



PLASSON – Ethical Code of conduct

Words from our CEO

As a leader in its field and a company grown from the principles of equality and cooperation, PLASSON is living up to its values in its daily life since its establishment. We are proud of our heritage, conduct and success and attribute them primarily to our people worldwide.

We are obliged to keep our code of conduct and our near and far environment. We see this as the core of our business and long-term success.

All of our workers are committed to observing our values – decency, transparency, integrity, mutual respect and credibility, while continuously improving our ethical conduct.

The way in which we achieve our results is just as important to us as the results themselves, and this is the way we are all committed to conduct ourselves and the image and brand we wish to project.

The ethical code of conduct, as expressed here, has been drafted together with PLASSON workers and with consideration to the entire population, with no bias and discrimination. We are all called upon to observe it on the personal level and guarantee its application to the highest standards.

Ethical conduct is important for every stake holder in the organization and we will live up to it every day.

I am sure that in the future, as in the past, we will observe the code of conduct that our unique organization promotes and expects from us, set an example and ensure its application in all our individual areas of responsibility.

I wish us all good luck

Gal Wexsler, CEO



Introduction

PLASSON was established by Kibbutz Maagan Michael in the 1960's as a source of employment and livelihood for the members of the kibbutz. Today, PLASSON employs workers coming from diverse populations and cultural backgrounds and operates in many markets and countries around the world. Since its establishment the company has followed the core values of decency, transparency, integrity, mutual respect and credibility, and of course a strict adherence to the law. A company's code of conduct is the basis for the universal common ground acceptable in the international business community.

The purpose of the ethical code of conduct is to clarify and establish a norm which expresses the organizational culture, the company values and policy. It is an expression of PLASSON's identity as a responsible and moral company. The ethical code of conduct provides a guideline for the employees and stake holders with regards to the proper conduct towards fellow employees, customers, suppliers, business partners, statutory authorities, competitors and the community and environment within which we operate.

The code provides tools for facing ethical and moral dilemmas and assists in making decisions which have ethical consequences.

The code reflects to stake holders the set of norms and values acceptable in the company and how we conduct our daily lives when faced with ethical dilemmas. The code has been drafted in collaboration with company employees of various occupations and levels. During the process the ethical dilemmas with which the company and its employees in the various contexts were raised and addressed to form this code.

The code has been approved by the company management and applies to **all PLASSON employees worldwide**.

How to use the ethical code of conduct?

The ethical code of conduct specifies the organizational values and rules, beyond the call of the law, in a variety of situations and activities we face when working in PLASSON. The code cannot cover all the possible ethics related situations in the organization, but it covers the main subjects and basic rules to follow.



Applying the code is the responsibility of each and every one of us and managers at every level must set an example in setting the ethical standards and in clearly demonstrating the correct conduct in ethical operations.

- Have you encountered an ethical dilemma? Please check the relevant legislation or PLASSON procedures for appropriate guidelines.
- No legal or standard reference applies? Please turn to the ethical code of conduct, find the relevant clause and apply it.
- Still in doubt? Didn't find an appropriate clause? Please turn to your direct superior, another senior manager or one of the ethics supervisors in the company.

PLASSON is committed to safeguard the privacy of anyone who has reported an ethical or moral breach.

Employees

PLASSON employees are the company's most important asset. The relationship between the company and the employees is the cornerstone of the organization's survival and success. The following principles elaborate PLASSON's ethical commitment to its employees and the reciprocal commitment of the employees to the company:

PLASSON's commitment to its employees:

Committed to uphold the law in any context:

We in PLASSON are committed to uphold the laws, regulations and company procedures in any activity we are involved in and to make any relevant information available to our employees.

Preserve human rights and employee rights:

We make a point of observing all legal requirements regarding human and/or employee rights and follow company procedures on the subject.



Maintain the highest standard of health and safety in the work environment

We provide for our workers a safe environment and observe the relevant legislation to preserve the health and safety of our workers and work constantly to improve the conditions we provide.

Prevent discrimination and harassment

We strive to prevent any form of discrimination or harassment based on gender, religion, ethnicity, age, physical handicap, interpersonal or any other background. We will not tolerate or allow physical or verbal violence between our employees.

Strive to provide equal opportunity

PLASSON has a rich texture of workers. We do everything possible to allow each and every worker the opportunity to develop and advance in the company to help them make the most of their talents and abilities and maximize their contribution to the company's success, while maintaining our unique social fabric.

Cultivate a diverse worker population

We attach great importance to the cultivation a diverse worker population and consider employing workers from every provenance a significant value in the company's conduct. We strive to create an atmosphere of tolerance and acceptance within the organization and show respect and sensitivity to all our employees.



Invest in the professional growth of our workers

We invest in the development of the required professional capabilities for the different roles in the company, including, among other things, instruction, professional courses, enrichment programs and lectures, and strive to provide our workers routes for long term professional development.

