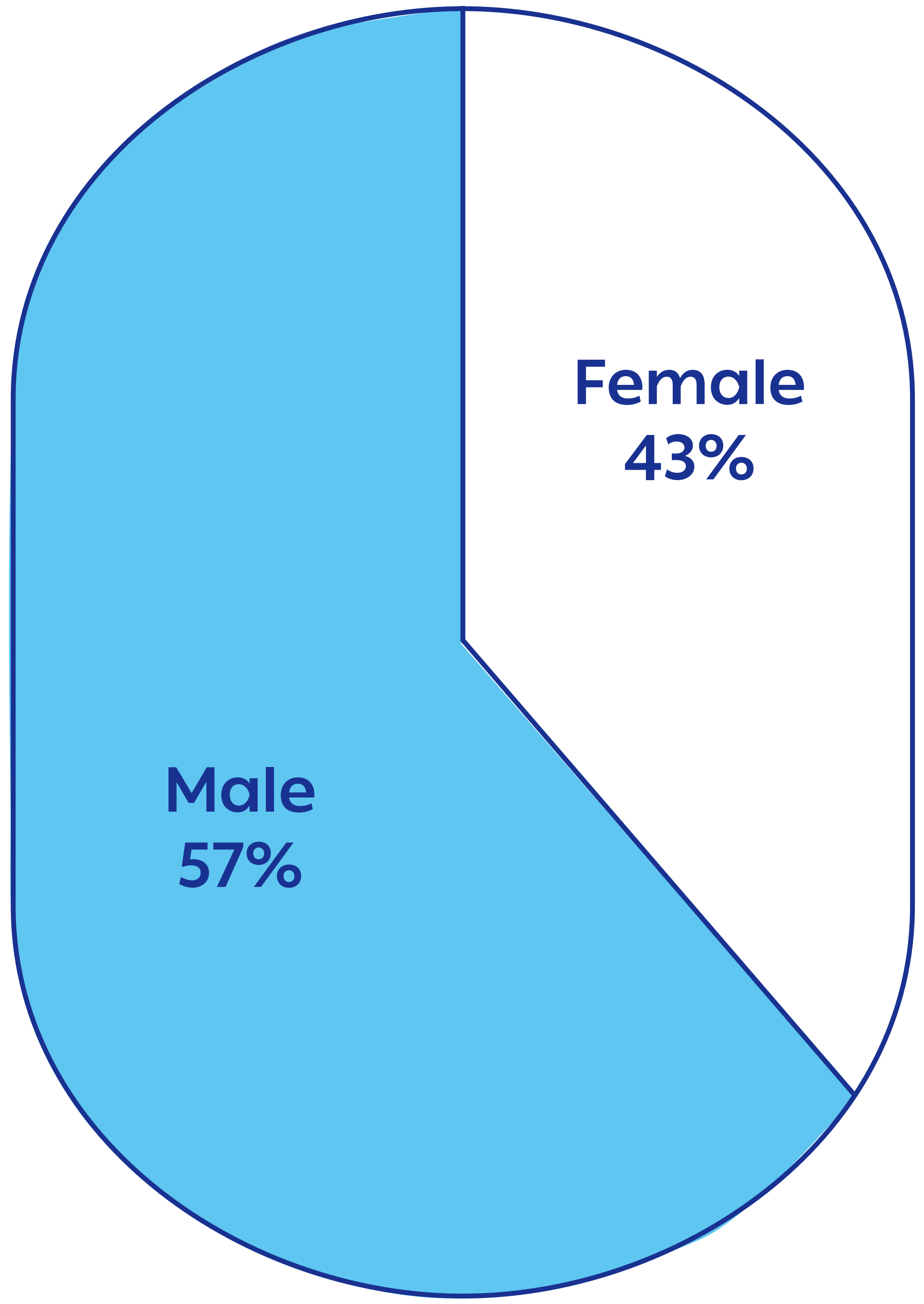
These efforts include the integration of Arab individuals into flight attendant roles through partnerships with Rihan – Alfanar NGO and the Galilee Institute; the inclusion of persons with disabilities in various service roles in collaboration with Revadim NGO; and the employment of older adults in both service and professional positions through cooperation with Revadim, Vehadarta, and the Vatikim Ba'Avoda organization.

EL AL takes great pride in promoting gender diversity within the organization, striving to provide equal opportunities for men and women across all levels and departments. The Company recognizes the invaluable contributions each gender makes to its collective success. EL AL is committed to fostering an environment where all employees feel empowered, respected, and supported, regardless of their age, gender, race, ethnicity, sexual orientation, or any other characteristic.

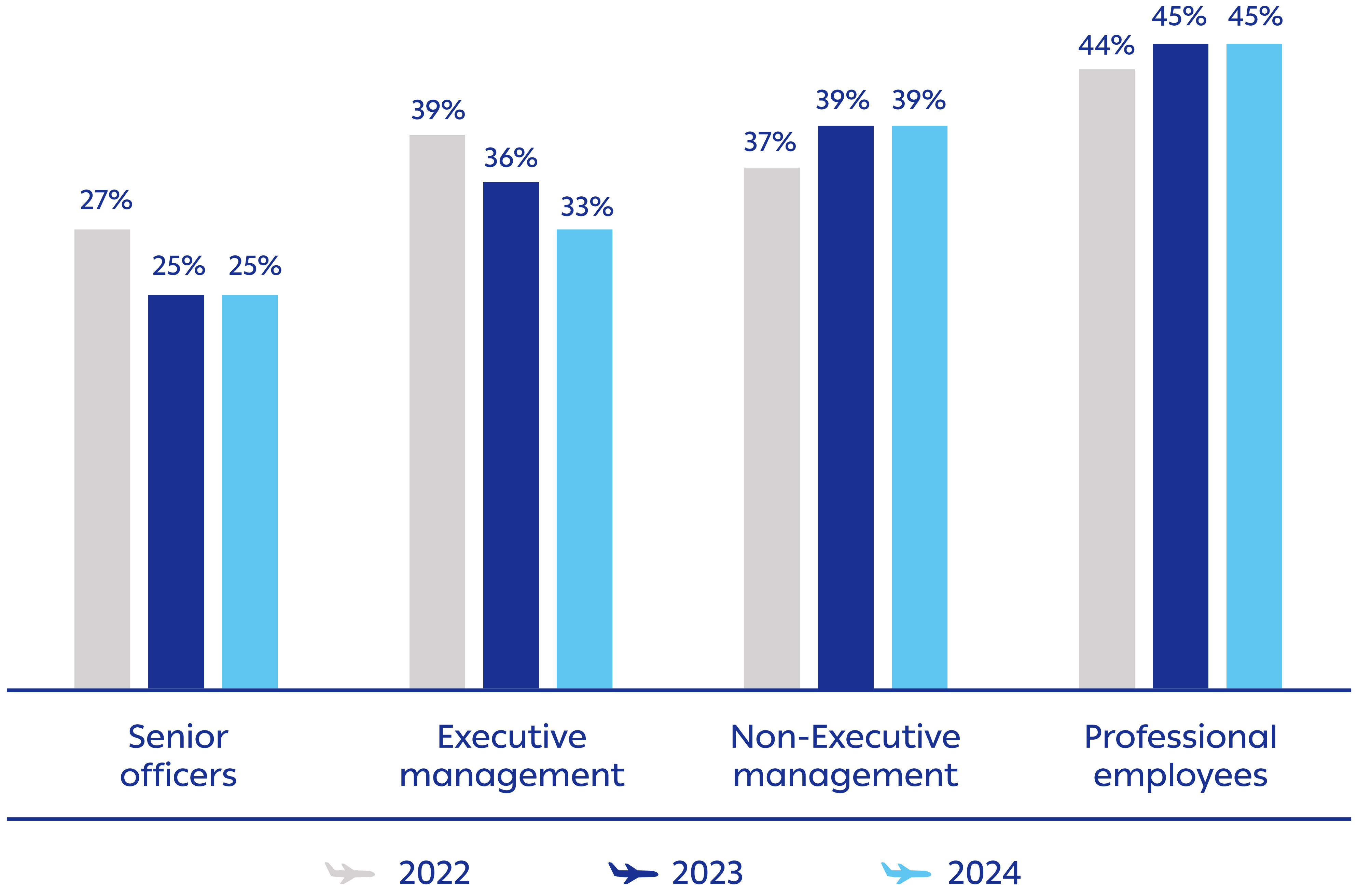
[13] Currently, we lack a numerical breakdown of diverse populations in the Company, due to the Privacy Protection Law, which restricts access to this data. We are in the process of seeking approval from the Commissioner to map all populations.

Human Capital

Employee Gender Distribution



Female Representation Across Role Tiers (2022-2024) [14]



[14] The executive management tier comprises senior officers, heads of divisions, and a limited number of domain managers.

Human Capital

2025 Targets
At least 40% women in Executive management

Empowering Employee Growth
EL AL is dedicated to creating a dynamic and supportive workplace that fosters employee growth, satisfaction, and well-being. Recognizing that engaged employees are key to organizational success, EL AL implements comprehensive development programs aimed at enhancing skills, strengthening leadership, and promoting career advancement. Employee development and well-being are overseen by the Vice President of Human Resources, with direct responsibility assigned to the Heads of HR, Welfare, and Organizational Development. While not formally addressed at the board level, management ensures ongoing attention to these matters through weekly updates in executive meetings.

Employee Recruitment and Retention
EL AL focuses on recruiting top talent for core aviation roles while expanding hiring sources and streamlining processes. Advanced workforce management technologies optimize recruitment and staffing, ensuring efficiency. EL AL has also introduced accelerated training programs to help new employees integrate swiftly into their roles. Additionally, onboarding processes are constantly refined, aligning hiring criteria with evolving industry demands for a seamless and effective experience.

Human Capital

Employee Development and Training

3.6 average hours of training per employee in 2024

The Company places strong emphasis on investing in employee training and professional development opportunities. It operates a training center that provides courses for various professions, such as pilots, aircraft technicians, ground and flight attendants. Relevant employees (Air crew) are required to undergo exams by the CAAI (Civil Aviation Authority of Israel) as part of their training, which serves as the certifying body according to the aviation laws. Additional courses also emphasize employee growth and career development.

The Company offers accelerated training programs for new hires to ensure smooth onboarding and rapid integration, as well as tailored training sessions for employees at all levels, focusing on both technical and soft skills. Leadership development programs are designed to empower managers with the capabilities necessary to lead diverse teams effectively, which includes comprehensive training programs on labor relations negotiation skills, annual refresher workshops on conflict resolution, team dynamics and providing coaching and mentoring programs to managers as required.

In 2024, EL AL introduced the IPRO system, A new, innovative learning platform, designed for all company employees, which offers a wide range of enrichment courses and workshops for personal and professional development. With content led by both internal instructors and external experts, employees can choose topics of interest in areas such as leadership, soft skills, decision-making, teamwork, and digital tools.

EL AL encourages learning and professional advancement through various initiatives. In collaboration with the workers' committee, EL AL have launched a special undergraduate degree program and provided grants and subsidies for laptops, making these opportunities available and accessible to all employees.

EL AL also conducts annual performance review evaluations to foster a culture of continuous improvement and development, assessing individual contributions, setting clear performance expectations, and identifying areas for growth and skill enhancement. 99% of employees participated in the last annual review.

Human Capital

2025 Targets

100% participation of managers in leadership development training

Employee Experience and Engagement
EL AL views employee experience and engagement as key to long-term success, particularly in the demanding aviation industry. The Company focuses on creating an inspiring, supportive, and fulfilling workplace that encourages commitment and motivation. To achieve this, EL AL prioritizes strengthening employees' sense of belonging and purpose, promoting a healthy work-life balance through well-being initiatives, stress reduction programs and implementing efficient internal communication and feedback systems to enhance transparency and collaboration.

Every two years, EL AL conducts an employee engagement survey. In 2025 the Company is planning to conduct the next engagement survey. EL AL aims to improve job satisfaction and boost productivity through incentive programs and recognition initiatives, offer clear career progression frameworks for structured growth opportunities. The Company ensures competitive compensation and reward structures to attract and retain top talent, including performance-based incentives and bonus mechanisms.

The Company has a comprehensive reward and evaluation plan, incorporating performance-based rewards and general appreciation recognition to value individual contributions, with approximately 25% of the workforce in Israel currently integrated into these incentive models.

The Company marks significant milestones in an employee's professional and personal journey through thoughtful gestures, such as sending flowers for winning a bid or being promoted to captain, a gift for the birth of a child, a token of support during illness, and more.

Human Capital

Prioritizing Employee Welfare

The well-being of our employees lies at the heart of our organizational values, and EL AL is dedicated to prioritizing the welfare and prosperity of its workforce. As the Company navigates the complexities of the modern business landscape, the Company recognizes that its employees are its most valuable asset, and their physical, mental, and emotional health directly impacts the success and sustainability of the Company.

In 2024, the Company's VP of Human Resources continues to guide the commitment to employee welfare and growth. The Head of Human Resources oversees a comprehensive spectrum of responsibilities, including recruitment, onboarding, placement, labor relations, and the overall well-being of employees in both local and international contexts. The Training and Organizational Development Director manages daily training and organizational enhancement activities to support workforce development.

As part of its commitment to employee well-being, the company implements a range of initiatives, including access to psychological support services, enrichment lectures focused on fostering positive behavioral patterns, lectures and advisory services on pension planning, promotion of employment programs for employees' children, and daycare funding.

This year, EL AL has implemented various well-being initiatives, including stress reduction programs and mental health resources, to promote a healthy work-life balance. EL AL has provided support through various employee engagement initiatives, and attention has been given to managing grants and incentives to recognize and reward employee contributions. Following the war in Israel, EL AL established a unique support system for employees who are reservists and their families.

Human Capital

2025 Targets

10% improvement in the employee engagement survey (compared to 2023)

Parental Leave

At EL AL, we recognize the importance of supporting our employees during significant life events, such as becoming parents. EL AL's parental leave policies are designed to provide support to both mothers and fathers, ensuring that they can navigate the challenges of parenthood while maintaining their career paths.

In 2024, a total of 62 female employees took maternity leave. 8 male employees took advantage of paternity leave. 14 female employees and 5 male employees returned to work following their maternity and paternity leaves, respectively. One year after returning from maternity or paternity leave, 12 female and 5 male employees continued their employment with the company.

EL AL continues to review and enhance its parental leave policies, seeking to provide flexible arrangements that accommodate the needs of our employees. By promoting a culture of support and understanding, EL AL aims to ensure that all employees feel valued as they balance their professional responsibilities with their family lives. Through these initiatives, we reaffirm our commitment to diversity, equity, and inclusion.

	2022	2023	2024
Employees who took parental leave	72	61	70
Female (%)	92%	85%	89%
Male (%)	8%	15%	11%

Human Capital

Fostering a Respectful Workplace Environment

EL AL is committed to fostering a workplace that is free from harassment, discrimination, and any form of misconduct. A respectful and inclusive work environment is fundamental to EL AL's values and essential for the well-being of its employees.

To uphold this commitment, EL AL has established a robust framework to prevent and address harassment and discrimination. EL AL has a clearly defined procedure for handling complaints, reinforcing its zero-tolerance policy and ensuring employees can raise concerns securely and confidentially. A hard copy of the anti-harassment procedure is displayed in multiple languages in public areas, detailing reporting methods and the investigation process. Outsourced and service employees are also provided with clear reporting mechanisms to ensure fair treatment and access to resolution processes.

Education and awareness are key to fostering a culture of respect. EL AL implements mandatory annual training, with all employees participating in e-learning modules and in-person training sessions on harassment prevention. Additionally, supervisors and managers receive targeted training on their role in preventing harassment and addressing issues effectively. New employees receive comprehensive information on harassment prevention as part of their orientation, with resources readily available on the internal online portal.

Another key component of EL AL's framework is its structured approach to preventing and addressing sexual harassment. The Company has appointed a trained Sexual Harassment Officer, along with designated trustees across its global locations, to oversee prevention and response efforts. Employees can report concerns through multiple channels, including an anonymous reporting form.

Human Capital

EL AL ensures full transparency in addressing reported cases. In the past year, one incident of sexual harassment was confirmed and handled in accordance with the company's established protocols and procedures. EL AL upholds its commitment to a respectful, inclusive, and safe workplace through proactive engagement, transparent communication, and a structured protocol.

