

**PRODALIM GROUP
CODE OF CONDUCT AND ETHICS**

1. General

- (a) words and expressions importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate.
- (b) Headings herein are for convenience only, and shall not affect the meaning or interpretation of any provision hereof.
- (c) Whenever the words “include”, “includes” or “including” are used in herein, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”. The word “agreement” means any contract, agreement, understanding and undertaking. The word “Personnel” or “the Group’s Personnel” includes any member of the board of directors, officer, employee, consultant, service provider of, and any other person under an employment agreement, a consultancy agreement or an agreement for the provision of services with the Group (whether oral or written).

2. Purposes of this Code

Prodalim Investments Ltd, together with its affiliates, subsidiaries and any other member of the Prodalim group (collectively referred to herein as the “**Group**”), is committed to a culture of honesty, integrity and accountability and strives to operate its business in accordance with the highest ethical standards and applicable laws, rules and regulations. This Code of Conduct and Ethics, as may be amended or replaced from time to time (this “**Code**”) outlines the principles that should guide all members of the board of directors, officers, employees, consultants, suppliers and service providers of the Group in the performance of their respective tasks and duties.

Personnel of the Group must not only comply with all applicable laws, rules and regulations but also must engage in and promote honest and ethical conduct and abide by the policies and procedures that govern the conduct of the business of the Group, as shall be in effect from time to time. The responsibilities of each of the Group’s Personnel include helping to create and maintain a culture of high ethical standards.

This Code is not meant to be a complete or closed list of all legal and ethical obligations of the Group’s Personnel. The Group provides this Code to its Personnel to offer guidance in properly recognizing and resolving the legal and ethical issues that they may encounter while conducting the business of and on behalf of the Group.

This Code is a statement of certain fundamental principles, policies and procedures that govern the Personnel of the Group in the conduct of the business of the Group. It is not intended to, and does not

create, any rights relating to any employee, customer, supplier, competitor, shareholder or any other person. This Code is not to be interpreted to modify or derogate from the duty or obligation of any of the Group's Personnel as set out in any employment agreement, consultancy agreement or an agreement for the provision of services (whether oral or written) or under any applicable laws, rules or regulations.

Personnel who know of, or suspect, any violation of this Code or of any applicable law, rule or regulation have an obligation to immediately report this information in writing to Amnon Salhov, the Chief Financial Officer of the Group and Ran Harpaz, the Legal Manager of the Group (together, the "**Compliance Committee**") by contacting them at compliance@prodalim.com. The Compliance Committee (or any member of the Compliance Committee) may be replaced at any time by the Chief Executive Officer of the Group for any reason, or for no reason.

Each of the Group's Personnel is hereby urged to approach the Compliance Committee with any questions or uncertainty he/she/it may have with respect to the principles outlined in this Code prior to taking or refraining from taking any action that might, or that he/she/it suspects might, violate this Code.

3. Compliance with Laws, Rules and Regulations

The Group is subject to a number of laws, rules and regulations with respect to the conduct of its business, which such laws, rules and regulations may vary from time to time. Personnel are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their tasks and duties. This Code does not purport to address all areas of law that Personnel might encounter in the day-to-day business of the Group. The following areas, however, should be specifically noted:

- (a) **Governance and Anti-Corruption**: The Group strives to comply with all applicable laws, rules, regulations and contract requirements relating to the fight against bribery and corruption, including without limitation, the U.S. Foreign Corrupt Practices Act ("**FCPA**") and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The following prohibited practices are illustrative only and are not exclusive: (1) With respect to governmental agencies, state-owned hospitals and universities, actual and potential partners, collaborators, suppliers, subcontractors, business associates and others, neither the Group nor any of its Personnel will, directly or indirectly, engage in bribery, kick-backs, payoffs, or other corrupt business practices; (2) Payments to consultants, lobbyist, suppliers, partners, collaborators and others are strictly prohibited if it is known or believed (or there is a reason to believe) that all or a portion of such payments will be offered, given, or promised to a government employee, a member of political party, a candidate for political office, or any related party of the foregoing; (3) any interaction with governmental agencies and regulators shall be in a transparent manner and no payments or bribes should be paid to any employee, agent or representative of such agency.
- (b) **Health and Safety Laws**: The Group strives to comply with all applicable health and safety laws, rules and regulations as part of its commitment to providing Personnel with a safe and healthy work environment. The Group's Personnel have a responsibility to maintain this work environment as such. In this regard, the Group's Personnel are expected to work in a safe

