



# **NICE Code of Ethics and Business Conduct**

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## 1. INTRODUCTION

### a. Ethical Conduct

We at NICE Ltd. ("NICE") conduct business ethically, honestly, and in full compliance with applicable laws and regulations. This applies to every business decision in every area of the company worldwide.

The NICE Code of Ethics and Business Conduct (the "Code") is a part of an effective program to deter wrongdoing and promote honest and ethical conduct of our business. While the Code cannot answer every question, it provides guidance on the basic principles for ethical behavior. These principles include:

#### **Insider Trading Policy Principles**

The Company's Insider Trading policy, in general, prohibits:

- Buying or selling Company securities (or in some cases the securities of other companies) while in possession of material non-public information.
- Buying or selling Company securities during certain prescribed periods of time before and after earnings releases.
- Disclosing material non-public information to outsiders, including family members and others (tipping), who then trade in the Company's securities or the securities of another company on the basis of that information.
- **Compliance** - Follow the letter and spirit of all laws and comply with the laws and conform to locally accepted standards of good corporate citizenship in each country in which the Company does business.
- **Honesty and Integrity** - Be honest and fair in all areas of business conduct.
- **Respect** - Promote and sustain a work environment that fosters mutual respect, openness and individual integrity.
- **Confidentiality** - Protect the Company's assets and confidential information.
- **Professionalism** - Strive to provide high- quality products and services, in all aspects of our business and operations.

## **b. Who Must Follow the Code?**

The Code applies to all NICE and its subsidiaries' and affiliates' (collectively, the "Company") officers, directors, employees, and independent contractors and service providers subject to the Company's supervision and control (the "Covered Persons") while acting on the Company's behalf. All Covered Persons should act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at offsite locations where the Company's business is being conducted, at Company sponsored business and events, or at any other place where they are representing the Company. Regardless of the position, every Covered Person is an ambassador of the Company and should behave accordingly.

The Code contains the specific corporate policies adopted by the NICE Board of Directors ("Board of Directors") that relate to the legal and ethical standards of conduct of all Covered Persons.

## **c. Responsibilities of Covered Persons**

The Company cares how results are obtained, not just that they are obtained. The Company expects compliance with its standard of integrity throughout the organization and will not tolerate Covered Persons who achieve results at the cost of violation of laws, the Code, or who deal unscrupulously. Covered Persons should act according to the following principles:

- It is the personal responsibility of each Covered Person to adhere to the standards and restrictions, whether imposed by applicable law or the Code, including any of the Company's policies and procedures referred to herein, applicable to his or her assigned duties and responsibilities and to conduct himself or herself accordingly. Such standards and restrictions require each Covered Person to avoid any activities which would involve the Company in any practice that is not in compliance with the Code and applicable law. Any Covered Person who does not adhere to such standards and restrictions is acting outside the scope of his or her employment or service.
- Each Covered Person is responsible for complying with the Company-wide standards of conduct, including this Code, and for raising questions or concerns that the standards are not being met.
- Covered Persons are responsible for requesting a conflict of interest determination from the Company's General Counsel.
- Covered Persons must be encouraged to report to higher management all that they are doing, to record all transactions accurately in their books and records, and to be honest and forthcoming with the Company's internal and external auditors.
- The Company expects Covered Persons to report suspected violations of law, of the Code or of the Company's other policies.

**d. Who to Contact with Questions or Concerns**

- Violation. If there are any questions about how a Covered Person should conduct themselves or if a Covered Person believes that violations of the Code are occurring or have occurred, one should approach the Company's General Counsel and Compliance Officer, their supervisor, the Human Resources Manager in the region or business unit or the EVP of Human Resources.
- A Covered Person may choose to report a matter anonymously pursuant to the Company's Speak Up Procedure available on the Company's internal website (the "Speak Up Procedure").
- Protection. All reports will be investigated promptly and thoroughly. A reporting Covered Person will be protected from any adverse impact on his or her job and from any other retaliation or adverse consequences resulting from following the Code, including assisting an investigation or reporting in good faith a possible violation (except that appropriate action may be taken against such Covered Person if such individual is a wrongdoer).

