



Y.H. Dimri

CODE OF ETHICS

Values and Rules of Conduct

April 2018

THE ETHICAL CODE

Y.H. DIMRI

Dear fellow employees and partners,

We at YH. Dimri, build homes that provide quality living and we ensure that the service we provide our clients, home buyers and property tenants alike, is of the highest standard: from the planning stage, through construction, to the moving-in stage and even while residing in and/or using the property. This is the reason that our company is continuously growing and maintains a strong reputation based on professionalism and trust.

In order to continue to grow we have chosen to define the company's ethical code, which will present the values and rules of conduct on which our activity is based. Proper behavior towards all affects our activities and impacts the success of our company.

The three core values that brought us success are: **Family, Fairness and Commitment to Success**. These values are expressed in the rules of conduct that define our business path: **Family** - based on long term partnership, **Fairness** - while maintaining business integrity and **Commitment to Success** – which is expressed in the manner in which we strive for excellence in our activities with our colleagues, suppliers and customers.

We see this ethical code as central to the company's activity, therefore the Code of Ethics requires that all employees in the company and all those working on its behalf, respect this code. In addition, to maintaining a responsible work environment, employees are required to report any breach of the Code of Ethics to their direct manager or to the ethics officer of the organization. The company will provide full protection to those who expose any offenses or harm to the integrity of the company.

I am certain that this code will serve as a tool in our daily activities and will lead to our continued success.

Respectfully yours,

Yigal Dimri

CEO

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CORE VALUES AND RULES OF CONDUCT

A SENSE OF FAMILY

Family means the commitment of each of us to the success of the company and to the success of each one of us. In our daily activities, family is expressed in our shared pride, unity, respect, frankness and modesty. This is how we began our journey, and these are the values that we adhere to today.

Family is based on partnership, listening and providing personal and warm attention to all factors that affect or are affected by our activities. It is in this manner that we shall accompany our clients closely, from the planning stages to the actual period of residence, enabling them to make one of the most important decisions of their lives.

A sense of 'family' is expressed in all our activities as a company and it is also part of our identity 'as a warm and loving home'. This feeling is projected onto our customers and suppliers, and we believe that this warmth and love, this sense of family, is also reflected in our projects.

Rules of Conduct for 'sense of family'

Topic	Conduct/Behavior
Respect and human dignity	<p>We at YH Dimri strive to create a free work environment in which every employee can work without fear. Therefore, it is strictly forbidden for employees and persons working on the company's behalf to engage in physical, verbal or sexual harassment.</p> <p>Each of us must guarantee the rights of every employee working for the company and avoid harming his privacy.</p>

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	<p>In our conduct we are committed to respecting the values, opinions and experience of our colleagues, customers and suppliers. Each employee is expected to recognize and consider the needs and wishes of others in the decision-making process, in order to implement the principles of human dignity.</p> <p>The company prohibits sexual harassment in any form and will investigate any suspicion or complaint of sexual harassment by a man or a woman. According to law, and within the framework of a relationship of authority at work, where there is a relationship of authority between the harasser and the harassed, directly or indirectly, even if no objection is expressed by the harassed, this behavior will constitute sexual harassment. A presentation on this matter can be viewed on the company's website.</p>
Working Relationships	<p>We recognize the importance of our relationship with our business partners (our customers and suppliers) and consider it essential to our success. Therefore, we will provide relevant information to these parties in order to make informed decisions while presenting the company's accepted working methods.</p> <p>We maintain respectful relationships based on deference, trust and professionalism and behave towards our partners as we wish for them to behave towards us. Thus, we are working towards the development of fruitful and close ties, in order to establish long-term working relationships.</p>
Corporate Culture	<p>The strength of a company stems from its ability to function as a cohesive unit. Therefore, employees are expected to promote teamwork, to improve procedures and to familiarize themselves with the activities of other units related to their work, in order to provide proper, efficient and professional service to achieve the company's goals.</p>
Work/leisure Balance	<p>The company recognizes the personal needs of each employee and understands that providing peace of mind to the employee and his family will increase his satisfaction and efficiency at work. Managers, therefore, must regulate the workload among their employees, and encourage balance between work and leisure time.</p>
Use of the Company's Assets	<p>The company's assets and resources are intended to promote its business objectives. Employees are responsible for safeguarding these and should refrain from using them for non-work purposes unless provided with special permission.</p>
Developing the Community	<p>The company believes that the community in which it operates is an important source of its success. As part of our social responsibility, we devote resources to empowering the community and encourage employees to volunteer.. The company also provides financial assistance in order to narrow gaps, assist the needy and help others.</p>

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FAIRNESS

Fairness means consistent conduct while adhering to clear and agreed upon rules. Fairness is expressed when we act humanely and compassionately before we act as businesspeople, thus advancing our business goals is based on maintaining appropriate humane behavior.

