

Business Culture Values and Ethical code

General

CIDEV's business conduct is based on laws and regulations of both Israeli and the international community. The company is obligated to compliance with the laws' believes, and rules related to its activity.

This document is not intended to replace any of the company's different regulations but to supplement them.

Any references to male employees throughout the ethical code shall be taken to refer to female employees as well.

Cidev Group values:

- Ethical conduct: integrity, reliability, modesty, honesty, respect for others, proper business conduct and accountability.
- A view of the company, its employees, customers, suppliers, and business partners, as well as any other company belonging to Cidev Group.
- Honesty in all the company's relationships with customers, suppliers, business partners, competitors, employees and different authorities.
- Providing high quality service.
- Full compliance at all times with the requirements of laws, agreements, and the business culture guidelines which the company has defined and embraced.
- A view that customers and suppliers are the company's greatest assets and obligation to maintain their satisfaction.
- A view of our employees as the key to company's success and commitment to their advancement and nurture, while



treating all employees equally, regardless of religion, age, gender, race or opinion.

1- Proper Business Conduct

Integrity

- Employees shall conduct themselves ethically and honesty in the performance of their duties.
- Employees shall comply with all laws and regulations and act with honesty, integrity, and loyalty in any activity or communication in which they represent the company or act on its behalf.
- The company shall encourage employees to promptly report any possible misconduct or violation of accepted ethical norms.
- In any case of allegation of misconduct, the company shall conduct an internal or external investigation' as the case may be.

Favors

- The company prohibits employees from receiving any favors from entities directly or indirectly related to the company other than the company itself, whether such favors are given as compensation for work, are related to the employee's position in the company, or may affect in any way his performance or the company's.
- The company prohibits employees to offer any favors to entities directly or indirectly related to the company other than the company itself, whether such favors are offered as compensation for work, are related to the employee's position in the company, or may affect in any way his performance or the company's.

- Employees who are offered any favors shall refuse them immediately and provide the offering entity with an explanation, verbally or in writing, explaining the company's prohibition. If in writing, Copies of this letter shall be submitted by the employee to his direct manager and to human Resources.
- If the aforementioned refusal of such a favor is likely to adversely affect the company's business position, the employee should inform the direct manager and act according to his instructions.
- The company prohibits manager to accept favors from employees who are directly or indirectly subordinated to them.
- The company and its employees shall ensure that employees are not involved in any transaction in which they may have personal interests, without prior written authorization from the company.

Conflicts of interests and other business contracts

- Employees shall avoid activities, investments or business contracts of any kind which may put them in a position of conflict with the interests of the company, without the company's explicit written consent.
- The company absolutely prohibits employees from conducting any private business activity with any of the company's customers, suppliers or competitors, regardless of whether a conflict of interests may arise as a result of this activity.
- To dispel any doubt, this prohibition shall also apply to any private business interaction, such as purchase of products or provision of services outside work, unless prior written authorization is given by human resources and the employee's direct VP.

Gifts

- The company prohibits employees from accepting or offering any gifts which may seem as an attempt to obtain preferential treatment or to influence any decision.
- The following gifts and presents are allowed and their acceptance or offering by employees shall not be considered misconduct:
 - Advertisement aids of a symbolic value carrying the logos of the giving organization.
 - Gifts of a reasonable value made by guests to an employee's personal family event, whether such guest are co – workers or business relations.
 - Public awards to employees, including awards related to their work.
 - Gift package of a reasonable value, provided they are transferred to human resources that will allocate them to company events.
 - The company recognizes that personal relations may naturally form both among employees and between employees and outside work relations. Employees shall unsure that any such personal relations will not give rise to conflict of interests or offers of favors of any kind.

Internal information

- Employees shall not use any information they acquire as a result of their work for personal gain, including information regarding foreign entities.
- The company prohibits employees from revealing information that has not been made public and which they have acquired as part of their work, except when requested by a competent authority and following the advice of the company's legal consultant.
- Employees, who hold, are invested in or control stocks of entities related to the company (competitors, suppliers or customers of the company) shall inform the Human Resources. If it is decided that a conflict of interests may



arise or that the employee's performance may be adversely affected as a result of any such holdings, the employee shall act to sell or transfer the aforementioned stocks. This shall not apply to immaterial holding of stocks or securities of public companies.

2- Marketing, sales and customers

Cidev Group recognize that customers are its key assets and makes every effort to ensure their satisfaction by providing them with services and products of high standards of quality, technology and reliability, as well as through uncompromising adherence to the principles of integrity and honesty in its relationships with them.

Information and advertising material

Cidev Group provides potential customers with information presenting its field, the type of services it provides and its various logistic, technological and administrative capabilities. This information is provided in the form of various advertising materials (image pamphlets, information sheets, presentations and other digital media) for use as marketing aids. The information is provided to customers subject to the following principles:

- The company shall maintain accuracy, reliability and honesty in the creation of materials, pursuant to the Company's policy and with the approval of the Company's CEO.
- The use of the company's inside information shall be made only when approved for publication.