Labor Law Compliance and Fair Employment Condition

0 **Events related to labor relations were reported in 2024**	**0** **Significant fines or non-monetary sanctions for non-compliance with labor relations regulations**

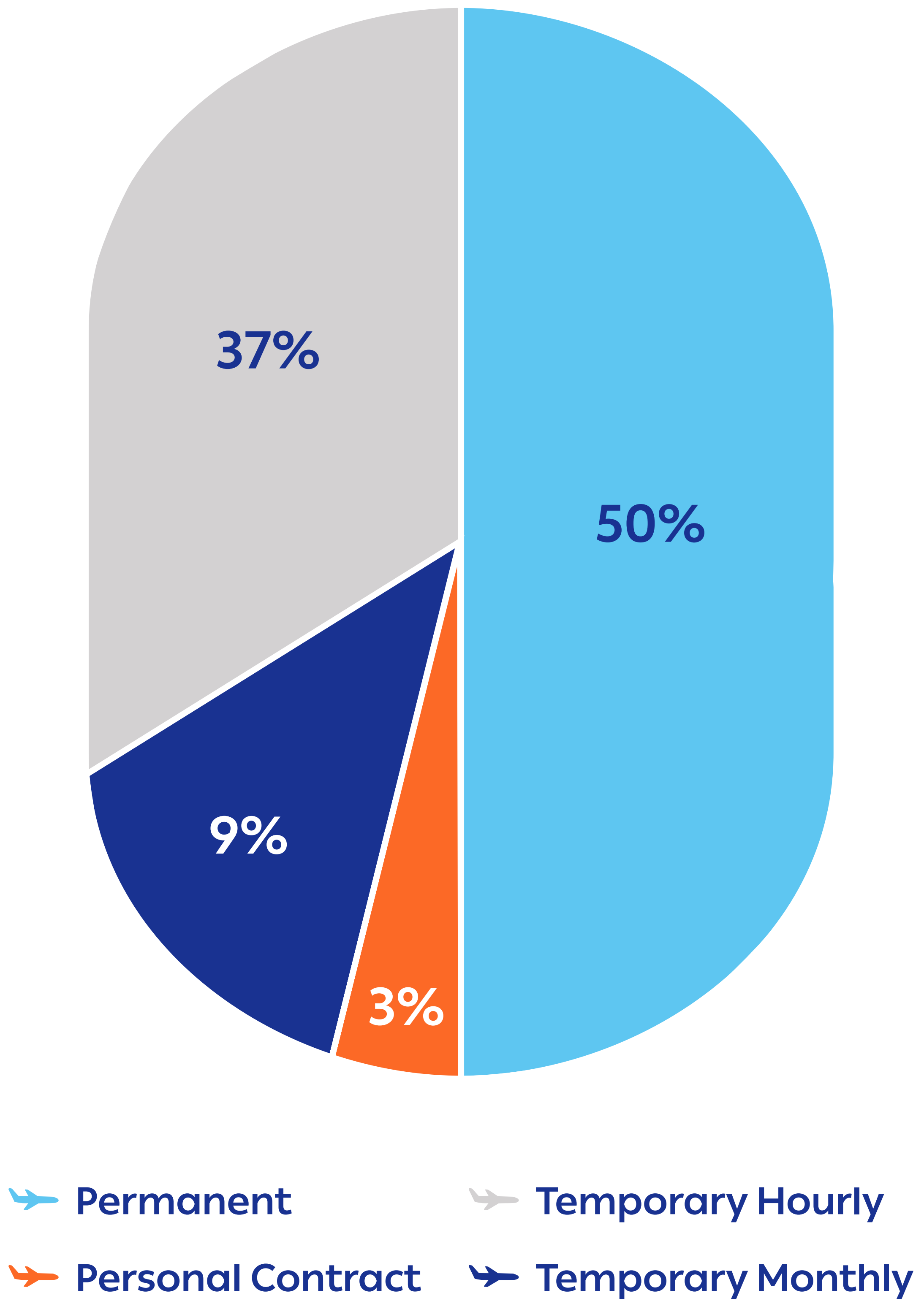
EL AL has a formal process for submitting complaints to the Labor Relations Director or the Company's Auditor. This process is regulated by a procedure that includes a format for anonymous inquiries.

Labor relations at EL AL are collective relations regulated by special Collective Agreements that are periodically signed with the Federation. These agreements uphold the right to organize and include provisions and enforcement mechanisms to prevent harm to employee dignity, unfair treatment, and discrimination.

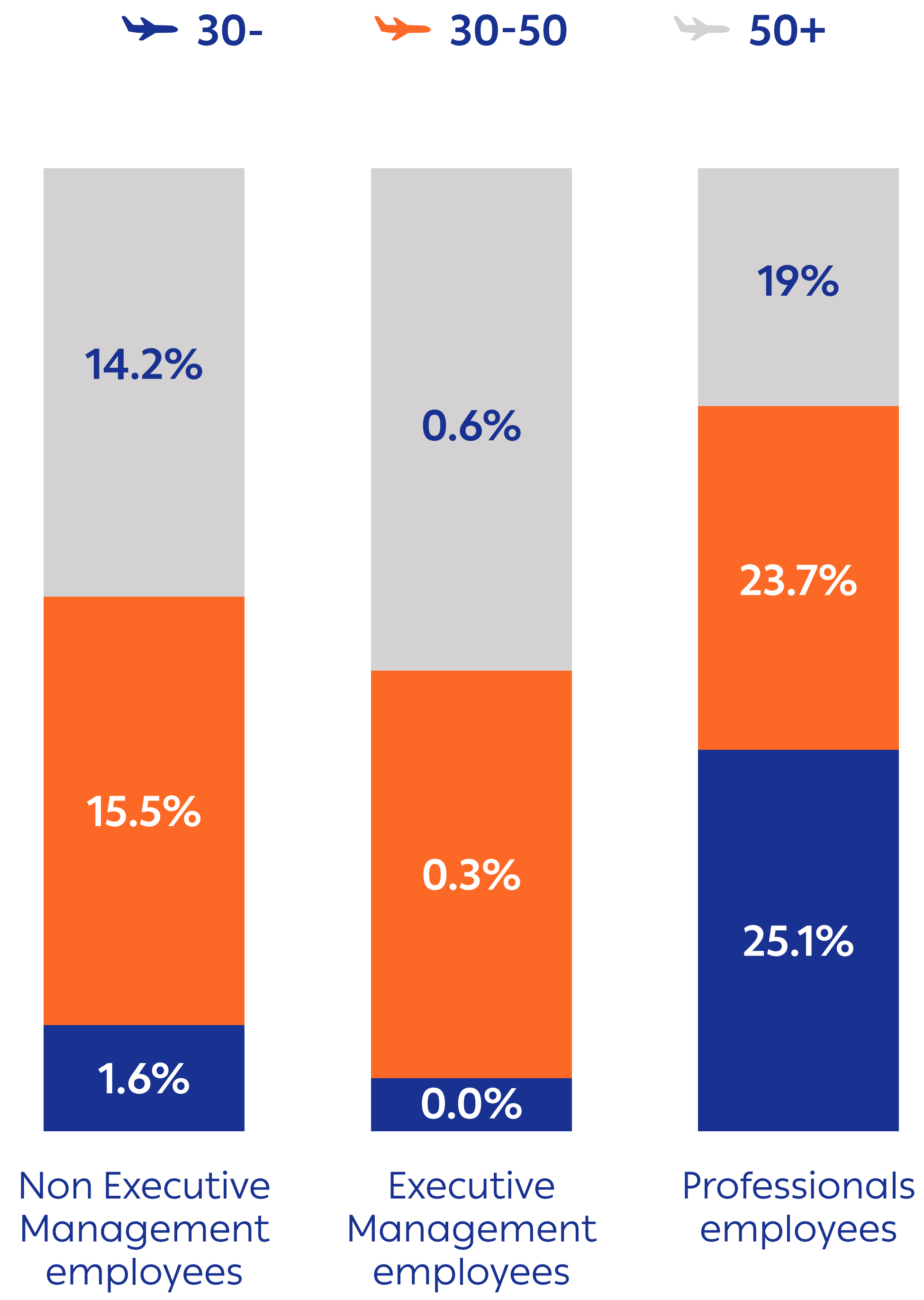
Human Capital

EL AL classifies its diverse workforce into distinct types of employees, including full-time, part-time, permanent, temporary, and non-guaranteed hours employees. This classification enables the Company to provide a comprehensive view of workforce composition and assess human capital management strategies. Employees under personal contracts are equally protected by labor laws and company policies, ensuring fair treatment and non-discrimination. In 2024, there were 184 contract workers in the company, most of them work in finance, IT, general management, commerce and marketing.

Percentage of Employees by Contract Type [15]



Employee Age Distribution



[15] Temporary employees include outsourced and contract workers. Percentages may not add up to 100% due to rounding.

Human Capital

Retirement Benefits and Plans

A comprehensive support framework is provided for retiring employees, including an organized retirement seminar and dedicated training sessions to help them transition into civilian life after long-term employment.

EL AL holds various schemes of retirement benefits and plans. The major components of those plans are funded by employees' personal asset plans designed to assure their benefits. However, some components which are usually incremental to the minimum requirements by the applicable law, are not backed by plan assets and are being paid for by other resources.

Turnover

EL AL actively tracks employee turnover, a crucial component of our human capital management approach. Employee turnover measures how many employees leave or join the organization over a specific timeframe, making it an important indicator for evaluating workforce dynamics and understanding the factors that impact retention and recruitment.

By examining turnover data, we can identify patterns, highlight areas for enhancement, and recognize potential challenges in our talent management strategies. This analysis empowers us to craft targeted initiatives aimed at improving employee satisfaction, fostering engagement, and promoting overall well-being.

Total turnover rate in 2024 is 12%.

Human Capital

Pay Gap
EL AL recognizes that having a diverse workforce, including women in leadership positions, brings business benefits such as increased financial performance, innovation, and better decision-making. In this regard, the decision to appoint Dina Ben-Tal Ganancia as CEO reflects EL AL's commitment to promoting gender diversity and equality.

The Company is presenting wage gaps in accordance with the legal requirements in Israel[16], as stipulated by Section 6B of the Equal Pay Law for Female and Male Workers, 1996. Among the top 10% highest-paid employees, 11.8% are female.[17]

It is important to note that the base salary in the Company is the same for both genders and is determined by the salary tables in the Collective Agreements, without any gender discrimination. Therefore, any differences in wages between genders are not due to gender but are attributable to factors such as seniority, overtime, bonuses, shifts, etc.

[16] https://www.EL AL.com/media/qrwc2asa/equal-salary-report-2024.pdf
[17] Not including pilots. The figure Including pilots is 1.2%.

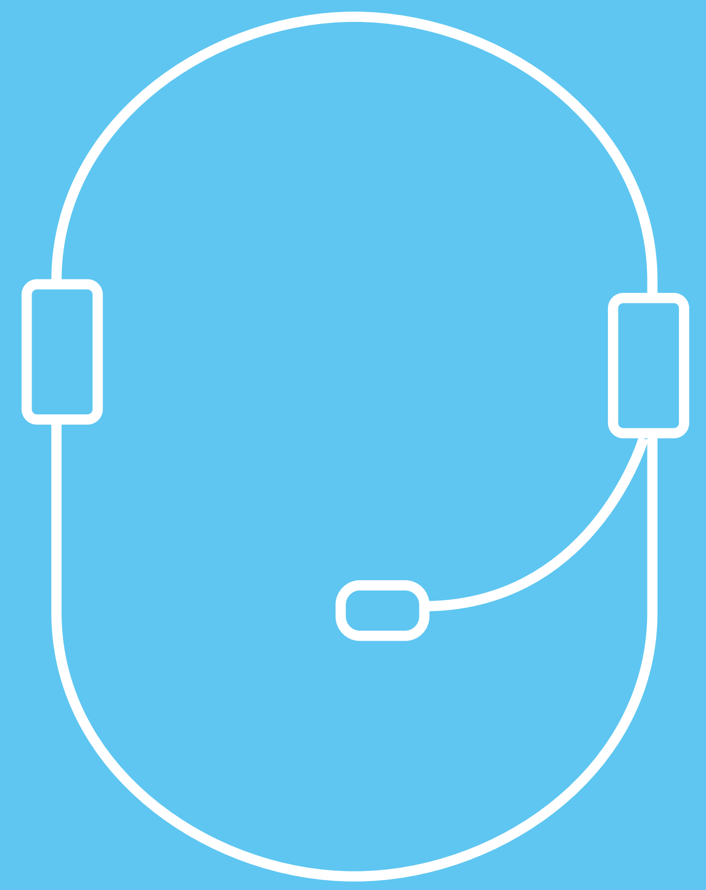
Customers Engagement

In 2024, EL AL continued to demonstrate its commitment to transparent and effective customer relations management practices, ensuring that its diverse customer base receives attentive, responsive, and personalized service.

At the core of EL AL's customer relations strategy is its seamless management system. Customers' inquiries and feedback are received through a digital form on the Company's website or via dedicated email channels. These inquiries are then meticulously processed and tracked through the Company's Customer Relationship Management (CRM) system. The management of these interactions is overseen by the Customer Relations Manager, who works closely with the Technology and Operations Manager to ensure the integration of technological tools for optimal customer engagement.

EL AL maintains a focus on inclusivity, with both Hebrew-speaking and International Customer Relations Managers providing tailored services. This dual approach allows EL AL to cater to a broad spectrum of customers, ranging from frequent travelers to occasional patrons, ensuring that each segment receives a responsive and relevant service experience.

Customer Relations are a key focus at the executive level, with regular reporting and oversight. Monthly, a comprehensive report analyzing customer inquiries and feedback is presented to the Vice President of Customer Service. This report provides a detailed review of customer sentiment and service quality, aiding in informed decision-making. A governance framework has been established, delineating clear responsibilities across various managerial roles.



Customers Engagement

Enhancing Accessibility and Customer Fairness

EL AL is committed to ensuring fair and equal access to its services for all passengers, with a strong emphasis on accessibility and inclusivity. EL AL continuously enhances its services to accommodate passengers with disabilities, elderly travelers, and unaccompanied minors, providing them with the necessary assistance to ensure a comfortable and efficient travel experience.

The Company appoints an Accessibility Coordinator and dedicated champions to lead efforts across key accessibility areas: digital platforms, customer service, and physical environments both on the ground and in-flight. Accessibility oversight is further reinforced by the CEO's direct involvement, including biannual leadership meetings to ensure full legal compliance and proactively close any identified gaps.

To increase fairness, EL AL has implemented a compensation recommendation list for various service disruptions, ensuring fair compensation for issues such as flight delays, baggage problems, and cancellations. Additionally, EL AL has a corporate auditor who regularly reviews its operations and customer service practices to ensure transparency and fairness. Through dedicated personnel, tailored services, and compliance with evolving accessibility regulations, EL AL strives to make every flight and facility as inclusive as possible.

A specialized unit within EL AL is dedicated to assisting passengers who require extra support, and this service is provided free of charge. At Ben Gurion Airport, EL AL ensures accessibility by offering electric carts and wheelchair assistance, specialized seating on aircraft, and designated elevated lifts for direct boarding and deboarding. The airline's cabin crew, both on the ground and in the air, provides hands-on assistance to passengers who need help with navigating the airport, storing carry-on baggage, or boarding the aircraft. Upon arrival, EL AL's team continues to provide support, assisting passengers through passport control, baggage claim, and their transition to the arrivals hall.

Customers Engagement

In 2024, EL AL developed a form for ordering electric or manual scooters through its website, set to launch in 2025. EL AL also introduced a request form for flights with CPAP devices, significantly streamlining the process. Starting in 2025, a question about special services for passengers with disabilities will be included in the flight survey.

Understanding the importance of accessibility in digital space, EL AL has designed its website to accommodate the needs of passengers with disabilities. The website, available in both Hebrew and English, provides detailed guidance on topics such as traveling with medical equipment, procedures for passengers with visual, hearing, or mobility impairments, and support for travelers requiring assistance with surrogacy-related processes. The website also provides clear information on arranging accessibility services in advance, allowing passengers to prepare for their journey with ease.

EL AL is committed to maintaining compliance with evolving accessibility regulations, both in Israel and internationally, including the guidelines set forth by the U.S. Department of Transportation (DOT). To uphold these standards, EL AL employees undergo regular training programs focused on regulatory requirements and best practices for assisting passengers with special needs. The training lasts approximately 12 days of instruction, followed by an additional two weeks of terrain training. EL AL initiated an annual accessibility review led by the CEO, aimed at assessing and improving accessibility across various areas, including digital services, physical infrastructure at international locations, telephone service accessibility, and the integration of accessibility policies into company procedures.

In 2023, EL AL partnered with Access Israel to conduct an accessibility gap analysis and has since been working closely with the organization to address identified gaps and implement continuous improvements. This collaboration ensures that the Company remains at the forefront of accessibility advancements, continually enhancing its services to make air travel more inclusive for all passengers. In 2024, the Company enhanced the accessibility of its website and mobile application. The accessibility statement was updated, accessibility arrangements have been made, and a detailed accessibility protocol was developed to guide employee service practices.

Customers Engagement

Dialogue with Customers

EL AL places a high value on ongoing dialogue with its customers, ensuring that feedback is not only collected but actively utilized to improve services. Over the past two years, the Company has conducted a range of surveys to gather insights about customer experience, including regular flight surveys, website purchase experience surveys, lounge stay surveys, and occasional targeted surveys on specific topics such as food, duty-free shopping, and assistance for special needs passengers.

These surveys are distributed via email and SMS, ensuring that customers can participate conveniently. The results are analyzed through a dedicated survey system, which allows the Company to pinpoint areas for improvement across the entire customer journey—from the terminal experience to in-flight satisfaction.
EL AL's proactive approach to feedback ensures that customers feel heard and valued, and that their concerns are addressed in real time.

