

UN GLOBAL COMPACT

Communication On Progress

Ecoppia Scientific Ltd.
August 2022

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Commitment Statement - Our Progress in 2021

I'm happy to announce that Ecoppia Scientific Ltd. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In our second annual iteration of the Communication on Progress, we will describe our progress in continuing to integrate the principles into our business strategy, company culture and operations. We will also reflect on our actions, the challenges, and future developments.

The very nature of our company is dedicated to sustainability, transitioning the world away from energy reliant on fossil fuels. We are excited to be a pioneer in the very industry leading the change, building a future where energy consumption is not harming the planet, its inhabitants or depleting its water resources.

We take this progress report as an opportunity to reflect on our actions and commitments over the last 12 months. In addition, we are committed to sharing this information with our stakeholders using our primary channels of communication. Furthermore, a commitment to COP is a natural extension of our ethos and has made us accountable on a global platform, driving innovative and just initiatives inside the company, embraced by employees, from top to bottom.

Sincerely yours,
Mr. Eran Meller
Active Chairman of Ecoppia

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Goals

Ecoppia continues to uphold its goal of influencing and inspiring our employees along with all our business partners to follow the Universal Declaration of Human Rights. As such we set up a high standard of vendor selection to align with human rights commitment.

Commitment: To make our position on the subject clear and formalized, we created a Code of Business Conduct and Ethics for employees, officers, and directors, and published this internally.

Progress: We continue to share this document with new employees and review it periodically.

Commitment: HR to inform all employees in the organization, who is the focal point to submit their complaints and/or issues with regards to unfair treatment. These complaints are revised by top management.

Progress: Over the last year, we have introduced an annual training session on human rights to educate our commitment to human rights and highlight our guiding values to our employees. To ensure no human rights have been violated on any level, we have also centralized our complaint process, and made the HR a person of contact for any unfair treatment transparent and easily contactable.

Commitment: Ecoppia is to establish an online training platform for all employees to ensure their familiarity with Ecoppia's policies on human rights, with training performed on an annual basis.

Progress: Ecoppia is in the midst of implementing a platform integrating all policies and formal training in one central online location, to make our commitment to human rights easily accessible and transparent to all employees. Additionally, a training session has been conducted to inform employees of Ecoppia's commitment to human rights.

Commitment: Ecoppia is committed to engaging with partners and suppliers who have agreed to Ecoppia's policies, to ensure no human rights violation of any kind occurs.

Progress: Ecoppia has incorporated in its engagement material provisions obligating other parties to uphold similar standards to those of Ecoppia regarding human rights.

Commitment: Senior management aims to evaluate relevant suppliers annually, through surprise inspections, to ensure that they are working within Ecoppia's defined guidelines on human rights.

Progress: Ecoppia is in the midst of a risk evaluation process, and this entails identifying high and medium risk profile vendors and partners, who will be inspected according to a predefined examination plan.

Future Commitment

Ecoppia commits to ensure Human Rights are always at the forefront of policy creation and seeks to continue developing our actions to ensure they are adhered to.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Goals

Ecoppia is committed to its employee welfare, and we prioritize making sure our employees' rights and compensation are maintained throughout the working lifecycle in Ecoppia. To do so, we continuously assess labour related risks. Ecoppia maintains a dedicated resource that monitors and mandates environmental and safety risks. We continue to refine our employee policies as needed and incorporate them into practice.

Commitment: Ecoppia's legal and finance departments, once every quarter, internally evaluate all employees' payments and benefits, making sure equal pay, social benefits and working hours are compliant with the law in each relevant geography.

Progress: Social benefits, equal pay and working hours are checked every month by our legal and finance departments. Additionally, Ecoppia is proud to say it offers a higher-than-average number of vacation days, a generous food expense account, and birthday gift vouchers. Ecoppia also supports employee health care with the option of up to a 6-month maternity leave, recuperation days, grief days and paid sick leave. In geographies where there isn't social healthcare, Ecoppia provides employees and their family members with private medical insurance.

Commitment: All employees are to participate in an annual training session reviewing Ecoppia's work environment policy. Once the online platform goes live, easy monitoring that all employees are annually reviewing this policy will be enabled. In addition, senior management will be reviewing these matters annually to ensure all policies are met.

Progress: Ecoppia introduced an annual training session on work environment rights for its employees, and the topic of policy revision has been raised by senior management at their board meetings. For added transparency, Ecoppia also had an HSE survey conducted, with its conclusions and action items communicated to the entire company via a virtual meeting.

Commitment: By the end of 2021, Ecoppia's employees will be sent the company's compensation policy, a policy that upholds the freedom of association and the elimination of forced labour, child labour and employment discrimination.

