



DSV Israel Ethical Code

Dear Employees,

The following document is the DSV Israel Charter which describes our business practices and business culture.

The document contains instructions and guidelines for each field of activity, and defines the position and the responsibilities of the person in charge of business etiquette in and out of the Company.

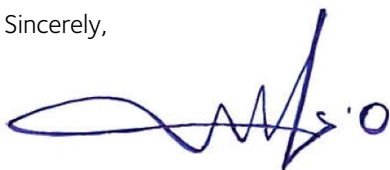
The extensive knowledge DSV Israel has gained concerning various parts of the supply chain and its different needs and current trends will enable it to become a valuable partner in any international freight forwarding, shipping and logistic services project.

In an environment characterized by pressing demands and ongoing competition, DSV Israel aspires to maintain a policy of transparency and openness. The Company strives towards excellence and is aided in this effort by a team of experienced and skilled employees that enables the company to fully maximize its abilities in a unique atmosphere that manifests a sense of destiny and loyalty towards its customers and suppliers.

I am convinced that the successful implementation of the Charter in all levels of the Company will result in improved services to our customers, appropriate conduct towards suppliers, and an improvement in the welfare of our employees and the community in which we operate.

In conclusion, since we are a part of the global DSV Group, this Charter does not derogate from any global code implemented by the global DSV Group that applies to us. Our goal is merely to highlight the basic principles of the Charter and put them in an Israeli context according to the business environment in which we operate.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sigal', with a stylized flourish at the end.

Sigal Mannheim Katzovich, Managing Director

March 2017

General

The business culture of DSV Israel is based upon the laws and regulations that are applicable to Israel and the international community. The Company is committed to abide by all relevant laws, charters and rules applicable to its activities and aimed at upholding universal ethical practices and appropriate administrative conduct. This document does not supersede other company procedures and policies, it merely adds to them. Furthermore, this document does not aim to replace or derogate from the instructions set forth in global codes practiced by the global DSV Group but merely adds thereof for the purpose of highlighting the role of the company in Israel.

Business culture values that guide DSV Israel

- A high level of ethical conduct: integrity, reliability, respect towards others, and appropriate business conduct.
- Considering the Company, its employees, clients, suppliers, and business associates as well as other members in the global DSV Group as full partners working jointly for the purpose of realizing the company's goals and upholding its undertakings and commitments.
- Displaying fair conduct in all relations maintained by the company with its customers, suppliers, business partners, competitors, public and governmental entities, various authorities, and company employees.
- High quality of services and processes.
- Full compliance with all laws, agreements and business culture practices set by the company.
- Regarding customers as the Company's major asset and being committed to the customer's advancement and nurturing in addition to strengthening the customer's sense of belonging and identification with the company and its goals.
- Treating all employees equally irrespective of their religion, age, gender and race.

The following principles guide the business culture practiced by DSV and constitute the basis of this Charter

1. Appropriate business conduct

DSV Israel manages its business and business relations responsibly, with integrity, loyalty and fairness in all its activities while upholding the law and appropriate business practices. This commitment applies to all company employees.

1.1 Integrity

- Employees are obligated to conduct themselves ethically and with integrity while performing their work.
- Employees should conduct themselves according to customary ethical conventions and norms in each activity and in all agreements in which they represent the Company and/or acts on its behalf.
- The Company encourages employees to report any concern that integrity and common ethical norms are compromised.
- In the event that there is concern that integrity is compromised, the Company shall hold an internal or external investigation, according to the circumstances of the matter.

1.2 Gratuities

- The Company prohibits employees from receiving any gratuities from any other entity aside from the Company itself if the aforesaid gratuity functions as consideration for their work or pertains to their position in the Company and may have an adverse effect on their work.
- An employee who received gratuities should return them to the provider with an accompanying letter explaining the prohibition imposed by the Company. A copy of this letter shall be delivered to the Company's Director of Business Culture, and in the absence thereof to the Director of Personnel (see Chapter B Section 1).
- If there is concern that the return of the gratuity shall impair the business status of the Company, employees shall consult with their supervisor and act in accordance with the supervisor's instructions.
- The Company prohibits supervisors from receiving gratuities from subordinates whether directly or indirectly.
- The Company will ensure that employees are not engaged in a transaction in which they may have a personal interest without the company's express and written approval.

