

Response on behalf of Solel Boneh

First we would like to emphasize that the incident described by you was carried out by local lawbreaking elements and not by any of Solel Boneh's employees. The incident was handled by the local police. Maintaining Human Rights is a fundamental value of Solel Boneh and the Company strives to ensure them in every place in the world in which it operates.

San Mateo – Ixtatan is an area in North Guatemala, close to the border with Mexico. The area suffers from constant hostile and violent activities carried out by local felons. These elements have massive influence on the local community and practically dominate the community.

During 2013 and 2014 several violent attacks have been made towards the site and local Company employees, including use of firearms, burning valuable constructions and equipment, executing severe violent activities against both women and men including stripping women and threatening to rape them. The most severe incident occurred in May 2014, when a group of 1,200 armed men that broke into the Site's camp, burned all the constructions and the engineering equipment and attacked physically the 39 employees that were at the camp on this day. It is important to point out that all access and exit roads to and from the campsite were blocked by the felons on the evening prior to the attack. Some of the employees attacked were in critical condition and were hospitalized at the local hospital. In addition, the attackers prevented and delayed for many hours the evacuation of a very critically injured person by helicopter.

As a result of these recurrent occurrences, the Company agreed to continue the works provided appropriate security measures are carried out. Unfortunately, since then more attacks and threats occurred in the area. As mentioned above, all these activities are carried out by local felons who wish to maintain their domination in the area.

The incident mentioned in your letter occurred at the Project's site on January 30, 2016, when five men broke into the camp and threw stones on a vehicle carrying several employees. The vehicle's glasses were smashed and the life of the employees in the car were at risk. Company employees called the local police who caught one of the attackers. This attacker captured by the police is the person mentioned in your letter. Lately we have been informed that this person was released after a fine of Q 6,000 had been imposed on him. The Company

eventually annulled this fine in order to prevent further deterioration of the relations with the local community.

It is important to mention that Shikun&Binui is a global company operating in accordance with conventional international values, including maintaining and protecting human rights and ensuring no such violation of rights is carried out. In addition, our goal as a company is to operate on behalf of every community located at Company's work areas. See our site <http://en.shikunbinui.co.il>.

Furthermore, the Company provides food, diesel oil and clothing to the local community of San Mateo-Ixtatan as part of its standard policy. In addition, the project provides employment to hundreds of local employees directly and indirectly.

Please find attached photos from occurrences described above.

If you decide to publish any of the content of the article under discussion in your Weekly Update, although the facts described above clarify that the claims are incorrect, we require that you publish our response in full.

We are at your disposal for any additional information or documents required in order to avoid publication of wrong and misinterpreted information.