

# Code of Conduct

ADAMA Group



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# INTRODUCTION

ADAMA is a Global Company conducting its business affairs in more than 100 countries worldwide, in a changing work environment deriving, amongst others, from the differences in culture, customs and the legal system of each and every country. The Company places great importance in adopting a Code of Conduct which will guide all the Company's office holders, managers and employees<sup>2</sup> as to the rules of conduct required of them as representatives of the Company when dealing with governmental authorities, suppliers, consumers, competitive commercial bodies and the community within which the Company conducts its business including each other. The Code of Conduct does not set new conduct rules, it formalises the accepted and customary rules of conduct of the Company. The Company and its employees must always aspire to improve and promote the Code of Conduct which applies to them.

<sup>1</sup> In this Code, the term "ADAMA" or "the Company" means ADAMA Agricultural Solutions Ltd., including every subsidiary company it owns, held directly or indirectly.

<sup>2</sup> In this Code, the term "Employee" means an employee of ADAMA including an office holder of the Company and a service provider of the Company (management services, consultancy services, etc.).

# 1. GENERAL



## GENERAL

### 1.1 Objective

The Code of Conduct is designed to provide clear and easily implemented rules aimed to guide ADAMA and its employees as to their required behavior.

### 1.2 The Code's standing

The Code of Conduct is based on principles of integrity, honesty, credibility and responsibility. It is designed to integrate with the provisions of the Law, to complement them and to add to them. The Code of Conduct does not constitute a replacement and does not substitute the Law's provisions. In any case of conflict between the applicable provisions of the Law and the Code's instructions, the Law's provisions must be upheld.

The Code of Conduct does not constitute a closed and comprehensive list of all the ethical and professional requirements that apply to the Company and its employees, and is not a replacement for exercising proper judgment and discretion. If this Code does not give a suitable answer to a particular dilemma, the employee is required to scrutinize the action he wants to take according to criteria such as the following (a) is the action legal, (b) is it appropriate to carry out this action, (c) what will the people around me think about the action that I chose to carry out. In addition to the Code of Conduct, the Company has procedures covering specific topics, which have been distributed to the employees, and which are designed to regulate the general principles described in this Code.

### 1.3 Application

The Code of Conduct applies to all ADAMA's employees, in Israel and abroad<sup>3</sup>.

<sup>3</sup> The Code of Conduct is designated for all the Company's employees, women and men alike, the English language version of this code appears, for convenience's sake only, in masculine form.



## 2. COMPANY'S COMMITMENT TO ITS EMPLOYEES

## COMPANY'S COMMITMENT TO ITS EMPLOYEES

### 2.1 Equal opportunities

ADAMA employs over 3,000 employees worldwide through collective agreements, personal contracts or other arrangements, according to the provisions of the applicable Law.

The Company supports the provision of equal opportunities to all its employees and candidates for employment with no distinction or discrimination on any basis, including gender, race, sexuality, religion, and nationality. The Company will recruit employees and determine their salaries according to objective considerations, which are mainly: personal qualifications, education, previous employment record, job suitability, etc. In addition, the Company will refrain from employing first degree relatives<sup>4</sup> within the same business or operational unit, and in any case will not employ relatives that have a relationship in which one is subordinate to another.

### 2.2 Enabling a fair work environment

Providing a comfortable, supportive and fair work environment to all its employees is considered by ADAMA to be of great importance. The Company will not tolerate any Company employee's behavior<sup>5</sup> which may constitute discrimination, offense, harassment or humiliation of another Company's employee, or of any other person or body the employee has contact with while working for the Company. The Company will handle this behavior by taking disciplinary or other appropriate and available steps according to the local applicable Law, relevant agreements and this Code.

### 2.3 Protection of privacy

ADAMA recognizes the importance of protecting personal information regarding its employees. The Company therefore controls and

supervises accessibility to personal information that it retains. The Company also respects its employees' rights of privacy while protecting the Company's business interests and assets. The Company strictly safeguards the employees' personal information immunity and personal affairs confidentiality.