1.3 Conflict of interests and additional business transactions -

- Employees should avoid activities, investments and business relations that put them, or that may put them in a conflict of interest unless first receiving the Company's express and written approval.
- The Company prohibits employees from engaging in private business transactions with a customer, supplier or competing organization if such transactions might cause a conflict of interest between these activities and the employees' position and work within the Company.
- In the event of doubt as to a conflict of interest, employees should contact the Director of Personnel or his supervisor.
- Receiving or purchasing services from an entity maintaining business relations with the company is prohibited unless an authorized Company signatory provides consent to such relations. The approved business activities shall be performed in accordance with a price terms set according to standard rates.

1.4 Gifts

- The Company forbids any transfer of gifts that constitutes, even apparently, an attempt to obtain preferential treatment or change of decision.
- The Company is aware of personal relations that are formed naturally in the workplace, both among the employees and with entities with which they maintain contact outside the workspace. Employees must ensure that such relations do not give rise to a conflict of interest or the appearance of transferring of benefits of any kind.
- Employees are entitled to receive the following gifts and presents which shall not constitute a conflict of interest:
 1. Customary promotional materials of token value bearing the logo of the organization.
 2. A gift due to a personal event celebrated by employees or their family members from those invited to the event - whether they are colleagues or others with whom they maintain a working relationship.
 3. A public award given in public even if the award is related to their work.

The employee should report any gift or present not included in the above list to the Supervisor of Business Culture.

1.5 Inside information

- Employees shall not take advantage of information in their possession as a result of their work for the purpose of gaining personal benefits including information obtained from foreign entities.

- The Company forbids employees from transferring information that is not in the public domain and/or not accessible to the public and that has reached them in the framework of their work except at the approval of an appropriate authority within the company and in consultation with its Legal Counsel.
- If employees possess, invest in or controls shares of entities that are related to the company (competitors, suppliers or customers) which may have an adverse effect on their work performance, they must notify a supervisor. If the supervisor determines that there is a possibility of an adverse effect, the employee must take the necessary actions so as to sell and/or transfer these shares.

2. Marketing, sales and customers

DSV Israel regards its customers as a strategic asset and does whatever is in its power to maintain customer satisfaction by providing high quality, technologically advanced, reliable services while acting fairly and with integrity while working with the customer.

2.1 Transactions

DSV Israel is highly involved in its interaction with its customers. Notwithstanding, the Company will not take part consciously in activities that conflict with the law.

2.2 Information and advertising materials

DSV Israel provides information to potential customers in order to present the Company's line of business, type of services it provides and its diverse administrative and technological capabilities. The information is presented through different promotional materials (brochures, information sheets, presentations and other digital media) used as auxiliary materials in marketing activities. This information shall be provided while adhering to the following principles:

1. Maintaining accuracy, reliability and fairness during the presentation of materials while complying with the Company's policy and after receiving the approval of the Managing Director.
2. The Company's proprietary information shall be used only after receiving relevant approval.
3. Comparative data in comparison to other organizations or competing services shall be presented only provided the data and/or materials were obtained from the following sources: official publications of competitors such as public company reports, publications by the Chamber of Commerce and the IFFCCA and so on, or trials and surveys performed by a renowned research institute.

2.3 Conducting negotiations

The stage of negotiations is a critical stage in the process of finalizing the transaction as it is aimed at achieving optimal conditions for its realization. Conducting negotiations with the customer is the responsibility of the Company's financial entities and/or marketing entities that submit a price proposal (hereinafter: the Commercial Entity). Negotiations conducted by the Commercial Entity shall be performed in accordance with the following rules and principles:

- The Commercial Entity shall receive advance approvals and guidelines from the Company's authorized signatories to conduct the negotiations.
- The Commercial Entity shall not promise, whether orally or in writing, any addition or improvement that was not specified in the price proposal or the collaboration agreement.
- In the event that a request for addition or improvement is submitted by the customer, the Commercial Entity will present the case before the Managing Director.

2.4 Tenders

Participation in tenders constitutes a central part of the efforts exercised by DSV Israel to retain customers, reach new customers, and increase its scope of activities. By participating in tenders the company shall uphold all practices and principles that bind it during its activities, as specified below:

- Participation in tenders will be based upon customary norms and practices in the country where the tender was published as well as common universal norms in connection with tenders.
- Company employees who deal with a tender should be familiar with all the norms and practices in connection with tenders: the common universal rules that apply to tenders, the rules and practices of the country where the tender was published and the unique rules prescribed by each tender. The company shall provide employees with necessary materials.
- In the event of uncertainties as to conducting the tender, the Company shall reach a decision concerning this matter together with the approval of the Managing Director.
- The expectation of the Company to win tenders is based solely upon its advantages and capabilities and not on foreign considerations or attempts to change tender awards.

