

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 1 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

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1. Introduction

1.1. MOTORAD management defined and committed to:

1.1.1. קוד אתי לעובד - חוברת קליטת עובד For Israel site team.

1.1.2. MOTORAD management defined and committed to the below Code of Conduct and Ethics.

1.2. MOTORAD expects its suppliers to commit to the Code of Conduct and Ethics as defined below

2. Ethics escalation policy

2.1. Any MOTORAD employee, at any level, that may detect or exposed or suffered from any deviation from the Code of Conduct and Ethics rules – is encouraged to report on what he has exposed to – direct manager MOTORAD or MOTORAD VP HR.

2.2. The reporting can be done discreet via 3rd party

2.3. The reported issue will be immediately investigated by MOTORAD VP HR with full cooperation with relevant VP.

2.4. It is clarified that the employee who reported on any Ethics issue is fully protected, and will not harm.

3. Employment is freely chosen

3.1. There is no forced, bonded or involuntary prison labor . There is no modern slavery.

3.2. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

3.3. Allowed freedom of association and collective bargaining

4. Working Conditions Are Safe And Hygienic. Health and Safety

4.1. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 2 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment

- 4.2. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers
- 4.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided
- 4.4. **Personal Protective Equipment (PPE)** is equipment that should be provided by the employer to protect against hazards and health and safety risks at work. It can include items such as safety helmets and hard hats, gloves, eye protection, high-visibility clothing, safety footwear and safety harnesses.
- 4.5. **Machine safety** should ensure the safe use and maintenance of machinery in the workplace, reducing the number of accidents and injuries in the work place.
- 4.6. **Emergency preparedness** is the act of preparing and planning for an emergency in the workplace. Preparing before an emergency incident plays a vital role in ensuring that employers and workers have the necessary equipment, know where to go, and know how to keep themselves safe when an emergency occurs. Examples include fire safety drills and evacuation procedures.
- 4.7. **Incident and accident management** refers to the various actions and process required to conduct the immediate and ongoing activities following an incident or accident.
- 4.8. **Workplace ergonomics** is the science of fitting a workplace to the user's needs with the aim of reducing strain, fatigue and injuries by improving product design and workspace arrangements. This includes desk height, chair height, manual handling and heavy lifting.
- 4.9. **Handling of chemicals and/or biological substances** means providing guidance to employees on how to handle chemicals and/or biological substances without harm to health. Companies should adequately control exposure to agents/substances, both chemical and biological, in the workplace, that cause ill health.

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 3 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

4.10. **Fire protection** systems play an important role in keeping building occupants, assets, and the building safe. Companies should ensure the workplace has smoke alarms, fire exit signs and lighting, fire escape ladders, if necessary, and fire prevention systems such as fire extinguishers and sprinklers

4.11. A member of senior management shall assigned responsibility for health and safety

5. Child Labor Shall Not Be Used

5.1. There shall be no recruitment of child labor (under 16)

5.2. Youth under 18 shall not be employed at night or in hazardous conditions

5.3. The policies and procedures relating to the employment of youth (16-18) shall conform to the provisions of the relevant local employment regulations

6. Wages and benefits

6.1. Wages and benefits are paid, and fit all legal employment regulations.

6.2. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

6.3. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded

7. Working Hours Are Not Excessive

7.1. Working hours comply with national laws and benchmark industry standards

7.2. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7-day period on average. Overtime shall be voluntary, shall not exceed 16 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

8. No Discrimination is Practiced

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 4 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

8.1. There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8.2. **Rights of Minorities and Indigenous Peoples.** Motorad are obligated to respect Minorities and Indigenous Peoples rights and to promote adherence to them.

8.3. **Woman Rights.** Motorad are obligated to respect woman rights and to promote adherence to them.

9. No Harsh Or Inhumane Treatment is Allowed

9.1. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited

10. Environmental Protection and Safety

10.1. Environmental Responsibility

When addressing environmental issues, MOTORAD follow precautionary principles and take initiatives to promote greater environmental responsibility as well as the development and spread of environmentally friendly technologies.

10.2. Environmentally Friendly Production

Optimum environmental protection must be guaranteed during every phase of production. This includes a proactive approach to preventing and minimizing the impact of accidents that may harm the environment. Especially significant in this context are the utilization and continued development of technologies for conserving energy and water, characterized by the use of strategies for reduction of emissions, reuse and recycling of materials.

10.3. GHG emissions

Monitoring and management of environmental and CO2e emissions:

The following aspects and potential environment impacts are managed.

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 5 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

Accordingly, risk mitigation and continuous improvement actions are defined and implemented:

10.3.1. Energy efficiency and the use of renewable energy

10.3.2. Decarbonisation directions are promoted

10.3.3. Water quality, consumption & management

10.3.4. Air pollutions / Air quality

10.3.5. Responsible chemical management

10.3.6. Sustainable resources management

10.3.7. Waste reduction

10.4. Environmentally friendly products and materials

All products and materials manufactured along the supply chain must meet the environmental standards of their market segments. This applies to the complete product life cycle as well as to all materials used. Chemicals and other substances, which are potentially harmful substances if released into the environment, must be identified. A management system for hazardous materials must be established to enable safe handling, transport, storage recycling, reuse, and disposal of such materials.