Tenders

Participation in tenders is a major part of a Cidev Group's effort to preserve its customers, obtain new customers and expand its activity.

When participating in tenders, the company shall adhere to the laws and principle to which it is committed, in each and every stage, as follows:

- Participation in tenders shall be made in accordance with the governing laws of the country where the tender is issued, as well as with the accepted universal norms regarding the administration of tenders.
- Employees of the company involved in the administration of tenders shall be familiar with all the relevant norms and rules: the accepted universal rules regarding tenders, the rules and laws of the country where the tender has been issued and any specific rules set forth for the tender. The company shall ensure that employees are informed and possess the required information.
- If any doubt shall arise regarding a tender, the issue will be discussed at the appropriate levels of the company and approved by the Company's CEO.
- The company's expectation to win any tender shall be based solely on its own merits and advantages, and not on any extraneous consideration or bias.

Quotation

- The pricing of Cidev's services is based on a desire to maximize sales on the one hand and profitability on the other. Quotations and proposals shall be made in accordance with the following principles:
 - The officials in charge of the pricing process and the submission of quotations shall examine the following issues, as early as possible:
 1. The company's ability to meet the requirements of the work: validity, quality, and reliability of the product, required authority and certifications, schedules and supply dates and any other requirement specified by the customer.
 2. The compatibility of the transaction with the requirements and procedure of the company regarding prices and the terms of payment.
 3. The measure of collaterals required by the customer

4. The existence of any limitations to entering into contract with the customer, with regard to Cidev Group in Israel and abroad and other authorities.
 5. The existence of licenses and permits, held by both the customer and the Cidev Group, required for the transaction which are the responsibility of the company to obtain.
- Quotations shall be signed by the authorized persons within the company, depending on the subject and the amounts involved.

Preparing the contract and signing it

Signing the contract is the official beginning of the transaction. The preparation and signing of contracts shall be made in accordance with the following principles:

- The company shall word any contract with accuracy and verify its ability to meet all of the contract's terms and conditions.
- The signing of a contract of all its clauses and provisions shall be made by the company's authorized signatures only, in accordance wit the company's procedures.
- The company shall ensure that all persons involved in the operation of contracts are properly trained.

Customer service

Cidev considers customer service to be part of its obligation towards customers. A reliable and professional customer service contributes to the satisfaction and loyalty of customers, and improves and reinforces the company's image and reputation. Customer service shall be conducted in accordance with the following principles:

- Customer service shall be planned in advance and taken into account in the pricing process and the allocation of resources for any transaction.

- The relationship between the company and the customer shall be commercial in nature and pursuant to the terms and conditions of the contract. If a contract does not exist, any such relationship shall be conducted in accordance with the proposal approved by the customer.
- The customer service shall be entrusted to professional workers, trained and instructed for this purpose by the company.
- The company shall track the satisfaction level of customers through meetings with customers, feedbacks and comments.

3- Policy regarding contracts with suppliers

As part of its policy of providing uncompromising services, Cidev Group acquires high quality products and services for the purpose of its operation.

The company considers its suppliers to be responsible for the promotion of its interests and business success.

The selection process for suppliers is therefore based on parameters of quality, cost, reliability and service, in accordance with the procedures of the company.

With regard to contracts with suppliers, the company shall act in accordance with the following principles:

- The selection process for suppliers shall be conducted in accordance with the relevant procedures of the company.
- The selection of suppliers by the company shall be made with fairness and consideration of the following factors:
 1. The quality and reliability of the work or services provided by the supplier.
 2. The required investment by the company in order to raise the supplier to the standards expected from it.
 3. The business and economic strength of the supplier and its ability to meet its obligation, including schedules and prices.

4- Relationships with customers and suppliers abroad

Cidev adheres to all terms, laws and regulations of both the international business community and the business community of each individual country in which it operates. In its operation abroad the company shall be guided by the following principles:

- The company shall comply with all laws and regulations in the destination country, including all applicable national and international commerce laws.
- Company employees shall conduct themselves properly on all their business trips, including complete adherence to the governing laws of the country they are visiting and avoidance of any acts or failures that could be considered injurious to local religious or cultural values, as well as to the interests of the State Of Israel and the Cidev Group.

5- Competitors

Cidev Group considers competition to be an integral part of any business activity and leverage for the improvement and development of its advantages. The company maintains honest and fair relationships with its competitors, believing that focusing on the advantages and their development rather than the defamation of the competitors is the right way to succeed in business.

- Employees or representatives of the Company shall make no attempt to illegally obtain any information regarding competitors, including any technical information relating to services, prices, negotiations or any other information that may provide the Cidev Group with a business advantage over such competitors.
- No concealed relationships with competitors are to be established which may mislead customers.

The company encourages cooperation regarding issues of environmental protection for the benefit of individuals and society at large in both Israel and around the world, including cooperation with competitors.