Progress: Ecoppia is rolling out its new compensation policy and is reviewing it to reflect our commitment to human rights. Thus far any changes to the compensation policy have been initially implemented for our Israel office in 2022, with the other geographies to follow suit.

Future Commitment

Ecoppia is committed to creating a working environment that supports labour rights and will continue to revise our policies periodically to ensure that fairness and human dignity is always upheld and central to policy. We will also continue to create our online training and onboarding program for 2023 and roll out our compensation policy revisions to additional geographies.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Goals

Our range of products themselves are sustainable robotic cleaning solutions, fully energy independent with 100% of their power being renewable energy. As a dry-cleaning solution, with zero-water use, Ecoppia helps save millions of liters of water annually. Apart from having a business with a product focused on optimizing renewable energy, Ecoppia's working environment is also committed to being environmentally responsible and encouraging greener practices.

Commitment: In addition to Ecoppia's day-to-day activities in maintaining environmental principles, we set ourselves to reach a zero-paper policy.

Progress: We announced a zero-paper environment policy and proceeded to digitize the major sources of paper including salary slips, gift vouchers, onboarding, employment contracts, supplier agreements, purchase orders as well as providing digital brochures and product datasheets at tradeshow and events instead of printed materials.

Commitment: A three-year program will be stated and implemented at Ecoppia's various locations around the world to ensure our environmental goals are met.

Progress: The company outlined a 3-year program, including its zero-paper policy. To cut down on transportation and shipping emissions, we manufacture 75% of our products in the local market, lowering our carbon footprint significantly. And to further reduce waste, 60% of the packaging used in transporting the robots to their solar sites is sent back to the manufacturing factory and is repurposed.

Commitment: Ecoppia will encourage all employees to recycle, submit reinforcements to employees that do so and create a zero-paper environment.

Progress: Ecoppia is dedicated to reducing its use of single use plastics, and as such has installed dishwashers in its company kitchens and equipped these kitchens with reusable items, water machines, and soda drink makers to decrease the amount of trash intended for landfills. To encourage recycling, the offices also include recycling bins for plastic bottles.

Future & Other Environmental Achievements:

- R&D is working on a new robot design that will reduce the amount of metal required by as much as 60%
- Our Operations and Engineering teams are actively looking for more ways to reduce the amount of packaging material, and increasing the reusable materials in product packaging
- Our marketing & events team is engaged in making paper-free events feasible
- Ecoppia made tree donations, planted in honor of International Women's Day
- Ecoppia is adding sustainability section to the company employee's newsletter

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Goals

Ecoppia continues to commit to its zero-tolerance for corruption, bribery, and extortion. As a company providing solutions and maintaining several offices around the world, we uphold strict integrity both internally with our employees, management, and board of directors, and with our external vendors and suppliers. In doing business anywhere in the world, Ecoppia nor any person associated with the company may not offer, pay, promise, authorize or receive any bribe, kickback, or other illegal payment.

Commitment: Ecoppia promises to continue providing education on the topic, as well as instructions on what to do if one should encounter it, and this education is for all levels of employees up to management.

Progress: Ecoppia continues to address this commitment and will be incorporating ongoing training on the topic on its annual online training sessions.

Commitment: Ecoppia created a strict Anti-bribery and Corruption policy approved by the Board of Directors in December 2020, which applies to all employees of the Company, in all jurisdictions. The policy was shared with all employees who read and signed the document in 2021. Going forward, this policy is shared with any new employee as part of the onboarding process, and when the HR platform is ready it will be integrated into the online onboarding and annual training session.

Progress: Ecoppia continues to uphold its strict Anti-Bribery and Corruption Policy and shares this policy with all new employees as part of their onboarding process. It is one of the cornerstone policies being integrated into our online platform.

Commitment: With no exceptions, the Anti-Bribery and Corruption Policy will be shared and signed by any new supplier or client, as part of Ecoppia's standard contract process.

Progress: In all its new engagements, Ecoppia has incorporated the necessary provisions, and the company will continue to incorporate the same policy upon renewal of engagements with previously associated parties, whereupon the policy will be adopted by 100% of its engagements.

Commitment: Once every two years, Ecoppia's legal department will internally audit all engagements with external parties conducted by the procurement department to ensure consistency with anti-corruption commitment

Progress: Ecoppia's legal department is set to review this topic in Q4 of 2022.

Future Commitment

Anti-Bribery and corruption will continue to be a priority for Ecoppia, and we pledge to continue upholding our strict approach that aims towards eliminating it from all our business interactions.