## 2. COMPLIANCE

It is the Company's policy to observe and comply with all laws, as well as rules and regulations of governmental agencies and authorities, including Israeli and US companies and securities laws and regulations and rules of NASDAQ Stock Market ("NASDAQ") and the Tel Aviv Stock Exchange ("TASE"), as applicable to the Company or the conduct of its business wherever located (collectively, the "Laws"). In some situations, the applicable Laws of the different jurisdictions in which the Company operates may conflict. In such cases the Company will endeavor to resolve such conflict following the guidance of the Legal Department.

It is the Company's policy to promote full, fair, accurate, timely, and understandable disclosure in the periodic reports and other documents to be filed by the Company with the Securities Exchange Commission (SEC), the Israeli Securities Authority (ISA), the Tel Aviv Stock Exchange (TASE) and the Nasdaq Stock Market, and in its public communications.

### **a. Use and Public Disclosure of Inside Information**

#### **Purpose**

The Company has adopted and implemented an Insider Trading Policy, that is available on the company internal website. The Insider Trading Policy establishes guidelines and procedures related to the trading by Insiders, as defined in the Insider Trading Policy, in NICE's shares and, in some cases, in other companies' shares. The Insider Trading Policy prohibits anyone who has access, by any means, to material non-public information about the Company or its business, to purchase or sell NICE's securities. This prohibition also applies to the trade in other companies' shares if insider information with regard to such other company is obtained through an Insider's position in the Company.

#### **Insider Trading Policy Principles**

The Company's Insider Trading policy, in general, prohibits:

- Buying or selling Company securities (or in some cases the securities of other companies) while in possession of material non-public information.
- Buying or selling Company securities during certain prescribed periods of time before and after earnings releases.
- Disclosing material non-public information to outsiders, including family members and others (tipping), who then trade in the Company's securities or the securities of another company on the basis of that information.
- The sale of any unregistered Company securities without complying with all the requirements of Rule 144 under the Securities Act of 1933. This Rule has detailed reporting requirements, and strict limitations and/or requirements regarding:
  - the number of shares that may be sold during an established period of time;
  - for certain securities, the length of time for which they must be held before they are sold;
  - the availability of publicly available information about the Company; and
  - the manner of sale.

## **b. Bribery and Corruption**

### **Purpose**

The Company has zero tolerance for bribery and/or corruption. Therefore, the Company has adopted a comprehensive Anti-Bribery and Corruption Compliance Program (the "Anticorruption Program"), that is available on the Company internal website.

### **Anti-Bribery and Corruption Compliance Principles**

- The Company shall not offer, give or receive bribes or inducements for any purpose, whether directly or through a third party.
- The Company shall not knowingly enter into business relationships with any person or entity who gives or receives bribes or inducements for any purpose, whether directly or through a third party.
- The Company shall comply with applicable laws, regulations and contract requirements relating to the fight against bribery and corruption.
- The Company shall bring its policy of zero tolerance of bribery and corruption to the attention of every employee of the Company and to the attention of every business associate of the Company.
- The Company shall implement, supervise and enforce the foregoing principles of zero tolerance of bribery and corruption with all of its employees. For this purpose, the Company has adopted, amongst others, detailed guidelines in relation to gifts, hospitality and entertainment, and procedures for the engagement of agents and other business partners.
- Any Covered Person who encounters an event which raises a concern of inappropriate behavior must immediately report such behavior to the Company's General Counsel and Compliance Officer. The Company prefers such reports to be open and direct but has made the necessary arrangements to enable anonymous reporting pursuant to the Speak Up Procedure, as detailed at the end of this document.

Further information and guidelines regarding implementation of the foregoing principles may be found under the Company's Anticorruption Program.



### 3. HONESTY AND INTEGRITY

Beyond compliance with the Laws, all Covered Persons are expected to observe high standards of business and personal ethics in the discharge of their assigned duties and responsibilities. This requires the practice of honesty, integrity and fair dealing in every aspect of dealing with other Company employees, customers, suppliers, the public, the business community, stockholders, and governmental and regulatory authorities. No Covered Person should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing or practice.

The Company encourages all Covered Persons to choose the course of the highest integrity. The Company recognizes that local customs and traditions differ from place to place, but honesty is not subject to criticism in any culture. A reputation for honesty is a priceless company asset.

