

DIPLOMAT ETHICAL CODE

DIPLOMAT

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The Purpose of the Ethical Code



Dear Employees,

I am happy to present to you the Code of Ethics of the Diplomat company and its subsidiaries.

As a leading sales and distribution company, with over 50 years of experience, Diplomat offers a diverse portfolio of consumer goods and food brands from some of the leading companies in the world. Diplomat provides its customer advanced sales services and logistic solutions.

This document, which is based on the values and principles of Diplomat Group, is the Ethical Code of Diplomat Holdings Ltd and its subsidiaries and is applicable to all its employees. Adhering to our ethical code, has always been the way we conducted ourselves and a fundamental reason for us to be proud to work in this company.

I believe that building a unified organizational culture, one that is based on ethical behavior, teamwork, collaboration, promotion from within, and engagement - is the way to drive a winning organization.

I expect that each and every one of you will continue to act in alignment with our ethical code, as a way to ensure the company's long-term success.

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What guides us?

Our Purpose

Drive customer value along the supply chain to become their preferred supplier of choice.

Our Vision

Develop breakthrough sales and distribution solutions to become a key player in the global FMCG market.

Our Principles

As a leading company in the sales and distribution industry, that is guided by our purpose and values. At Diplomat we operate under the following principles:

- We act with Respect and appreciation towards others
- We consider company and employee success as one
- We are focused on our customers
- We are strategically focused in our work
- We encourage innovations that add high value to our customers
- We strive to be the best
- We act in collaboration and mutuality
- We take pride of our ethical standards

Our Values

For us, at Diplomat, commitment to our values is the responsibility of all the people across the organization - in all our business units, positions and levels.

Our six core values are the base of our organizational culture and the moral fiber according to which we operate. Our people and values are the most essential and significant drivers of our success.

These are our values:



Commitment



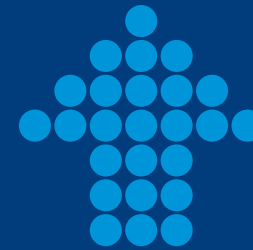
Professionalism



Integrity



Passion for winning



Team spirit



Service orientation



Commitment

We act as owners, achieving results through leadership, involvement and personal initiative.

For us, business and ethical commitment are integrated. We do our work with a personal commitment to meet the challenges and tasks we undertake. We leverage our innovative spirit, skills and experience to achieve successful results.

How do we manifest commitment at Diplomat?

- We act as ambassadors of the company, demonstrating good judgment and personal responsibility.
- We are aware that the way we operate reflects on the company's image. As such, we shall always engage in a respectful manner, whether in business meetings, on social media, in- field, or in the office.
- It is important for us to be seen in respectful and professional appearance, that we will not harm the good name and positive image of the company.
- We commit to inform and update the relevant functions in situations we are aware that a breach of values had taken place.





Professionalism

We achieve optimal results by developing our capabilities and continuously improving work processes and organizational efficiency.

One of Diplomat's fundamental drivers of success is professionalism. Our professionalism is achieved by our people - we recruit and nurture the best, continuously improving and developing capabilities and work processes.

How do we manifest professionalism at Diplomat?

- Diplomat recruits the best people. The recruitment process is fair and equal, assessing the professionalism and experience of the candidate, with no discrimination to gender, religion, race or other.
- We make sure that we always improve and refine our recruitment screening processes, based on the changing needs. This is how we build a professional and a leading company.
- We place great emphasis on promoting employees from within - investing in development and leveraging professional abilities as a way to develop our future leaders and ensure our growth.
- We make sure to remain the experts in our industry, in every territory we operate.





Integrity

We act with integrity, transparency, and respect, upholding our ethical principles in accordance to the letter and spirit of the law.

Integrity defines our path in all our relationships - with our colleagues, employees, customers, suppliers, partners or any other entity.

As a public company we believe it is our duty to be transparent and take excessive care in everything we do. We believe that doing the right thing, with integrity, will necessarily lead to organizational success.

How do we manifest integrity at Diplomat?