Protect our workers privacy

We respect our workers' privacy, safeguard the secrecy of their personal information and limit its exposure strictly to the functionaries with direct bearing to the relevant subject, and only under the workers' explicit consent. Any perceived infringement of privacy (such as the deployment of security cameras) is done only to preserve the health and safety of the workers while advising the relevant details to the workers, in accordance with the company procedures and the legislation.

Employees' commitment to the company

We treat each other with decency and respect, are considerate to our colleagues and operate in a **friendly** and team-oriented atmosphere. We encourage mutual help and support, caring and openness among our workers.

Committed to upholding the law on any issue:

We, PLASSON workers, are committed to observe the laws, regulations and company procedures related to our work.

Ensure a safe and healthy work environment:

We are committed to follow the safety instructions to maintain a safe work environment for all workers and use the company facilities and resources according to the correct procedures to safeguard our personal safety. We are committed to reporting to the manager in charge any malfunction of equipment, breach of procedure and accident and to be full partners in maintaining our own and our colleagues' health and safety in the workplace.

Use the company facilities and equipment correctly, effectively and efficiently:

The company's facilities and equipment are meant to be used in the workplace to the company's benefit. We use these facilities and equipment effectively and



responsibly in the workplace. If a need arises to use the equipment outside of the workplace, we will turn to our direct superior or the person responsible for the relevant equipment for permission. We have to report to our superiors any accident of unauthorized or improper use of the equipment.

We will not make use of commercial or technical knowledge belonging to PLASSON for our personal benefit and or pass information to third parties not authorized by PLASSON.

Dress properly:

We maintain proper codes of dress and conduct which follow the safety and professional requirements of our job functions, are adequate to the workplace and are respectful to the people around us.



Avoid political activity:

PLASSON is an a-political organization, exercising tolerance to the various communities which make up the workforce. We abstain from any political activity within the framework of our work.

Avoid conflict of interests:

We avoid situations which could create a conflict between our personal issues and our commitment to the company or impair our judgment when making work related decisions.

Avoid bribery and corruption:

Within the context of our work we will avoid offering or accepting bribe or the use of other improper means, including, but not limited to the use of inside information, fraud and manipulation with the company securities.

Customers and end users

PLASSON has pledged to credibility in its relationships with its customers, distributors and end users using the company's products.

We base our relationships with our customers and end users on mutual trust, respect, decency and honesty throughout the chain – from advertising, through negotiation and agreement to the services we provide. We observe the following principles in this respect:

Negotiate fairly and adhere to our commitment:

We treat our customers fairly during the negotiation and agreement phases and avoid abuse of prepotency. We fulfill all the obligations we have taken on in the agreements we are party to.

Commit to our products' quality and safety:

We make significant efforts to ensure the highest quality of the products we supply. We fulfill the most stringent quality standards everywhere our products are distributed and adapt to the governing standards in each environment where they are marketed. We follow controlled methods and clear standards of quality



assurance. We ensure the product safety of use, monitor and prevent processes which may impair the products' quality. We execute continuous improvement processes regarding the quality and fitness to purpose of our products.

Provide a professional customer's service:

We attach great importance to building a relationship of long-term mutual trust with our customers and to maintaining PLASSON's reputation as a reliable company which provides the best service to its customers.

Our customers' service is available and willing to assist on any issue, provide fast, efficient and professional response in case of faults and provide guidance as to a safe and efficient use of the products, subject to the company's warranty policy. We listen to our customers and look seriously into their inquiries.

Provide reliable information:

We are committed to provide our customers with all the required information about our products and services, while maintaining the highest standards of accuracy and reliability of the information we submit.

Safeguard the customers' privacy:

We are committed to safeguard all the information we receive from our customers according to the relevant privacy regulations and avoid passing on private or privileged information related to them to third parties baring their approval.

Avoid offensive publication:

We are considerate to the various segments of society and avoid publications which may be construed as offensive in any way.

Avoid conflict of interest:

We make decisions based on professional considerations in view of the company's interest and avoid giving or receiving benefits which may influence our decisions and actions.

We are careful regarding giving and receiving benefits:

Giving or receiving benefits such as invitations, curtesy and hospitality are part of normal business relations with our customers and business partners. However, as



the giving or receiving of benefits are on behalf of PLASSON, we must exercise careful consideration when making decisions and avoid foreign considerations, external influences or bias. When in doubt we will communicate with our superiors and/or the company's ethics supervisors to obtain approval in advance.

We abstain from bribery and corruption:

In our agreements with our customers, we will avoid any form of bribery or corruption.

Suppliers and business partners

PLASSON considers its suppliers significant partners to the company's success. We build and maintain with our suppliers long term relationships, based on respect, decency and mutual benefit.

We attach great importance to the stability of the relationships with our strategic suppliers, the trust between the parties and the reciprocal loyalty built over time.

