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PALZIV GROUP	Written: Orna Rubin	Approved: Tal Cnaani	Date: 12.06.23	

Palziv group (“Palziv” / “The company”) is a leading international group in the field of production and processing of cross-linked foamed polyethylene. Being one of the leaders in its field, Palziv strives to maintain an adequate business culture of its employees, managers and officers ("the employees") as part of fulfilling their duties in the company and to implement the company's core values as part of its business activities.


Therefore, Palziv has adopted a set of guiding rules for behavior, to which the company's employees will be subject. The main point is the fulfillment of the company's vision so that all the company's employees will act responsibly, carefully, in a fair and ethical manner and in good faith when performing actions on behalf of the company.

The rules of conduct, which have been formulated into Palziv's code of ethics, determine the manner in which all company employees must act together to develop and deliver products, and this is done, among other things, to protect the value of the companies in the Palziv Group and as part of our work with customers, suppliers, distributors and other stakeholders.

All of us, in Palziv Group, must act according to this code and according to other published work procedures and guidelines when conducting business related to Palziv. Of course, the ethical code does not describe all the issues and dilemmas we may face in our work, and therefore all employees are expected to use this ethical code as a compass, using their independent judgment.

1. Introduction

1.1. Palziv Group management will define the principles of the ethical code and update them from time to time. The management will be obliged to implement the code of ethics throughout the organization. The Code of Conduct applies to all Palziv Group companies and production sites.

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1.2. All employees of Palziv Group and its affiliates (for example: agents and representatives) are bound by the code of conduct below, including the employees at the subsidiaries of Palziv Group and at all the company's production, marketing and distribution sites. Palziv Group expects its suppliers and others who do business with Palziv Group to respect and abide by the Code of Conduct as defined below

1.3. Details and guidelines on ethical issues, policies and/or guidelines related to the code of conduct, may differ depending on the geographic location and are subject to local laws.

1.4. Palziv Group expects its suppliers and all those who do business with Palziv Group, to respect and obey the code of conduct defined below. If necessary, the company will take economic and other sanctions against suppliers who do not comply with these rules.

1.5 Each employee must recognize that any unlawful activity in connection with the company, may sometimes also impose liability on the company itself or on other employees within the company.


2. Escalation policy- regarding the ethical rules, whistleblowing

2.1. Any Palziv Group employee, at any level, who is exposed, discovers or suffers from any deviation from the rules of conduct and ethics listed below, will immediately report this directly to his manager or to the human resources team.

2.2. Reporting can be done discreetly and/or through a third party. The company will make available to its employees a mechanism for filing complaints anonymously (complaint box).

2.3. The reported issue will be immediately investigated by Palziv HR department with full cooperation with the managers.

2.4. The employee who reported any Ethical issue will be fully protected and will not be harmed due to the report. All conversations and letters - whether electronic or on paper -

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will be treated discreetly and subject to all laws. The reporting employee will be protected from any potential retaliation.

2.5. Each employee is responsible for reading, understanding and acting according to this code. Employees who violate the code will be subject to disciplinary action, including the possibility of termination of employment.

3. The principles of the code of conduct

3.1 To manage the group's business honestly and fairly.

3.2 To comply with the spirit of the law and the regulations on the sites and countries in which Palziv do business.

3.3 To treat each other and other stakeholders properly, including customers and suppliers

3.4 To act in the best interests of Palziv Group and avoid conflicts of interest

3.5 To protect the company's assets, tangible and intellectual, and the confidential information in its possession.


3.6 To comply with all the laws that apply to them and/or to Palziv and to avoid any illegal activity.

3.7 Ensure reliable, accurate and complete reporting in everything related to their activities.

3.8 To avoid actions involving deception or fraud and to act in accordance with all the contractual, business and ethical obligations relevant for Palziv. Palziv employees are not authorized to make commitments on behalf of the company or to make statements on its behalf, with the exception of employees who have been given certain privileges and signature rights by the company's board of directors.

3.9 To avoid any action that has competition with Palziv' business.

3.10 Refrain from using their position in Palziv for the purpose of promoting their personal affairs, or those of their relatives, and refrain from using Palziv name or their position in the company for any purpose, unless they have received express permission from the relevant parties at Palziv.

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3.11 The company will be careful to preserve the rights of others, including tangible and intellectual property rights. In this context, the company will avoid the use of fake products.

4. Employment at Will

4.1. There is no forced labor, no bonded or involuntary prison labor, no modern slavery or compulsory labor or human trafficking.

4.2. Employees are not required to give their identity cards or other paperwork as a deposit to their employer as part of their employment with the company and are free to leave the company as detailed in their personal employment agreement.

4.3. The employees have the freedom of association without fear of being punished and even to conduct collective negotiations in their matters.


4.4. The recruitment of employees to Palziv will be done in accordance with this code of ethics.

5. Working Conditions- Ensuring Health and Safety

Palziv Group adheres to the relevant legal provisions and creates a safe, healthy and hygienic work environment for the purpose of maintaining the health and safety of its employees. The group implements safety instructions in each of its sites according to the activity carried out there.

5.1. A safe and hygienic working environment shall be provided, taking into account the type of industry and its specific risks. Appropriate measures will be taken to prevent accidents and damage to health arising from, related to or occurring in the works, by reducing, as much as possible, the risk factors inherent in the work environment.

5.2. Employees regularly receive training in health and safety matters. This training will be given to new employees or employees who have moved to a new workplace. Refreshing will be done periodically.