- All business decisions are made in line with our values, with zero compromises.
- We respect all human beings, with no discrimination based on religion, culture, race, gender, sexual orientation, age, or on any other ground.
- We pay extra attention, based on our values, to ensure fair employment practices that enable unbiased equal opportunities that are based on experience, capabilities.





Team Spirit

It takes all of us to win.

We support each other and share ideas and knowledge together, contributing to the company and our long lasting success.

How do we manifest team spirit at Diplomat?

- We believe in working together, in mutual support and without slander.
- We acknowledge that we are all equal and a part of the same team, therefore we make sure to respect our teammates and their beliefs, even if they are different from one another.
- By listening to the needs of the employees we focus on creating engaged, creative, and cooperative teams, in which every individual can contribute and influence.





Passion for Winning

We win with diligence, determination,
and excellence.

We always aspire to be the best and succeed in everything we do.

How do we manifest passion for winning at Diplomat?

- We aspire to be the best in our field.
- We continue to validate our work processes in order to improve our services and efficiencies.
- We constantly modify and learn, integrating innovation and technology.
- We are committed to execute in excellence our work plans, leveraging successes and learning from our mistakes.
- We constantly adapt ourselves to meet the changing needs of our customers.





Service Orientation

We provide outstanding response to our external and internal customers, by constantly identifying their unique and changing needs.

We are committed to our customers' success. We listen to our customers, understand their needs and provide them with the best professional service.

How do we manifest service orientation at Diplomat?

- We find creative ways to meet our customers' future needs today.
- We offer our customers a wide variety of products and services to meet their needs.
- We offer our customers innovative solutions based on our professional knowledge and advanced technologies.
- We act with respect and appreciation with all our employees, colleagues, customers, vendors, and partners and treat them all equally and fairly.
- We reinforce our customers trust in us through transparent, honest, and open conduct.



Our Business Conduct

Employees & Work Environment

- We are committed to the Group's values and act according to them in every business decision we make. Any behavior that contradicts our values will face a zero-tolerance policy and will be dealt with accordingly.
- We aspire to create a healthy, secured, supportive, and respectful work environment, that encourages equality, collaboration and mutual respect.
- We condemn any form of misconduct, harassment (verbal, physical or sexual) or bullying. Any employee that encounters such behavior is required to report to the Group's Hot Line.
- We do not discriminate employees based on their gender, race, religion, sexual orientation, or other trait - to make sure we have an equal and diverse work environment.
- We enable integration of disadvantaged groups.
- We provide our employees with the needed training and professional development required to execute their roles with excellence.
- We support flexible work arrangement as we believe that a balance between work and personal life contributes to the employee's satisfaction and drives productivity.
- Safety is most importance to us - we guard the safety of our employees and make sure to follow all safety instructions and procedures.
- All personal or family relations to other employees or customers/vendors must be notified and aligned with the company protocols.

Management Responsibility

- We act as role model for our subordinates and colleagues, in everything we do.
- We refrain from exploiting our position in any manner - personal or professional.
- We respect the privacy of our employees and colleagues. We do not disclose personal or private information of another person without their prior knowledge and consent.
- We believe in an open-door policy and encourage all employees to approach us.

Customers / Suppliers

- We operate in strategic partnerships with global and local leading suppliers to bring value to our customers.
- We establish trusting relationships with our customers and suppliers as a key contributor to our ability to meet our mutual objectives.
- We engage with our customers in a proactive and caring way.
- We choose to work with suppliers that are leaders in their field and have strong ethical conduct.
- We make sure to protect the privacy and secrecy of our customers and suppliers' information and use it properly, with great sensitivity.
- We keep continuous communication with our customers and suppliers.
- We manage our customer inquiries and complaints through our dedicated customer service team, to continuously improve our level of service.
- We aim to address any requests or complaints in a fair and timely manner.
- We support our products in a decent and transparent way, to refrain from misleading promises.

Competitors

- We encourage competition and always aspire to compete fairly, while adhering to legal, moral, humane, and social norms.
- We will refrain from obtaining or using any information concerning our competitors that has been obtained in a dishonest manner.

Environment & Community

- We support the communities in which we operate.
- We follow the Global Corporate Social Responsibility Policy which focuses on developing educational skills and life skills for the next generations.
- We work to lessen the damage we cause to the environment.