### 2.4 Work safety

ADAMA is committed to provide a safe work environment for its employees, and strictly follows all relevant Law provisions in order to protect the health of its employees.

In order to ensure a safe work environment the Company implements a safety program in each of its installations, according to the nature of the activity executed there. It is the duty of each employee to strictly follow the relevant safety instructions in order to safeguard the wellbeing and health of himself and his fellow employees and to strictly fulfill the safety rules designated to guard his personal safety, including use of appropriate clothing and protective equipment required according to the work's nature. The need to strictly guard the wellbeing and health of all the employees obliges each employee to report to the unit in charge of safety in the facility he works in, about any incident or possibility of a safety incident and about any deviation from a safety instruction.

### 2.5 Managers' responsibility

ADAMA requires its managers to behave in a suitable manner and to be a model for their subordinate employees, so as to create a work environment which fulfills and promotes proper behavior. The managers' responsibility is to ensure that their subordinate employees have the suitable expertise and training, and will acquire, during their work, any additional knowledge necessary to fulfill their job.

<sup>4</sup> In this Code the term "first degree relative" means: father, mother, son, daughter, brother, sister, husband or wife.

<sup>5</sup> In this Code the term "behavior" means both by deed and by omission.



# 3. EMPLOYEES' RESPONSIBILITY TO THE COMPANY

## EMPLOYEES RESPONSIBILITY TO THE COMPANY

### 3.1 Protecting Company assets

Theft, vandalizing or improper use of the Company's property may harm the Company's profitability and the status of its assets. Employees are obliged to guard the Company's tangible and intangible assets placed in their charge, including assets they are responsible for managing, and to ensure that the Company's assets are used for the purposes for which they were entrusted into the employee's hands.

### 3.2 Maintaining records and business documents

Documents created during the ordinary course of work may contain information which is of commercial importance to the Company and may be of importance in legal proceedings conducted or that may be conducted by or against the Company. Accordingly, every employee is obliged to strictly maintain every document that has been created by him or that has come to be in his possession in the course of his work or in connection with his work.

### 3.3 Avoiding conflicts of interest

An employee's behavior, which is intended to or gives the appearance of promoting his personal interests against the interests of the Company, harms the profitability of the Company, the Company's good reputation and interests, and may constitute a breach of the Law. Employees are prohibited from working for or providing service, for payment or gratuitously, to any third party without the Company's written consent. Moreover, employees are absolutely prohibited from working for or giving service, for payment or gratuitously, to any third party who has commercial relations with the Company or competes with the Company whether directly or indirectly, and/or from conducting commercial activity on behalf of the Company with a third party which is owned by the employee's relation<sup>6</sup>, or with an employer or employee of the employee's relation.

<sup>6</sup> In this Code the term "relation" means spouse, brother or sister, parent, parent's parents, offspring or spouse's' offspring or spouse of every one of these.

Furthermore, company employees shall neither receive, directly or indirectly, any gifts or any other entertainment, from any suppliers or third parties with which the company conducts business (the aforementioned shall not apply to nominal gifts which are customarily given).

In order to refrain from conflicts of interest, even ostensibly, employees are all obliged, in any case where there is concern that such a conflict of interest exists or may come into existence, to apply in writing to their immediate superior and to the legal department and bring to their attention the existence of such a concern.

### 3.4 Safeguarding confidentiality and sharing knowledge

Any information related to the Company's business, and which is not part of public domain, is regarded as confidential information and every employee is obliged to keep it confidential. Disclosing of confidential information to any person not authorized to receive it, including another employee in the Company, and any use of the confidential information for any purpose other than that for which it was given by the Company, may cause the Company significant damage. Employees are obliged to keep the information confidential and to refrain from executing the above mentioned actions both during their employment and after their employment by the Company has ended. Simultaneously, the Company is carrying out orderly processes that ensure the flow of information, and that the employees share the "need to know" information for promoting the Company's business.

