



CODE OF ETHICS

NOFAR ENERGY

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1. Introduction

Nofar's code of ethics - is a systematic document, which establishes proper principles and rules of conduct, to guide the actions of senior officers, managers and employees in Nofar Europe N.V (the "Company") and its subsidiaries (the Company. O.Y. Nofar Energy Ltd, and their subsidiaries shall defined collectively: the "Group" and "Nofar Group").

With reference to the nature and areas of the Company's activity, the code sets a "bar" - a practical ideal, of the proper and the good towards which we aim, thus it differs from managers or laws, which set a "threshold" - a necessary minimum.

The Company's code of ethics constitutes our 'North Star' - an explicit and tangible statement of the things that we, employees and managers at Nofar, believe in and strive for. An ethical code, as an edited document, cannot list all the possible situations within the framework of our work, because as we know, there is no end to these. Therefore, in maintaining and applying the principles of the ethical code, the exercise of reasonable and proper judgment is also requested.

At the core of the Company's ethical code is the commitment to ethical and normative behavior aimed at responsibility, reliability, honesty, professionalism and sensitivity, among others, in accordance with the principles below:

- Compliance with the provisions of the law - the Company considers it of utmost importance to comply with the laws, regulations and any law that applies to it, including international rules of conduct.
- Respecting others - maintaining the respect of others, regardless of their role, religion, race or gender.
- Responsibility - behaving responsibly and in a manner that does not harm or may cause harm or risk to the Group.

These rules are binding on each of the Company's employees and especially binding on its managers, who are responsible for assimilating and applying these rules to their employees, as well as serving as a personal example to them.

The principles that appear here are intended for use by all of us everywhere and in every field of action in which we engage.

We have used these principles to determine the way we conduct ourselves in the Company's relationships with our environment: shareholders, employees, customers, suppliers, competitors, the community, the environment and the government authorities in the places where we operate. In addition, as required, we happy to assist our subcontractors, suppliers and business partners to adopt standards similar to those we set for ourselves within our code of ethics.

Each of us accepts the responsibility to act in the way outlined by the ethical code.

2. Core Values

Our values express our integrity and our set of beliefs. Through them we express our commitment to results, stability, creativity and innovation, to aiming for fairness and reliability in business and working with our human capital.

We strive to continue to lead, while maintaining a high professional level and excellence of each of our employees, to nurture their professionalism and focus on their professional development, all while maintaining an organizational culture that encourages teamwork.

Fairness and reliability

Our business and general social activity is based on partnership, which is the result of a common goal and internal interfaces. This partnership, as long as it is based on fairness and reliability, leads us to achieve the goals set before us while proving professionalism and commitment to results. Therefore, fairness and reliability are fundamental values for us. We always strive to maintain a fair and reliable environment for employees, suppliers, customers and shareholders - an environment in which fair and reliable relationships exist without bias.

Strive for excellence

Excellence and professionalism are values required in an environment that strives for continuous improvement. We are committed to the excellent quality of the product throughout all stages of its development: its conception, planning, construction and maintenance, while meeting the highest standards to achieve a sustainable competitive advantage.

Excellence and professionalism directly affect our social culture as they create commitment among the key partners in our work: we the employees, partners, customers and suppliers.

The Company considers it important to develop the professional capacity of the Company and its employees by expanding the knowledge, perfecting the skill and deepening the understanding of everything related to the role of each employee, while understanding the responsibility assigned to him, the level of involvement required of him and the possible meaning of negative results.

Teamwork

The Group strives for excellence that is reflected in a high level of teamwork, towards all our partners, customers and suppliers - both internal and external. By virtue of this, we are obliged to prove support for each other, show helpfulness, maintain open two-way communication, while having constructive criticism to achieve the Company's goals.

The Company expects the Group's employees to fully cooperate with the staff members, their colleagues, superiors and subordinates, in a matter-of-fact, responsible and professional manner, while cultivating the proper atmosphere of trust and mutual respect.