6- Computer systems

- Employees shall use the company's computer system for the sole purpose of their work.
- The company's computer system shall be used correctly and professionally in order to avoid any damages to valuable equipment.
- Acquisitions of computer systems, hardware or software shall be made solely by the company's IT department, in accordance with the procedures and needs of the company.
- The use of any software shall be made in accordance with the terms of its purchase or license.
- The use of unauthorized software is prohibited. Installation of illegal software on the company's computers is prohibited.
- The use of any software not lawfully purchased or obtained is prohibited.
- The internet shall be used in an informed way, ensuring the protection of confidential information and preventing any damages to the company's goodwill, reputation or business relations. The company shall act to protect information, to preserve its confidentiality and to prevent its loss in several ways:
 1. Classified information shall be protected by employees in accordance with the company's procedures.
 2. The company shall implement security system.
 3. The company shall establishment information backup procedures.
 4. Employees shall be trained to be informed and alert regarding computer security and information security.
- The company shall allow the use of its information system for the purpose of sending and receiving personal e-mail messages, provided that such use is reasonable and informed, and not detrimental to the company in any way.
- The company reserves the right to supervise and control the use of its information systems, and for this purpose and at its sole discretion, to inspect the files and folders on the personal computers provided to employees by the company.

Any such actions shall be conducted in accordance with the law and with consideration for the privacy of employees.

7- Cidev as a workplace

As a workplace, Cidev Group strives to provide its employees with a work environment which is positive, pleasant and free from harassment, and is based on mutual consideration and accepted etiquette regarding good manners and personal appearance.

The Cidev work environment shall be based on the following principles:

Terms of employment

In order to guarantee employees of the highest quality who fulfill their personal and professional potential, the company adheres to the following principles in its policy of employment:

- The recruitment of new employees shall be based on the qualifications, experience and suitability for the position in question. The company shall not discriminate on the basis of gender, religion, race etc'.
- The company shall implement systems intended to protect of the rights of the employees and to provide them with welfare assistance.
- The company shall allow employees to relocate between its different units, in accordance with the needs of the company on the one hand and the preference and qualifications of the employee on the other.
- Promotions of employees shall be determined by their managers in accordance with the policy and needs of the company.
- The company shall invest in the professional development and promotion of its employees and managers, in all levels, through training and teaching.

Attendance

Attendance at work is the basis for any payment of wages to employees and for calculations of labor costs. It is the responsibility of each employee to clock in/out every day and

Sign his attendance report at the end of each month, with the approval of his manager.

Harassment free environment

Cidev Group denounces any harassment of employees in the workplace. A special procedure has been established and a Human Resources Manager has been appointed to address any complains with sexual harassment. In addition, the Company wishes to increase awareness and encourages its employees, and its managers in particular, to be sensitive and alert regarding this issue.

Political activity at work

Cidev Group recognized the right of employees to hold their own political opinions. Nevertheless, political activity during work hours in any of the company's facilities, or the use of any of the company's tangible or intangible assets for the promotion of political goals or views, are prohibited.

Commitment to the environment and to the community

Being a progressive Company that embraces the values of the business community and accepts responsibility for the protection of the environment and the preservation of its resources,

Cidev Group maintains a policy of protecting the environment and the well-being of the community.

The Company expects its employees to show awareness to environmental and social issues and to do whatever they can to protect the environment by preventing hazards, identifying any potential environmental risks and activity seeking to promote the protection of the environment and the society in which we live.

8- Implementation and control of the business culture values

This business culture values document contains the beliefs and world view of the company, together with directions of conduct that reflect this world view in the actual operation of the company. This document constitutes a list of "do's and don'ts" for the employees of the Cidev Group.

Administration and control

The implementation of the ethical code shall ensure the following:

- An organized training program shall be established to incorporate the code and to regularly maintain knowledge of its provisions. The code shall be kept up-to-date and recommendations regarding any necessary updates shall be considered.
- Employees shall be counseled regarding business conduct or any specific instruction contained in the code.
- Violations of the code shall be handled, including in the following ways:
 1. Encouraging employees to report violations.
 2. Establishing an accessible and confidential complaint procedure.
 3. Protecting employee who report violations from actual or potential retaliation.
 4. Tracking of complaints procedures.
 5. Updating the reporting employee regarding the handling and results of the complaint.

Implementation duty

The duty to implement the ethical code, to adhere to its rules and to maintain a proper business conduct is borne by all employees of Cidev Group, at all levels and in all areas of responsibility.

As part of this duty, employees shall at in accordance with the following principles:

- Employees shall learn and know the ethical code and sign it. The signed code shall be kept in each employee's file.
- Employees shall embrace the provisions of the code and act according to them.
- Employees shall be alert for any violation of the code.
- Employees shall make any effort to avoid situations that may lead to illegal or immoral activity, and shall not tolerate any such activity by others.
- Employees shall consult the person responsible for the ethical code in any case of doubt or with any question.

Training program

- The principles and rules relating to the business culture values which are set forth in the ethical code of the Cidev Group shall be integrated with the general training activities of the company.
- The messages of the ethical code shall be transformed from managers to employees. Through this Top-Down process, senior managers shall relegate the issues to members of the management. Each manager shall relegate the issues to his team, and so on until the last of the employees.
- The ethical code shall be distributed to all employees and shall be published on the company's internet site.

