

Code of Ethics - Turpaz Industries Ltd.

Turpaz Industries Ltd. ("**Turpaz**"), is a growing multinational company operating itself and via subsidiaries in Israel, the United States, Asia and Europe (together: "**the Company**"), in the development, production, marketing and sales of natural and synthetic flavor and fragrance extracts for the cosmetics, toiletries and personal care industry, and for the food and beverage industry. Turpaz is also involved in the development, production, marketing and sales of intermediates and raw materials unique to the pharma industry. The company markets and sells more than 4,000 products to more than 1,500 customers in more than 25 countries around the world, and operates 13 manufacturing sites that include R&D centers, laboratories and sales and marketing offices in Israel, USA, Poland, Belgium, Latvia and Vietnam.

The Company's Code of Ethics includes the Company's core values which promote excellence, professionalism, fairness, transparency and integrity and it adds and does not detract from the laws and regulations applicable and enforced under the Company's day-to-day operations. The Company implements the core values in its work and opposite all parties who communicate with it, including employees, customers, suppliers, the capital market public and regulatory bodies.

The rules of the Code of Ethics, as set out below, set the standards that the Company sets for itself, which guide all the Company's employees, its officers (including the directors who serve in the company), who translate them into daily actions and decisions.

This Code of Ethics is for the benefit of the Company only, and no person or entity other than the Company may enforce it. The Code is not, and should not be construed, as creating a cause of action or remedy for any person or entity other than the Company, against the infringers of the Code.

The Company reserves the right to change, update, discontinue, or amend this Code or any part thereof as it sees fit, at any time, in part or in full, for any reason, and without the need for prior notice, consent or approval.

Compliance with the provisions of the law

The Company and its employees are obligated to comply with all the laws that apply to them and / or the Company in all the territories in which it operates. Company employees must recognize that an activity that does not comply with the provisions of the law, may impose liability on the company itself and on other Company employees.

It should be noted that the rules of the code of ethics do not replace any law applicable to the Company or any of the Company's employees and the rules of the code of ethics do not detract from or facilitate the provisions of the law and regulations but only add to them.

Preventing the use of inside information

Due to the fact that Turpaz is a public company traded on the Tel Aviv Stock Exchange Ltd., securities law applies to it, including the prohibition of the use of inside information. In order to maintain fair trade, officers, including directors, and the company's employees are prohibited from using direct and/ or indirect inside information disclosed to them, and they will act to ensure that information held by the Company or its employees will not be used for the purpose of making transactions in the Company's securities.

It should be emphasized that buying and selling securities using inside information constitutes a violation of the law by its executor and is strictly prohibited.

Prevention of bribery and corruption

The Company's employees are obligated to act in accordance with the principles of integrity and honesty, and to refrain from receiving benefits from business entities with which the company is associated.

The Company's employees will act with discretion and moderation in hosting or offering a benefit to customers, suppliers or other parties who maintain or are interested in maintaining business relationships with the Company.

Employees are entitled to receive only token gifts or affordable business hospitality.

Conflict prevention

Decisions in the Company will be made in the best interests of the Company and in the light of the good of the Company. Company employees will act in good faith and avoid situations that may put them in a conflict of interest. An employee who is in a potential conflict of interest should immediately contact his or her direct manager, the Company's internal legal counsel or external legal advisers.

It is clarified that the prohibition applies not only to a situation of actual conflict of interest, but also to any case of fear of a conflict of interest i.e situations that indicate the possibility of impairment of his/ her ability to perform his/ her job, for the good of the company.

Environmental responsibility

The Company complies with the requirements of the laws and regulations for the protection of the environment that apply to it and that pertain to its business. The Company invests efforts in the field of recycling, energy and water savings, and works to increase the Company's awareness of the field of sustainability and the environment.

Reliability

The Company and its employees are committed to the Company's customers and see them as partners along the way. The good of the customers is primary in the eyes of the Company, which is constantly working to strengthen customer loyalty. The Company also considers the suppliers with whom it communicates important partners, and creates relationships with them based on fairness and respect.

It should be noted that the Company is careful to act professionally with its customers and suppliers and avoids businesses with entities whose business is illegal.

Equal opportunities at work

The Company is committed to providing equal opportunity in all aspects of employment and bases its decisions in accordance with relevant considerations, without any consideration of prohibited characteristics such as gender, age, etc. The Company is committed to recruiting and promoting its employees on the basis of material considerations only, while emphasizing the skills, abilities and experience required of its employees.

Preventing Sexual Harassment

The Company is committed to providing a safe work environment for its employees. The Company operates in accordance with the Law for the Prevention of Sexual Harassment, 5758-1998, including the publication of the regulations by virtue of it, and takes preventive measures by regular training on the subject. The Company has appointed its legal advisor, Adv. Yoni Adini as its representative in such matters and she may be contacted directly via email and/ or phone.

Confidentiality

The Company and its employees are committed to maintaining the Company's business and commercial secrets, which includes, among other things, information about the Company's business, its partners, its customers, suppliers and employees. Company employees must take precautions to prevent the disclosure of confidential information outside the company, or to persons within the Company who are not authorized to receive this information. They are also required to protect the Company's business and commercial secrets, including from any damage, theft and / or loss, while taking precautions to prevent their disclosure to others.

This confidential information includes, among other things, company documents, information about business partners, information about suppliers, customers and other parties with whom the Company in any relationships, business plans, marketing plans, databases, strategic plans and the like. The employees of the Company may use the said information, only for the purposes for which the information was provided to them, and only to the extent required. Distribution and publication of information about the Company to the public may be done exclusively by the employees who have been expressly authorized to do so.

The aforesaid does not apply in cases where the disclosure is approved by the competent bodies, is obligated by virtue of the provisions of the law or in any case in which it is information that is already known to the public and constitutes "public domain". Insofar as there is an obligation to disclose the information by virtue of law, the Company's employees are required to contact the Internal Legal Adviser or the external legal advisers, in order to obtain specific instructions in accordance with the law.

This guideline applies to all employees of the Company and its officers, even after they leave the company.

Reporting of a violation

The Company's management expects its employees to follow the rules of this Code of Ethics and its guidelines. It will be clarified that this code of ethics includes common ethical and legal issues, but not all of them, and constitutes an additional tier to the personal values inherent in all employees of the Company.

The Company expects its employees to report to the Internal Legal Adviser or the External Legal Advisers, if in their opinion, there is a fear of violating the provisions of any law or the Code of Ethics or to consult the relevant parties in case of any doubt.

It should be emphasized that non-reporting is the same as a violation of this Code and that it is strictly forbidden to submit false reports knowingly (for example for the purpose of harming or harassing another employee).

Violation of the Code of Ethics is a violation of discipline

With the adoption of the Code of Ethics in the Company, any breach thereof will constitute a breach of discipline, without prejudice to further issues of the breach, civil or criminal, when it involves a breach of legal duty.

Violation of the provisions of the Code of Ethics may result in termination of employment of the employee in the Company and any reasonable suspicion of an incident with criminal indications will be referred to the appropriate law enforcement authorities.

The Company's Board of Directors or a committee on behalf of the Board of Directors has the authority to approve a deviation from a provision of the Code of Ethics in cases that it deems appropriate.

Applicable to subsidiaries

All provisions relating to the Company shall also apply to the employees and officers of the wholly owned subsidiaries.