Creativity

Creativity is a value in our core activity: in initiating projects of various types, in locating new segments, in striving to achieve higher goals, in aiming for continuous improvement in product and product quality, in the development of work procedures and their implementation, in the challenge of actually asking the question in search of the next horizon.

Avoiding extraneous considerations

The Company's employees are obliged to observe the purity of organizational and professional considerations, while avoiding activities based on extraneous considerations, including considerations of financial benefit to themselves, their relatives, or others.

Commitment to sustainability values

The Company's employees strive to help protect the environment, responsible use of consumable resources and energy efficiency that contributes to reducing emissions into the air.

We have the main and essential responsibility in imparting these values. Therefore, we act according to them, and set a personal example, at the same time as sending a constant message about the Company's values being the cornerstones of its activity.

3. Ethical Responsibilities

The Company's values define the rules of work between a person and his partner. Therefore, the Company defined the following basic conditions as mandatory conditions for managing employees, and for working among colleagues:

- a. **Mutual respect** - the Company doesn't agree and has no place for discrimination, harassment, abuse or intolerance of any kind. These are an expression of a lack of basic respect and this condition is a mandatory basic condition that must be respected at all levels and in all circumstances.
- b. **Trust** - in an organization where trust prevails, the relationships between employees and between employees and managers, as well as between colleagues, are open, enable efficient and beneficial conduct, and contribute to the development of intra-organizational working relationships from casual relationships to binding relationships.
- c. **Transparency and honesty** - communication based on facts and honest and open dialogue, establishes organizational transparency, stabilizes open communication, encourages sharing of abilities and creativity while delegating authority and effectively improves the management of organizational knowledge.

d. **Cooperation** - between employees, between colleagues and between managers and employees, is a basic condition for mutual fertilization, for establishing joint responsibility and for creating a synergistic environment. Working from a concept of cooperation improves processes, locates agreed and applicable solutions, and leverages work procedures and communication channels.

The Company is committed to comply with national labour, employment and social security laws and the fundamental principles and standards in the ILO core conventions, namely

1. Freedom of association and the effective recognition of the right to collective bargaining;
2. The elimination of all forms of forced or compulsory labour;
3. The effective abolition of child labour;
4. The elimination of discrimination in respect of employment and occupation; and
5. A safe and healthy working environment.

The Company's obligations to its employees

- The Company provides its employees with a safe and fair work environment.
- The Company does not discriminate against candidates and employees based only on their gender, sexual orientation, religion, race, age, nationality, country of origin, being parents and as specified in the Equal Opportunities at Work Law.
- The Company does not allow harassment, sexual harassment or the creation of a hostile work environment and operates its sites around the world according to the regulations accepted in each country and subject to local legislation.
- The Company manages its employees with respect, trust, transparency and honesty and with cooperation at all levels.
- The Company advocates long-term employment of employees in order to produce and preserve knowledge, professionalism and cooperation.
- Salary and incentive - the Company leads a fair, competitive and motivating compensation system. The Company offers its employees compensation that includes salary, pension, capital compensation, benefits and other social conditions depending on the position.
- Development and cultivation of human capital - the Company believes in empowering its employees and supporting professional development processes, which will be implemented through means of organizational learning and performance evaluation processes, training programs aimed at improving performance and personal development.

In any case where you suspect harassment, discrimination on sexual or other grounds or a romantic relationship between a manager and the person reporting to him, immediately and without hesitation contact the Adv. Ayana Wechsler, O.Y. Nofar Energy's legal advisor ("Nofar Group's Legal Adviser") or the person in charge of preventing sexual harassment directly or through an anonymous email that can be opened free of charge through Gmail.

Derived rules of conduct

To work with the Company: partners, customers, suppliers, competitors.

In our Company, we see customers, suppliers and even competitors as our partners in action and professional and business development. As such, we are committed to them with our integrity, our internal values: fairness and reliability, striving for excellence, teamwork and creativity. These values are reflected in our partnership with them as givers and givers, in order to foster a safe, fruitful and growing work environment.

