

Netafim Group - Anti Bribery and Corruption Compliance Policy

Netafim Group (“**the Company**”) has adopted and rigorously enforces a Zero Tolerance Policy against all forms of bribery and corruption (“**the Policy**”). The Policy requires that the Company brings its strict Zero Tolerance Policy to the attention of its actual or potential Business Partners (as defined below).

The Policy encapsulates the Company's strong commitment to the highest ethical and legal standards and emphasizes compliance with all relevant applicable laws and regulations connected to the Company's activities relating to anti-bribery and anti-corruption (including, but not limited to, the Israeli Penal Code – 1977, the U.S. Foreign Corrupt Practices Act – 1977 and the U.K. Bribery Act – 2010).

The Policy prohibits all persons or entities with whom the Company has entered or is contemplating entering a business relationship, including but not limited to agents, finders, distributors and joint-ventures partners (together, “**Business Partner/s**”), and all employees of the Company, from offering, promising or giving anything of value or Facilitating Payments, directly or indirectly, to a Government Official or to any other third party (including from the private sector) for the purpose of influencing official or business action or otherwise obtaining an improper advantage.

Additionally, the Policy forbids the Company from entering into any business relationship with any person or entity it knows or is aware of circumstances giving rise to a reasonable probability that the third party has or may likely take actions prohibited by the Policy.

Furthermore, the Policy requires that throughout every relationship which the Company has with Business Partners, the Company shall continue to monitor such Business Partner for any "red flags" and potential misconduct or behavior inconsistent with the Policy.

The Policy requires that the Company's books and records be kept in a manner that accurately reflects all transactions and payments and provides all reasonable details. The Company shall maintain internal controls in place in order to confirm the correct recording of all transactions.

According to the Policy, any business relationships with a Business Partner which is found not to comply with the requirements of the Policy may, depending on the severity of the non-compliance and subject to applicable laws, be terminated by the Company.

Furthermore, no business relationship shall be re-established with a third party which previously had a business relationship with the Company that was terminated as a result of a failure to comply with the Policy, unless it is demonstrated to the Company that such third party is currently, and will continue to be in compliance with the Policy, and has implemented appropriate measures to ensure there is no repeat of practices which could be in breach of the Policy.