2.5 Price proposals

Pricing the services of DSV Israel is aimed at increasing sales to a maximum on the one hand and increasing profitability on the other.

Price proposals shall be built according to the following principles:

- Company Officers in charge of commercial activities, pricing and price proposals shall ensure, as early as possible, the examination and confirmation of the following:
 1. The Company's ability to comply with all requirements: compatibility, quality and reliability, required qualifications and certificates, schedules and supply times, and any other requirement made by the customer.
 2. The adjustment of the transaction to the Company's payment and credit requirements and procedures.
 3. The rate of guarantees required by the customer.
 4. The existence of certain limitations concerning agreements made with the client, both by DSV Israel itself, by DSV globally, and by other entities.
 5. The existence of required licenses for the purpose of performing the transaction that the Company is obligated to obtain.
- Only authorized entities of the Company shall sign price proposals and they shall be signed according to the extent and subject matter of the transaction.

2.6 Formulating and signing a contract

Signing the contract constitutes the official inception of the transaction. Formulating and signing the contract shall be done in accordance with the following rules and principles:

- Full adherence to honesty in formulating the agreement while ensuring that the company is capable of complying with all its provisions.
- The final version of the contract shall be prepared by the Company's Legal Counsel or, in the event of that the format is dictated by the customer, with the approval of the Managing Director and the Company's Legal Counsel, while adhering to full and accurate specification of all technical, financial and legal details of the contract.
- Signatures on the contract and all its clauses will be executed by an authorized signatory of the Company and according to the procedures set forth by the Company.
- The Company shall make the necessary arrangements to train all entities that are involved in the preparation of contracts.

2.7 Customer service

DSV Israel considers customer service as part of its undertakings towards the customer. Reliable and professional customer service contributes to the customer's satisfaction and helps in preserving customer loyalty as well as improving the company's reputation and strengthening its public image. Customer service shall be conducted according to the following rules and principles:

- Planning customer service shall be done in advance and shall be taken into account during the pricing stage and the appropriation of resources for the transaction.
- The agreements entered between the Company and the customer shall be based upon business principles and conducted according to the provisions set forth in the contract or, in the absence of a contract, in accordance with a price proposal approved by the customer.
- Customer service shall be performed by skilled employees who have been trained and instructed for this purpose.
- The Company shall monitor the customer's level of satisfaction by holding meetings with the customer in order to receive feedback and comments.

2.8 Relations with clients and overseas suppliers

DSV Israel adheres to complying with all the requirements, laws and regulations that are practiced by the international business community in general and specific countries in particular.

While conducting itself overseas the company adheres to the following norms and practices:

- Upholding all the laws and rules practiced in the country of destination including national and international commerce rules applicable in that country.
- Appropriate conduct practiced by the Company's employees in all their travels while on duty, including full compliance with local laws and avoidance of any act or omission that might be interpreted as disrespect to religious or local values as well as the interests of the State of Israel and/or DSV Israel and/or the global DSV Group.

3. Guidelines concerning agreements with suppliers

As part of its policy to provide high-quality services, DSV considers its suppliers as partners committed to promoting its interests and business success. The process of choosing a supplier is performed based upon quality, cost, reliability and service standards and according to the Company's policies.

Concerning agreements concluded with suppliers, the company shall act according to the following rules and principles:

- The process of choosing the supplier shall be carried out according to the relevant company procedures.
- The Company shall select suppliers in a fair manner while taking into account the following considerations:
 1. Quality and reliability of the work or service rendered.
 2. The level of investment required by the Company in order to ensure the supplier conforms to Company standards.
 3. The supplier's business strength and ability to meet undertakings including schedules and prices.

4. Attitude towards competitors

DSV Israel considers competition as an integral part of any business activity and uses competition as leverage for improvement and development of its capabilities. The company treats its competitors in a fair, respectful and businesslike manner with a belief that emphasizing its advantages, and not downplaying its competitors, is the correct way towards business success.

- The Company's employees, suppliers or representatives shall not attempt to obtain in an unlawful and/or forbidden manner any information about competitors including technical information about services, prices, conducting negotiations or any other information that can provide DSV Israel business advantage over competitors.
- Secretive relations with competitors for the purpose of misleading customers are forbidden.