Customers and partners

The customers and partners are a key asset. It is important for the Company to keep its customers and partners satisfied. The Company considers the needs of customers and partners as a central factor, and adapts teams, processes and products to them. The contacts provide customers with a reliable, fair, professional, available and courteous service.

The Company doesn't accept any inappropriate behavior of its employees towards the Company's customers and partners.

The Company works to constantly strengthen the cooperation with its partners and customers and sees these partnerships as an essential tool in its ability to preserve and strengthen a sustainable competitive advantage.

The cornerstones of the cooperation with the customers and partners include: maintaining confidentiality, understanding the customer's needs and helping to perfect the possible solutions, accurate and reliable service throughout the entire interface with him and over time.

Suppliers and supply chain workers

The Company purchases materials, equipment and services, emphasizing quality, service and price. The decision-making process regarding procurement and the relationship with suppliers is carried out in accordance with the law and the Company's procedures. The suppliers are selected in a fair manner, while giving preference to suppliers and contractor employees who integrate sustainability aspects into their activities and make sure to use natural resources efficiently and economically, throughout the supply chain.

The Company considers its suppliers partners in action and works with them on the basis of a system of mutual trust within partnership, quality and reliability.

We treat our subcontractors and suppliers with respect and fairness. We seriously consider violations of human rights including: forced labor, human trafficking, child labor and modern slavery. We strived to create a safe and healthy work environment for all suppliers and contractor employees and make sure they are familiar with the existing safety and security procedures (at least in accordance with local requirements).

Also, we have worked to make the principles of the ethical code accessible and, as requested by our

supplier, we will assist in providing available reporting mechanisms to our suppliers and contractors, in order to allow them to consult on ethical issues and dilemmas that arise in everyday life.

The Company expects the suppliers to act according to the law and according to accepted ethical rules. In this framework, the Company and its employees are obliged not to accept or give favors or gifts from suppliers or people associated with them in a personal or professional relationship. Accordingly, the Company's employees are obliged to report suppliers or contractors who conduct themselves in a manner that does not conform to the criteria and standards presented in this code.

The Company is committed to zero tolerance for child labour, forced labour and any violations against the ILO core labour standards in its supply chain.

Where any significant risks or the presence of child labor, forced labor or any violations of other ILO core labour standards are identified in the Company's primary suppliers or lower tiers of the supply chain for critical goods and materials, the Company will address the issue by taking the following actions:

- The company will suspend trade temporarily while pursuing ongoing measurable risk mitigation efforts and will only continue to source goods or materials from suppliers after receiving satisfactory evidence that the appropriate steps are taken to eliminate these practices.
- In cases where there is a potential risk to the well-being of workers in primary suppliers, the Company will require that the relevant supplier implements procedures and control measures to prevent or minimize harm to worker health and safety.
- If a supplier doesn't implement necessary control measures in a reasonable timeframe, the Company will suspend trade temporarily while pursuing ongoing measurable risk mitigation efforts
- The Company will conduct periodic reviews to assess the effectiveness of these measures.
- The Company will disengage with the supplier after failed attempts at risk mitigation and remediation.

Competition

The company conducts its operations and business in an honest and fair manner while safeguarding the rights of the other parties. The Company adheres to fair competition while maintaining the rules of ethics and encourages cooperation in accordance with the antitrust rules.

4. Reporting Ethical Concerns & its Enforcement

The Company's employees must act with partners, suppliers and customers in accordance with the professional, organizational and ethical standards of the Company and in accordance with the provisions of the law, in a matter-of-fact manner, in good faith and fairly.

It is forbidden for Company employees to contract privately with suppliers or contractors with whom they work in the Company, except by obtaining approval according to the Company's procedures.

The Company's employees must refrain from using their positions in the Company in order to receive favors or benefits, discounts or special conditions from suppliers.

Employees must refrain from actions that may affect their professional judgment.

