

# RAVAL Group Code of Ethics



May 2023

## Contents

1. Words from the CEO.....	3
2. RAVAL Group Values.....	4
3. Code of Ethics.....	5
3.1 Working at RAVAL.....	5
3.2 Working with RAVAL: customers, suppliers, competitors.....	6
3.3 Integrity and business ethics.....	8
3.4 Preserving and maintaining assets.....	9
3.5 Commitment to the Environment.....	10
3.6 The Community.....	10
4. Code of Ethics Application.....	11
Revision control.....	12

## **1. Words from the CEO**

**RAVAL Group** (all *Raval* sites and all *Arkal* sites - hereafter referred to as RAVAL Group or RAVAL) is a global organization, which develops, manufactures and supplies systems and accessories for the Automotive Industry worldwide, in two areas of expertise:

**Automotive Systems Division** led by **RAVAL ACS Ltd.**: Fuel Tank & Batteries Venting, Washing accessories and Brake Booster Valves.

**Automotive Light weighting Components Division** led by **Arkal Automotive**: plastic based products as replacement for heavier materials to reduce overall car weight.

The company's products provide an appropriate response to the world's growing regulatory demands for protecting the air quality while increasing passenger safety. As a global organization, the company conducts its business according to ethical values, culture and local laws.

**Our vision - RAVAL Group** will lead its people to develop products and technologies within its core business in the Automotive Industry.

We aim to produce our products in a qualitative and efficient manner while increasing our share in the global market.

Looking into the future, there are significant changes ahead within the automotive industry. Changes, which are expected to have significant impact on the company's future such as electrified cars (BEV), where fuel tanks are no longer used.

Via thinking "out of the box" (and out of the Automotive Sector), RAVAL will seek its next horizon, in channels other than its core business.

As derived from our values, we will maintain a community, which is dedicated to being a highly motivated and creative team striving for excellence.

RAVAL is determined to remain a company that focuses in contributing a higher quality of the air we breathe, and higher passenger safety.

This **Code of Ethics** expresses the company's commitment to behavioral standards expected of its employees, managers and directors. RAVAL down-streams this commitment to its suppliers.

The managers are responsible for implementing and preserving the Code of Ethics as a guiding tool among all employees.

***Nir Elimelech,***  
CEO

***January 2023***

## **2. RAVAL Group Values**

Through the following values, we wish to express our commitment to positive results, to stability, to creativity and innovation, and our full commitment to honesty and reliability in our commercial activity and in our work with people.

Our values are our organizational compass, towards which we adjust our behavior and our resolutions as individuals and as a company in order to reach our goals.

### **HONESTY AND RELIABILITY**

We base our organizational and commercial activity on honest and reliable cooperation – a shared goal arising from our internal interfaces. We aim to sustain an honest and reliable environment for the benefit of our employees, our customers, our suppliers and our shareholders.

### **STRIVING for PERFECTION**

Professionalism and perfection are core qualities in an environment committed to continuous improvement. Our commitment encourages excellence in our daily being and doing. We therefore respect diversities and differences amongst us, as qualities that nurture excellence.

We are committed to a high quality of products at each stage of development: design, production and marketing. This quality can meet the highest indicators of performance in order to keep RAVAL's sustainable competitive advantage in the market.

### **TEAMWORK**

As an honest and reliable organization striving for perfection, we aim for prosperous teamwork with our customers and suppliers. As such, we are committed to showing the genuine team spirit reflected in support, serviceability, and open communication. Moreover, we are committed to allowing constructive criticism whilst accepting and respecting the other in order to achieve our company's goals.

### **CREATIVITY**

Creativity is the core value of RAVAL; it is reflected in our innovative developments, and in the advanced production techniques we use. Thus, we aim for continuous improvement and the challenge of asking the right question whilst searching for the next horizon.

### 3. Code of Ethics

#### 3.1 Working at RAVAL

##### A. Working Relations:

RAVAL's values define our fundamental principles for human working relations:

**Mutual Respect** - Our organizational culture is based on relations of mutual respect among individuals. RAVAL forbids discrimination, harassment, or any kind of intolerance. This condition must be respected at all levels and under all circumstances.