#### **a. Conflicts of Interest and Business Opportunities**

##### **Purpose.**

The Code establishes guidelines and procedures regarding timely and proper disclosure of possible conflicts of interests and business opportunities (the "Conflicts of Interest Policy") that a Covered Person may have in connection with job duties and responsibilities in order that management may review and approve each situation as necessary to protect the best interests of the Company and its responsibilities as a public company.

##### **Conflicts of Interest Policy Principles**

A Covered Person's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

In general, "*Conflict of Interest Activities*" include activities in which (a) the Covered Person's private interest in any way interferes – or even appears to interfere – with the interests of the Company, (b) the Covered Person has an interest that may make it more difficult to perform his or her Company work objectively and effectively, or (c) the Covered Person or a Related Person (as defined below) derives a personal benefit. Examples of items that are considered Conflict of Interest Activities, include, but are not limited to, activities in which the Covered Person (directly or through a Related Person):

- obtains a financial or other beneficial interest in one of the Company's suppliers, customers or competitors;
- engages in a personal business transaction involving the Company for profit or gain;
- accepts money, gifts of other than nominal value, excessive hospitality, loans or other special treatment, from any supplier, customer or competitor of the Company (loans from lending institutions at prevailing interest rates);
- serves as a corporate director, officer, employee or consultant (or in a similar position) with another business entity except as approved by the Company.



### **Additional Conflicts of Interest examples may include the following cases:**

- Conflict of Interest Activities of Directors and Executive Officers. The Company prohibits Conflict of Interest Activities (as defined below) by any director or Executive Officer of the Company unless specifically approved by the Company's Internal Audit Committee (and the Board of Directors and any other Committee, as required under the Israeli Companies Law or any other applicable rule or legislation).
- Conflict of Interest Activities of Other Covered Persons. Covered Persons are prohibited from engaging in any activity that interferes with their proper performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. The Company policy is to prohibit all Covered Persons from taking simultaneous employment with, or rendering services to, suppliers, customers or competitors of the Company or from taking part in any activity that enhances or supports a competitor's position, including a strict prohibition on an active or strategic investment of any type in a competitor of the Company. In consideration of employment with the Company, Covered Persons who are employed by the Company on a full-time basis are expected to devote their full attention to the business interests of the Company. Covered Persons are prohibited from competing with the Company while employed by the Company or rendering services to the Company, and for such longer period as may be provided in a Covered Person's employment or service agreement. Only the Company's Chief Executive Officer ("CEO") is authorized to specifically approve any Conflict of Interest Activities under this section.
- Acceptance of Gifts, Payments or Commissions. As the general rule, a Covered Person can accept a gift from non-governmental customers, suppliers or business partners if it is unsolicited, inexpensive and not given to influence his or her judgement. Otherwise, a Covered Person should decline the gift and explain the Company's policy to the gift-giver. Covered Persons should consult their supervisor if there is any question about a gift. Covered Persons may provide reasonable (not lavish) entertainment and meals to non-governmental customers, suppliers or other business partners, provided that the entertainment is related to a proper business purpose, that it is not being offered to influence the recipient's business decision, and that it is permitted under applicable laws, regulations, rules and Company guidelines and procedures. Similarly, Covered Persons should consult their supervisor before accepting an invitation for entertainment that seems lavish or excessive. Gifts and entertainment for officials and employees of governments, whether in the U.S. or elsewhere, are highly regulated and often prohibited. It is the Company's policy that employees, business partners and agents should never provide government officials with gifts, entertainment or meals, or cover travel-related expenses of those officials, without satisfying all applicable Company policies and procedures for those types of payments. The Company has developed more detailed guidelines on the application of this policy, which the Company may change from time to time. Covered Persons are required to familiarize themselves with these guidelines.
- Business Opportunities and Interests. Covered Persons are prohibited from taking for themselves personal opportunities that are discovered through the use of Company property, information or position.