In addition to ongoing surveys, EL AL continues to foster direct, meaningful engagement with its passengers. EL AL regularly hosts meetings and exchanges with customers, where valuable insights are gained through face-to-face interaction. These informal yet insightful conversations help EL AL to understand customer needs more deeply and refine its services accordingly.

Customers Engagement

Customer Satisfaction

The Company's performance is meticulously monitored through key performance indicators (KPIs). These include the Net Promoter Score (NPS), timely responses to passengers' claims, and compliance with regulatory standards, both domestically and internationally. Aside from monitoring these KPIs, the Company also set targets to be achieved and measured against.

Service KPIs results [18]	2022-2023 YoY change in percentage points	2023-2024 YoY change in percentage points
Net Promoter Score (NPS)	+19	-2
Overall Flight Experience	+3	-3
Security Check	+7	+1
Service at Check in Counter	+4	No change
Cabin Crew-Availability & Initiate	+4	No change
Cabin Crew-Courtesy & Attitude	+2	0
Media & In-Flight Entertainment	+3	+1

In 2024, EL AL faced significant service challenges due to widespread flight cancellations by foreign airlines to Israel, resulting in unprecedented demand for EL AL's services. This surge impacted on all service channels, including call centers, terminal operations, in-flight services, and post-flight customer relations.

The high occupancy rates on EL AL flights led to reduced service flexibility, such as limitations on seat changes during flights ETC, while customer service centers managed an exceptionally high volume of inquiries driven by these cancellations and related disruptions. Despite these challenges, EL AL maintained a high level of service stability, achieving impressive customer satisfaction rates across the passenger journey, reflecting the airline's commitment to delivering quality service under demanding conditions.

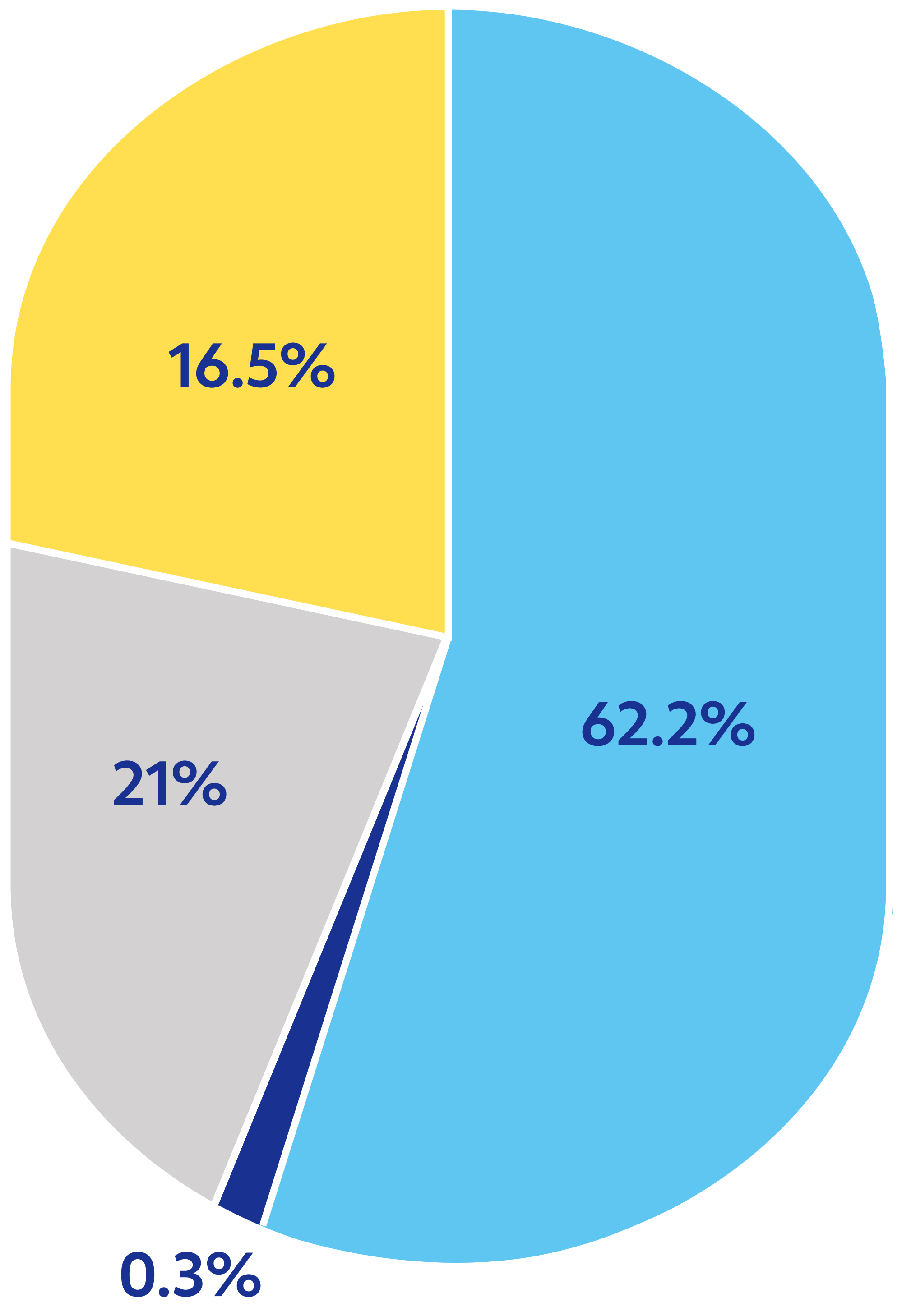
[18] Due to a methodological update, some information may differ from what was presented in the 2023 ESG report.

Customers Engagement

In 2024, the Company implemented proactive customer service initiatives, streamlining complaint resolution processes, and enhanced **compensation policies.** These efforts ensure that passengers receive a high level of service, with a focus on addressing concerns efficiently and effectively.

One of EL AL's proactive measures involves a personalized service for premium customers who have experienced service disruptions. EL AL provides tailored corrective experiences on their next flight, ensuring that any issues are swiftly resolved. Additionally, EL AL actively coordinates across relevant departments to ensure a seamless and positive customer journey.

EL AL maintains a structured and transparent process for managing customer complaints, ensuring that all concerns are systematically addressed. In 2024, EL AL received a total of 92,000 complaints from various sources. Each complaint is reviewed and processed through EL AL's customer relations system, with a strong focus on resolving issues efficiently and fairly.



Customer Complaints, by Source of Complaint

- Complaints received from direct customers
- Complaints received from regulatory entities
- Complaints received from external bodies (customer representives)
- Other

Customers Engagement

The primary concerns expressed by customers included flight schedule changes, seat reassignments, cabin malfunctions, baggage delays or damages, lost luggage, and refund processing. EL AL addressed these issues by refining operational processes, implementing customer-centric solutions, and adopting a more flexible compensation policy to enhance customer experience during service disruptions.

To further enhance customer satisfaction, EL AL implemented several strategic initiatives. A new multi-channel response system was introduced for TOP customers, providing an improved, streamlined service experience across different communication platforms. Additionally, the integration of the DB application has optimized internal processes, enabling faster response times and better customer engagement. EL AL also transitioned to a voucher-based compensation system that is fully supported on the Company's website, simplifying the process for customers to claim and utilize compensation following service disruptions.

Employee performance in sales and customer service roles is directly linked to customer satisfaction, with KPIs focused on ensuring fair and effective compensation for passengers when service disruptions occur. This includes a structured approval mechanism for compensation amounts, ensuring transparency and consistency in customer resolution processes. Through these ongoing improvements, EL AL remains dedicated to providing high-quality customer experience.

Customers Engagement

2025 Targets

Achieve a response rate of at least 98% within 21 days and 73% within 14 days for all general inquiries

Efficiency and Reliability of Services

EL AL recognizes the critical importance of providing services that are not only fair and equal but also efficient and reliable. As such, EL AL prioritizes ensuring that passengers can depend on its services to be punctual and streamlined. This commitment begins with meticulous flight scheduling and operational planning to minimize delays and disruptions. By leveraging advanced technologies and optimizing processes, EL AL strives to enhance efficiency across all areas, from booking and check-in to in-flight experiences and baggage handling.

Continuous performance monitoring allows the Company to identify areas for improvement, ensuring consistently reliable travel experience. As the Company evolves its operations, it remains steadfast in its pursuit of service excellence, understanding that efficiency and reliability are crucial to customer satisfaction, operational sustainability, and the Company's long-term success.

On-Time Performance

On-Time Performance (OTP) is a key metric used to measure the percentage of flights that depart and arrive on time. Various factors, such as weather conditions, airport congestion, air traffic flow management restrictions, and mechanical issues, can influence OTP.

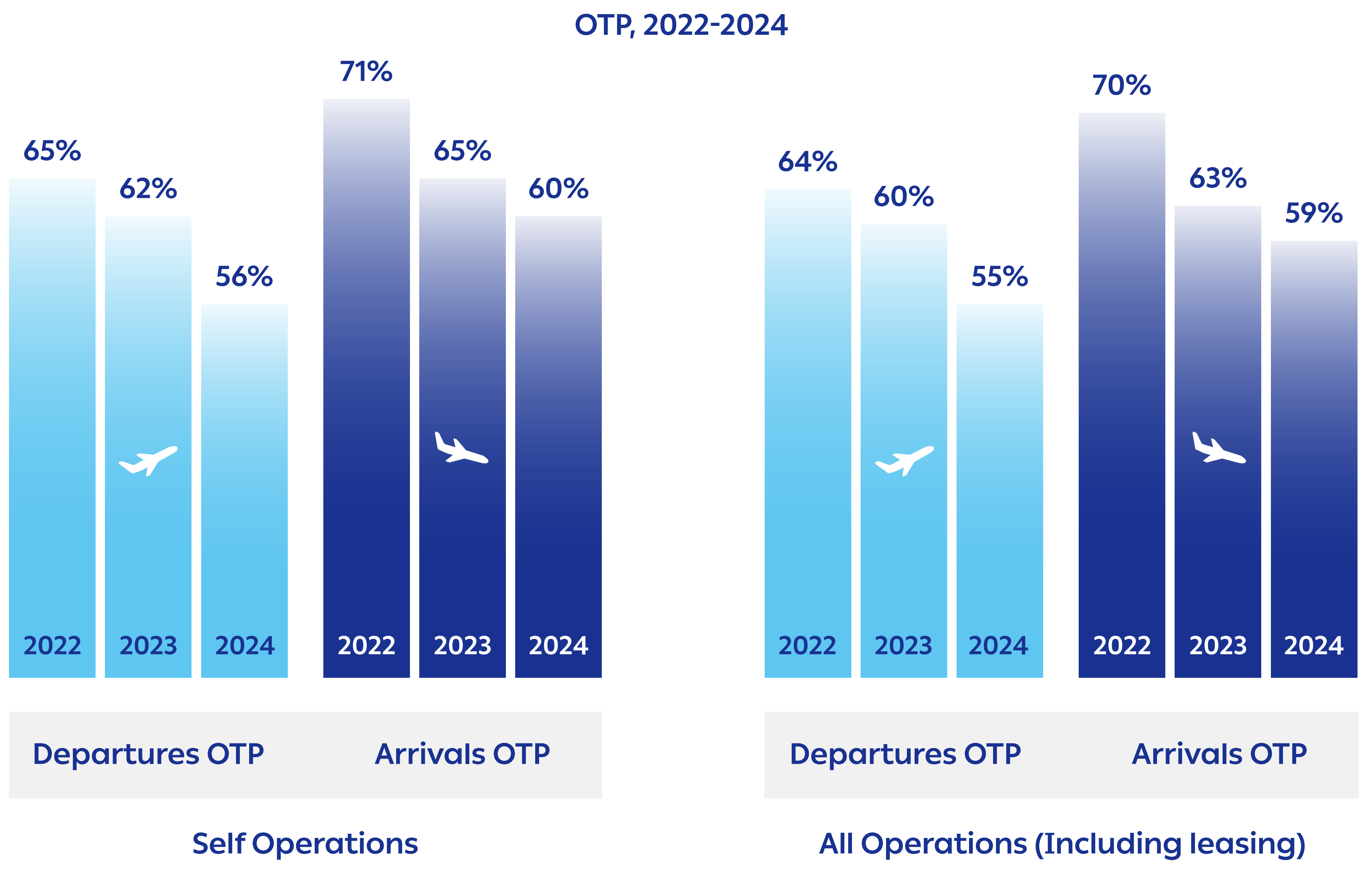
The Company is committed to enhancing this rate and has implemented several measures to address the issue. These measures include investing in modern flight tracking technology, optimizing ground operations, and improving aircraft maintenance protocols.

Customers Engagement

Improving the OTP rate will not only reduce the Company's carbon footprint by minimizing additional fuel consumption due to delays but also enhance its social responsibility by improving customer satisfaction and reinforce governance by aligning performance with industry standards.

in the past two years, there has been a decline in the OTP rate, mainly due to the war in Israel and its impact on operational overload beyond planned capacity, exceptionally high Passenger load factor, and capacity limitations at Ben Gurion Airport, which have led to delays in arrivals.

The official measurement of OTP is the percentage of flights that depart or arrive within a 15-minute delay.



Health and Safety

EL AL's fundamental responsibility is to ensure safe and secure operations for its customers, employees, colleagues, and the communities it serves. The airline takes pride in its commitment to transporting customers safely in every aspect of its operations, both on the ground and in the air.

Flight Safety

Flight safety is a top priority for EL AL, and the Company adheres to international safety standards set by IATA. Our Safety Management System ("SMS") integrates the requirements of ICAO standards SMS, and Civil Aviation Authority of Israel ("CAAI") regulatory requirements. Our airline conforms to the IOSA standard (IATA Operational Safety Standard Audit), which is an internationally recognized standard for operational safety and quality in the airline industry. Additionally, EL AL adheres to mandated requirements established by relevant authorities, including the FAA and EASA. The SMS is designed to enhance safety across all aviation operations and includes key components such as a robust safety policy, safety risk management processes, safety assurance mechanisms and safety promotion initiatives.

The CEO of EL AL serves as the accountable executive for the SMS, overseeing its performance with support from five designated post holders and nominated managers. The Director of Safety, Quality, and Environment is responsible for the day-to-day implementation and maintenance of the SMS, ensuring that safety remains a top priority throughout the organization. The Safety & Quality Review Committees (SQRC), chaired by operational Vice Presidents and held monthly, alongside the biannual Safety & Quality Review Board meetings chaired by the CEO, ensure ongoing oversight and enhancement of safety protocols. EL AL provides a customer inquiry line for health and safety concerns, managed through the Customer Relations Department. Health and safety performance are assessed using Safety Performance Indicators (SPI) and Safety Performance Targets (SPT), with significant subjects undergoing thorough evaluation through the SQRC.

EL AL's SMS is subjected to regular audits, both internally by the Quality Assurance and Compliance team, and externally through IOSA audit which is conducted periodically by certified IATA safety auditors. In March 2024, the Company successfully passed the IOSA audit process. These audits provide critical insights into the effectiveness of the SMS and inform continuous improvements.

Health and Safety

Passenger Safety and Safety Incidents

In 2024, EL AL achieved significant improvement by reducing the operational ratio for medium and higher-risk incidents per 1,000 flights, to an impressive 0.5, compared to 1.05 in 2023. This milestone underscores EL AL's unwavering commitment to passenger safety.

0 Aviation accidents [19]

No enforcement actions by relevant aviation safety authorities [20]

0 Penalties and warnings following non-compliance events concerning health and safety [21]

[19] Aviation accidents are defined in accordance with ICAO Annex 13.

[20] Total enforcement actions from aviation safety authorities include maintenance, hazardous materials transport, drug testing, records, training, noise, and actions like civil penalties and certificate suspensions or revocations.

[21] There were no incidents of non-compliance related to safety that resulted in penalties or warnings, including violations of safety regulations and voluntary codes.

Safety Risks Mitigation

EL AL has taken proactive measures to address identified Risks and hazardous situations that could lead to an accident or incident. These include GPS Radio Frequency Interference (RFI), conflict zones, Controlled Flight into Terrain (CFIT), and lithium battery hazards.

Upon identifying the conflict zone in Russian airspace (FIR), the airline temporarily ceased operations in the affected area as a mitigation measure. Additionally, after detecting the GPS RFI hazard, EL AL implemented a specialized procedure to control and mitigate the associated risks effectively. EL AL continues to follow established guidelines to address similar hazards proactively.

Safety considerations are embedded in all aspects of EL AL's operations, including procurement. All products are purchased according to established procedures and undergo thorough inspections before being used in operations, in compliance with manufacturers' instructions.

The SMS implementation at EL AL has reached a fully integrated level, characterized by a systematic approach to safety that encompasses both reactive and proactive processes. The airline conducts daily assessments to identify and mitigate safety risks and hazardous situations, with a total of 246 safety risks identified and successfully mitigated at a 100% rate.