**Trust** - ensures direct and open relations enabling an efficient and effective working environment.

**Transparency and Honesty** – allows us to maintain an open and honest dialogue ensures constant improvement, encourages creative and effective collaboration and allows effective delegation of responsibilities.

**Collaboration** – among employees, colleagues and managers is a basic condition of mutual fertilization, establishes a shared responsibility, and creates a synergetic environment.

##### B. RAVAL Commitment

Within the spirit of our business guidelines, we are committed, to uphold and observe international principles and laws with regard to human and employees' rights.

The guiding principles are:

- Protective Work Environment - RAVAL will provide its employees with a work environment that protects their health and wellbeing according to safety, hygiene, and environmental codes.  
We are fully certified for **ISO 45001**.
- Work and Rest Hours – RAVAL is fully committed to the local Work and Rest hours' laws. RAVAL activates a fair competitive reward and remuneration system by offering its employees a fair live wage salary, pension and other social benefits, in accordance with the performed job.
- Freedom of association – is a basic right of RAVAL employees.
- No Discrimination – RAVAL prohibits no discrimination against all employees on any grounds of religion, race, citizenship, gender, ethnicity or membership in any association. This holds true also for recruitment process - ethical process that avoids discrimination of any ground of the candidates.
- No Harassment - RAVAL guaranties a policy of zero tolerance for any sexual or moral harassment. Raval follows the regulations of the relevant State, according to local legislature.
- No Child or Forced Labor - RAVAL does not allow the use of child or forced labor in any of its global operations and sites. RAVAL expects its suppliers to uphold the same standards.

- Long-Term Employment Relations - RAVAL values and encourages long-term employment in order to develop and preserve knowhow, professionalism, and collaboration.
- Privacy – protecting personal information by classified as confidential and treat it accordingly.

### **C. Whistleblower and Anti Retaliation Policy**

- RAVAL provides a mechanism for the reporting of illegal activity while protecting the employees who make such reports from retaliation.
- It is the responsibility of all employees to report violations or suspected violations of the law in accordance with the policy.
- A person's concerns about possible illegal conduct should be reported to her / his direct supervisor. If, for any reason, a person finds it difficult or inappropriate to report concerns to their supervisor, the person may report concerns to the Human Resources Manager or another Manager in the site. Supervisors or managers who become aware of any suspected violation of the law or RAVAL's policy are required to advise the HR Manager and Site Manager, who will investigate the allegations.
- No employee, who in good faith reports suspected illegal conduct, shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.
- The HR Manager and Site Manager are responsible for investigating and resolving all reported complaints and allegations concerning violations. Under some circumstances, an outside investigator may be brought in to investigate, or legal authorities may be advised.

## **3.2 Working with RAVAL: customers, suppliers, competitors**

We, in RAVAL, see our customers, suppliers and even competitors, as partners in professional development and business action. As such, we are committed to them in our integrity, and our values, which are reflected in our partnership as providers and demanders, in order to establish a safe, proactive, and developing work environment.

### **A. Customers**

Customers are a major asset for RAVAL, and we strive to maintain high levels of customer satisfaction. We regard our customers' needs as a major factor, and hence, we are committed to providing them with professional teams, and suitable working processes and highly efficient outcomes.

The basic principles for fruitful cooperation with customers: maintaining confidentiality, awareness to risks of conflict of interests, paying attention to customer needs, achievement of the optimal solution and providing an accurate and reliable service throughout the interface with the customer over time.

## **B. Suppliers**

RAVAL purchases materials, equipment and services, emphasizing quality, service and price. Decision-making processes regarding the relationship with suppliers and purchasing is conducted according to law and RAVAL internal procedures. RAVAL chooses its suppliers fairly while taking into consideration all the relevant information.

RAVAL considers its suppliers as partners, and collaborates with them on a partnership basis, maintaining mutual trust, quality and reliability. RAVAL expects its suppliers to act under the relevant applicable laws and customary ethical rules.

RAVAL's suppliers must follow international Human rights laws, and uphold at least the same standards as RAVAL (see 3.1B above), as well as local legal requirements and regulations concerning Health and Safety.

RAVAL expects its suppliers to minimize the violations and damage to the environment resulting of their activities. Suppliers are expected to monitor and improve the effectiveness and efficiency of the environmental protection in their processes by reasonable use of natural resources and responsible waste management and chemical management.

