



# Code of Ethics

Maman Group Business Ethos

This document is the Maman Group code of ethical business conduct, and it comprises our business ethos. The document comprises the rules and regulations of every facet of activity, defining the duties and undertakings of the supervisor of business ethics within the company and describes the way in which this responsibility is executed. The compilation of this code has relied on external sources as well as internal staff input, in which all managerial ranking employees have taken part. The guiding principles of the code of ethics are the point of reference of the Maman Group Business Ethos.

**The spirit of Maman:** In both a demanding and competitive atmosphere, the Maman Group has created an open-minded and transparent policy. The manager's aspiration towards excellence, coupled with experienced staff expertise enables the Group to implement its abilities to its fullest having a unique attitude that embraces a goal-oriented sense of loyalty and dedication towards both clients and suppliers.

**Commitment to quality:** The Maman Group is committed to outstanding standards of service quality. In order to maintain this value, we operate a first-rate internal quality control system that enables the Group and its varied constituents of its chain to maintain uncompromising quality.

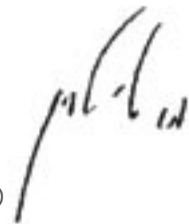
**Sharing knowledge:** The Maman Group's profound understanding of the various constituents of the supply-chain and its different needs, plus the latest trends enable it to be a valuable partner in any project in the logistics field.

**Continuous learning:** Curiosity, creativity and readiness to adopt new ideas are the basic building blocks in the Maman Group's ability to adapt to frequent changes that occur in the dynamic setting of the world of logistics, cargo and ground services.

Relying on these principles, the Maman Group aspires to be the leading logistics and aviation company in Israel; to continually strive towards excellence by providing the most advanced professional service having the highest quality to improve work procedures and render them more efficient to develop specialized, diverse services and widen the logistic services for the clients' benefit and satisfaction.

I am convinced with all my heart that successful implementation of the code of ethics of all managerial ranks and in every activity of the Maman Group, will give rise to the improvement of the quality of service that we provide our customers, ensure proper conduct in dealing with suppliers, and enhance the welfare of our employees.

Motti Levin, CEO  
Maman Group, January 2008



The Maman Group's code of ethics is built on rules and regulations to which both Israel and the international community are committed. The Group is committed to all rules, regulations and norms in every area of its activities, upholding universal moral values and proper managerial standards. Where the word "company", "Maman Group" or "Group" is mentioned throughout this document it refers to any one of the existing companies in the Maman Group. This document is not in exchange of any of the company's various regulations, but an addendum.

## Part I | Business Ethos that Guides the Maman Group

- High-level moral conduct: Integrity, loyalty, virtue, respect of others and appropriate business conduct.
- Regarding the company, its employees, clients, suppliers and business associates as full partners in achieving the company's goals and obligations.
- Fairness and decency in every interaction with clients, suppliers, business associates, competitors, government and public officials, as well as employees.
- High quality of services and processes, being continually upgraded and implemented by an inclusive quality control system.
- Full obligation towards all regulations, agreements and rules of business ethos that the company has taken upon itself.
- Regarding the client as the Group's principal asset and commitment towards maintaining the clients' satisfaction and loyalty.
- Regarding the employee as the key towards the Group's success, being committed to his/her advancement, encouragement and sense of belonging as well as identifying with the company's objectives through equal opportunities for every employee, regardless of age, gender or race.

Following are the guidelines of the business code of ethics of the Maman Group.

### 1. Appropriate business conduct

**The Maman Group conducts its business responsibly, with integrity, loyalty and impartiality, by obeying the law and the rules of appropriate business conduct. This commitment pertains to each and every employee in the Group. The Group operates an inclusive control system ensuring complete adherence to these principles.**

#### Virtue

- Each employee must behave with integrity and morality in his/her workplace.
- Each employee must behave according to the accepted moral norms and values in every interest and connection in which he/she is representing the company.
- Maman Group encourages its employees to report any possible affront; the company will conduct either an internal or external investigation, in accordance with the circumstances.

#### Benefits and kickbacks

- The Group forbids employees to accept benefits from any source other than the Group itself, if they are in lieu of work or connected

to an employee's function in the company or if it affects his/her work performance.

- It is incumbent upon any employee who has received any type of benefit to return it to the provider accompanied by a letter of explanation presenting the Group's policy. A copy of the letter will be given to the company's business ethics representative. If no such representative exists (see Part II Section 1) the letter will be given to the vice CEO of personnel of the company.
- If there is a risk that returning the gift will cause detriment to the Group's position, the employee must notify his/her supervisor and proceed accordingly.
- The Group forbids any superior to receive benefits from a subordinate, either directly or indirectly.
- The Group will make certain that no employee will be involved in any business transaction that will result in receiving kickbacks or is in his/her personal interest.