The Company's employees are obliged to cooperate with the government, its offices and employees, and with any statutory body in the performance of their duties, responsibly, honestly and professionally, as required and in accordance with the designation, policies and procedures of the Group.

The Company's employees are obliged to maintain fair and proper rules of the game in our relations with our competitors, including obtaining information in legal ways only.

In any case where the law prohibits it, and especially in public tenders, there will be no meetings or discussions with competitors regarding pricing or other information, agreements relating to market sharing or any other twinning, and no discussions or other arrangements will be held that reduce competition, contrary to the provisions of the law.

Prevention of bribery and corruption

The Company has a policy of "zero tolerance" towards bribery and corruption.

We have not offered, given or accepted any bribe or other illegal inducement.

Employees, contractors, consultants, representatives, suppliers, partners and any other party shall not offer a bribe or other illegal inducement to another person on behalf of or for the Group, directly or through third parties.

A bribe is a direct or indirect payment, gift or personal benefit that is given or received as an incentive to influence decision-making in the Company. The bribe includes benefits of high or low monetary value and a tangible and verbal promise.

"Facilitation Payments" or "Facilitation Payments" - are unofficial payments to a low-ranking public official or a third-party party (agent, mediator, etc.) Whose purpose is to speed up or achieve a bureaucratic process. Expediting fees are considered a violation of the law in some countries but in some countries they are still considered legal. The transfer of expediting fees is strictly prohibited according to the Group's policy, and the Company's management has shown zero patience in cases of this type, even if this was done in countries where it is legal.

Conflict of interest - a situation in which conflicting interests may impair judgment and negatively

affect the decision-making process on issues concerning the Company and/or cases in which an employee's personal interest conflicts or may reasonably be considered to conflict with the interest of an infringer and/or in cases where an employee provides a benefit or Relief, as a result of his role in Nofar, to a relative, friend or person with a personal connection. The Company requires all of its employees to notify the Nofar Group's Legal Adviser in advance, immediately after becoming aware of (or fear of) a conflict of interest of any kind, and to act in cooperation and in accordance with its instructions, in order to prevent a situation in which decisions in the Company are made based on extraneous considerations (or apprehension of extraneous considerations). The Company will take strict measures for a violation that may damage it or its reputation.

Group employees and managers have not accepted or offered gifts, meals, entertainment or hospitality, if such behavior may influence the other person's judgment or has the potential to create an inappropriate influence on another person. In any case, an employee may only receive reasonable, symbolic and appropriate gifts, and in accordance with the Group's procedures.

Employees may offer others symbolic gifts and modest meals that suit the circumstances and in accordance with the Group's procedures.

In any case where you suspect that a bribe or other illegal inducement has been paid, contact your supervisor or Nofar Group's Legal Adviser immediately and without hesitation.

In case of doubt, there is no doubt. You must act according to the Group's procedures or ask for guidance from your supervisor, from the human resources manager in the unit where you are employed or from Nofar Group's Legal Adviser.

"Whistleblower" mechanism - as part of its efforts to fight bribery and corruption, Nofar has adopted this mechanism, which is designed to encourage employees to report any suspicions of this type of incident that arise in their day-to-day work. The Company is obliged to provide the reporter with full protection against threats or harm, including: harassment by managers or colleagues, deterioration of conditions, transfer to another position, ostracism and even dismissal. The Company allows its employees to consult and report to the relevant parties anonymously and with full discretion.

Have you encountered an issue that raises questions regarding this code of ethics? You are not sure if the action you are required to perform is consistent with the code of ethics?

Consult - if you come across an instruction that you think is inconsistent with the Company's code of ethics, bring it to the attention of your supervisor. If the answer given to you is not satisfactory - please do not hesitate to contact Nofar Group's Legal Adviser.