The suppliers must follow anti-bribery and anti-corruption laws. In this context, RAVAL employees are committed not to accept or give favors or gifts, and not to show preferences to related persons and/or colleagues, either personally or professionally.

## **C. Competitors**

RAVAL manages its activities and business operations in an honest and fair manner, while preserving the rights of other parties. By following the antitrust regulations laws, RAVAL respects fair competition in line with our ethics code, and encourages cooperation in accordance with antitrust regulations.

### **3.3 Integrity and business ethics**

- A. RAVAL GROUP complies with the **Israeli Securities laws and regulations** as well as the **Companies Law**. In cases of violation, the Securities Authority has been empowered to impose financial sanctions and/or further enforcement measures on RAVAL GROUP companies and/or their employees.  
In this context, Raval has maintains a set of **Enforcement Procedures**, which is designed to ensure fulfillment and compliance with the provisions of the securities laws.  
The procedures are binding upon the whole RAVAL GROUP affiliates and their employees.
- B. Records and Reports Management - RAVAL maintains full transparency with its partners: employees, customers, suppliers and shareholders. Therefore RAVAL manages its records and reports according to the industry standards and thus enforces an organizational culture of transparency, integrity, obedience to the corporate laws of the State of Israel, subordination to international quality standards and/or any other issue, personal or standardized, which is significant to its partners.
- C. Daily work exposes us to information from different sources, some of which are confidential. We demand of RAVAL employees not to use organizational information of any kind and from any source, other than for work purposes. They must not transfer information to an unauthorized source, and no internal information shall be used for personal benefit. They shall not disclose processes, technology, programs, and / or any other information that may harm the company's performance, to any person, contractor or sub-contractor who is not authorized by the company to receive this information.
- D. RAVAL has developed and accumulated a considerable extent of engineering knowledge and knowhow, which has a technological added value to its customers worldwide. We are committed to keep this knowledge internally and not to transfer it to any foreign entity for any reason.  
Each employee must commit to this by signing the company's confidentiality documents.



### **3.4 Preserving and maintaining assets**

RAVAL is the owner of properties and assets all over the world, which include equipment, materials, knowhow and internal information, as well as valuable Intellectual Properties. RAVAL invests considerable effort in keeping its assets from misuse. RAVAL's employees use its assets for the business purposes of RAVAL only. RAVAL prohibits the use of its assets for profit or personal benefits or activities, which are **not** directly related to RAVAL.

#### **A. Use and Management of Internal Information**

Internal information is "*information concerning development of the company, changes in its business environment, expected development or change or any other information that is unknown to the public and would such information be known, it could significantly influence the stock value of the company or any other stock value on which the company's stock is based*" (securities law section 52a).

RAVAL Group employees are obliged to follow procedure **RVG2.11** – "**Prohibition on Use of inside Information**".

Securities law strictly prohibits the use of internal information either by an inside person or a related person who received, directly or indirectly, the information from an inside person.

Internal information is information about the company or related to the company that was not presented to the public, is unknown to investors, and concerns information that was not yet reported to the Securities and Exchange Commission and to the stock exchange. The information may concern the company internally.

#### **B. Equipment and Tangible Assets**

Raval's tangible assets and equipment is owned by RAVAL or by its customers and was established either by purchase, by self-production.

Each item of property / equipment, received in the company, is registered in the assets recording book of that company, according to its kind at each site separately. RAVAL is meticulous about proper use of assets associated with its customers and suppliers in the same manner it does in relation to its own assets.

#### **C. Using computer systems**

RAVAL uses its computer systems according to IT procedures. This is mainly to avoid business risks, as well as avoid any harm to individual rights, or the rights of third parties, by uploading inappropriate content, and/or misuse of the Internet or any relevant system. All these are done to ensure that the user does not infringe in any way RAVAL rules and codes of Ethics, or damage its image, its clients, partners, suppliers or any person or entity connected to it.

RAVAL operates a security system to prevent leaks of data and information, and maintain rights of privacy.