manner with due regard for their personal safety as well as that of their co-workers and to report accidents, injuries, hazardous equipment and unsafe practices. Personnel are prohibited from engaging in the business of the Group while under the influence of alcohol or illegal drugs.

- (c) Competition Laws: Competition laws are enacted to limit practices that are seen to impair the function of a free and open marketplace. A complete description of these laws is beyond the scope of this Code, however, they include, without limitation, price fixing, bid rigging, price discrimination, allocation of markets and boycotting of certain suppliers or customers. Personnel having regular dealings with customers and suppliers should become familiar with all the laws, rules and regulations applying to these practices as non-compliance can result in severe penalties being imposed on both the Group and the individuals involved.
- (d) Dealing with Sanctioned Countries: The Group will follow all relevant laws, rules and regulations related to transaction with companies from sanctioned countries. For example, under US law, the Office of Foreign Assets Control (OFAC) administers and enforces economic and trade sanctions under various sanction programs; Israeli law makes it illegal to conduct direct or indirect trade with Iran, Syria and Lebanon; the EU's Service for Foreign Policy Instruments transposes into law sanction decisions of the EU External Action Service and agreed by the Council of the EU. Violation of these sanctions by persons and entities subject to these sanctions can lead to fines and even criminal liability against the Group and individuals. Personnel are expected to support the efforts of the Group to follow such laws, rules and regulations and shall immediately report to the Compliance Committee by contacting it at compliance@prodalim.com prior to dealing with any Sanctioned Country.
- (e) Environmental Laws: Cognizant of its responsibility to the environment, the Group strives to comply with all applicable environmental laws, rules and regulations. Personnel are expected to support the efforts of the Group to develop, implement and maintain procedures and programs designed to protect and preserve the environment.
- (f) Privacy Laws: The Group is committed to maintaining the accuracy, confidentiality, security and privacy of the personal information of its customers, suppliers and employees, while personal information means any information relating to an identified or identifiable person. Personnel who have access to personal information are expected to support the efforts of the Group to develop, implement and maintain procedures and policies designed to manage personal information, according to privacy and data protection principles and legislation, including without limitation, Regulation (EU) 2016/679 ("GDPR") together with applicable legislation implementing or supplementing the same or otherwise relating to the processing of personal data of natural persons.

4. Fair Dealing and Restrictive Agreements with Third Parties

The Group competes vigorously in its business dealings but is committed to practices that are fair and honest. In this regard, Personnel are expected to respect the rights of, and deal fairly with, the employees, customers, suppliers, investors, shareholders, business partners and competitors of the Group. In particular and without limitation, Personnel may not take unfair advantage of anyone through

manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair dealing practice.

The Group does not condone activities that seek to gain an unfair competitive advantage. Personnel may not, directly or indirectly, unlawfully use or disclose any confidential information or trade secrets of a third party that was obtained by such individual while employed by or associated with such third party without obtaining the consent of such third party prior to disclosure.

5. Accounting and Auditing Matters

The Group maintains accounting and internal control systems designed to provide reasonable assurance that the assets of the Group are safeguarded against loss and the financial records of the Group are reliable for preparing financial statements. No fraudulent or false entries should be made for any reason in the books, records, or accounts of the Group.