We follow these principles:

We treat our suppliers and business partners fairly:

We treat our suppliers and business partners fairly, both in the negotiations phase and throughout the agreement term.

**We conduct a fair process of suppliers' selection:**

We select our suppliers based on objective professional criteria, such as technological competence, economic strength, product quality, production capacity, quality of service and the possibility of long-term relationship. Moreover, we require our suppliers to uphold all of the relevant laws, especially regarding safety, workers' rights, fair treatment and commitment to constant reduction of their environmental impact.

Avoid conflict of interests:Personal relationships with suppliers

We are aware of the possibility of personal relationships with suppliers influencing professional considerations. We must avoid circumstances of conflict of interests, possible or actual, during the decision processes. When in doubt, we will consult the relevant manager or the ethics supervisor and conduct ourselves with full transparency.

Gifts and benefits:

Receiving gifts from suppliers can influence our judgment when we come to make business decisions within our relationships with the company's suppliers. We will therefore avoid accepting any gift or benefit of anything more than symbolic value (either financial or circumstantial), in accordance with the company's procedures. When in doubt, we will consult the relevant manager or the ethics supervisor and conduct ourselves with full transparency.

Private acquisitions from company suppliers:

We may purchase products and services from company suppliers for private use, as long as the product and service are available to all at an identical price and in full transparency.

Keep privileged information.

We will not transfer to a supplier or any other third-party information about other suppliers nor use information given to us by suppliers for anything other than the purpose for which they were given.



Competitors

PLASSON operates constantly and effectively to be a world leader in all its fields of operation, while maintaining a fair and respectable relationship with its competitors. We are guided by the following principles:

We uphold all antitrust laws and regulations:

We fulfill all the requirements of the antitrust rules and regulations applicable to PLASSON and its subsidiaries, in constant consultation with the relevant institutions.

We avoid slandering our competitors:

We avoid negative expressions regarding our competitors, their actions and products. When asked about the competition or requested to provide a comparison to our products we will stress our advantages rather than defame the competition.

Authorities, stockholders and reporting

PLASSON respects its relationships with the various statutory authorities it is subject to everywhere it operates.

We are committed to observing the laws and regulations and the instructions of the statutory institutions which apply to the company and its business.

We maintain a high standards of registration and reporting:

We see great importance in strict adherence to the acceptable standards with regard to the company's registration management and the various reports we supply to the different institutions and to our stakeholders, including the company stockholders, to provide them with all the necessary information required to them to make decisions regarding the company.

Our internal reporting is done with maximum precision and reliability. We expect our workers to meticulously fill the company papers and the registrations and reports they submit to the company managers, as per the company procedures.

We abstain from bribery and corruption:

PLASSON is committed to conduct the necessary contacts with the various institutional authorities everywhere it operates to promote its commercial interests,



while observing all the relevant laws, regulations and the highest professional standards.

We do not take part in any activity where illegal or inappropriate means are employed, including bribery or any form of corruption.

Community and environment:

Community

PLASSON's main production facility is situated in Maagan Michael. The kibbutz and its members have established the company and consider it a source of pride, livelihood and connection with other populations around them. As the company expanded it had opened its gates to workers residing elsewhere, thus committing to nurture and maintain equality and partnership in roles, values and opportunities, based on the organization's core values and also, but not solely, as expressed in the agreements and consents acceptable in the business world.

We contribute to the community in mutual bond based on sharing and responsibility, with the objective of contributing to a better, higher quality, fairer and more equal social reality.

We promote the following values and principles in community involvement:

Creation of long-term partnerships, dialogue with the communities in which we operate and the communities of our employees' provenance, consideration-based contribution, promotion and support of cross organizational voluntary activity.

We encourage our suppliers to take part in pro-community activity and collaborate with us to do so.



Environment

As a production company, we are aware of the impact that our activity has on the environment and we are obliged to preserve the environment and reduce the impact to the absolute minimum possible everywhere we operate.

We are committed to observe the environmental laws and regulations applicable to our activity. We pledge to set our own targets and monitor our environmental performance continuously.

We work with our surrounding community to improve our environmental performance and minimize its impact.

We work, among other things, to advance the following areas:

- Development of products and technologies intended to safeguard the environment and minimize impact.
- Using environmentally friendly materials
- Properly process and dispose of waste, effluents and discharges
- Recycling
- Minimize the use of energy and natural resources
- Application of an environmental management system

We urge our employees to join the effort to protect the environment, initiate and carry out activities striving to improve PLASSON's environmental performance, and invite our suppliers and business partners to incorporate environmental considerations in their decision-making processes

Management responsibility

We, PLASSON managers of all levels, are committed to bequeath the organizational ethics and culture and their assimilation and strive to set an example to proper conduct. Our doors are always open for our workers on any subject.

We encourage our workers to approach us for consultation on any ethical issue or dilemma.