### 3.5 Complete and accurate documentation of actions

ADAMA is a public Company whose shares are traded on the stock exchange<sup>7</sup>. According to the provisions of the Law, the Company is obliged

<sup>7</sup> In this code, the term "stock exchange" means the Tel-Aviv Stock Exchange Ltd.



to present financial statements that accurately reflect the income, expenses, assets and obligations of the Company. Employees must strictly document, fully and correctly, every action that they are responsible for carrying out and which has financial repercussions, to ensure the Company fulfills the Law's provisions.

### 3.6 Insider trading policy

ADAMA is a public Company whose shares are traded on the stock exchange. In addition, some of the Company's interested parties are companies which are also traded on the stock exchange. The Company and its' employees are obliged to comply with the relevant laws regarding the trading of securities.

The Company forbids its employees to trade in securities while relying on material information received in the capacity of their work or relations with the Company, and which is not known to the public. Moreover it is forbidden for employees, having such information, to pass it on to another person for the purpose of trading in securities. Material information is information which, if known to the public, might cause a change in the price of the securities. Material information includes: information about anticipated financial results, information about material negotiations the Company is party to, information about anticipated profit or loss of the Company etc. This Code's instructions are in addition to the provisions set out in the inside information, securities fraud and manipulation procedure which the Company adopted as part of the Internal Compliance Program in the securities field and do not constitute a full list of the prohibitions imposed by Law in this matter.

# 4. ETHICAL BUSINESS PRACTICE



## ETHICAL BUSINESS PRACTICE

### 4.1 Proper dealings with authorities

In order to conduct its business the Company requires different licenses, licensing and permits from various authorities in each and every country. The Company is committed to carrying out the required contact with the authorities with high ethical and professional standards while observing the relevant Laws' provisions. The Company forbids its employees to use illegitimate or improper means (including: giving bribes, gifts or other payments or inducements) as a means of promoting commercial interests of the Company.

The Company will cooperate with all applications and requests of official authorities and, subject to its lawful rights, will supply authentic and accurate information, as far as required to do so. If it is not clear whether the Company must answer the request and also if there is doubt as to how the request should be answered an employee should consult with the immediate superior and the legal department.

### 4.2 Proper dealings with customers

ADAMA is committed to producing and marketing products that are of high quality and safe to use. The Company has international quality standards and upholds working methods according to organized and clear procedures in order to ensure the quality of its products. Employees are required to work with due diligence in order to locate and prevent processes which may harm the quality of the products.

The Company maintains open and continuous relationships with its customers and the users of its products in order to ensure customers' satisfaction with the products and maintenance of the quality standards, and assists in promoting the safe and efficient use of its products.

### 4.3 Proper dealings with suppliers

ADAMA recognizes that the quality of its products is influenced, amongst other factors, by the quality of its relations with its various suppliers. Accordingly, the Company conducts efficient, honest and legal commercial relations with its suppliers, based on clear and organized procedures. The Company insists in carrying out tendering procedures between its various suppliers in order to achieve optimal conditions and prices, and to give potential suppliers a competitive opportunity to win a share of the Company's scope of acquisition. This procedure helps ensure that suppliers will be committed to supply a quality service at competitive prices. The Company attaches importance to having business relations with suppliers who are strict, within the frame of their business, about fulfilling the Law's provisions regarding rights of employees, health and safety, protecting the environment, etc.

### 4.4 Proper dealings with competitors

ADAMA recognizes that information related to its competitors' business is of great value, and it shall act to obtain such information solely in lawful ways. The Company and its employees will not take any action which may include soliciting employees, or other parties connected to its competitors, to give it information related to its competitors' business, in such a way as to lead to a breach of a confidentiality agreement or other obligation towards its competitors, or prejudice their property or rights.

The Company and its employees will conduct its activity according to all relevant competition Laws and in any case will not be a party to agreements or understandings, whether written or oral, with actual, or potential, competitors which do not comply with the law.