The integrity of the Group's records depends upon the validity, accuracy and completeness of the information supporting the entries to the Group's books of account. The Group is committed to providing accurate and reliable information to its shareholders, governmental agencies, and other entities who rely on the veracity of the Group's financial records. Furthermore, various statutes and regulations, including, without limitation, the FCPA and Israeli tax laws, rules and regulations require that the Group maintains accurate and complete books and records. Therefore, no false, misleading or artificial entries shall be made in the Group's books and records for any reason, and all accounting, internal accounting controls or auditing matters shall be conducted in accordance with all applicable laws, rules and regulations. In addition, all gifts, hospitality and other expenses or items of value must be accurately identified in the Group's reports on an expense reimbursement claim form. All transactions must be documented and be correctly reflected in the Group's books in accordance with applicable laws, rules and regulations.

6. Sexual Harassment, Maltreatment and Discrimination

Collegiality and respect for others are considered normal manners in a pleasant and stimulating work climate. The Group strives to provide a place of work free of sexual harassment and maltreatment, intimidation or exploitation. Reports of sexual harassment and maltreatment are taken seriously and will be dealt with promptly. The Group recognizes the importance of confidentiality in these cases, and will respect the privacy of individuals reporting or accused of sexual harassment and maltreatment to the extent possible. Where sexual harassment or maltreatment has occurred, the Group will act to stop the harassment, prevent its recurrence and discipline and/or take other appropriate action against those responsible, in accordance with applicable Group's policies and procedures, as shall be in effect from time to time and all applicable laws, rules and regulations.

No discrimination on the basis of race, color, age, sex, sexual orientation, disabilities, religion or national origin will be permitted, and no form of physical, emotional, sexual, or other harassment will be tolerated.

Personnel are expected to support the efforts of the Group to develop, implement and maintain a workplace free of sexual harassment and maltreatment, intimidation, exploitation or discrimination. Personnel who suffer/suffered or know of other Personnel who suffer/suffered sexual harassment and maltreatment, intimidation, or exploitation are expected to immediately report this information to the respective officer in charge of sexual harassment in their/his/her organization within the Group and Personnel who suffer/suffered or know of other Personnel who suffer/suffered discrimination are expected to immediately report this information to the Compliance Committee by contacting it at compliance@prodalim.com.

7. Protection and Proper Use of Group's Assets

All Personnel of the Group are expected to protect the assets of the Group and ensure they are used for legitimate business purposes only. Theft, carelessness and waste have a direct impact on the business and profitability of the Group. Any incidents or suspected incidents of fraud or theft should be immediately reported for investigation.

The assets of the Group include, *inter alia*, information, equipment, office supplies, hardware, software, intellectual property and time. Such assets may not be used for personal benefit, nor may they be sold, borrowed or given away without proper authorization in advance.

The following procedures and guidelines apply with respect to the proper use of the Group's intangible assets:

- (a) **Non-Disclosure Requirements**: The employment (including offers of employment or engagement, as the case may be) and other kinds of engagement agreements with all Personnel shall contain provisions regarding the non-disclosure and non-use of proprietary and/or confidential information received by such Personnel during the term of their relationship with the Group. Compliance with these provisions is mandatory. Personnel entrusted with or otherwise knowledgeable about information of a confidential or proprietary nature shall not disclose that information outside the Group, either during or after employment or other service to the Group, without written authorization to do so from the Group in advance. Such disclosure could be harmful to the Group or helpful to a competitor.

All proprietary and/or confidential information received by Personnel during the term of their/his/her/its relationship with the Group (including any derivatives thereof) shall be and remain the sole property of the Group. Upon termination of his/her/its respective employment or engagement with the Group, as the case may be, or immediately upon the Group's first request, each of the Group's Personnel shall return to the Group all such proprietary and/or confidential information and all other derivatives or representations of such proprietary and/or confidential information in his/her/its possession or under his/her/its control.