Shareholders

- We meet all legal requirements and provide full and reliable reports to our shareholders and group suppliers.
- We operate to drive value for our investors through:
 - Business development, such as expanding our variety of products and services; entering new territories and channels, mergers & acquisition, etc
 - Continuous improvement of our work processes and organic sales growth.

Rules of Corporate Conduct

- We abide by the instructions and guidance of the law, we operate in accordance with the regulations of the various authorities and governments in each of the countries we operate in.
- We use the group assets, tangible and intangible, in a proper and responsible manner. We will not exploit the company assets or its position for personal benefit, whether direct or indirect.
- We will not use inside information for personal benefits or business opportunities.
- We make sure to have honest and full report that reflects all information that is important for our stakeholders to know, even if this information may affect negatively on the company.
- As employees, we will not disclose negative information, but shall inform our superiors so that they can handle the issue and report, if required by law, to the stakeholders.
- We protect the secrecy of information of our employees in accordance with the legal instructions and refrain from distributing it without consent.
- We protect the confidential information of the company. We refrain from talking about this information with our friends and family, disclosing it in public or leaving restricted information unattended.
- We refrain from giving or receiving personal benefits such as gifts, tickets to leisure events or others to and from any of our stakeholders, in every jurisdiction, in accordance with the Gifts Receiving Policy of the Group.
- We do not give, offer, or receive payment or any other object of value to or from any person (including our clients and suppliers), that is designed to affect or encourage improper conduct or to secure an unfair advantage. We conform to any anti-corruption and anti-bribery applicable laws.
- We refrain from any situation of conflict of interests, or possible conflict of interests, between us and the company itself, or between us and any other third party. We realize that such conflict of interest may affect the company's businesses activities in a negative way. To define what may consist of a conflict of interest we act in accordance with the Conflict of Interests Policy of the Group.
- We will refrain from political involvement or affiliation as representatives of the company. We will ensure any political statements and actions we make, such as: affiliation, social media publications, promoting a political agenda or a political candidate, donation, demonstration, or others - will be on a private basis only.
- We take steps to prevent any action that raises a concern for money laundering.

Ways of Dealing with an Ethical Dilemma

An ethical dilemma is a situation that involves a conflict between two or more values that has no legal distinct answer, considering that if such a law existed there would not be a dilemma.

In addition to the presented guidelines in this code, and in order to successfully deal with and solve ethical dilemmas, we can ask ourselves a few questions:

- Is it really a dilemma? Is there a law that address the scenario that I can abide to?
- Does the Ethical Code refer to this question? It is always recommended to go through the Code and understand whether there are Group guidelines relevant to the situation.
- What are the possible ways to solve the situation? What are the legal and ethical implications of each of the solutions we have found?

After answering these questions, we can test ourselves with one or more of the following questions, in order to ensure we made the correct decision:

- The “I” test - how would I feel if I was treated this way?
- The “Newspaper” test - how would I feel if my actions on the matter were published in the newspaper?
- The “Child” test - would I recommend my children to act the way I did?

Dealing with ethical dilemmas is never easy. It is always recommended to consult with others and hear other opinions before making a decision, especially when there is doubt regarding the correct course of action.

Important to Note

We expect all managers and employees to follow the company's values and the Ethical Code.

Every violation will be dealt with in a swift and unbiased way, regardless of the level and experience of the employee.

In you encounter a behavior that does not align with the principles of the company as presented in this Ethical Code, please report to the Global Company's internal Auditor, your direct line manager, or to your local HR manager. Moreover, you can report anonymously using the 'Hot Line' or one of the anonymous complaint boxes in your office.

The Ethical Code does not constitute a substitution for any law, regulation, or protocol, that binds the company and its employees or stake holders. The above guidelines can not subtract from the legal requirement or pretend to provide a legal advice. Nevertheless, within the company, these guidelines hold an important role and any violation against them will be considered as a disciplinary violation, and the company can and will act with every means in its power to handle any such disciplinary actions

The logo for Diplomat, featuring the word "DIPLOMAT" in a bold, italicized, sans-serif font. The letters are white with a blue outline, and the entire logo is set against a dark blue background.

DIPLOMAT

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