#### 4.5 Zero Tolerance of Bribery and Corruption

ADAMA has a zero tolerance for bribery and/or corruption, and accordingly:

- The Company shall not offer, give or receive bribes or inducements for any purpose, whether directly or through a third party.
- The Company shall no knowingly enter into business relationships with any person or entity which gives or receives bribes or inducements for any purpose, whether directly or through a third party.
- The Company shall comply with all applicable laws, regulations and contract requirements relating to the fight against bribery and corruption.
- The Company shall bring its policy of zero tolerance for bribery and corruption to the attention of every employee of the Company and to the attention of actual or potential business associates 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 and its business associates.



## COMMUNITY COMMITMENT

ADAMA is deeply committed to the improvement and advancement of the community within which it conducts its business. The Company donates to social organizations and runs programs to support furthering of education. The Company's activity for the benefit of the community is accomplished with the involvement of the employees and assimilating values of social and corporate responsibility, promoting excellence in industry and education, sensitivity and involvement in the local communities where the Company operates.

# 5. COMMUNITY COMMITMENT

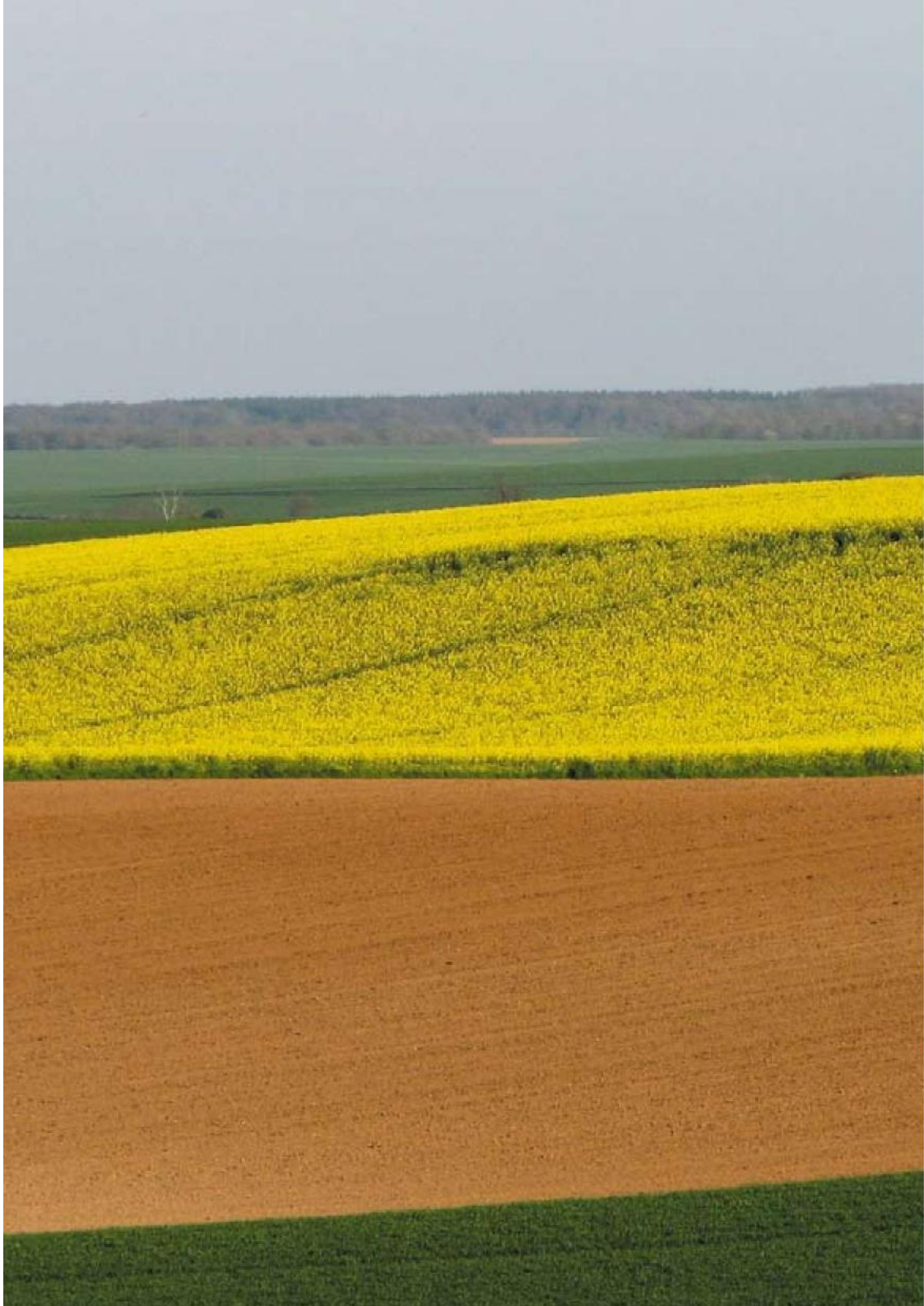


## PROTECTING THE ENVIRONMENT

ADAMA operates with profound cognizance of the importance of protecting the environment and invests many resources, as well as efforts and attention, in order to constantly improve the safety of its installations and to protect the environment.

The Company is committed to always act according to the Laws' provisions and with the standards and licenses applicable to it, in fields related to safety and protecting the quality of the environment. The Company demands that its employees give due consideration to every act they execute and which may have environmental impact.

# 6. PROTECTING THE ENVIRONMENT





# 7. RESPONSIBILITY FOR PROPER CONDUCT

## RESPONSIBILITY FOR PROPER CONDUCT

### 7.1 Employee's responsibility

The Code of Conduct reflects instructions that apply both to the Company and to its employees. The Company's employees are required to study the instructions and to act according to the ones relevant to their duty. If a difficulty arises in implementing the Code's instructions, or the instructions do not provide the required answer to a particular problem, please consult with the relevant professional body in the Company. To promote proper conduct and improve processes in the Company, employees are required to bring to the Company's attention promptly any concerns regarding a possible breach of the Law's provisions, the Company's procedures or this Code. All Company employees are required to cooperate with every internal inquiry about improper conduct.