- Related Parties. Covered Persons should avoid conducting Company business with a Related Person (as defined below) or with a business in which a Related Person is associated in any role. Covered Persons should refrain from purchasing from, or offering services to, a firm owned or controlled by a Covered Person, or a Related Person of a Covered Person not in accordance with these guidelines.
- Personal Use of Property. Covered Persons are prohibited from exploiting or using Company property, information or position for personal gain.
- Personal Loans. It is contrary to Company policy to extend or maintain credit, to arrange for the extension of credit, or to renew an extension of credit, in the form of a personal loan to or for any Director or Executive Officer of the Company.

Covered Persons are under a continuing obligation to disclose any situation that may present a conflict of interest with the Company. Disclosure of any potential conflict is required in order to remain in full compliance with the Conflicts of Interests Policy herein. If a proposed transaction or situation raises any questions or doubts, Covered Persons should act in accordance with the Conflicts of Interest Procedure and complete and submit the Conflicts of Interest Disclosure Form (available on the Company internal website) or, in the case of the CEO or Chief Financial Officer ("CFO"), consult the Chairman of the Internal Audit Committee.

### **Definitions.**

For the purpose of this section, the following terms will be defined and interpreted as follows:

*“Executive Officer”* means the CEO, president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division or function (such as sales, administration or finance) and any other officer who reports to the CEO or performs a policy making function, or any other person who performs similar policy making functions.

*“Related Person”* of a Covered Person means (a) the spouse, antecedents, descendants, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, (b) any person living in the same home with the Covered Person and (c) any affiliate of the Covered Person.

## **b. Internal Accounting Controls and Procedures for Financial Reporting**

### **Purpose**

The Code establishes guidelines and procedures related to keeping books and records (the "Internal Accounting Policy") that in reasonable detail accurately and fairly reflect the Company's transactions and dispositions of assets. The Company maintains a system of internal accounting controls to ensure reliability and adequacy of its books and records and proper recording of all transactions including dispositions of assets. The Company has adopted and implemented procedures for internal disclosure to ensure the flow of information from all levels of the Company to the CEO and CFO, and eventually to the Audit Committee.

Full, fair, accurate, timely and understandable disclosure is required in all reports the Company files with the SEC, ISA, TASE, and NASDAQ. To accomplish this goal, any Covered Persons involved in the maintenance of accounting records or the preparation of financial reports or other disclosure to the SEC, ISA, TASE or NASDAQ must comply with the guidelines described below.

### **Internal Accounting Policy**

- **Authorization.** The only transactions to be entered into by the Company are those that are executed in accordance with management's general or specific authorization.
- **Approval.** All transactions entered into by the Company will be recorded in the accounts of the Company pursuant to this Policy or as specifically and formally approved by an appropriate and designated employee. Such approval requires the determination that the transaction:
  - i. has been authorized in accordance with this Policy, and
  - ii. is supported by documentary evidence to verify the validity of the transaction.
- **Accounting.** All transactions entered into by the Company will be recorded in the accounts of the Company in accordance with normal, standard procedures. Each entry will be coded into an account which accurately and fairly reflects the true nature of the transaction.
- **Reporting.** All transactions that have been accounted for in accordance with this Policy will be accumulated and processed in a manner which will permit preparation of financial statements, reports and data for purposes of internal, public and regulatory reporting. Such statements, reports and data must be in a form sufficient to reflect accurately and fairly the results of transactions entered into by the Company and to permit proper accountability for assets.
- **Compliance.** All Covered Persons must comply at all times with generally accepted accounting principles and the Company's system of internal accounting controls.
- **Responsibility.** The implementation and maintenance of internal accounting controls, procedures and records that are adequate in all respects to satisfy the requirements of this corporate policy will be the primary responsibility of the CFO.
- **Internal Audits.** Compliance with the provisions and requirements of this Policy will be tested and evaluated by the Internal Auditors in connection with the on-going internal

audit program. All control failures regarding this Policy will be reported to management and the Internal Audit Committee so that deficiencies can be corrected and assurance of compliance with the terms of this corporate policy maintained. No information should be concealed from the internal auditors (or the Internal Audit Committee or the Board of Directors). A Covered Person must cooperate fully with the Company's Internal Auditors to enable them to discharge their responsibilities to the fullest extent.