10.5. Reuse and recycling

The use of reuse or recycled materials is promoted as apply

10.6. Product Safety and Quality - All products and services must meet

contractual criteria for quality, active, and passive safety upon delivery. They must be used safely in line with their intended purpose.

11. Anti-bribery policy Business Ethics and Corruption

11.1. MOTORAD Management committed to anti-bribery policy, and make it clear to all organization levels that any type of bribery by any employee of MOTORAD at any level is absolutely prohibited.

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 6 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

11.2. The highest standards of integrity, honesty and fairness are required in all business activities. Any form of bribery, corruption or money laundering is strictly forbidden. In particular, no employee, agent or representative shall directly or indirectly accept, solicit, offer or pay a bribe or other perquisite (including gifts or gratuities, with the exception of commercial items of modest economic value universally accepted in an international context) even if unlawful pressure has been exerted.

12. Fair competition and anti-trust

12.1. Fair Competition - Laws that protect and promote competition, in particular laws against restraints on competition, must be adhered to. Motorad respect rules of fair competition and comply with the ban on agreements with competitors or other actions taken to interfere with the free market.

13. Avoidance of Conflict of Interest

13.1. MOTORAD managers or workers must make sure that there is no conflict of interest between the company's interest and personal interest. If such a situation occurs you must report immediately to personal manager.

14. The right to privacy, Data protection and data security

14.1. Motorad is obligated that the right to privacy, data protection and data security is fully assured. No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honor and reputation. Everyone has the right to the protection of the law against such interference or attacks.

14.2. Motorad is obligated to the following business ethical rules:

14.2.1. Avoid any harm to Land, Forest and Water Rights and Forced Eviction

14.2.2. Avoid any use of Private or Public Security Forces

14.2.3. Avoid any harm to Animal welfare

14.2.4. Avoid any harm to Biodiversity, keep land use and deforestation

14.2.5. Avoid any harm to Soil quality

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 7 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

14.2.6. Avoid Noise emissions to environment

14.3. Motorad is obligated to ensure that the following business aspects are strictly kept:

14.3.1. Financial responsibility: assure Accurate Records

14.3.2. Disclosure of Information

14.3.3. Prevent any use of Counterfeit parts

14.3.4. Keep Intellectual property rights

14.3.5. Follow Export controls and economic sanctions

14.4. **Safeguarding of Trade Secrets** - Motorad obligated to treat as confidential all non-public financial and technical details to which they become privy during the course of the business relations.

15. Security program Core Principles

15.1. Motorad committed to ensuring the safety and security of our supply chain facilities from criminal activities such as drug trafficking, terrorism, human smuggling, and illegal contraband. These activities not only threaten the safety and security of our facilities and personnel but also have a significant impact on the global economy and society as a whole.

15.2. As part of our commitment to security, we have implemented a comprehensive facility security plan that includes measures to prevent and detect criminal activities. These measures are designed to protect our facilities from illicit activities, and to ensure that our supply chain operations are conducted in compliance with all applicable laws and regulations.

15.2.1. **Perimeter security:** We have established a secure perimeter (physical and technological) around our facilities to prevent unauthorized access and ensure that our assets are protected from theft or damage.

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 8 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

15.2.2. **Access control:** We strictly control access to our facilities by implementing physical security measures such as security gates, surveillance cameras, and identification badges

15.2.3. **Intrusion detection:** We have installed intrusion detection systems that monitor our facilities 24/7, alerting our security personnel in case of any unusual activity.

15.2.4. **Emergency response:** We have established emergency response procedures to ensure that our employees are prepared to respond to emergencies such as fires, natural disasters, or security incidents.

15.2.5. **Employee reliability:** We conduct background checks (Employment reference checking/reliability diagnosis) and Security officer briefing /interview, on all employees and contractors who have access to our facilities to ensure that they do not pose a security risk.

15.2.6. **Training and awareness:** We provide regular training and awareness programs to our employees to ensure that they understand the importance of security and their role in maintaining a secure facility.

15.2.7. **All incidents,** including security breaches and irregularities must be reported and recorded. Corrective action should be taken and followed up through the regular verifications to improve the overall security standard of the company.

16. This procedure will be communicated during employee recruitment.

17. Revisions history:

Date	Rev	Change description	Approver
01/06/2018	10	Approved procedure comply to ISO 9001:2015, IATF 16949:2016	Galit Even Tzur

Procedure #:5.0 A	Quality Procedures		
Rev: 11			
Date: 01/06/18	Code of Conduct		
Page 9 from 9	Written by: Alona Tane Dolev	Approved by: Hila Rogalin	

Only soft procedures are approved

24/04/2023	11	Update No 3+11+12+13+14+15 Add security policy	Alona Tane Dolev
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18. Approvals:

Name	Job Title	Date	Signature
Alona Tane Dolev	VP Of Quality	24/04/2023	Alona Tane Dolev
Hila Rogalin	VP HR	24/04/2023	Hila Rogalin
Sandra Ziser	CFO & Israel Site Director	24/04/2023	Sandra Ziser
Zadok Terry	Safety, Environment, Security Manager	24/04/2023	Zadok Terry