- (b) **Protection of Intellectual Property**: Intellectual property rights and proprietary confidential information (collectively "IP") are key components of the Group's value. Therefore, Personnel shall take appropriate action to preserve and enhance the Group's IP and respect the IP rights of other persons. The Group's IP includes, but is not limited to, its intellectual property rights in its scientific and technological know-how, information about the Group's

business strategies and intentions, information about current and potential industry partnerships or licensing arrangements, information regarding plans for research or future research, internal databases, customer lists, supplier lists, personnel lists, financials, products, briefings, recipes, confidential technical data, organizational charts and compensation information. The Group's IP must be kept confidential and must not be disclosed, verbally, in writing, electronically (e.g. via the Internet) or in any other way, unless specifically and expressly authorized in writing in advance and subject to the provisions of a non-disclosure agreement. When speaking with third parties, it is important to avoid unauthorized disclosure of any of the Group's IP. Personnel must also ensure that confidential discussions are not overheard by others or disclosed by careless transmission of information. All documents containing proprietary information which are being disposed of, should be shredded. The Company stores a great deal of information on computer drivers and other storage devices. If any such equipment (such as a computer, a storage device or hard copy) is lost or stolen, it is imperative that Personnel report this loss immediately to their manager and the IT department.

- (c) Inventions: The Group is legally entitled to all rights in ideas, inventions and works of authorship relating to its business that are made by any of the Group's Personnel during his or her employment or engagement with the Group or while using the Group's resources.

The abovementioned provisions are in addition to those set forth in the respective employment (including offers of employment) and other kinds of engagement agreements by which any of the group Personnel is bound, as the case may be. In case of any inconsistency between the abovementioned provisions and the provisions contained in the respective employment (including offers of employment) and other kinds of engagement agreements by which any of the Group's Personnel is bound, as the case may be, then the provisions of the respective employment (including offers of employment) and other kinds of engagement agreements by which any of the Group's Personnel is bound, as the case may be, shall prevail.

8. Conflicts of Interest

Personnel have a duty of loyalty to the Group and are therefore expected to always act in the best interests of the Group. A conflict arises when the personal interests or activities of Personnel influence or have the potential to influence the exercise of his/her/its judgment in the performance of his/ her/its tasks and duties. Conflicts of interest and even the *appearance* of a conflict of interest may compromise the reputation of the Group and must be avoided.

The Group respects its Personnel's right to privacy in their personal activities and financial affairs. It is the responsibility of each of the Group's Personnel to ensure that his/her/its personal conduct complies with the following principles, which are not intended to address every potential conflict situation:

- (a) Reporting Conflict: Each of the Group's Personnel is required to promptly disclose any actual or potential conflict of interest to his manager within the Group and the Compliance Committee by contacting it at compliance@prodalim.com. Any transaction, relationship or interest that reasonably could be expected to give rise to a conflict of interest should be reported as aforesaid. Actual or potential conflicts of interest involving a member of the board

of directors or executive officer should be disclosed directly to the chairman of the Board of Directors of the parent company of the Group – Prodalim Investments Ltd (the “**Board**”).