Health and Safety

As part of its ongoing commitment to operational excellence, EL AL has also adopted innovative technologies to enhance flight safety. EL AL is the first airline in the Middle East to adopt the CEFA AMS software, which enhances flight safety and pilot skills through customized aviation simulations. The software generates 3D animated flight reconstruction using recorded flight data, providing pilots with immediate post-landing insights for performance evaluation and debriefing. This powerful tool supports continuous improvement in flight operations, offering a discreet and efficient way to analyze flight data. EL AL sees this as a significant step in strengthening its commitment to safety and professionalism across its fleet.

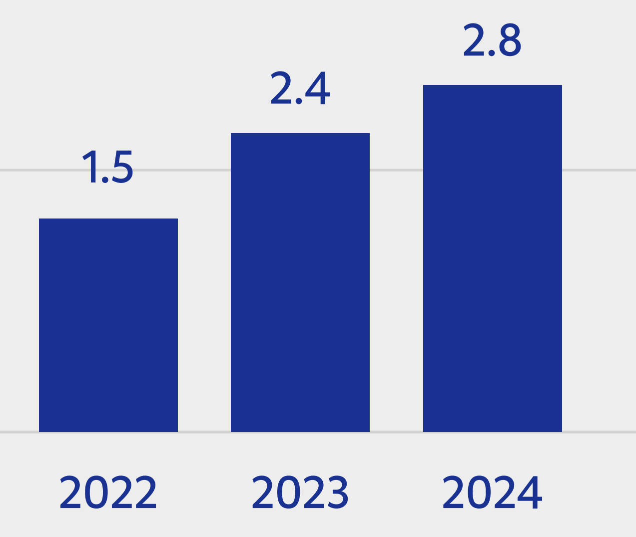
Occupational Health and Safety

EL AL prioritizes employee safety and conducts internal safety investigations to uphold this commitment. EL AL has established a comprehensive health and safety management system for all employees, supported by a formal joint Management-Employees Health and Safety Committee. This committee fosters collaboration between management and employees to address workplace safety standards effectively.

The CEO serves as the Accountable Manager, equipped with the necessary resources and authority to oversee the occupational health and safety management program. The Director of the Safety and Quality Division reports directly to the CEO, holding monthly meetings as required. The CEO chairs the Safety and Quality Review Board, which meets biannually to address relevant assignments and participants. Five Vice Presidents chair their divisions' Safety and Quality Review Committees under the CEO's guidance.

The Safety and Quality Division acts as a knowledge center, providing professional guidance, developing, and promoting safety initiatives across all departments and divisions. This division presents quarterly updates on occupational health and safety status and continuous improvement efforts to the Company management and Directorate. EL AL maintains a certified management system, with internal audits conducted by the QA & Compliance team, alongside external audits through the IOSA program.

TRIR (Total Recordable Incident Rate)



Health and Safety

2025 Targets

10% reduction in the Total Recordable Incident Rate (TRIR) compared to the previous year

Work-Related Injuries

Risk assessments are conducted to identify significant hazards before introducing new systems, significant work tools, procedures, management processes, organizational changes, or when existing mitigation measures prove ineffective. In 2024, the work-related hazards identified that pose a risk of serious injury include car accidents, movement of Ground Servicing Equipment (GSE) in limited visibility conditions, falling from a height, and risks associated with rotating tools, cuts, and foreign objects. There were no fatalities in 2024.

These hazards were identified during the risk assessment process, and importantly, none have resulted in serious injuries. The risk reduction work plan includes a campaign focused on reducing road accidents, which actively engages managers in implementing operational safety standards.

To mitigate risks associated with work-related hazards, EL AL has implemented regular safety briefings scheduled throughout the year for various departments and units. Shift leaders are provided with reinforced guidelines to conduct effective safety briefings at the beginning of each shift, promoting a culture of safety among team members.

Additionally, the importance of accident prevention, particularly concerning vehicular incidents, is emphasized during annual refresher training sessions. To further enhance safety measures, Safety Officers have been appointed to conduct thorough field observations, and there is strict enforcement of seatbelt regulations.

The frequency of administrative field observations has also increased to ensure consistent adherence to worker safety protocols. Given the higher risks faced by operational employees on the ramp and in hangars, these individuals undergo specialized training tailored to their unique safety requirements, ensuring they are well-prepared to navigate the challenges of their roles.

Health and Safety

Employee Data on Leave (2024)

Reason for Absence	Female	Male
Disease	2,451	2,572
Holiday	2,573	3,275
Military Reserve Service	244	709
Occupational Diseases–Work Accidents	55	63
Car Accidents	19	38
Disasters	0	0

Health and Safety in Collective Agreements

Collective bargaining agreements define provisions related to workplace health and safety. While safety measures are established by the Company in compliance with legal and operational requirements, they remain the Company's responsibility and are not subject to negotiation. These agreements, including the basic agreement, reaffirm employees' obligation to adhere to all company-defined safety measures and properly utilize the safety equipment provided.

In terms of employee health, the agreements include specific clauses addressing various aspects of workplace health, including health conditions in the work environment, particularly onboard aircraft and considerations for employees facing long-term illnesses. In addition, flight crews receive necessary vaccinations when traveling to exotic destinations, and maintenance personnel undergo regular hearing tests. In accordance with CAA guidelines, flight crews are also required to complete semi-annual medical examinations. These provisions ensure that employees receive appropriate medical support, including mandatory medical checks in specific cases, such as when potential discomfort to passengers is a concern.

Additional sick leave benefits may be granted in certain circumstances, and provisions are in place to offer alternate positions to employees with medical issues. The Company conducts annual medical screenings for all permanent employees over the age of 35, fully funded by the organization Furthermore, EL AL’s agreements provide eligible employees with access to medical and dental insurance based on tenure.

Health and Safety

Health and Safety Training

At EL AL, all employees undergo comprehensive safety training before starting their roles, ensuring they are well-prepared for their responsibilities. Operational employees receive this training through a combination of classroom sessions and e-learning modules annually.

In total, over 5,000 employees completed safety training in the past year. Each operational division is supported by a designated safety officer, who plays a critical role in promoting a culture of safety. These safety officers are responsible for overseeing training and ensuring compliance with safety standards.
As part of its commitment to regulatory compliance and employee safety, EL AL conducts hearing tests for over 1,200 employees working in noisy environments, in accordance with the requirements of the Israeli Ministry of Labor. Additionally, approximately 660 pilots undergo mandatory medical examinations to renew their pilot qualifications and licenses, as prescribed by the Flight Law, 5771-2011.

Compliance with Civil Aviation Authority regulations ensures that all 1,379 aircrew members with work licenses receive regular eye examinations. Furthermore, 70 employees in the Maintenance and Engineering division who are exposed to hazardous materials undergo testing in accordance with the Safety at Work Regulations (Environmental Monitoring and Biological Monitoring of Employees Exposed to Harmful Factors), 5771-2011. Additionally, 100 employees across the Company receive vaccinations due to potential exposure to various viruses and sanitation-related risks, as per regulatory guidelines.

Contract workers also receive safety training relevant to their roles. Upon beginning work on the Company campus, contractors are guided by safety officers regarding potential environmental risks. For high-risk activities, contractors must develop a risk management plan for each project phase and confirm that all employees are adequately trained according to applicable regulations.

In addition to safety training, EL AL offers health and wellness programs, including group health insurance that covers surgeries, transplants, and medications not included in the standard health basket. Maintenance workers are required to undergo yearly tests, including hearing assessments, hazardous materials evaluations, and vaccinations, further supporting the overall health and safety of the workforce.

Health and Safety

Employee Grievance Mechanism

EL AL has an anonymous grievance mechanism for Occupational Health and Safety claims called ICARUS, which is a safety management system accessible to all employees. in 2024, 67 claims were received - significant topics and concerns raised include minor injuries sustained by cabin crew while working in the passenger cabin and galleys, injuries among ground handlers at the terminal, and car accidents. EL AL has addressed these concerns by raising awareness, conducting investigations, and implementing publications and campaigns. Additionally, there is a monthly review of these issues in the Safety and Quality Review Committees (SQRC), chaired by the VP of Operations. Currently, EL AL's reporting platform allows employees to submit safety-related reports on cabin safety, flight safety, ground safety, workplace injuries, and anonymous concerns.

Community Engagement

Community Giving and Charitable Support

EL AL is committed to making a meaningful impact on Israeli society and the global community through long-term initiatives that align with its core values. As Israel's national airline, proudly carrying the Israeli flag, EL AL actively supports the country and its citizens in both routine times and emergencies. The Company prioritizes community contributions, social engagement, and employee involvement in strengthening Israeli society.

To ensure effective and transparent engagement, EL AL has established clear donation guidelines and a robust monitoring system, including a quarterly Donation Committee led by the CEO. In December 2023, the Board of Directors approved the Company's Donation and Community Involvement Policy, reinforcing EL AL's commitment to social responsibility.

The total financial value of EL AL's community activities for 2024 is approximately $7 million, encompassing both direct monetary and in-kind donations. The Company made direct monetary donations totaling around $500,000, while in-kind donations amounted to approximately $6.5 million, which included flight ticket discounts for injured and sick individuals, as well as rescue flights.

Empowering Communities

In July 2024, EL AL launched a Social Leadership Structure, assembling a team of social leaders from each division, more than 40 employees dedicated to initiating and leading impactful volunteer activities. This initiative is managed by the Community Relations Department in collaboration with employees and nonprofit organizations, ensuring a strategic and well-coordinated approach to community support.

EL AL integrates corporate social responsibility into its operations, believing that long-term social investment not only drives meaningful change in Israel but also strengthens the Company's business activities.

In 2024, approximately 25% of the workforce volunteered (1,420 volunteers) and contributed around 12,000 hours of volunteer work. Alongside financial contributions, EL AL actively encouraged employee volunteerism, fostering a culture of giving and community engagement.

Community Engagement

EL AL partnered with several key nonprofit organizations that align with its values, focusing on education, social inclusion, healthcare, and environmental conservation. The Company supported organizations such as the Ramon Foundation and Unistream, which promote educational excellence and entrepreneurship among Israeli youth.
The Company also partnered with Shalva, Larger Than Life, and Restart Global to assist individuals with disabilities, children battling serious illnesses, and injured veterans.

Additionally, EL AL extended its support to the Foundation for the Welfare of Holocaust Victims, providing aid to Holocaust survivors, and Krembo Wings, a youth movement that fosters social inclusion for children with disabilities. The Company also worked with the Nature and Parks Authority to promote environmental conservation.

Fortifying National Resilience in Conflict

Since the beginning of the war on October 7, 2023, Israel has faced unprecedented challenges as the country has been engaged in a fierce and ongoing war, impacting both its citizens and the fabric of its society. Amid these difficult times, the resilience of Israeli society became evident, and EL AL stood out for its dedication to helping overcome the social and human impacts of the war. EL AL not only did its best to maintain its business operations but also took an active part in strengthening national resilience, mainly by assisting those evacuated from war zones, bereaved families, the injured, lone soldiers, and other groups in need.

At a dedicated conference held in July 2024, the Company expressed its gratitude to the wonderful people who stood out in their community service during the War. injured individuals. The Company has participated in a campaign that accompanies soldier groups on a mental healing and rehabilitation journey to Switzerland. The soldiers were hosted on EL AL flights and invited into the cockpit, where they maintained contact with the air crew and helped uplift the spirit of every flight. Additionally, a donation was made to the Israeli Disabled Veterans Organization in the amount of 200,000 NIS, dedicated to purchasing flight tickets for injured IDF soldiers. This donation was the result of the campaign for the Israeli Paralympic delegation to Paris in July 2024.

On October 24, the Company also launched a particularly moving musical memorial project – "The Melody of Their Lives". In this project, we have created a personalized playlist for each of the soldiers and commanders who fell during the war. The playlist was displayed on personal screens in the planes, and the fallen's favorite songs were also played over the aircraft's PA system during boarding and landing, in their memory.

Two major campaigns were carried out for mandatory and reserve soldiers. EL AL surprised soldiers and rehabilitation patients with flight tickets and travel bags, enabling them to rest and relax after their challenging recovery periods. Special flight benefits were also offered to IDF soldiers in both regular service and reserves, converting reserve duty days into frequent flyer miles.

Community Engagement

On the volunteer front, hundreds of EL AL employees dedicated their time to food packaging activities. In addition, EL AL operated eight emergency rescue flights on short notice from Amsterdam to Tel Aviv, transporting approximately 2,000 passengers free of charge, at a cost of millions of shekels. These flights were part of the Company's swift response to violent events that affected Israeli citizens in Europe.

As Israel continues to face these ongoing challenges, EL AL remains steadfast in its commitment to both the country and its people, reinforcing its role as a pillar of support for national resilience and solidarity. The Company's dedication to humanitarian efforts demonstrates the strength of its values and its unwavering determination to stand by the Israeli public during times of crisis.

2025 Targets

- **20% increase compared to 2024 in total volunteer hours.**
- **$1 million for direct monetary donations.**

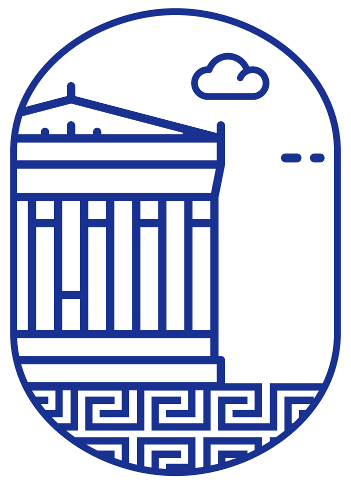
GOVERNANCE

Governance

Corporate Governance and Business Ethics

2024 Highlights

50%	25%	93%	1:04.4
Independent Directors	Female Representation on the Board	Participation Rate in Board Meetings and Board Committees' Meetings	Ratio of Highest Salary to Median Salary



At EL AL, strong corporate governance is integral in maintaining responsible business practices. Mr. Amikam Ben Zvi serves as the Chairman of the Company's Board of Directors. In accordance with the Israeli Companies Law, 1999 **("Companies Law"),** the Chairman is not classified as an independent director. However, the Chairman does not hold a senior executive role within the Company. The Chairman also acts as the chairman of two of the Company's subsidiaries, reflecting a broad and active engagement with the Company's operations.

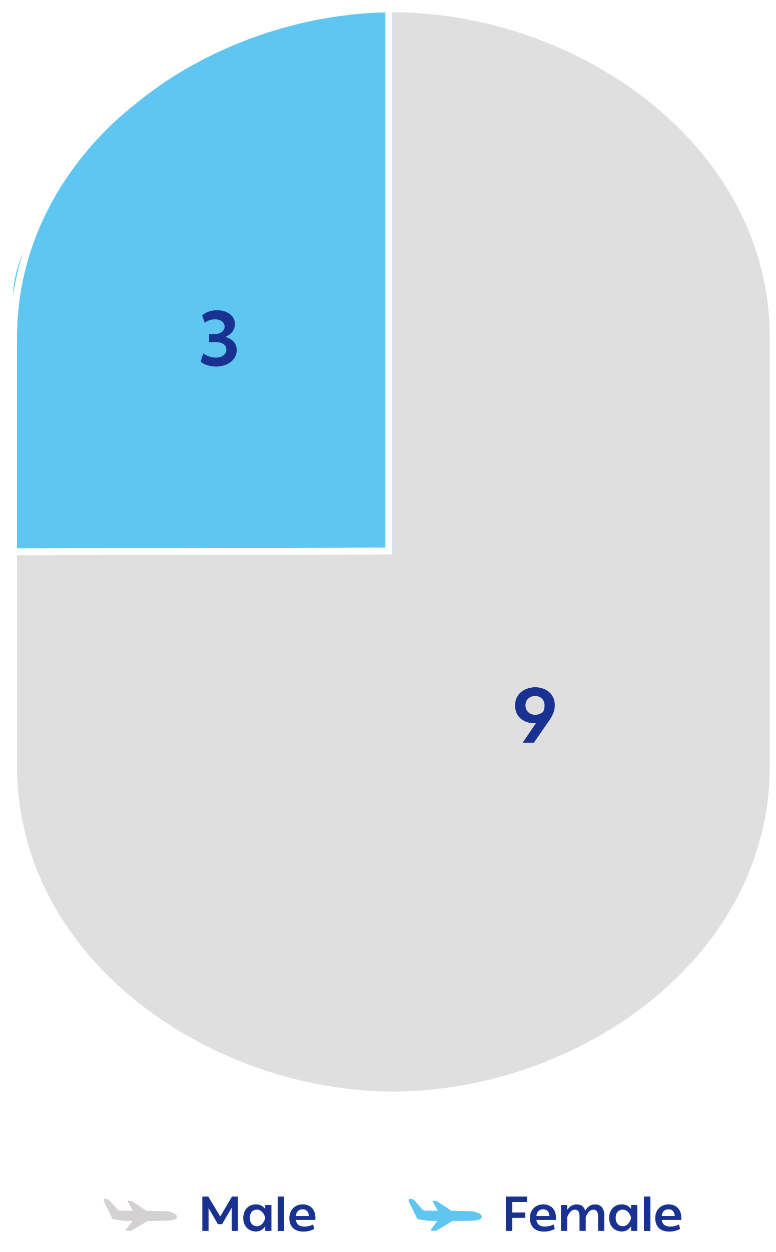
The Board of Directors is composed of individuals with a diverse range of competencies and experience that directly align with the Company's operations. As of December 31, 2024, the Board includes: A member who actively serves as a pilot and piloting instructor, a member who is a former Minister of Transportation and Minister of Tourism in Israel, a member who previously held the positions of CEO of the Israeli Ministry of the Economy and CEO of the Israeli Ministry of the Interior, and a member who holds a position as a doctor within academic institutions. In addition, several Board members acted as CEO's and chairmen in various companies outside of the Company's industry. This diverse composition brings a broad spectrum of expertise and perspectives to the governance of the Company.