### 7.2 Company's responsibility

ADAMA attaches utmost importance to observing proper conduct and to implementing this Code's instructions. The Company is committed to carry out effective supervision and to implement adequate control procedures to maintain proper conduct, to prevent conduct which is not in keeping with the Law's provisions, the Company's procedures and this Code, and to handle swiftly and properly any concern of improper conduct. The Company encourages all its employees to immediately report any suspicion of breach of the Law's provisions, the Company's procedures and this Code, and will solemnly deal with any complaint presented in good faith as regards improper conduct. The Company will take all the necessary steps to ensure that an employee who complains in good faith about improper conduct will not be harmed in any way, in order to ensure free reporting by employees about improper conduct without fear of harassment as a result of presenting the report.

The legal adviser of the Company will have the principal responsibility and authority to implement the provisions of the Code of Conduct. The Company will put all the necessary resources at the disposal of the legal adviser, in order to enable the legal adviser to supervise the assimilation and implementation of the Code of Conduct's provisions.

Any concern of breach of the Law's provisions, the Company's procedures and this Code must be reported to the legal adviser of the Company.

Matters of accounting, internal audit or auditing accountants audit must be immediately reported to the legal adviser who will report to the Company's audit committee.

Any concern of breach of the Law's provisions, the Company's procedures and this Code by the Company's officeholders must be reported to the Company's legal adviser who will report to the Company's audit committee.

Complaints about improper conduct and questions regarding the Code of Conduct should be referred to the appointee in charge of implementing the Code of Conduct or to the Company's legal department at:

telephone number: +972 (7) 3232 1937,

[E-mail: cod.ethi@adama.com](mailto:cod.ethi@adama.com)

For acceptance:

The Employee

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[WWW.ADAMA.COM](http://WWW.ADAMA.COM)

## CORPORATE HEADQUARTERS

ADAMA Agricultural Solutions Ltd.

Golan Street

Airport City 70151, Israel

Tel: +972 (7) 3232 1000

Fax: +972 (7) 3232 1074