- Independent Auditors. Independent auditors may visit the Company's premises and review the Company's books and records from time to time in connection with the Company's preparation of financial reports or other disclosure which it provides or files with the SEC, ISA, TASE or NASDAQ. No information should be concealed from the Independent Auditors (or the Audit Committee or the Board of Directors). A Covered Person must cooperate fully with the Company's Independent Auditors to enable them to discharge their responsibilities to the fullest extent.
- Outside Counsel. A Covered Person must cooperate fully with outside counsel who are appointed by the Company's senior management, Board of Directors or any of its committees, for the purpose of any investigation, audit, consultation or otherwise, to enable them to discharge their responsibilities to the fullest extent.

## 4. RESPECT

One of the Company's core values is to work as a team with respect and trust for each other. The Company strives to uphold open and honest communication and to protect employees and others from discrimination, harassment, or unsafe practices.

The Company is committed to creating such an environment because it brings out the full potential in each employee, which in turn contributes directly to the Company's success. Maintaining an inclusive, fair, and healthy work environment reflects the Company's belief that one should not take success or each other for granted.

### **a. Equal Employment Opportunities and Diversity**

The Company values diversity in its workforce and provides equal employment opportunity for all applicants and employees.

### **b. Human Trafficking, Child and Forced Labor**

The Company believes that human trafficking, forced, debt bonded, indentured, and slave labor are unacceptable, and it is committed to preventing these practices in the Company's operations and supply chain.

### **c. Health and Safety**

The Company is committed to providing a safe workplace for all Covered Persons and others on the Company's property. For this purpose, the Company has adopted and implemented Health, Safety and Security Policies and Procedures with the aim of meeting national and international standards, while safeguarding human life and preventing property damage. The Health, Safety and Security Policies and Procedures are available on the Company internal website.

### **d. Non-Discrimination**

It is the policy of the Company not to discriminate against employees, shareholders, directors, officers, customers or suppliers or any third party on account of race, color, age, sex, sexual orientation, disabilities, religion, national origin or any other characteristic protected by applicable law, regulation, or ordinance. All of such persons shall be treated with dignity and respect and they shall not be unreasonably interfered with, or harassed in any way, in the conduct of their duties and responsibilities.

### **e. Sexual Harassment**

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

## 5. PROTECTION OF ASSETS AND CONFIDENTIALITY

All Covered Persons should protect the Company's assets, including all facilities, material, intellectual property and information and ensure their efficient and proper use. Theft, carelessness and waste have a direct impact on the Company's success and profitability. All Company assets should be used only for legitimate business purposes.

### **a. Disclosure of Company Information**

As a publicly traded company, NICE is subject to disclosure rules and regulations and must ensure that disclosure of information to the public is in accordance with such requirements. Therefore, the Company adopted and implemented a Disclosure Policy to promote full, fair, accurate, timely, and understandable disclosure in the periodic reports and other documents to be filed by the Company with the SEC, the ISA, TASE and NASDAQ, and in its public communications. The Disclosure Policy is available on the Company internal website.

All Covered Persons should do their utmost to prevent disclosure of information about the Company, its customers, suppliers or other business partners outside of the Company, except if such disclosure is properly authorized.

The Disclosure Policy sets clear guidelines and procedures with respect to any disclosure of Company information. To avoid the possibility of improper or illegal disclosure, no Covered Person, other than spokespersons authorized pursuant to the Disclosure Policy, are permitted to communicate with the press, analysts or any other third party without prior authorization.

### **b. Confidential Employee Information**

Covered Persons may have access to personal information regarding Company employees or applicants, including information regarding their employment history, personal contact information, compensation, health information, or performance and disciplinary matters. This information is confidential and should be shared only with Company employees who have a business need to know and as permitted pursuant to applicable privacy related legislation. It should not be shared outside the Company unless there is a legal reason to share the information and authorization or approval is granted pursuant to Company policies and procedures or any applicable privacy related legislation.

### **c. Protecting Company Confidential Information, Intellectual Property and Company Assets**

The Company's property and assets, and especially its intellectual property, are key drivers of the Company's success. All Covered Persons must work to safeguard the Company's patents, trademarks, copyrights, trade secrets and other proprietary information and know-how. Confidential information can include sales, marketing and other corporate databases; intellectual property strategy and plans; marketing strategies and plans; pricing information; sales information; non-public financial information; customer and employee records; research and technical data and information regarding new product development.