In 2024, the General Meeting of the Shareholders of the Company **("General Meeting")** appointed three external directors to the Board, two of whom are female. This reinforces the Company's commitment to responsible business practices and long-term value creation.[22]

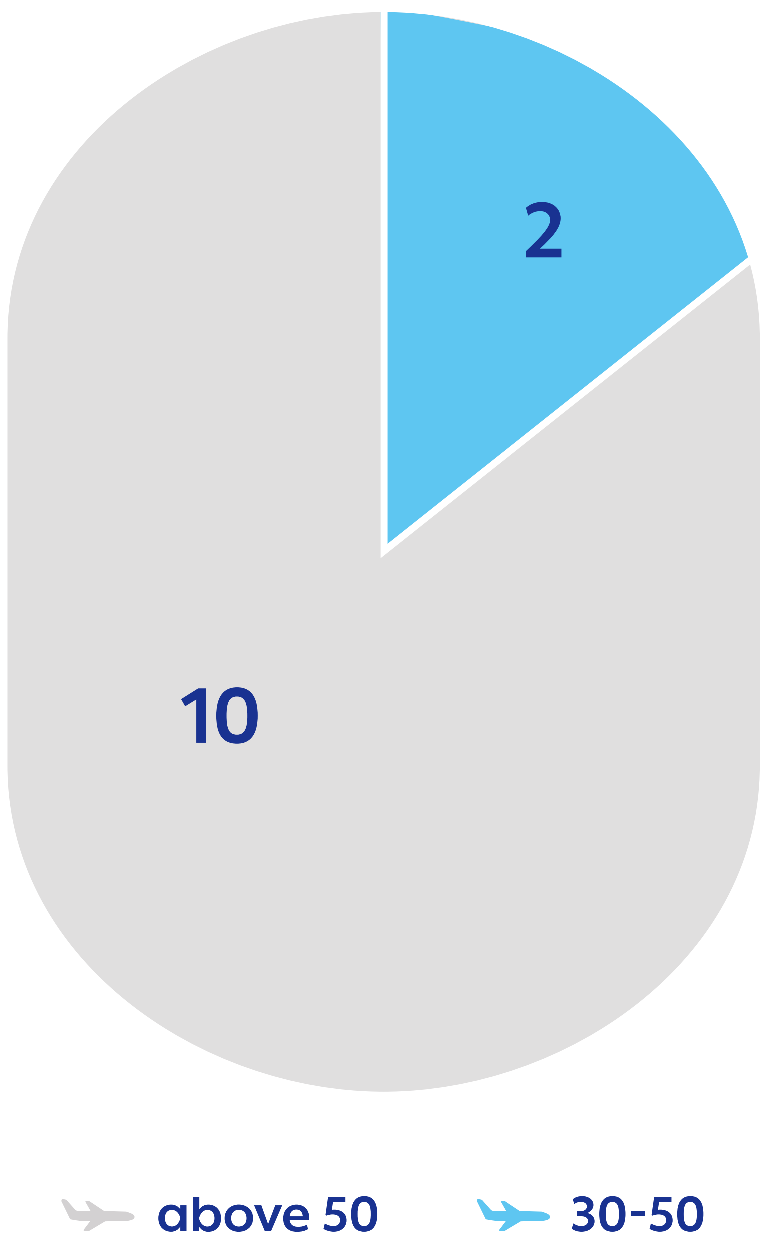
[22] All data is as of December 31, 2024, unless otherwise stated.

The Board composition

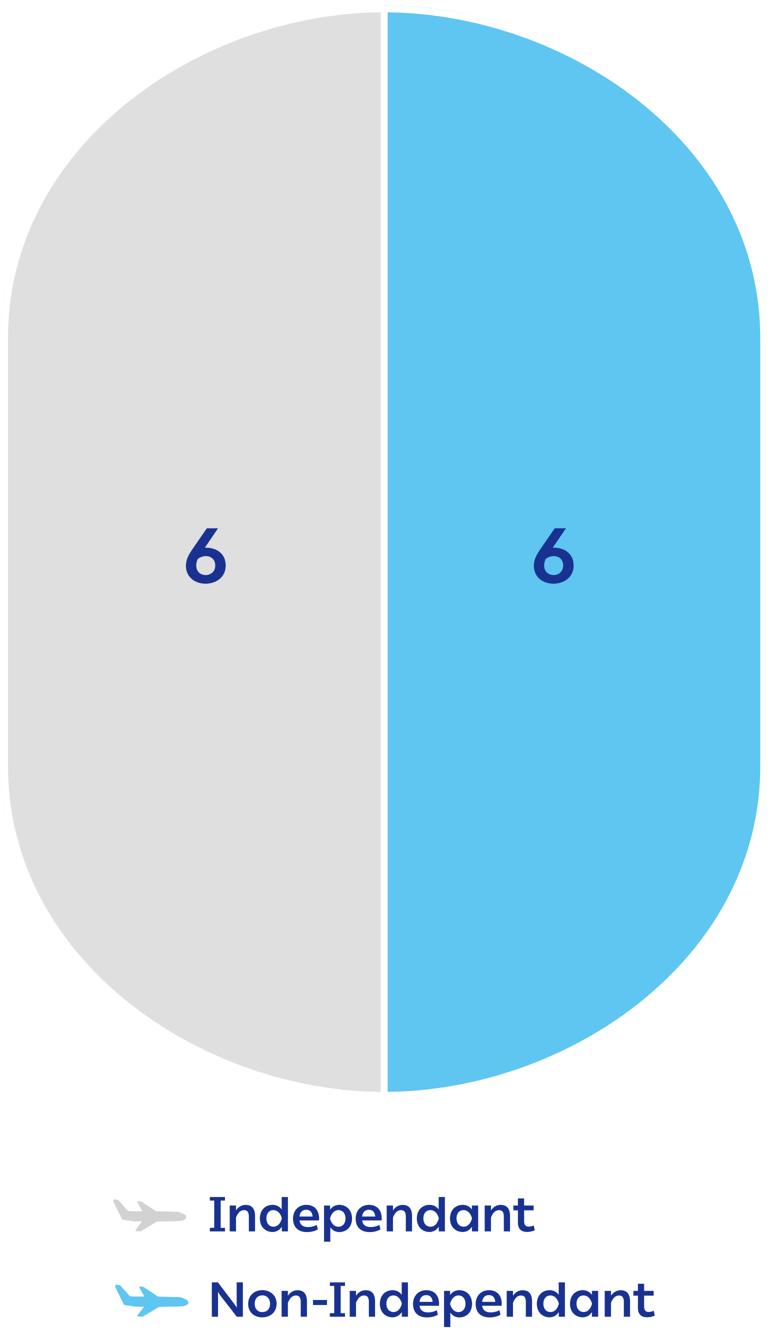
Members of The Board of Directors, by Gender



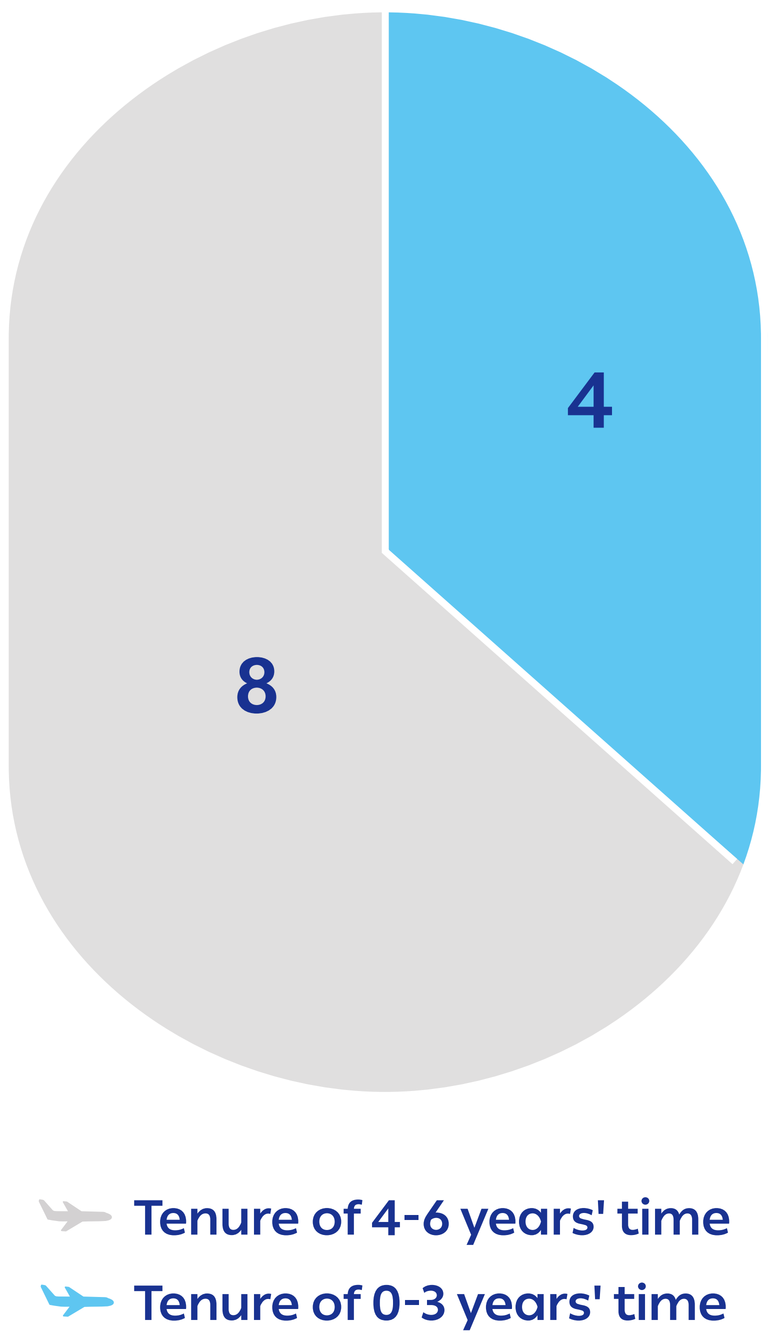
Members of The Board of Directors, by Age



Independence of The Board of Directors



Tenure of the Board of Directors



Board Committees and Their Roles

The Board of Directors oversees the Company's strategic direction and operational performance through a framework of specialized committees. Some of these committees are mandated by the Companies Law, while others were established by the Board to enhance governance and operational efficiency. EL AL's key Board committees include:

- Finance and Budget Committee: Oversees financial planning, budget allocation, and resource management to ensure financial stability and long-term sustainability.
- Security Committee: Responsible for safeguarding the security of EL AL's operations, passengers, and employees.
- Financial Statements Committee: A mandatory committee under Israeli law, tasked with reviewing quarterly and annual financial statements and recommending approval by the Board.
- Risk Management Committee: Identifies and evaluates potential risks, ensuring that appropriate mitigation strategies are in place to protect the Company's assets and stakeholders.
- Safety Committee: This committee focuses on enhancing operational safety, workplace well-being, and passenger security
- Audit and Compensation Committee: A mandatory committee responsible, *inter alia,* for corporate governance, internal audits, and executive compensation. It plays a vital role in reviewing business administration practices, assessing internal and external audit processes, and approving transactions with controlling shareholders. Additionally, it oversees the Company's executive compensation framework and approves EL AL's senior management Compensation Policy ("Compensation Policy"). To ensure transparency and accountability, the Audit and Compensation committee meets annually with selected senior management officers individually.
- Executive Committee: A dynamic, ad-hoc committee convened as needed to address urgent strategic and operational matters.

Board Committees Attendance

Committee name	Number of members (as of December 31, 2024)	Number of meetings held in 2024	Attendance percentage in 2024
Audit and Compensation	6	21	94.5%
Financial Statements	6	5	91.6%
Security	4	1	67%
Safety	3	3	83.3%
Risks Management	6	3	86%
Money & Budget	6	3	94%
Executive	4	3	83.3%

Board of Directors Trainings

EL AL places a strong emphasis on continuous learning and development for its Board members. The Board training program includes a variety of events and updates designed to address key areas of governance, compliance, ethics, competition law and risk management.

In 2024, the Company organized an Awareness Week for its directors, senior management and employees ("Awareness Week"), during which the Board members participated in lectures given by external experts on relevant topics such as cybersecurity, regulatory compliance, corporate governance, privacy and data protection, board members' liability, and the business judgment rule.

In addition, the Board is regularly updated on critical corporate governance issues, both during Board meetings and through newsletters covering topics such as corporate governance, competition law, and other relevant regulatory issues. To ensure that Board members are well-equipped to address these key issues, the following training areas are included in the program:

- Training on Ethics and the Ethical Code: The Board received a review of the ethical code's implementation, including its application and practical training on ethical practices.
- Information Security Training: Every quarter, the CISO and VP of IT provide the Board with updates on information security, covering regulations, best practices, and emerging threats, as well updates regarding the current cyber risks that the Company is facing.
- Training on Regulatory Compliance: As mentioned above, as part of the Awareness Week, the Board received regulatory updates. In addition, the Internal Enforcement Officer (as defined below) regularly reviews compliance topics during Board meetings to ensure adherence to the relevant laws.
- Corporate Responsibility and ESG Risks: The Board and the Risk Management Committee review and approves ESG-related risk factors as part of the annual financial statements, with ongoing discussions as part of the broader risk management strategy.

Nominating Process

Since EL AL is a public company which is listed on the Tel Aviv Stock Exchange, the nomination and appointment of Board members is governed by the Companies Law and the Israeli Securities Law 5728-1968 (the "Securities Law"). The Companies Law states that the Board members are nominated and appointed by the Shareholders and serve until the following annual General Meeting, where they can be reappointed by a simple majority (except the external directors which require a special majority as detailed below). The Board member's remuneration, including the chairman's, is approved by the Audit and Compensation Committee and then by the Board, consistent with the Company's established Compensation Policy as was approved by the General Meeting. The Chairman's remuneration must also be approved by the General Meeting by a regular majority. In addition, if a director is also a controlling shareholder or an interested party in the Company, their compensation must also be approved by the General Meeting by a special majority.

The nominations and appointments of external directors, mandated for public companies (at least 2 according to the Companies Law), must be approved by the Audit and Compensation Committee, the Board, and the General Meeting by a special majority. The external directors serve for a period of three years, and can be reappointed for an additional two terms of three years each as external directors. The maximum period external directors can serve as such is a maximum of nine years. As mentioned above, several of the Board's Committees, including the Audit and Compensation Committee, and the Financial Statements Committee, are mandatory by law with a statutory majority of independent directors, as stipulated by the Companies Law. The Board is committed to maintaining a high level of expertise, with eight directors possessing "accounting and financial proficiency" as of December 31, 2024, including all the four external directors (whereas according to Companies Law, only one external director must have such proficiency).

Business Ethics

EL AL holds a strong commitment to ethical business conduct, ensuring integrity, transparency, and accountability across all levels of the organization. To uphold these values, EL AL established clear ethical guidelines governing its business practices and reinforcing compliance with legal, regulatory, and internal requirements.

EL AL adopted an updated Code of Ethics that outlined the principles and standards expected from employees, management, directors, and officers at all times and in all locations.

The updated Code of Ethics was officially adopted by the Board in July 2023. The updated Code of Ethics was adopted following a comprehensive gap analysis comparing the previous code of ethics with the industry's best practices. As part of this process, an organizational assessment was conducted to develop a Code tailored to the Company's specific core values.

The Code Of Ethics also applied to the Company's subsidiaries and third parties acting on behalf of EL AL, including vendors, service providers, agents, and consultants. EL AL's subsidiaries and station offices worldwide adhere to the Code's principles, ensuring alignment with local laws and business practices.

During 2024, EL AL took several actions to implement the updated Code of Ethics within the Company and its employees. In addition, in order to promote ethical awareness, EL AL integrated ethics training into its employee development programs. These training sessions emphasized integrity, honesty, and responsible decision-making in business operations. By implementing this program, EL AL ensures that its values are shared across the organization and that employees are equipped with the knowledge and skills necessary to act in accordance with the Code of Ethics in their interactions with customers, suppliers, shareholders, and other stakeholders.

EL AL also enforces compliance with its Code of Ethics through structured oversight and accountability measures. Reports of ethical concerns are investigated thoroughly, and appropriate corrective actions are taken when necessary. By prioritizing business ethics, EL AL strengthens trust among employees, stakeholders, and customers.