- (b) Personal Benefits, Gifts, Tips and Gratitude: Personnel may not use their position as Personnel of the Group to derive or secure any personal, financial or other benefit for themselves or their relatives. Personnel may not solicit and/or accept any gift or favour from any competitor, supplier or customer except to the extent customary and reasonable in amount and not in consideration for any improper action by the recipient. The offering or accepting of bribes, payoffs or kickbacks made directly or indirectly to obtain an advantage in a commercial transaction are strictly prohibited and any such offer must be immediately reported in writing to the Compliance Committee in details by contacting it at compliance@prodalim.com.
- (c) Employment or Affiliation with a Competitor, Supplier or Customer: Full-time employees may not act as members of the board of directors, officers, employees, consultants or agents of entities that compete directly or indirectly with the business of the Group or do business with the Group (such as customers, suppliers or business partners of the Group) without the prior written approval of the Chief Executive Officer of the Group, in his sole and absolute discretion. In addition, Personnel may not own, directly or indirectly, a beneficial interest in any of these entities unless such person of the Group’s Personnel is making an investment in securities that are listed on a national or international securities exchange and the total value of the investment is less than 3% of the aggregate value of the class of securities involved and the amount of the investment is not so significant that it could affect the employee’s business judgement on behalf of the Group without the prior written approval of the Chief Executive Officer of the Group, in his sole and absolute discretion.
- (d) Independent Business Ventures: Personnel may not engage in independent business ventures or agree to perform services for other businesses without the prior written approval of the Chief Executive Officer of the Group, in his sole and absolute discretion, and, where such approval is obtained, may only engage in such business or agree to perform such services if the activity does not interfere with their devotion of time and effort to the conduct of the business of the Group or otherwise affect his/ her/its ability to work effectively.
- (e) Corporate Opportunities: Personnel owe a duty to the Group to advance its legitimate interests when opportunities arise. In this regard, Personnel may not appropriate for their own use the benefit of any business, venture or opportunity which they learned about during their employment or engagement with the Group or through the use of the Group’s property, information or position, without first obtaining the prior written approval of the Chief Executive Officer of the Group, in his sole and absolute discretion.

Although the principles above refer only to Personnel of the Group, Personnel should also exercise care to avoid actual or potential conflicts of interest that may arise because of the activities of their immediate family members and other members of their household.

9. Employment, Written Agreements and Compensation Guidelines

There shall be no use of forced labor, including prison labor, indentured labor, bonded labor or other

forms of forced labor. No person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher.

Personnel within the Group shall have the right to freedom of association and collective bargaining.

Personnel within the Group shall not be required to work more than the regular and overtime hours allowed by applicable law of the country where such Personnel workers are employed or engaged, as the case may be. The regular work week shall not exceed 48 hours. Personnel within the Group shall be allowed to at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Personnel within the Group shall not be requested to work overtime on a regular basis and shall be compensated for all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a work week shall not exceed 60 hours.

Personnel will be retained and paid only pursuant to a written agreement (including a signed offer of employment or engagement, as the case may be) supplied or approved by the Group's Legal Manager or by an officer of the Group with authority to authorize retention of such individual, in accordance with the Group's signatory rights. Personnel shall be permitted to work with the Group only if they operate in conformity with their written contracts and all applicable laws, rules and regulations.

10. No Side Agreements

Personnel may not enter into a side letter with a customer or a prospective customer regarding the sale of the Group's products or into any similar arrangement, whether written or not, that results in the actual terms of a sale being different from those included in the relevant license, manufacture, or purchase agreement with a customer or purchase orders received from a customer. Side agreements may include verbal obligations as well as obligations set out in email communication to third parties.

11. Use of E-mail, Computers and Internet Services

Computers, E-mail systems and Internet services are provided to help Personnel perform their tasks, duties and responsibilities related to the Group. Incidental and occasional personal use is permitted, but use for personal gain or any improper purpose is not permitted. Personnel may not access, send or download any information that could be insulting or offensive to another person, such as, but not limited to, sexually explicit messages, cartoons, jokes, unwelcome propositions, ethnic or racial slurs or any other message that could be viewed as harassment. "Flooding" the systems of the Group with junk mail hampers the ability of the systems to handle legitimate corporate business and is prohibited.

Personnel's messages (including voice mail) and computer information (including electronic mails) are considered corporate sole property. Subject to applicable law, the Group reserves the right to access and disclose this information for any reason, or for no reason. Personnel should use good judgment, and should not access, send messages or store any information that he or she would not want to be seen or heard by other individuals.

Subject to applicable law, Personnel shall not have any expectation of privacy in connection with their

use of computers, internet services, mobile phones or email communication provided by the Group – even if personal in nature. All such computers, internet services, mobile phones and email communications are Group’s sole property and as such, subject to any applicable law, they are always accessible to the Group and open to review and inspection – even if personal in nature. Subject to any applicable law, the Group may remove personal data from computers or mobile phones provided by the Group at any time, for any reason, or for no reason, and email communications may be disclosed by the Group to parties outside the Company – even if personal in nature.