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5.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

5.4. A member of senior management will assume responsibility for health and safety at each of the company's sites.

5.5. It is the duty of every employee at Palziv to make sure that the relevant safety instructions, that relate to maintaining the safety of other employees and their personal safety according to the nature of the work they perform, are fulfilled. Each of the employees must report to the person responsible for safety in the facility where they are employed, any incident or fear of the existence of a safety incident and any deviation from the relevant safety instructions.

5.6. The Palziv Group is committed to providing a safe workplace for employees, customers, suppliers, contractors and others at all company sites.

6. Child Labor prevention

6.1. There will be no recruitment of workers under the age allowed by law and in any case not under the age of 16.

6.2. Youth under the age of 18 will not be employed at night or in dangerous conditions.


6.3. The policies and procedures relating to the employment of youth (16-18) shall comply with the provisions of the relevant local employment regulations.

7. Payment of wages

7.1. Wages and benefits will be paid in accordance with all regulations and employment laws.

7.2. All employees shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

7.3. Deductions from wages as a disciplinary measure are prohibited except with the explicit approval of the employee concerned. Any disciplinary action will be documented. No

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deductions will be done from wages that are now allowed by the local laws and regulations.

8. Normal working hours

8.1. Working hours comply with national laws and industry standards.

8.2. In any event, the employees will not be required to work regularly over 48 hours per week and will be given days off according to the requirements of the local law. Overtime will be voluntary, will not regularly exceed 12 hours per week and will not exceed the limits of local law.

9. Equal opportunities at work and prohibition of discrimination

9.1. Palziv has a firm commitment to providing equal opportunity in all aspects of employment, including hiring workers, paying compensation, calling for training, promoting or terminating or retiring from work, and completely avoiding discrimination. All Palziv decisions and actions are objective and do not take into account characteristics such as race, class, national origin, religion, age, disability, sex, marital status, sexual orientation, union membership or political affiliation.


9.2. Women's rights will be respected.

9.3. The rights of the minority and the indigenous peoples will be respected.

9.4. The company encourages occupational diversity, equality and inclusion among its employees.

10. No Harsh or Inhumane Treatment is Allowed

Physical abuse or violence or the imposition of punishments, threats of physical abuse, sexual harassment or other harassment and verbal abuse or violence or other forms of intimidation **are prohibited!** Palziv employees who are in charge of employees will refrain from abusing their position towards their subordinates in any personal matter related or not related to work.

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11. Environmental Quality and Sustainability

We are aware of our responsibility for the effects of the entirety of our operations from an economic, environmental and social point of view and are committed to the principles of environmental quality and sustainability.

11.1. Palziv Group's policy is to follow all local and international environmental standards, as well as to make continuous improvement to reduce the negative impact on the environment. The employees are obliged to act according to the environmental laws, standards, requirements and policies relevant to our business environment, production technologies and our products. We are responsible for understanding and acting on the following requirements, including:


11.1.1. Conservation of energy, water, raw materials and other natural resources such as land and forests. Conservation of biodiversity, including land, forest and water rights and prevent forced eviction and maintain soil quality.

11.1.2. Manage materials and waste properly.

11.1.3. Compliance with environmental requirements, health and safety requirements.

11.2. The company will make sure that our customers and suppliers are aware of the company's sustainability policy and will encourage them to adopt management methods in the spirit of sustainability. We expect our suppliers and other stakeholders to comply with all applicable environmental, health and safety laws and industry standards in their operations.

11.3. The company will annually review and report on our sustainability performance while striving for continuous improvement.

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12. Anti-Bribery Policy

Palziv Group Management committed to an anti-bribery policy, and make it clear to all organizational levels that any type of giving or receiving bribes by any employee of Palziv Group, at any level, is absolutely prohibited.


Bribery and corruption are contrary to Palziv's core values and non-compliance will cause heavy damage to Palziv's business.

13. Confidentiality

Palziv employees are obligated to maintain its business and commercial secrets, while taking precautions to prevent their disclosure to others, both inside and outside the company. It is clarified that business secrets include, among other things, company documents, customer information and various strategies. In addition, Palziv employees will refrain from providing information to the media, and/or expressing themselves in relation to it in any way, including on social networks, without the prior approval of their supervisor. To the extent that there is an obligation to disclose the information by law, Palziv employees will contact their supervisor to receive additional instructions, and if necessary, after the supervisor's approval, disclose the information to the authorized party according to the law, while maintaining confidentiality regarding that part of information in relation to which no disclosure obligation applies.

14. Avoidance of Political Activity

Palziv makes sure to have a workplace free from political and party aspects. The company's employees will refrain from any kind of involvement in politics within the organization.

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15. Liability of Managers

Palziv requires its managers to set a personal example for employees, among other things, in order to create a work environment that maintains and promotes appropriate behavior. In addition, the managers at Palziv are required to ensure that the employees under them comply with the provisions of the law and follow the procedures of the group and this code.

Reminders

The code serves as a guide for conducting our business with integrity and as an ethical compass.

This is not an employment contract and does not confer rights related to employment.

The Code is not a complete list of company guidelines. Palziv has additional policy documents and procedures that complement the code of ethics and which each of its employees is obliged to read and implement as part of their position at Palziv.

Every employee should know and follow all the company's instructions related to their work.

Violation of these guidelines may, among other things, may lead to disciplinary action, including termination of employment.

Palziv Group may amend the code from time to time, as it deems appropriate.

Worker name: _____

Date: _____

Signature: _____