The Code serves as a moral compass to guide employees through ethical dilemmas that may not have explicit legal or procedural resolutions. Additionally, EL AL maintains a Disciplinary Code, which is incorporated into the Collective Agreements to which EL AL is a party, and which defines expected conduct and compliance standards. It provides a structured framework for professional behavior, addressing rights, responsibilities, and conflict resolution mechanisms.

Business Ethics

Anti-Bribery & Anti-corruption

EL AL enforces a strict zero-tolerance policy regarding such incidents, ensuring that all employees and stakeholders adhere to the highest ethical standards.
At EL AL, employees and representatives must:

- Not accept or offer incentives, commissions, inappropriate payments, or anything of value from or to customers, vendors, or any third party engaged in business or professional interactions with EL AL.
- Refrain from offering or accepting gifts or benefits without prior approval, even if intended to positively influence or alter a business decision related to EL AL.
- Operate in full compliance with all applicable anti-bribery and anti-corruption (ABAC) laws in Israel and abroad.
- Not use third parties to offer gifts or benefits on behalf of EL AL, either domestically or internationally.
- Not offer induction fees or promotion payments to government officials or any other function to secure business, promote personal or professional interests, or gain an improper competitive advantage.

Business Ethics

EL AL upholds the principles of integrity and transparency across the organization to combat corruption
effectively. A key aspect of this commitment is ongoing anti-corruption training for executive and non-executive management personnel, which must be completed by all the employees annually. By ensuring that leadership teams are well-informed about anti-corruption measures, EL AL fosters a culture of integrity and reinforces ethical business practices throughout the company.

100% of the Company's employees completed the virtual training program in ABAC during 2024. according to the company's Enforcement plan all executive management and employees in sensitive positions are required to Attend dedicated ABAC training tailored for them in order to further strengthen compliance measures. By prioritizing strict anti-bribery and anti-corruption policies, EL AL mitigates the risks associated with unethical business practices, ensuring its reputation as a responsible and trustworthy corporate entity.

Whistle Blower Mechanism

EL AL is committed to responsible business conduct, ensuring that employees can voice concerns regarding the company's actions, operations, or business partnerships. Employees are required to report any witnessed or suspected violations of laws, regulations, or the provisions of the Code of Ethics involving colleagues, managers, or business partners. All reports are examined and addressed. For guidance or to report concerns, employees have access to multiple channels. The Company Ethics Officer oversees reporting and consultation. Ethical concerns, dilemmas, or breaches of the Code of Ethics should be reported to a direct supervisor or the Legal Affairs department.

Employees may submit complaints, either directly or anonymously, through a confidential channel managed by the director of labor relations or a channel to the Internal Audit. Complaints must be submitted in writing, and anonymity is respected by those who choose it. The Internal Auditor compiles an annual report on employee complaints, which is presented to the Audit and Compensation Committee. The committee assesses and ensures the proper handling of complaints by the relevant departments, reinforcing EL AL's commitment to transparency and accountability.

Compliance with Laws and Regulations

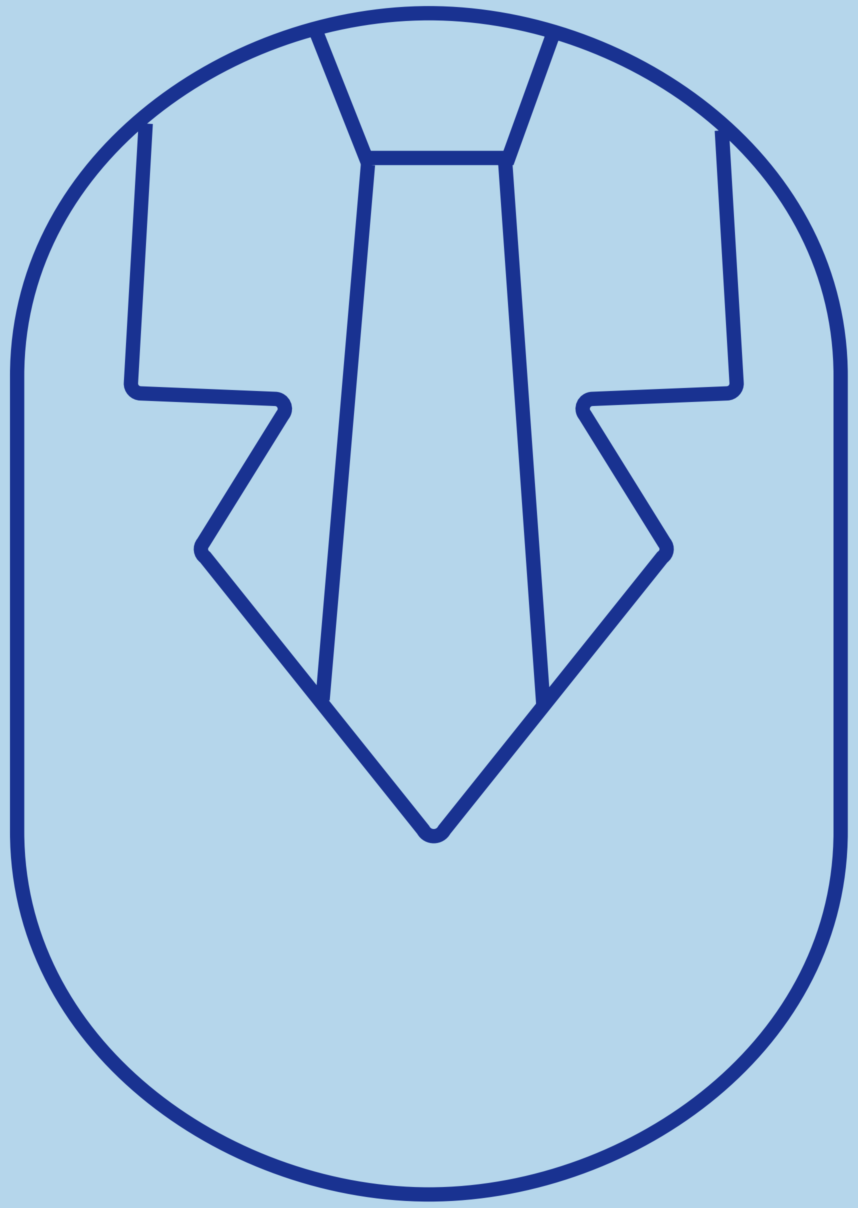
As a publicly traded entity on the Tel Aviv Stock Exchange, EL AL adheres to all relevant Israeli laws and regulations, including the relevant regulation regarding related parties' transactions. This encompasses full compliance with the provisions and stipulations laid out in the "Related Parties Transactions" chapter of the Companies Law. According to that chapter, several types of related parties' transactions, including with the controlling shareholder, are required to be approved in accordance with the requirements as set out in the "Related Parties Transactions" chapter. Several of the transactions which fall under one of the sections in the chapter must be approved by the Audit and Compensation Committee, which is responsible for reviewing the terms of the proposed transaction. If the Audit and Compensation Committee approves the proposed transaction and recommends the Board to approve it, the matter is then brought before the Board for approval.

Following the Board's approval, some of these proposed transactions, including several transactions with the controlling shareholder, require the approval of the General Meeting. in those instances, the Company proceeds to publish an invitation for a General Meeting, in which the General Meeting will be asked to approve the proposed transaction. The Invitation includes all the relevant data regarding the proposed transaction and the reasons for the approval of the proposed transaction by the Audit and Compensation Committee

Compliance with Laws and Regulations

and by the Board. Several types of such transactions require that the proposed transaction is approved at the General Meeting by a special majority vote, i.e., approved by shareholders who do not bear any personal vested interest in the proposed transaction. For additional information, please see sections 268 – 284 to the Companies Law.

Following the recommendations of the Audit and Compensation Committee, the Board has appointed the Company's Corporate Secretary as the internal enforcement officer in relation to securities laws (the **"Internal Enforcement Officer"**). The Company's Internal Enforcement Plan in Securities and Corporate Law (the **"Plan"**), which was last updated in November 2023, reflects the Company's recognition of the importance of compliance with the applicable law by its Board, management, employees, and relevant service providers. The Plan focuses on various issues, such as the prevention of conflict of interests, prevention of the use of inside information, disclosure of information to media factors, immediate reports procedure and more. The Plan also focuses on the ways in which the Company is required to act in case any violations of the Plan occur. The Plan includes a mechanism for assessing the damage caused by such violations and preventing their recurrence. The Plan aims to instill and enforce norms of legal compliance, ethical principles, and other codes of conduct within the Company and its employees, thereby ensuring compliance with the applicable laws and regulations.



Compliance with Laws and Regulations

The Plan includes internal identification measures for violations and potential failures, which, among other things, aim to address failures, optimize reporting processes, identify and address conflicts of interest, prevent information leaks outside the Company, and prevent any illegal influence on the Company's stock trading. It should be noted that the Plan assists the CEO and the Board in carrying out their supervisory duties. The Plan includes procedures in order to implement the Plan in the Company.

During 2024, the Internal Enforcement Officer continued to take various actions to implement the Plan among the Company's Board members, management, and employees. These actions included providing training to the Company's employees and management, as well as to the employees of subsidiaries and advisors providing services to the Company on the Plan and its procedures. The Internal Enforcement Officer conducted regular reviews in different divisions within the Company to examine the implementation of the Plan among the Company's employees. The Internal Enforcement Officer also identified several sensitive key positions within the Company and initiated a process of having personnel in such positions to sign NDAs. In addition, in accordance with the Plan, the Board members, senior management (both in the Company and in the subsidiaries) completed a Related Parties Questionnaire initiated by the Internal Enforcement Officer to identify any potential or existing related parties' transactions with the Company. For details regarding the Awareness week which was planned and organized by the Internal Enforcement Officer please see section "Board of Directors Trainings". For details regarding the new online module regarding the Plan which was developed in 2024 and launched in July 2024, please see below.

The Internal Enforcement Officer reports, from time to time, to the Board regarding the enforcement activities. In Such reports, the Internal Enforcement Officer provides a description of the actions taken during the reporting period in connection with the implementation and integration of the Plan, a review of compliance events, the measures taken to address such events and to prevent similar events in the future, as well as updates regarding legislative amendments, regulatory guidelines, and significant decisions made in the context of legal proceedings in the field of securities and corporate law.

Compliance with Laws and Regulations

In addition to approving the Plan as detailed above, the Board approved an internal enforcement program in the area of competition law (together with the Plan, the "Enforcement Plans"), which includes a framework for the Company's internal enforcement program and key policies in areas of the Company's operations. Following the recommendation of the Corporate Governance Committee (which ceased to exist in 2023, and its authorities were transferred to the Audit and Compensation Committee), the Company's General Counsel was appointed by the Board as the senior officer responsible party for internal enforcement in area of competition law. The implementation and adoption of an effective enforcement program are intended to increase awareness among employees and managers to the requirements of the relevant laws and regulations, including the Israeli Economic Competition Law 5748-1988 and the orders and instructions published by Israeli Competition Authority. The enforcement plan in the area of competition law is also intended to reduce exposure to enforcement proceedings and claims against the Company, its employees, and its management.

Annually, the Company conducts comprehensive training sessions for its employees, focusing on the intricacies of its Enforcement Plans. Furthermore, as part of the Company's commitment to sustained compliance, it has devised mandatory educational software programs encompassing diverse compliance-related subjects in Securities and Corporate Law and in Competition Law. These programs are obligatory for all the Company's employees and officers, including the branches abroad and the employees of the subsidiaries. It should be noted that the Internal Enforcement Officer and her team developed a new and updated online training program regarding the Plan. The online training program was launched in July 2024, during the Awareness week, and is mandatory for all the Company's employees.

To ensure mastery of the content, participants are required to attain a predefined minimum score. In cases where the initial score falls short, individuals are required to revisit and complete the program until they meet the stipulated threshold. This approach guarantees an in-depth understanding of compliance essentials among the Company's personnel, emphasizing its dedication to robust and sustained adherence.

The Board also approved an internal enforcement program regarding the prohibition and prevention of bribery and corruption. The Company appointed the Vice President of Human Resources as the responsible party for enforcing this program. This enforcement program reflects the Company's high regard for strict compliance with the applicable anti-bribery and anti-corruption laws.

Audit

As mentioned above, EL AL is a public company in accordance with the Companies Law. Therefore, the role of Internal Auditor is mandatory in a public company. The Internal Auditor is appointed in line with the Companies Law requirements. The Internal Auditor is recommended by the Audit and Compensation Committee and approved by the Board. It is mandatory that the Internal Auditor maintains his independence as long as he continues to act as the Internal Auditor.

The Internal Auditor's annual plan, which determines his scope of work (and is determined a year in advance), is carefully crafted, considering various factors such as: risks associated with the Company's operations, safety and security measures for passengers, employees and aircraft, and compliance with regulations.
The Internal Auditor actions align with the legal and regulatory requirements.

As a public company, EL AL must engage with an external auditor (the **"External Auditor"**). The main focus of the External Auditor is to review and audit the Company's annual and quarterly financial statements. As of December 31, 2024, the Company's External Auditor is Ernst & Young Israel. The appointment of the External Auditor follows an annual cycle in accordance with the Companies Law. Each year, the External Auditor is appointed by a regular majority vote at the Annual General Meeting of Shareholders and serves until the next Annual General Meeting, unless terminated earlier.

For further details regarding the Internal Auditor's annual plan please see section C4 in Chapter B of the **Financial Statements.**

Remuneration

The Compensation Policy encompasses several key segments:

- Fixed Pay: The Compensation Policy sets forth specific guidelines for determining the maximum fixed pay per month for the CEO, Chairman, and VPs, and it stipulates that the remuneration of Board members shall align with relevant Israeli laws and regulations.
- Variable Pay: The Compensation Policy outlines that Company's senior officers may be eligible for variable pay, subject to the sole discretion of the pertinent organizational body within the Company. Variable pay is designed with position-based caps, in accordance with the individual's role within the organization.
- Equity Compensation: The Compensation Policy acknowledges that the Company's senior officers may be entitled to equity compensation, as detailed within the terms specified in the Compensation Policy, at the sole discretion of the Board.
- Bonuses: The Compensation Policy also encompasses provisions for annual grants, special bonuses and / or retirement bonuses, with eligibility terms and conditions explicitly laid out in the Compensation Policy.

Remuneration

Remuneration Ratios

In line with the EL AL's dedication to transparency and responsibility, the Company is providing remuneration ratios that illustrate the comparison between the compensation of the highest-paid individual in the organization, the CEO, and the median and average salaries of all other employees, excluding the highest-paid individual.

Ratio to Median Salary:
The ratio between the remuneration of the highest salary earner and the median salary of other employees, excluding that individual, contractor employees and senior officers, is **1:04.48.** This calculation is based solely on the base salary. Importantly, this ratio does not incorporate grants, benefits, pension contributions or similar factors. Detailed insights and supporting figures are available in Chapter B of the Company's financial statements for the fiscal year 2024.

Ratio to Average Salary:
The ratio between the remuneration of the highest salary earner and the average salary of other employees, excluding that individual, contractor employees and senior officers, is **01:06.86.** Similar to the previous calculation, this ratio reflects a comprehensive assessment that is based solely on the base salary. Omitted from this calculation are factors such as grants, benefits and pension provisions. For a deeper understanding and additional data, kindly refer to Chapter B of the Financial Statements.

Tax Policy and Transparency

EL AL's approach to tax policy is rooted in adherence to Israeli tax regulations. For further information on the Company's tax treatment, please see Note 17 In Chapter C to the Financial Statements. Within the organizational framework, tax matters are handled in a meticulous manner.

The Chief Financial Officer (CFO) and his division are responsible for tax risk management. They proactively identify, assess, manage, and monitor tax risks. For further information please see Note 17 In Chapter C to the Financial Statements.

As a public company, the Financial Statements Committee plays an instrumental role in overseeing our financial reporting and ensuring compliance, including tax matters. The CFO and the financial department collaborate closely with the Financial Statement Committee in the assessment and preparation of financial reports.

The Company's commitment to ethical practices extends to tax considerations. The Company's Controlling department bears the responsibility for ensuring compliance with any relevant and applicable tax laws, regulations and practices.

Assurance Process – The Financial Statements are prepared in accordance with the International Financial Reporting Standard (IFRS) and are audited by the External Auditor (as defined above) to validate the accuracy of the financial data, including tax disclosures.

Financial Information and Tax Reporting by Jurisdiction – While Israel remains the primary tax jurisdiction, Company's subsidiaries' incorporations in different countries entail varied tax jurisdictions, including the State of New York (USA). For further details please see Note 17 in Chapter C to the Financial Statements.

Tax Policy and Transparency

Economic performance and responsibility, USD thousands

Revenues	3,431,800
Operating costs	2,659,100
Operational profit	772,700

For further information, please refer to Section A3. in Chapter B of the Financial Statements.