Report - if you encounter a violation of the procedures set forth in this code or illegal or unethical behavior, you must report as soon as possible to the Company's CEO, Nofar Group's Legal Adviser, or O.Y. Nofar Energy's CEO, CFO or internal auditor. in accordance with the instructions written in this document. If you are afraid to report openly, you are asked to submit a request in accordance with the "Whistleblower" procedure as defined in this code.

Report the concern at an early stage - if the treatment of the concern is postponed, the matter may get worse.

Do not hesitate - the Group undertakes to protect any employee who in good faith submitted a complaint or who assisted another employee in connection with the submission of such a complaint. The Group will take every complaint seriously.

In any matter related to violation of procedures, damage to the Company's assets, fear of embezzlement or fraud, report or other matter concerning the code of ethics, complaint, request or application or in any other matter related to the code of ethics, you are invited to contact attorney Ayana Wechsler, Nofar Group's Legal Adviser, by email To: Ayana@Nofar-energy.co.il or to O.Y. Nofar Energy's internal auditor, Haim Halfon by email: haim@ahcpa.co.il.

Additional ethical issues are detailed in the procedures, supplementary policy documents and additional work instructions such as: stakeholder procedure, responsible supply chain policy, safety management, environmental procedure in the Company's procedures folder.

If you encounter a violation or there is a fear of a violation, you are asked to contact us in writing or in any of the following ways:

To the specified person of the Company on an ongoing basis.

By email: Ayana@nofar-energy.co.il

Training and Education

Translating the Company's vision and values is a daily challenge for us. Recognizing it as the corporate compass and as part of our being, we find it appropriate to define the following milestones as necessary points for the implementation of the Company's responsibility:

- Maintaining standards of management and conduct at the best level: honestly, transparently, with personal and organizational commitment, in compliance with the laws and regulations that apply to us, while constantly learning, constantly improving and setting a personal example towards the employees, customers, and suppliers.
- Knowing the ethical code in its entirety and creating a commitment to what is defined in it, applying it directly and personally, assimilating it among the Company's employees, and spreading the spirit of the things among the Company's customers and suppliers.
- Building a process of implementation and assimilation of the code of ethics among all the Company's employees. As part of this, a new employee hired to work in the Company will be asked to read and sign the code of ethics. The ethical code will be attached to the employees' payslips and all employees will be asked to renew their signature on the code once every two years. In addition, the code of ethics will be sent to each new supplier with whom the Company contracts.

5. Compliance with Laws and Regulations

The Company is committed to complying with all applicable laws and regulations, both domestic and international, in all aspects of its business, including but not limited to environmental, health and safety, labor, and anti-corruption laws. The Company recognizes that compliance is essential for maintaining its ethical reputation, ensuring its long-term sustainability, and safeguarding the interests of its stakeholders.

The Company requires its suppliers and other third-party partners to comply with applicable laws and regulations. The Company conducts due diligence on its material suppliers and monitors their compliance performance. The Company is committed to transparency and disclosure regarding its compliance practices. The Company publishes a summary of its compliance policies and procedures on its website.

6. Continuous Improvement

The Company is committed to continuously improving its compliance program. The Company regularly reviews its ethical culture and practices to identify areas for improvement. This includes reviewing ethical incidents, conducting surveys, and engaging in open communication with employees and stakeholders. The Company implements improvement measures based on the identified opportunities. This may include revising policies and procedures, conducting training and workshops, and enhancing communication channels to address ethical concerns. And then communicates its improvement efforts to employees and stakeholders.

This includes providing regular updates on the progress of the program, sharing lessons learned, and highlighting examples of successful ethical initiatives. After seeking external expertise from ethical experts, compliance professionals, and social responsibility experts to support its continuous improvement efforts. This expertise is used to identify best practices, develop new ethical tools, and conduct independent assessments of the ethical conduct program.

By upholding the principles outlined in this code of ethics, we commit to creating a thriving and sustainable future for ourselves, our stakeholders, and the communities we serve. We recognize that ethical behavior is not just a matter of complying with rules and regulations; it is the foundation of our success and the driving force behind our commitment to building a better world.