5. Assets

The assets of DSV Israel, physical and intellectual alike, were accumulated over many years and they constitute the backbone of its capital and strength. The Company's assets are intended for the use of the Company and its employees solely for the purpose of reaching its goals, and any other use - whether for gaining profit or personal benefit or for activities that are unrelated to work - is considered as damaging to the Company.

5.1 Fixed assets and properties

- Any item received by the Company falling under the category of fixed assets shall be recorded as such in the Company books.
- The Company's employees shall maintain the Company's equipment in fit and operating condition.
- Taking any equipment, property and items outside the Company will be done in accordance with Company policy and following approval by authorized entities.
- Employees shall report any change in the condition of equipment including location, loss or damage to their supervisors. Handling such circumstances shall be done in accordance with Company procedures.

5.2 Computer systems

- Any use of the computer system by employees shall be done for Company purposes only.
- Computers shall be used in an appropriate and professional manner in order to prevent damage to valuable equipment.
- Any purchase of a computer system, hardware or software shall be done only through the IT department in accordance with Company procedures and requirements.
- Software shall be used according to its terms of use and upon receipt.
- Use of unauthorized software is forbidden. Installation of illegal software in a computer is forbidden.
- Use of software that was not legally purchased or received is forbidden.
- Employees shall use the Internet reasonably and for Company purposes only while adhering to maximum confidentiality of information and preventing harm to the Company's image, reputation and business relations. The Company shall make the necessary arrangements for the purpose of securing its information, maintaining its confidentiality and preventing its loss in a number of ways as follows:
 1. Protecting confidential information according to existing procedures practiced by the Company.
 2. Maintaining an information security system.

3. Maintaining backup procedures for the purpose of protecting information.
 4. Training employees on the subject of computer and information security.
- H. The Company reserves the right to control and monitor the use of information systems and, for that purpose and to the extent that that it sees fit, to examine, monitor and review computer files in different directories and personal computers that were given to employees. Such activities shall be done in accordance with the provisions set forth by law and while taking into account privacy issues.

5.3 Use of Social Media

DSV encourages the use of social media.

In the event that DSV's employees participate in private or professional advertisements on these platforms which involve DSV, there is an expectation that the employees shall faithfully support DSV's business objectives and values.

In the event that DSV's employees make use of social media from a private device or a device owned by the company during the work day or outside of working hours and this type of activity is connected with DSV, the following activities are prohibited are:

- Writing messages or advertisements including notes or content relating to race, gender, age related issues, sexual orientation, pornography, religious beliefs and religious customs, political beliefs or native origin, whether or not the notice or advertisement of this type are considered to be public or anonymously based.
- Notices or advertisements incorporating statements about any issue that could be interpreted as incorrect as regards DSV's point of view.
- Any type of fraud or theft of music and software content.
- Commercial software or any material protected by copyright belonging to a third party unless the download of the materials is approved under an agreement signed by DSV.
- Defamatory and/or deliberately false material about DSV, its employees and/or its customers or suppliers.

5.4 Intellectual property

The Company's intellectual property includes all the information and knowledge the accumulated by the Company in all its business activities - professional and administrative alike, including unique developments and work methods. In order to protect its intellectual property the Company has formulated control and monitoring procedures that restrict the use of this property according to Company requirements. The following principles and rules shall be adhered to when dealing with intellectual property:

- Company employees shall duly keep information and refrain from transferring unauthorized information to other entities. Any delivery of information to external entities shall be done after receipt of Company approval and in accordance with its policies.
- The Company implements a variety of hardware and software security methods in order to maintain information departmentalized and by so doing to prevent information from leaking to unauthorized entities.
- Employees shall conduct themselves in accordance with Company procedures when using different communication systems within the Company in order to prevent leaks to unauthorized entities.

5.5 Customers' and suppliers' assets

DSV Israel treats the intellectual property of other companies (including business information about these companies) according to the same criteria that it applies to its own intellectual property. The company treats this property respectfully while maintaining the rights of its owners and complying with the terms of use that were agreed upon in advance. The company shall not provide business information of one client to another.

6. DSV Israel as a workplace

DSV Israel is a workplace that aspires to provide its employees a pleasant and positive work environment, free from harassment and based upon mutual consideration while maintaining common conduct based upon good manners, appropriate conduct and personal appearance.