Additionally, the Israeli Government holds a Special Share in the Company [23]. For more information regarding the Special Share, please refer to Section 8.11.9 in Chapter A and Note 18.G in Chapter C of the Financial Statements.

[23] In July 2023, the Israeli Government divested a portion of its shares, resulting in its current ownership of less than 5% of the Company's shares. Consequently, the Israeli Government no longer maintains its status as an interested party in the Company.

Responsible Supply Chain

4,233	676
Suppliers	New suppliers (joined in 2024)

Recognizing the importance of responsible sourcing, EL AL believes that a sustainable and ethical supply chain is crucial for both the Company's success and the long-term value it creates for all stakeholders. In 2024, EL AL took significant steps to enhance its supply chain practices, including the process of development of a comprehensive strategy.

As part of its efforts to build a responsible supply chain, EL AL focuses on the identification and management of ESG risks. EL AL conducted in 2024 an assessment of its supply chain to identify key ESG risks and impact, including those related to human rights, worker rights, occupational health and safety, climate change and environmental pollution. These aspects were prioritized and evaluated based on their potential risks and impact, with a recommended action plan created to mitigate the most significant risks and impact across the supply chain. In addition, During 2024, EL AL has advanced the process of approving and implementing a dedicated supplier code of ethics, aimed at ensuring that supplier practices align with the Company's values, ethical standards, and sustainability commitments.

A Responsible and Diverse Supply Chain

Diversification of suppliers based on social and environmental issues is a key priority for EL AL. EL AL's procurement process incorporates social and environmental considerations, with local Israeli companies receiving preferential treatment when competing bids are equal, accounting for approximately 57% of the procurement budget.

EL AL prioritizes small and medium-sized enterprises, ethical businesses, and those from peripheral and underserved areas, particularly for welfare activities and charitable donations, while striving to support businesses with environmentally responsible practices. However, EL AL's primary procurement needs are centered on global aviation suppliers, which limits opportunities for smaller, socially oriented businesses to compete. When two suppliers are equal, EL AL prioritizes suppliers aligned with green procurement, ethical codes, or Israeli origin. In 2024, EL AL replaced its electronic waste recycling provider with a green supplier whose entire recycling process workforce consists of individuals with special needs.

Responsible Supply Chain

EL AL is in the process of developing a formal supply chain strategy and management system to strengthen sustainability within its supply chain. As Part of this effort, EL AL is working to review its suppliers' practices to promote alignment with human rights principles. The Company organizes targeted initiatives led by contract managers, such as service workshops for taxi drivers in the transportation sector and an annual conference for key IT suppliers to present the division’s goals for the upcoming year. These events provide valuable guidance and serve as a platform to recognize and appreciate outstanding suppliers, reflecting EL AL's commitment to enhancing its suppliers' ESG capabilities and promoting a responsible, sustainable supply chain.

Fair Engagement with Suppliers

EL AL is dedicated to fostering an inclusive supplier management approach, ensuring equal opportunities for all suppliers. The selection process prioritizes competitive evaluations of pricing and service quality, ensuring fairness in its engagements. This approach underscores EL AL's commitment to maintaining transparent and mutually beneficial supplier relationships.

EL AL has set clear payment terms for its suppliers. Small and medium-sized suppliers are paid within **45 days (net+45)** days, with more lenient terms (net 30) for significant purchases or salary-related transactions. This policy supports suppliers' financial stability.

Responsible Supply Chain

EL AL has also implemented processes to ensure compliance with labor laws among its contractors and service providers. **These processes include, as needed:**

- Legal reviews or obtaining legal opinions on contractors' compliance with labor laws.
- Identifying and addressing potential violations of workers' rights.
- Producing a business intelligence report for suppliers with a potential engagement scope of over $1M per.
- Reaching out to customers/references to inquire about service level, problems, work processes, and general impression as needed.

Furthermore, EL AL has proactive processes in place to prevent and detect bribery in agreements with third parties such as agents, intermediaries, consultants, distributors, representatives, suppliers, and business partners.

These processes include:

- Conducting due diligence checks before engaging with a supplier/agent/marketer.
- Collecting recommendations about the supplier/business partner/agent during the engagement process.
- Reviewing the economic structure of employment (for example, checking the payment amount according to accepted cost indices).
- Regular communication to the Company's suppliers and subcontractors about the Company's commitment to preventing bribery and about the Company's compliance/ethics program.
- A procedure for conducting additional checks/additional signature approvals for transactions above a set amount.

EL AL's commitment to ethical sourcing and supplier engagement is fundamental to its business values and sustainability goals. EL AL remains focused on maintaining responsible, fair relationships with suppliers to achieve long-term success and sustainability.

Risk Management

EL AL's approach to risk management is grounded in comprehensive assessments and robust governance practices. During 2024, As part of the implementation of a comprehensive risk management process (ERM – Enterprise Risk Management) per the instruction of the Board, the Company formulated a corporate risk map, which is followed by the Company, while assessing their potential effect on the Company and its operations and rating risk levels. As part of the process, the Company has started mapping environmental and climate risks. [24]

The Risk Management Committee approved a detailed work plan which established the corporate risk map. The Company is currently in the process of preparing a risk management policy, which will include, inter-alia, considerations for risks and opportunities related to climate change, as well as risk management controls among its suppliers.

The Group's Controller was appointed as the integrator of risk management in the Company. The Internal Auditor also conducts, from time to time and according to his annual plan, risks surveys in various department of the Company and in the subsidiaries.

The Board receives quarterly updates regarding various risk management matters including ESG-related risks. All Board members receive an overview of the risks and ongoing training on risk management. In 2024, an annual review, discussion, and approval of the risk factors were conducted prior to the approval of the annual report. Additionally, the Risk Management Committee receives updates on potential risks to the Company from various areas, including financial risks, fuel, foreign currency, and others. Risks related to cybersecurity are managed by the Company's Chief Information Security Officer (CISO). Risks related to data protection are managed by the Company's Data Protection Officer (DPO). The Company has formed a Privacy and information security steering committee that convenes regularly and oversees these risks within the Company and provides period reports to the Board. All these issues are regularly discussed during Board meetings. In 2024, the Board designated the Market Risk Management Committee to serve as its Risk Management Committee. This committee convened three times in 2024 to address critical risk-related issues.

[24] For more information about environmental and climate risks, please see Section 8.16.12 in Chapter A of the Financial Statements

Risk Management

Crisis Management and Business Continuity

EL AL is committed to maintaining operational resilience and minimizing disruptions through effective crisis management and business continuity framework. This commitment reflects the Company’s proactive approach to safeguarding its operations and ensuring the continuation of critical business functions during disruptive events.

EL AL approved its Business Continuity Policy in December 2024. This policy outlines procedures and guidelines to ensure the continuity of operations during various crisis situations. EL AL has developed procedures to address extreme scenarios, such as cyber-attacks, global epidemics, wars, earthquakes, and floods. Following significant events or crises, the Company conducts internal investigations to evaluate its response and identify lessons learned. This evaluation process allows EL AL to refine its strategies, ensuring continuous improvement and greater resilience. By analyzing past events and adapting accordingly, EL AL strengthens its crisis management capabilities for future challenges.

Furthermore, during 2024, an internal steering committee was appointed for this purpose and the resources required have been allocated by the Company, including the appointment of a business continuity manager.

Regular drills, including Business Continuity Plan (BCP) exercises, are conducted to assess EL AL's readiness for such events. These drills simulate real-time scenarios as accurately as possible and involve various departments throughout the Company, including senior management. The exercises assess the Company's response and highlight areas for improvement, ensuring continuous readiness and operational continuity in the face of potential disruptions.

The leadership of business continuity is entrusted to V.P. Flight Operations, who lead the initiative together with the business continuity manager to ensure EL AL's resilience strategies are seamlessly integrated into all operations. This senior leadership role ensures that the organization is prepared to address potential disruptions and maintain business continuity at all levels.

Business continuity is given significant attention in Board discussions, emphasizing its importance in safeguarding the Company's operations. The Board plays an active role in overseeing the development and implementation of business continuity strategies and the topic is regularly discussed at Board meetings. A dedicated Safety Committee at the Board level plays a key role in analyzing and addressing business continuity concerns.

Cybersecurity & Information Security

2024 Information Security Incidents

0	0	0	0
Incidents involving leaks, theft or loss of information	Cybersecurity incidents documented	Cases of privacy violations or suspected violations	Complaints related to information security and data privacy

EL AL is committed to maintaining the highest standards of cybersecurity and data protection, recognizing the critical importance of safeguarding both organizational and customer data. In 2023, EL AL adopted a comprehensive cybersecurity and data protection policy aimed at addressing potential risks and protecting against cyber threats. In 2024, the implementation of the multi-year plan to execute the cybersecurity policy was expedited.

The Board of Directors has approved an organizational information security policy that encompasses also personal data protection, and according to which data security risks, including potential breaches, are reviewed quarterly.

During recent years, the aviation sector is heavily targeted by different threat actors (including state-sponsored). Since the beginning of Swords of Iron War that declared by the State of Israel against the Hamas terrorist organization, EL AL is facing an increase of 600% in targeted cyber-attacks. The adopted cyber security strategy and supporting processes and technologies allowed the Company effectively to contain the increase in cyber-attacks and minimize their impact on its operations.

The Cybersecurity and data protection strategies are led by the Chief Information Security Officer (CISO), who consistently monitors and mitigates cybersecurity risks. The Information Security and Privacy steering committee and the Board both oversee these matters, and the CISO handles day-to-day management. The Risk Management Committee also engages in these topics, ensuring vigilant oversight. These issues are discussed quarterly at Board meetings.

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During 2024, EL AL has added additional roles and contractors to better address the complexity, velocity and volume of modern cyber protection, including application and infrastructure security architects, information security risk and compliance professionals, incident responders and offensive security experts.

To implement and adjust the policy, EL AL conducts regular risk assessments and penetration testing to identify vulnerabilities within its systems. These assessments simulate cyber-attacks to expose potential weaknesses and allow the Company to proactively address security gaps.

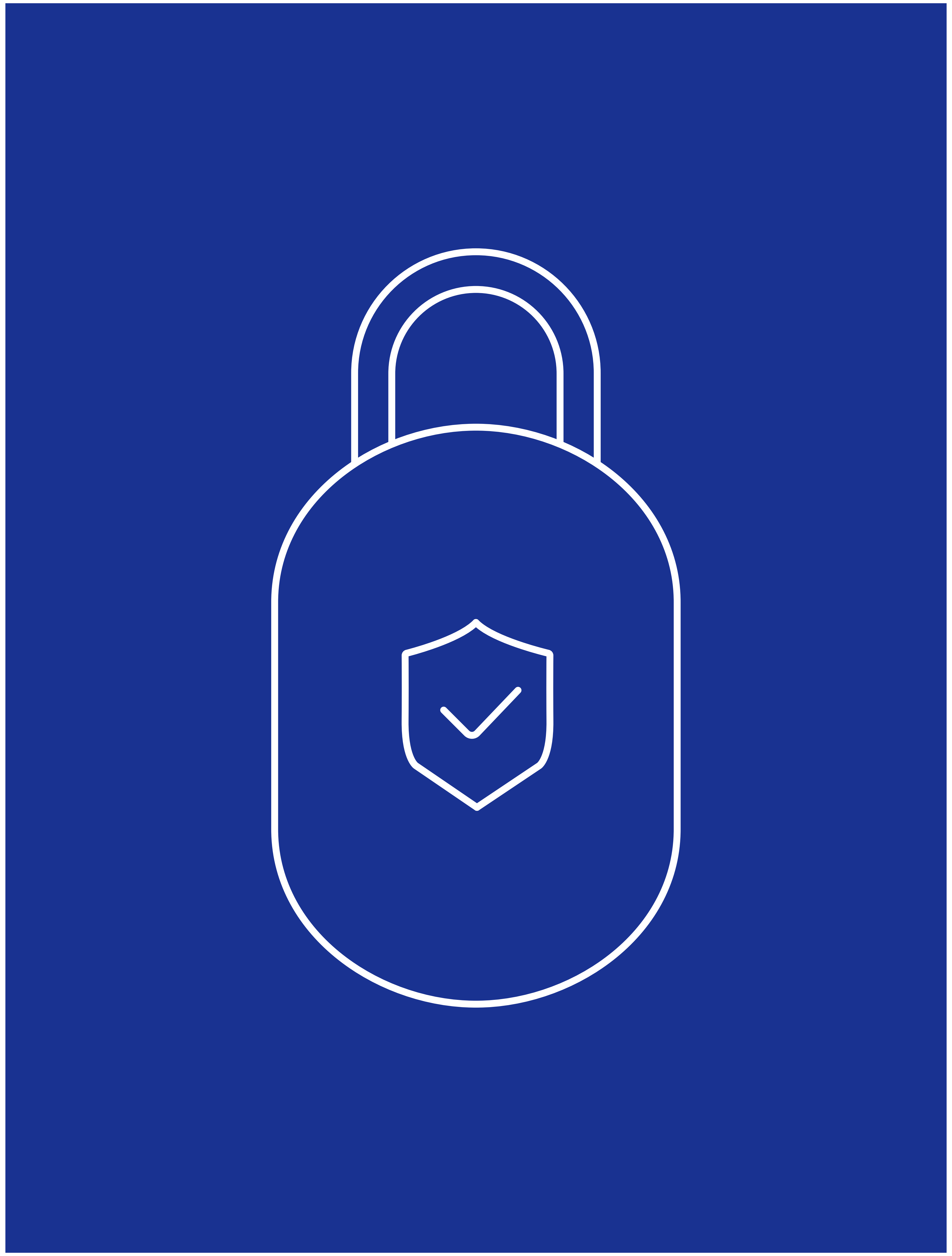
Cybersecurity & Information Security

EL AL also monitors and reviews its supply chain and requests applicable surveys and certifications from its suppliers having access to EL AL data.

EL AL continuously monitors the aviation sector's cyber threat landscape. EL AL utilizes cyber intelligence services to better address possible attacks originating from different groups of offensive cyber actors that may compromise EL AL and its critical supply chain. EL AL's technical defense measures have been strengthened to protect against cyber threats including state initiated.

EL AL uses firewalls, intrusion detection systems (IDS), antivirus software, and endpoint protection to create a multi-layered defense system. This structure continuously monitors suspicious activity and ensures that the organization is prepared to respond to potential threats quickly and effectively.

EL AL utilizes advanced security tools, including Endpoint Detection and Response (EDR) software to monitor individual devices,



Cybersecurity & Information Security

Data Loss Prevention (DLP) systems to safeguard sensitive information, and User and Entity Behavior Analytics (UEBA) to detect anomalies. Vulnerability scanning is conducted regularly to identify and address weaknesses, while both internal and external auditors assess compliance and recommend improvements.

EL AL continuously monitors the cybersecurity regulations across different aviation-related sectors and prepares to implement the European Union Network and Information Systems directive (NIS 2) in relevant jurisdictions.

EL AL also follows strict data governance procedures, ensuring compliance with relevant data privacy regulations, such as the Israeli Protection of Privacy Law, 1981, and the regulations enacted pursuant to it, as well as the GDPR and laws in other applicable jurisdictions. Clear protocols have been established for data collection, storage, and disposal. Furthermore, EL AL has developed a robust incident response plan to address procedures and measures have been taken to address data breaches or security incidents promptly. This plan is designed to detect, investigate, and mitigate issues efficiently, with relevant stakeholders involved and minimizing the impact of such incidents.

Cybersecurity & Information Security

To maintain vigilance, EL AL monitors its systems and networks around the clock through a Security Operations Center (SOC), which operates 24/7/365. Vulnerability scanning and penetration testing, for required systems are performed every 18 months as required by Israeli Regulations, the foregoing and the of Security Information and Event Management (SIEM) systems ensure that the Company's systems are regularly assessed for weaknesses and monitored for potential threats. The organization's information security systems are subjected to anexternal vulnerability audits at least every year.

EL AL enforces strong password management policies, including complexity requirements and regular password changes. It also uses role-based access controls to limit access to sensitive information and personal data, ensuring that only authorized personnel can access to the Company's IT systems and that the access permissions are being revoked when a business need expires. Email security is another key aspect of the policy, with spam filters and anti-phishing tools being utilized to prevent email-borne attacks.

In addition, EL AL has implemented a continuous training program to educate employees about the new policy, ensuring that all staff are aware of cybersecurity risks and best practices. This training includes, inter alia, guidance on how to recognize and mitigate threats like phishing and social engineering. EL AL executes simulated phishing campaigns among its employees periodically.

Information Security Training Participation, 2024

Training	Metrics	Employees
Cybersecurity training	Participants	4500
	Hours	200

Cybersecurity & Information Security

Privacy and Data Protection

EL AL's privacy protection strategy is overseen by a dedicated Privacy Steering Committee, which includes senior management members responsible for executing and enforcing the Company's privacy work plan. The Data Protection Officer (DPO) reports directly to senior management, supporting compliance efforts. The Company's internal auditor conducts privacy audits every two years, reporting findings to the Board Audit Committee. The last audit was conducted in 2024.