Fairness begins with uncompromising compliance with the requirements of the law, while ensuring transparency and presenting reliable and accurate information. In addition, fairness is based on aligning expectations between the company and all those with whom we work. This type of conduct contributes to establishing long-term trust with colleagues, suppliers and customers.

Rules of Conduct for 'fairness'

Topic	Conduct/Behavior
Compliance with the law and company procedures	All company employees and those working on its behalf are obligated to act in accordance with the laws of the State of Israel, its regulations and the company's rules. Furthermore, a company employee who encounters a violation of this rule is required to report it. Not reporting is itself a violation of the Code of Ethics.
Conducting negotiations in good faith	We believe in proper and fair business conduct, refraining from exploiting classified information, misrepresentation, manipulation or any unfair business activity. In addition, we will ensure that negotiations with our customers and suppliers are handled in good faith.
Transparency	We are committed to acting transparently, balancing the preservation of business interests with full and reliable reports. In accordance with the provisions of the law, we are committed to properly registering company documents, to fair advertising, marketing and maintaining clarity of information. As employees of the company, we must provide our shareholders, suppliers and customers with reliable information. If there is any doubt as to the reliability of various reports, both within the company and to outside factors the Director and / or the Ethics Officer should be informed.
Maintaining customer confidentiality	The company ascribes great importance to maintaining discretion with regards to information related to its customers, ensuring customer confidentiality and taking appropriate measures to secure the information we have. It is prohibited to make use of customer information outside the framework of one's work position, unless approved by the customer.

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<p>Proper conduct vis-à-vis competitors</p>	<p>We are committed to doing business while maintaining proper conduct/behavior, therefore it is forbidden to denigrate our competitors. We will not discredit them and will contend only with factual and practical information, in the hope that they will do the same.</p>
<p>Compliance with the Securities Law</p>	<p>We will comply with all laws prohibiting securities trading based on insider information, which is not known to the general public, thus prohibiting company employees from recommending trade in the company's shares.</p> <p>To avoid any doubt and in order to create a relationship of trust with those holding minority shares in the company, management is required to be extremely careful when executing transactions with interested parties.</p>
<p>Sponsorships and donations</p>	<p>It is forbidden to provide sponsorship or to donate on behalf of the company. There are authorized persons in the company for this and they will ensure accurate documentation in accordance with the law.</p>
	<p>Conflicts of interest Our employees must avoid activities that are contrary to the interests of the company. Employees must see the best interest of the company and avoid personal considerations when making decisions. In case of a conflict of interest or appearance of a conflict of interest, it is necessary to report to the Director and / or the Ethics Officer.</p>
<p>Conflicts of interest</p>	<p>Employees must avoid activities that are in conflict with the interests of the company. Employees must consider the company's best interests and must avoid personal considerations when making decisions. In the case of a conflict of interest or an apparent conflict of interest, the Director and / or the Ethics Officer should be informed.</p>
<p>Accepting or giving benefits is prohibited</p>	<p>The company is managed in a lawful manner. It is prohibited to offer gifts, to solicit and influence parties, including government officials and their representatives. Gifts on behalf of the company will be granted only after management approval.</p> <p>In order to maintain a culture of ethics within the company, it is forbidden to accept gifts. Employees are expected to reject any proposed benefits and to inform the direct Manager and / or the Ethics Officer. It is noted that promotional gifts can be received at an estimated cost of up to NIS 150 (an exceptional gift must be reported to the Ethics Officer for approval).</p>
<p>Data Security and Confidentiality</p>	<p>The company will ensure data security procedures, while maintaining accurate records and managing data in an optimal manner. It is strictly prohibited to distribute business data as well as personal data of employees, customers and suppliers without approval.</p> <p>The transfer and use of information will be done in accordance with existing procedures with respect to the contents and the manner of their transfer. In case of doubt, contact the Data Security Manager.</p>

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Equal opportunity	We believe in providing equal opportunity to everyone and we work towards implementing this belief when recruiting, hiring and advancing our employees. We make sure to avoid discrimination when recruiting and that consideration of candidates is based on their qualifications and suitability for the job, regardless of religion, race, color, personal status, parenthood, origin or nationality, disability, age, sex or sexual orientation. We also strive for organizational flexibility taking into consideration the needs of every employee and we promote employees based on professional criteria.
Fair treatment	We are committed to providing fair treatment to every employee: the provision of proper working conditions, transparency with respect to the manner in which decisions are made regarding the employee, and fair remuneration in accordance with the applicable agreements.
Management of personal expenses	We will act according to company guidelines in tracking and reporting expenses (accommodation and travel) and in registration of these. It is prohibited to charge expenses that are not within the scope of the position.