### **d. Maintaining Confidentiality**

- In carrying out the Company's business, Covered Persons often learn confidential or proprietary information about the Company, its customers, suppliers or partners. The Disclosure Policy prohibits the unauthorized disclosure of confidential or proprietary information about the Company, its customers, suppliers or partners.

- Non-Disclosure of Company Information. No Covered Person entrusted with or otherwise knowledgeable about information of a confidential or proprietary nature shall disclose that information outside the Company, either during or after employment or other service to the Company, without written Company authorization to do so. Such disclosure could be harmful to the Company or helpful to a competitor or other third parties. The Company's Disclosure Policy sets detailed guidelines and procedures with respect to any disclosure to a third party. Before sharing confidential Company information with third parties, Covered Persons should evaluate whether a Non-Disclosure Agreement should be completed before proceeding so as to protect the Company's information from unauthorized use.
- Limitation on Use of Information Regarding Others. The Company also works with partners', suppliers' and customers' proprietary data, including, but not limited to, product developments or technologies, trade secrets, financial information, business plans, personal information and operational databases. The protection of such data is of the highest importance and must be discharged with the greatest care for the Company to merit the continued confidence of such persons. No Covered Person shall disclose confidential or proprietary information owned by someone other than the Company without Company authorization, nor shall any such person disclose such information to others unless a need-to-know basis is established.
- Non-Disclosure of Information About the Company, its Partners, Suppliers or Customers. Company employees are required to sign at time of employment a proprietary information agreement that restricts disclosure of proprietary, trade secret and certain other information about the Company, its partners, suppliers and customers. This policy applies to all Covered Persons without regard to whether such agreements have been signed and is not a limitation or modification of such agreements.
- Acquisition and Investment Opportunities. The Company may receive information in relation to potential acquisitions or investment opportunities. The protection of such information and data, including information and data of third parties, and information regarding the fact that discussions, negotiations or disclosures are taking place, is of the highest importance and must be handled only by those employees designated for such purpose by senior management of the Company and subject, where appropriate, to execution by such employees of a confidentiality undertaking in that respect. In any case, no Covered Person shall disclose confidential or proprietary information in relation to such investment opportunities to any third party or any other Covered Person, unless a need-to-know basis is established and subject to specific authorization by the Company's senior management.



## **6. APPLICATION, AMENDMENT, WAIVER AND INTERPRETATION**

### **a. Adoption and Amendment by the Board of Directors**

The Code has been adopted by the Board of Directors and may be amended at any time by the Board of Directors without prior notice. Amendments that affect the CEO, CFO or Chief Accounting Officer (or persons performing similar functions) will be publicly disclosed as required by law or stock exchange regulation.

### **b. Waiver**

Waivers of the provisions of the Code may be granted or withheld from time to time by the Company in its sole discretion. Waivers are only effective if set forth in writing after full disclosure of the facts and circumstances surrounding the waiver. Waivers for the benefit of all employees must be approved by the CEO and waivers for the benefit of Executive Officers and directors must be approved by the Board of Directors (and in some cases also by the Internal Audit Committee), in a resolution that will explain the reasoning for such a waiver. Waivers to the Code for Executive Officers and directors will be publicly disclosed as required by law or stock exchange regulation. All waivers granted pursuant to this provision shall be kept with the Company Secretary.

### **c. Interpretation of the Code**

- The Code sets forth specific corporate policies governing the conduct of the business of the Company. These policies were developed and are intended to be applied in good faith with reasonable business judgment. These policies may be updated from time to time, as appropriate.
- Unless the context otherwise requires: (i) a term has the meaning assigned to it by the Code; (ii) including means "including but not limited to"; (iii) "or" is disjunctive but not exclusive; (iv) words in the singular include the plural, and in the plural include the singular; and (v) each of the masculine, feminine and neuter genders includes the other genders.
- Final authority with respect to the interpretation of the Code rests with the Board of Directors. The interpretation of any matter with respect to the Code by the Board of Directors shall be final and binding.

### **d. Administration of the Code**

- Communication of Policies. To ensure the continued dissemination and communication of the Code, the Company shall take, or cause to be taken, reasonable steps to communicate effectively the standards and procedures included in the Code to Covered Persons.