#### **D. Intangible assets - Intellectual property**

- RAVAL's core business includes, inter alia, development processes, which are carried out in the framework of its projects. Development processes constitute, in financial terms, an investment that is capitalized in the company financial statements. The capitalization reflects the equalization of development expenditures with future revenues of the project. RAVAL is obliged to conduct a strict, proper and careful supervision of the process by law.
- RAVAL is attentive to properly maintain and protect the company's intellectual property regarding developments and inventions of its employees, in part, by the registration of these inventions as patents and / or trademarks and other such means. We instruct and compel our employees to protect these rights.
- RAVAL requires its employees to sign a "Confidentiality Agreement" and renunciation of property rights, as part of the necessary protection of its intellectual property.
- RAVAL agrees to sign "Confidentiality Agreements" with external factors related to business activities, and respects and fulfills its commitments as set out in these confidentiality agreements.
- RAVAL is rigorous in respecting the intellectual property of others.

### **3.5 Commitment to the Environment**

RAVAL's core business is engaged directly in reducing air pollution, in every environment where our products are used.

RAVAL uses safe materials in its products, conforming to REACH requirements and are in conformance with Conflict Minerals requirements including uploading CMRT annually.

RAVAL maintains an environmental & safety system conforming to the requirements of international standards: ISO 14001 and ISO 45001, and works according to relevant local regulations in its facilities.

RAVAL is aware of the CO<sub>2</sub> emission impact on the environment and its possible risks to global climate.

In this spirit, RAVAL implements the necessary processes for identifying and preventing occupational health and safety risks in the working areas, uses safe materials in its products, as well as monitoring and minimizing the violations and damage to the environment and possible emission of CO<sub>2</sub>, resulting of its activities. RAVAL is following and controlling the use of natural resources and developing, as much as possible, responsible waste management

### **3.6 The Community**

RAVAL ascribes a great importance to integrate its employees' activities for the benefits of the community in general.

RAVAL chooses, once a year, at least one community objective to implement this principle.

#### **4. Code of Ethics Application**

The Process of implementing the Code of Ethics in the company and its transfer into immediate action is a significant stage in the formulation and development of the company organizational culture, which combines integrity and technical & business excellence.

To ensure the implementation of the process, RAVAL acts at several levels:

- All of RAVAL Group employees receive an overview of the detailed Code of Ethics and commit to act upon it.
- New employees are required to read, comprehend and commit to act upon the Code of Ethics.
- The Code of Ethics is available to all by distributing it through the company's IT system.

*Nir Elimelech, CEO*



*Moni Barak, CFO and Governance Enforcement Officer*



*Michal Azaria, HRO*



I hereby declare that I read the document, understand and agree to it:

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

## Revision control

<b>Revision</b>	<b>Nature of change</b>
December 2014	<ul style="list-style-type: none"> <li>- Add Raviv &amp; Arkal logo</li> <li>- Updates: words of the CEO, vision, section 4.5 (using inside information)</li> <li>- Add employee confirmation</li> </ul>
March 2016	<ul style="list-style-type: none"> <li>- Changes in words from CEO</li> <li>- Delete "mission Statement"</li> <li>- Update vision</li> </ul>
January 2018	<ul style="list-style-type: none"> <li>- Periodical linguistic editing</li> <li>- Adding references for: anti-bribery and anti-corruption &amp; escalation policy.</li> </ul>
November 2018	<ul style="list-style-type: none"> <li>- Updates in "Words from the CEO" &amp; "Vision"</li> </ul>
January 2020	<ul style="list-style-type: none"> <li>- Changes: Vision, page 6 (statement in the bottom)</li> <li>- Updating signatures</li> </ul>
December 2020	<ul style="list-style-type: none"> <li>- Updates: Words of CEO, 4.3B, 4.4B</li> <li>- 4.3C - new</li> </ul>
May 2021	<ul style="list-style-type: none"> <li>- 4.2 - passage moved to 4.3B</li> <li>- 4.3A - new, numbering updated accordingly</li> <li>- 4.5 - additions in A &amp; C</li> <li>- 4.9 – update wording</li> </ul>
May 2022	Overall changes in the document.
January 2023	updates in: 1, 3.1B ("Work and Rest Hours") & 3.5
May 2023	Updates in 3.1/B (No Discrimination ; Privacy); 3.5