COMMITMENT TO SUCCESS

Commitment to success is constantly striving for excellence. Commitment to success includes setting clear goals, adopting high standards, complying with these standards without compromise, implementing controls, drawing conclusions and integrating them. We act with determination to achieve economic earnings and success and we take responsibility for our activities in order to realize our personal and organizational potential.

As a leading construction company, commitment to success and the generating revenue for shareholders is reflected in the fact that we take responsibility throughout the whole process vis-avis the client, from the initial planning stage, to actual occupancy and residency in the property. We adhere to the business approach that places the customer at the center. We believe that customer satisfaction guarantees our success and we work daily to meet our clients' needs.

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Rules of Conduct for 'commitment to success'

Topic	Conduct/behavior
Service	<p>Since we manage long-term projects it is very important to provide excellent professional service while effectively handling customer complaints and various malfunctions.</p> <p>We believe that it is of the utmost importance to maintain high quality construction and to promote creativity and innovation, in order to ensure customer satisfaction.</p>
A business culture that promotes quality	<p>Each of us is personally responsible for the company's success, therefore employees are expected to adhere to leading professional standards. It is the manager's responsibility to define goals and to clarify ways in which to achieve them. Each employee commits to compliance with the defined goals and reports to his direct manager should he fail to do so.</p> <p>Furthermore, to promote innovation and lead the market in which we operate, all employees must ensure to be up-to-date in their field within the company, continually expanding their professional knowledge.</p>
Representation and personal example	<p>Since our employees represent the company, its values, activities and actions it is expected that they do so by maintaining a professional appearance, adhering to the proper rules of conduct, while also providing a personal example. This rule applies to behavior and actions while employees are on company premises as well as when not, while still associated with the company (for example, lawful use of the company's vehicles as per the company's rules and regulations).</p>
Safety	<p>We are committed to compliance with safety regulations and provide our employees with a safe work environment. We value safety and provide safety for employees in all their activities during the construction process, and also create a safe living environment. Should any hazardous events occur, these will be reviewed to prevent future recurrences.</p>
Reporting hazards	<p>We are committed to reducing risks and preventing mishaps. Accordingly, the company's employees are obliged to report safety risks, malfunctions, malpractice, or "near accident" occurrences. Management will act to minimize risks, draw conclusions and implement necessary changes.</p>
Developing and empowering employees	<p>Helping our employees develop is necessary for our success; we therefore strive for continuous improvement. Company managers must act to advance the professional knowledge of their employees. Managers must also involve employees in organizational processes within the company and provide them with an appropriate work environment. In addition, employees should be given the</p>

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	tools and training relevant to carry out their duties, including support and constructive criticism.
Recognition of excellence	All those who have demonstrated outstanding personal excellence and who have stood out, will be rewarded. In this manner we can show our gratitude and motivate employees to continue to excel.
Sustainability	Environmental responsibility is an integral part of our daily activities. Therefore, during the decision-making process, we examine the social, environmental and economic implications of our activities. We aim to reduce the environmental impacts of the structures we build while promoting sustainable development for us and future generations.

THE CODE OF ETHICS IN PRACTICE

This Code of Ethics expresses the manner in which to conduct business, therefore each of the employees working on behalf of Y.H. Dimri is committed to acting in accordance with this code.

This means that we must adhere to these three principles in our activities:

- Behave according to the rules specified in the Code of Ethics
- Conduct ourselves with discretion, in a way that serves as an example to others
- Promote the company's reputation and standing

Violation of the rules set forth in the Code of Ethics may lead to disciplinary action by the company.

WHO DO YOU REPORT TO?

The company encourages immediate reports of any concern and/or violation of the Code of Ethics and will investigate any complaint, submitted in good faith, of suspected breach of

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policy. The company prohibits harassment of an employee who reports or complains of misconduct. Reporting complaints in good faith without fear of punishment or retribution is essential for the successful implementation of the Code of Ethics.

IF IN DOUBT, THERE IS NO DOUBT

In the event of any concern regarding the violation of laws, regulations or Code of Ethics, and in the event of a dilemma as to the correct manner of operation/conduct, please contact the company's Ethics Officer who will examine the facts and draw conclusions while ensuring anonymity subject to the provisions of the law. Examination will enable a proper course of action in accordance with the spirit of the organization.

The Ethics Officer can be reached:

Anonymously

By phone: +972 8 9939085

Address: 1 Jerusalem St. P.O.Box 71, Netivot 8771001

Not anonymously (discreetly)

Email: report@dimri.co.il