### **e. No Limitation on Other Obligations of Covered Persons**

Nothing contained in the Code is intended, or should be construed as, in any way limiting or reducing other obligations that a Covered Person may have to the Company or other persons or entities, including, but not limited to pursuant to employment agreement, employee handbook, service agreement, Company policies or otherwise.

### **f. No Third-Party Rights**

The Code is intended to govern the relationship between the Company and the Covered Persons and shall not confer any rights or remedies upon any person or entity other than the Company and the Covered Persons.

### **g. Violations of the Code**

Any Covered Person whose conduct violates the Code will be subject to disciplinary action by the Company, including in the Company's discretion, discharge and/or forfeiture of any benefits or rights (including contractual rights) which, under applicable law, are forfeitable upon discharge for cause, and to the enforcement of such other remedies as the Company may have under applicable law.

### **h. Submission of Complaints**

The Company expects all Covered Persons to report suspected violations of the Law, the Code or of the Company's other policies and procedures, and all incidents that raise concerns relating to inappropriate behavior.

- Covered Persons are required to report such suspected violations and concerns to the Company's General Counsel and Compliance Officer, the Human Resources Manager in their region or business unit, or to the Executive VP of Human Resources, either orally or in writing. Knowing of or witnessing a violation without reporting it to the Company is a Code violation.
- Covered Persons may also choose to report a concern or violation pursuant to the Speak Up Procedure, allowing for anonymous reporting through an independent reporting system. The Company encourages reporters to provide their name and contact details as well as all other relevant information which will assist with a potential investigation. However, reports may be submitted anonymously if the reporter chooses to do so.
- It shall be a violation of the Code to intimidate, discharge, demote, suspend, threaten, harass or impose any form of retribution or retaliation on any Covered Person who utilizes such reporting system in good faith to report suspected violations (except that appropriate action may be taken against such Covered Person if such individual is a wrongdoer).
- Investigation of Violations. The Company's General Counsel and Compliance Officer shall be informed of any reported violation of the Code. If the Company's General Counsel determines that an investigation is required, he/she shall inform the Company's CEO and the Chair of the Internal Audit Committee, and the CEO shall appoint a senior executive to investigate such alleged violations and report his findings to the CEO, who shall take appropriate action with regard to such violation. To the extent required by the Chair of the Internal Audit Committee, the Committee shall be informed of any such findings. Notwithstanding the foregoing, if the alleged violation is an Accounting Complaint covered by Section H below, then the Company's Audit Committee shall determine how it shall be investigated pursuant to the Speak Up Procedure.
- Disciplinary Measures. The Company shall consistently enforce the Code, including any of the Company's policies and procedures referred to herein, through appropriate means of discipline.
- Submission of Accounting Complaints. The Sarbanes-Oxley Act of 2002 (the "Act") requires the Company's Audit Committee to establish procedures (i) for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and (ii) allowing employees to confidentially and anonymously report concerns regarding questionable accounting or auditing matters. The Speak Up

Procedure also facilitates the reporting of (i) complaints regarding accounting, internal accounting controls, and auditing matters, (ii) non-compliance with legal and regulatory requirements, and (iii) other irregularities in the management of the Company's business and complaints in relation to any of the Company's policies and procedures. Please refer to the Company's Speak Up procedure regarding submission of such complaints and concerns.

- Submission of Complaints Under Securities Compliance Program. The Code comprises of policies and procedures that also form part of the Company's Securities Compliance Program, intended for observance of Israeli and US securities laws and regulations, corporate governance requirements and rules of NASDAQ and the TASE. Complaints in relation to the Securities Compliance Program should be submitted in the same manner as complaints submitted pursuant to the Code.
- Any persons wishing to submit such complaints and concerns can be assured it will be handled with the highest level of anonymity and confidentiality.
- The Code, the Act and Securities Compliance Program grants a high level of protection to persons reporting incidents. The Company has adopted and implemented Speak Up Procedure to also support anonymous reporting of complaints of inappropriate behavior. Any persons wishing to report such complaints and concerns can be assured the matter will be handled with the highest level of anonymity and confidentiality. Information regarding the Company's Speak Up Procedure is available on the Company's internal website.