The Board of Directors has approved an organizational privacy policy, which will set the principals for the processing of personal data within the Company and allocates responsibilities to relevant stakeholders . To reinforce its privacy framework, EL AL maintains clear and accessible privacy and cookie policies and internal procedures which are regularly updated. EL AL also has in place privacy policies and internal procedures regarding the processing of employees' personal data /EL AL has implemented strict control and monitoring over consent acquisition and implements procedures to handle data subject requests allowing individuals to exercise their privacy rights. Furthermore, EL AL enforces strict privacy measures when working with third parties, including security assessments and data protection agreements., and EL AL also maintains cyber insurance coverage, underscoring its commitment to mitigating risks effectively.

These measures, combined with ongoing awareness and training initiatives, enable EL AL to proactively manage privacy risks and uphold strong data protection standards across its operations and partnerships.

Privacy Training Participation, 2024

Training	Metrics	Employees
Privacy online training	Participants	4032
	Hours	4032
Privacy in-person training	Participants	428
	Hours	19

APPENDIX

Operational Data

	2023	2024
RTK [25] Revenue Tonne-kilometres inc PAX (Million)	2,571	3,155
Available Seat Kilometres (ASK)	25,062,812	28,008,420
Passenger Load Factor	86.3%	93.8%
Revenue Passenger Kilometres (RPK)	21,617,457	26,261,652
Number of Departures	32,300	35,992
Average Age of Fleet	12.8	13.8

Environmental Data

Water consumption

	2022	2023	2024
Water Consumption (Cubic meter)	126,826	99,067	141,743

Air Emissions

Nitrogen Oxides - Nox (Tons)	532	643	694.4

[25] Revenue Ton Kilometers includes passengers and cargo and assumed per passenger weight of 100 kilograms.

Social Data

Turnover Rate [26]

	2022	2023	2024
Turnover Rate	23%	10%	12%

Turnover, by Gender (2024)

	Workforce Departures	New Hires
Female	470	677
Male	235	564

Female Representation by Employment Type (2024)

Employment Type	Female Employees (%)
Full Time	42%
Part Time	69%
Permanent Time	25%
Temporary Time [27]	33%
Non-Guaranteed Hours	69%

Female Representation by Employment Type (2024)

Name of the Survey	Number of Actual Respondents	Response Rate (based on potential respondents)
EL AL New Customer Satisfaction Survey	465,355	16%
SUNDOR Customer Satisfaction Survey	34,953	10%
TLV Lounge Survey	15,559	7%
EL AL Lounges Survey	39,881	12%
Call Center Service Survey	51,728	10%
Call Center WhatsApp Survey	39,240	10%
Top Members Survey	406	9%

[26] Turnover rate is calculated by dividing the number of employee departures during the reporting year, by the total number of employees at the end of the year.

[27] Temporary employees include outsourced and contract workers.

Social Data

Average Training Hours

	2022	2023	2024
Average Training Hours per Employee	4.5	3.8	3.6

Total Training Hours by Employee Type

	2024
Professional Employees	20,921
Management	1,287

Training programs for directors (2024)

Training Subject	Number of participants and training hours	
Ethics and the Ethical Code	Total participants	12
	Training hours	1
Information Security	Total participants	12
	Training hours	4
Regulatory Compliance	Total participants	12
	Training hours	6
ESG Risks Management	Total participants	12
	Training hours	1

GRI & SASB INDEX

GRI Index

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 2: General Disclosures 2021		
2 - 1	Organizational details	About EL AL Group
2 - 2	Entities included in the organization's sustainability reporting	About EL AL Group - Corporate structure
2 - 3	Reporting period, frequency and contact point	About the Report
2 - 4	Restatements of information	Customers Engagement > Customer Satisfaction
2 - 5	External assurance	The company's GHG emissions are independently verified by a third party in line with the IENVA program
2 - 6	Activities, value chain and other business relationships	About EL AL Group; Managing Our Environmental & Climate Impact; Responsible Supply Chain
2 - 7	Employees	Human Capital
2 - 8	Workers who are not employees	Human Capital > Percentage of Employees by Contract Type chart; Health and safety > Health and safety training; Responsible Supply Chain
2 - 9	Governance structure and composition	Governance > Corporate Governance and Business Ethics; Governance > Board Committees and Their Roles
2 - 10	Nomination and selection of the highest governance body	Governance > Nominating Process
2 - 11	Chair of the highest governance body	Governance > Corporate Governance and Business Ethics
2 - 12	Role of the highest governance body in overseeing the management of impacts	Governance > Board Committees and their Roles; Risk Management

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
2 - 13	Delegation of responsibility for managing impacts	About El Al Group > Evaluation of Governance Practices and Board Performance; Managing Our Environmental & Climate Impact
2 - 14	Role of the highest governance body in sustainability reporting	Governance > Board Committees and Their Roles
2 - 15	Conflicts of interest	Compliance with laws and regulations > Internal Enforcement Program
2 - 16	Communication of critical concerns	Business Ethics > Whistle blower mechanism
2 - 17	Collective knowledge of the highest governance body	Corporate Responsibility and ESG Risks
2 - 18	Evaluation of the performance of the highest governance body	About El Al Group > Evaluation of Governance Practices and Board Performance
2 - 19	Remuneration policies	Remuneration
2 - 20	Process to determine remuneration	
2 - 21	Annual total compensation ratio	
2 - 22	Statement on sustainable development strategy	Material topics > SDGs
2 - 23	Policy commitments	Environmental Policy Statement; Code of Ethics - the LY Spirit; Human Rights Policy; Donations policy; Human Capital; Health and Safety > Flight Safety; Business Ethics > Anti - Bribery & Anti - corruption; Remuneration; Risk Management > Crisis Management and Business Continuity

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
2 - 24	Embedding policy commitments	Material topics > The Stakeholders; Managing Our Environmental & Climate Impact; Human Capital > Advancing Diversity, Equity, and Inclusion at El Al; Human Capital > Fostering a Respectful Workplace Environment; Customers Engagement; Health and Safety > Passenger safety and Safety incidents; Responsible Supply Chain; Business Ethics
2 - 25	Processes to remediate negative impacts	Managing Our Environmental & Climate Impact; Business Ethics > Whistle blower mechanism; Responsible Supply Chain
2 - 26	Mechanisms for seeking advice and raising concerns	Human Capital > Fostering a Respectful Workplace Environment; Business Ethics > Whistle blower mechanism
2 - 27	Compliance with laws and regulations	Note 16, 2024 Periodic Report; There have been non - compliance incidents related to environmental regulations, labor laws, workplace safety, and data privacy
2 - 28	Membership of associations	El Al is a member of International Air Transport Association (IATA), and is IEnvA certified
2 - 29	Approach to stakeholder engagement	Material Topics > The Stakeholders Governance > Supplier Engagement
2 - 30	Collective bargaining agreements	Human Capital > Collective bargaining agreements
GRI 3: Material Topics 2021		
3 - 1	Process to determine material topics	Material topics
3 - 2	List of material topics	

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 201: Economic Performance 2016		
3 - 3	Management of material topics	Tax Policy and Transparency
201 - 1	Direct economic value generated and distributed	Tax Policy and Transparency > Economic performance and responsibility
201 - 2	Financial implications and other risks and opportunities due to climate change	Managing Our Environmental & Climate Impact > Climate - Related Risk Management
201 - 3	Defined benefit plan obligations and other retirement plans	Human Capital > Retirement benefits and plans
201 - 4	Financial assistance received from government	Tax Policy and Transparency
GRI 202: Market Presence 2016		
3 - 3	Management of material topics	Human Capital > Fair Employment and Labor Relations
202 - 1	Ratios of standard entry level wage by gender compared to local minimum wage	Human Capital > Pay gap
GRI 203: Indirect Economic Impacts 2016		
3 - 3	Management of material topics	Community Engagement > Community Giving and Charitable Support
203 - 1	Infrastructure investments and services supported	
203 - 2	Significant indirect economic impacts	Community Engagement > Fortifying National Resilience in Conflict
GRI 204: Procurement Practices 2016		
3 - 3	Management of material topics	Responsible supply chain
204 - 1	Proportion of spending on local suppliers	

GRI 1: Foundation 2021		
Index	Description	Location Reference
GRI 205: Anti - corruption 2016		
3 - 3	Management of material topics	Business Ethics > Anti - Bribery & Anti - corruption
205 - 1	Operations assessed for risks related to corruption	
205 - 2	Communication and training about anti - corruption policies and procedures	
205 - 3	Confirmed incidents of corruption and actions taken	
GRI 206: Anti - competitive Behavior 2016		
3 - 3	Management of material topics	Governance > Compliance with laws and regulations
206 - 1	Legal actions for anti - competitive behavior, anti - trust, and monopoly practices	
GRI 207: Tax 2019		
3 - 3	Management of material topics	Governance > Tax Policy and Transparency
207 - 1	Approach to tax	
207 - 2	Tax governance, control, and risk management	
GRI 301: Materials 2016		
3 - 3	Management of material topics	Environment > Waste & Materials management
301 - 2	Recycled input materials used	
301 - 3	Reclaimed products and their packaging materials	

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 302: Energy 2016		
3 - 3	Management of material topics	Energy and Fuel – Sources & Efficiency > Aircraft fuel efficiency and fleet management
302 - 1	Energy consumption within the organization	
302 - 3	Energy intensity	Energy and Fuel – Sources & Efficiency > Aircraft fuel efficiency and fleet management > Jet fuel - related GHG emissions intensity
302 - 4	Reduction of energy consumption	Energy and Fuel – Sources & Efficiency > Aircraft fuel efficiency and fleet management
302 - 5	Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018		
3 - 3	Management of material topics	Environment > Effluents management
303 - 1	Interactions with water as a shared resource	Environment > Effluents management& Soil and Water Contamination
303 - 2	Management of water discharge - related impacts	
303 - 5	Water consumption	Appendix: Environmental Data > Water consumption
GRI 305: Emissions 2016		
3 - 3	Management of material topics	Energy and Fuel – Sources & Efficiency
305 - 1	Direct (Scope 1) GHG emissions	Managing Our Environmental & Climate Impact > GHG Emissions > El Al's Carbon Footprint
305 - 2	Energy indirect (Scope 2) GHG emissions	
305 - 4	GHG emissions intensity	Energy & Fuel – Sources and Efficiency > Jet fuel - related GHG emissions intensity
305 - 5	Reduction of GHG emissions	
305 - 7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Appendix: Environmental Data > Air Emissions

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 306: Waste 2020		
3 - 3	Management of material topics	Environment > Waste & material management
306 - 1	Waste generation and significant waste - related impacts	
306 - 2	Management of significant waste - related impacts	Environment > Waste & material management > Waste management & reduction
306 - 3	Waste generated	Environment > Waste type
306 - 4	Waste diverted from disposal	
306 - 5	Waste directed to disposal	
GRI 308: Supplier Environmental Assessment 2016		
3 - 3	Management of material topics	Responsible Supply Chain
308 - 1	New suppliers that were screened using environmental criteria	
308 - 2	Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment 2016		
3 - 3	Management of material topics	Human Capital
401 - 1	New employee hires and employee turnover	Human Capital > Turnover; Appendix: Social Data > Turnover Rate
401 - 2	Benefits provided to full - time employees that are not provided to temporary or part - time employees	Human Capital > Prioritizing Employee Welfare; Health and safety in collective agreements
401 - 3	Parental leave	Human Capital > Parental Leave

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 402: Labor/Management Relations 2016		
3 - 3	Management of material topics	Human Capital
402 - 1	Minimum notice periods regarding operational changes	
GRI 403: Occupational Health and Safety 2018		
3 - 3	Management of material topics	Health and Safety
403 - 1	Occupational health and safety management system	Health and Safety
403 - 2	Hazard identification, risk assessment, and incident investigation	Health and Safety > Safety risks mitigation
403 - 3	Occupational health services	Health and Safety > Health and safety in collective agreements
403 - 4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety > Occupational health and safety; Health and Safety > Employee Grievance Mechanism
403 - 5	Worker training on occupational health and safety	Health and Safety > Health and safety training
403 - 6	Promotion of worker health	Human Capital > Prioritizing Employee Welfare; Health and Safety > Health and safety training
403 - 7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety > Occupational health and safety; Health and Safety > Health and safety training
403 - 8	Workers covered by an occupational health and safety management system	Health and Safety
403 - 9	Work - related injuries	Health and Safety > Occupational health and safety > TRIR; Health and Safety > Employee Work - Related Injuries
403 - 10	Work - related ill health	Health and Safety > Data on Leave

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 404: Training and Education 2016		
3 - 3	Management of material topics	Human Capital > Empowering Employee Growth
404 - 1	Average hours of training per year per employee	Appendix: Social Data > Average Training Hours
404 - 2	Programs for upgrading employee skills and transition assistance programs	Human Capital > Employee Development and Training
404 - 3	Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity 2016		
3 - 3	Management of material topics	Human Capital > Advancing Diversity, Equity, and Inclusion at El Al
405 - 1	Diversity of governance bodies and employees	Human Capital > Female Representation Across Role Tiers; Governance > Members of The Board of Directors, by Gender
405 - 2	Ratio of basic salary and remuneration of women to men	Human Capital > Pay gap
GRI 406: Non - discrimination 2016		
3 - 3	Management of material topics	Human Capital > Fostering a Respectful Workplace Environment
406 - 1	Incidents of discrimination and corrective actions taken	Human Capital > Labor Law Compliance and Fair Employment Condition
GRI 407: Freedom of Association and Collective Bargaining 2016		
3 - 3	Management of material topics	Human Capital > Collective bargaining agreements
407 - 1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital > Collective bargaining agreements; Responsible Supply Chain

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 410: Security Practices 2016		
3 - 3	Management of material topics	Governance > Board Committees and Their Roles; Human Rights policy
GRI 413: Local Communities 2016		
3 - 3	Management of material topics	Community Engagement
413 - 1	Operations with local community engagement, impact assessments, and development programs	Community Engagement
413 - 2	Operations with significant actual and potential negative impacts on local communities	Environment > Reducing aircraft noise; Environment > Soil and Water Contamination
GRI 414: Supplier Social Assessment 2016		
3 - 3	Management of material topics	Responsible Supply Chain
414 - 1	New suppliers that were screened using social criteria	
414 - 2	Negative social impacts in the supply chain and actions taken	
GRI 415: Public Policy 2016		
3 - 3	Management of material topics	Business Ethics
415 - 1	Political contributions	
GRI 416: Costumer Health and Safety 2016		
3 - 3	Management of material topics	Health and Safety > Flight Safety
416 - 1	Assessment of the health and safety impacts of product and service categories	
416 - 2	Incidents of non - compliance concerning the health and safety impacts of products and services	

GRI 1: Foundation 2021		
Index	**Description**	**Location Reference**
GRI 417: Marketing and Labeling 2016		
3 - 3	Management of material topics	Customers Engagement; Enhancing Accessibility and Customer Fairness; Customers Engagement; Dialogue with customers; Customer Satisfaction
417 - 1	Requirements for product and service information and labeling	Enhancing Accessibility and Customer Fairness
417 - 2	Incidents of non - compliance concerning product and service information and labeling	
417 - 3	Incidents of non - compliance concerning marketing communications	
GRI 418: Costumer Privacy 2016		
3 - 3	Management of material topics	Cybersecurity & Information Security
418 - 1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity & Information security > 2024 Information Security Incidents

SASB Index

Topic	Metric	Code	Reference
Greenhouse Gas Emissions	Gross global Scope 1 emissions	TR-AL-110a.1	Managing Our Environmental & Climate Impact> GHG Emissions
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR-AL-110a.2	Managing Our Environmental & Climate Impact; Climate-Related Risk Management; Reducing Climate Impacts; Environmental Management Energy and Fuel – Sources & Efficiency
	(1) Total fuel consumed, (2) percentage alternative and (3) percentage sustainable	TR-AL-110a.3	Energy & Fuel – Sources and Efficiency; Aircraft fuel efficiency and fleet management
Labor Practices	Percentage of active workforce employed under collective agreements	TR-AL-310a.1	Collective bargaining agreements
	1) Number of work stoppages and (2) total days idle	TR-AL-310a.2	Human Capital
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TR-AL-520a.1	Compliance with laws and regulations
Accident & Safety Management	Description of implementation and outcomes of a Safety Management System	TR-AL-540a.1	Health & Safety SMS description & outcomes
	Number of aviation accidents	TR-AL-540a.2	Passenger safety and Safety incidents
	Number of governmental enforcements actions of aviation safety regulations	TR-AL-540a.3	Passenger safety and Safety incidents

[28] AIRLINE INDUSTRY STANDARD. VERSION 2023-12.

Topic	Metric	Code	Reference
Activity Metrics	Available seat kilometers (ASK)	TR-AL-000.A	Appendix: Operational Data
	Passenger load factor	TR-AL-000.B	
	Revenue passenger kilometers (RPK)	TR-AL-000.C	
	Revenue passenger kilometers (RTK)	TR-AL-000.D	
	Number of departures	TR-AL-000.E	
	Average age of fleet	TR-AL-000.F	

THANK YOU