The work environment in DSV Israel is structured according to the following rules and principles:

6.1 Terms of employment

In order to ensure a high quality workforce that is capable of using its personal and professional potential to the maximum, the company's employment policy is based upon the following:

- Choosing employees is done based upon candidate skills, experience and suitability to relevant positions.
- The company maintains different systems and procedures aimed at protecting the employee and maintaining his social rights.
- The company enables mobility of employees among its different units according to its needs on the one hand and the employee's skills on the other.
- Employee promotion is decided by his superiors while adhering to the company's policy and taking into account the company's needs.
- The company invests in the professional development of its employees and managers at all levels by professional training sessions.

6.2 Attendance at work

Attendance at work constitutes the basis for payment of salary to employees and calculation of employment costs. The employee is responsible for reporting his attendance with his supervisor's approval at the end of each month. Reporting is done through a computerized system.

6.3 Safety at work

DSV Israel applies different measures to take care of its employee's health and safety and provides them with a safe work environment that is regulated by a system of safety and hygiene procedures based upon the following principles:

- The company ensures that the employee is familiar with safety procedures that are relevant to his work through guidance sessions, learning procedures and instructions, distribution of information and regulated control and monitoring procedures.
- Each employee must follow all relevant safety procedures.
- The company encourages the employee to work in a safer environment, be aware of safety hazards or potential defects and report them to appropriate entities.

6.4 Work environment free from harassment

DSV Israel opposes any kind of harassment towards its employees in the work environment. Aside from preparing procedures on the subject and appointing a supervisor in the company for the purpose of handling sexual harassment as required by law, the company wishes to make its employees more aware of this issue and encourages its supervisors to demonstrate awareness and sensitivity concerning this issue.

6.5 Political activities at work

DSV Israel acknowledges the right of every employee to have his own political opinion. Nevertheless, political activities during work hours are prohibited and the use of the Company's property, whether it is tangible or intellectual, for the purpose of promoting political causes is also prohibited.

6.6 Commitment to the environment and community

As part of being an advanced company that conducts itself according to the norms and values of the business community and shows responsibility and commitment towards environmental issues, DSV Israel maintains an environmental policy aimed at the welfare of the community. This policy is achieved through the company's procedures that regulate the company's environmental policy and its attitude towards the environment.

The company expects its employees to show awareness of environmental and social issues and do whatever they

can to protect the environment and keep the environment free from any nuisance and provide warnings as to concerns from environmental damage while being active in order to promote environmental and social issues.

7. Implementing business conduct norms and methods of control

The company's Charter manifests the company's worldview and business attitude together with guidelines concerning appropriate conduct that will manifest this worldview on a daily, practical level. This document contains the company's "Do's and Don'ts" in DSV Israel, deriving from the Charter of the global DSV Group.

7.1 Management and control

Implementation of the principles and guidelines provided in this code is under the responsibility of the Personnel Director of the company. The person in charge of business ethics and this Charter shall be responsible for the following issues:

- Implementing an organized training program for the purpose of teaching the Charter so that employees are aware of its content at all times.
- Updating the Charter and recommending necessary updates.
- Consultation with employees on the subject of business conduct or a specific issue specified in the Charter.
- Acting in a manner that conflicts with the principles and guidelines prescribed shall be handled in the following manner:
 1. Encouraging employees to report on breach of the Charter.
 2. Maintaining an accessible and confidential complaint process.
 3. Protecting the reporting employee from potential or actual harassment.
 4. Tracking the manner of handling the complaint.
 5. Updating the reporting employee about the manner of handling his report and consequences.

7.2 Duty of implementation

The duty to abide by the rules and principles set forth by the DSV global Charter and DSV Israel Charter and maintain appropriate business conduct is imposed upon all the employees of DSV Israel in all levels, according to their responsibility. As part of this duty, employees shall conduct themselves in the following manner:

- Employees shall learn the principles set forth by the Charter and sign the document. The signed document shall be kept in the employee's file.
- Employees shall act according to the instructions prescribed by the Charter and conduct themselves accordingly.
- Employees will be aware of circumstances in which the Charter is not followed.
- Employees will avoid from being present in circumstances that may lead to illegal or immoral activities and will not accept such conduct by others.
- Employees shall consult with their superiors about any doubt or questions in connection with the Charter.

7.3. Training program

- The business conduct principles and rules specified in the Charter of DSV Israel will be incorporated in the company's general training activities.
- The content of the Charter will be passed through a top-down process in which senior executives provide information to management members and then management members train their teams on the subject and so on until all employees are informed.
- The Charter shall be distributed among the employees and shall appear regularly in the company's internet website in Hebrew and English.

Sigal Mannheim Katzovich, Managing Director
March 2017



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