The abovementioned provisions are in addition to those set forth in the respective employment (including offers of employment) and other kinds of engagement agreements by which Personnel are bound, as the case may be. In case of any inconsistency between the abovementioned provisions and the provisions contained in the respective employment (including offers of employment) and other kinds of engagement agreements by which Personnel are bound, as the case may be, then the provisions of the respective employment (including offers of employment) and other kinds of engagement agreements by which Personnel are bound, as the case may be, shall prevail.

12. Social Media and Public Discussions

The Group respects the right of Personnel to use websites, web logs and other forms of social media as a medium for self-expression. However, whether or not each of the Group’s Personnel chooses to identify himself/herself/itself as such, he/she/it should write in the first person and make it clear that the views expressed are his/hers/its alone and do not necessarily reflect the views of the Group. Each of the Group’s Personnel assumes full responsibility and liability for his/her/its use of social media, and should abide by all Group policies as shall be in effect from time to time, including the Group’s policies on disclosure and confidentiality.

13. Political Contributions

The use, directly or indirectly, of Group funds for political contributions to any organization or to any candidate for public office requires the express approval of the Chief Executive Officer of the Group, in his sole and absolute discretion. Personnel engaging in personal political activities must do so in their own right and not on behalf of the Group. Any donations to charities made on behalf of the Group shall be within the budget approved by the appropriate officers within the Group for such purposes.

14. Compliance with the Code

(a) Initial Compliance

Personnel, current and future, must become thoroughly familiar with this Code and resolve any doubts or questions about the Code with the Compliance Committee by contacting it at compliance@prodalim.com.

All employees, members of the board of directors, officers and full-time consultants will be required to personally certify that they have read the Code and agree to fully comply with its

terms by signing the Form of Receipt and Acknowledgment attached to, and forming part of, this Code.

(b) Maintaining Compliance

Personnel have the responsibility and obligation to maintain their understanding of this Code.

The Compliance Committee is responsible for maintaining awareness on the part of the employees of the importance of their adhering to this Code and for reporting deviations to the Compliance Committee.

Personnel must:

- (i) inform the Compliance Committee by contacting it at compliance@prodalim.com, of any changes in their holdings or activities that might be, or appear to be, in non-compliance with this Code. The Compliance Committee will consult with the Board, as necessary in its sole and absolute discretion.
- (ii) prepare written disclosure of such changes, if requested by the Compliance Committee.
- (iii) take steps to correct any such changes, if necessary, to bring holdings and activities into full compliance with this Code. Such steps will be approved in writing by the respective Personnel and will be based on the written disclosures submitted by such Personnel.

15. Administration of this Code and Reporting Channels

The Board have adopted this Code on August 29, 2019. The Board reviews this Code on an annual basis and has delegated compliance oversight and maintenance of the Code to the Compliance Committee. The Compliance Committee is responsible for monitoring compliance with this Code, for regularly assessing its adequacy and it shall report directly to Chief Executive Officer of the Group.

Personnel who suspect (or have a reasonable ground to suspect) a colleague is violating the applicable laws, rules, regulations or this Code, or have been asked to engage in an illegal or unethical activity, must immediately report any such event to his/her/its manager and to the Compliance Committee by contacting it at compliance@prodalim.com. If any of the Group's Personnel does not feel comfortable speaking with his/her/its manager and with the Compliance Committee, they can turn to the Chief Executive Officer of the Group on an anonymous or non-anonymous basis. The Group will not tolerate discrimination or retaliation against any of the Group's Personnel for raising a business practices issue or for providing details regarding a violation (or suspected violation) of applicable laws, rules, regulations or this Code or for concerns in good faith or for providing information with respect of the foregoing.