#### Conflicts of interest and other business transactions

- Employees must refrain from activities, investments, and business liaisons that conflict with or might conflict with his/her position in the company, without that company's detailed written permission.
- The Group forbids any private business transactions with a client, supplier or competing organization, if it may cause conflict of interest between this activity and any activity within the Group.
- In any event of doubt regarding conflict of interest, the employee must receive guidance from his/her supervisor or personnel advisor and proceed accordingly.
- The Group forbids employees to carry out any business transaction (i.e. purchasing products or services) outside the workplace, with any work associated entity, unless provided with specified permission to do so by an authorized person in the company in which the employee works. Any fee involved in this authorized business transaction will be determined in advance according to the accepted rate.
- The Group forbids any business relationship between manager and subordinate after working hours, in order to prevent deviation from proper working relationship.

#### Gifts

- The Group forbids any activity involving the exchange of gifts that might ostensibly be interpreted as an attempt to obtain exclusive treatment or alter decisions.
- The Group is aware of the nature of forming a personal rapport with co-employees as well as external work-related liaisons. Each employee must ensure that in any event of forming this type of liaison no conflicts of interest or acceptance of benefits of any kind will result.
- Below is a list of benefits and/or gestures that employees are permitted to receive without concern:
  - Accepting token advertising aids carrying a company logo.
  - Accepting a gift for a family celebration or event from those



invited to the celebration – whether it be a colleague or a person involved with the company with whom the employee has formed a relationship.

- Accepting an award that is given in a public forum, even if it involves the employee's work.

If any other type of gift or gesture is offered to an employee, it must be reported to the employment ethics supervisor.

### Privileged information

- The employee will not make use of any privileged information obtained as a result of his/her work, to his/her personal advantage.
- The Group forbids passing on any information obtained as a result of employee's work that is not at the public's disposal.
- In the event that an employee is the shareholder, investor or has control over stock of any Group entity, competitor, supplier or client, and this affects his/her ability to carry out his duties within the Group, he/she must report it to his/her superior. If there is concern for collateral damage as a result of these stocks, it is incumbent upon the employee to sell the stock.

## 2. Marketing, sales and clients

**The Maman Group holds its clients as its main asset and does everything in its power to maintain their satisfaction by providing a high quality standard of services, technology and loyalty as well as uncompromising preservation of integrity and decency.**

### Business transactions

The Maman Group is highly involved in all operative processes of its clients. At the same time, the Group will not consciously participate in any activity that is not in appropriation with the law, pertaining to the time and place in which the Group acts.

### Information and advertising material

The Maman Group provides its potential clients with information in order to represent the Group's business endeavors, the types of services it provides, and its various technological and managerial capabilities. This information is presented as different types of advertising material (brochures, leaflets, digital presentations) that are utilized as a marketing aid means. Information will be conveyed according to the following principles:

- Maintaining precision, reliability and integrity when editing material, while adhering to the company's policy and with the CEO's approval.
- Using the Group's privileged information, provided it has been authorized for publication.
- Presenting comparative data of competing organizations / services will be carried out under the condition that the data has been obtained from the following sources: competitors' official advertisements or research, and polls carried out by a known research institution.

### Tenders

Procuring tenders is an integral part of the Maman Group's efforts to obtain new clients and increase its activities. While procuring tenders the Group strictly adheres to all rules and principles to which it is committed as outlined below:

- Procuring tenders is based upon the norms and regulations accepted

in the country from which the tender is published and upon the accepted universal norms regarding the running of tenders.

- It is incumbent upon the Group's employees, associated with running a tender, to be familiar with the norms and regulations related: the accepted universal regulations regarding tenders; the rules and regulations of the country from which the tender was published and the specific regulations defined for that tender. The company will ensure that its employees become familiarized with the necessary knowledge.
- In the event of ambiguity regarding the running of a tender, the issue will be discussed among the appropriate ranks within the company or Group, being authorized by the CEO of the Group.
- The Maman Group's expectation of winning tenders is based on its capabilities and advantages alone, and not on unrelated considerations or attempts at misrepresentation.

### Bids and estimates

Pricing of the Maman Group's services is based on standard profit-cost calculations, aspiring to increase sales as well as profits. Preparation of estimates will be done according to the following regulations:

- The commercial entities in charge of pricing and presenting estimates will ensure at the earliest possible stage to investigate the following issues:
  - The company's ability to assume all of the responsibilities involved in the task: standards, quality and reliability of the product; necessary permits and authorization, time-tables and deadlines for supply; any other demands made by the client.
  - Appropriating the transaction according to the Maman Group's regulations regarding conditions of payment and providing credit.
  - Level of securities requested by the client.
  - Maintaining any limitations regarding contact with a client set by the Maman Group or any other entity.
  - Providing the necessary permits needed in order to execute the transaction.
- Signing the estimate will be conducted only by authorized entities of all companies or by the Group, according to the subject and scope of the transaction.
- The Group will advise those entities involved in preparing estimates.

### Negotiation

The negotiation level is critical in the process of finalizing any business transaction in order to exact the best prospect and achieve optimal conditions for execution. Negotiation with a client is the responsibility of those entities that have provided the estimate and any additional entities within the company, according to their assessment: the project's development manager, procurement manager, financial manager, legal counsel, etc. As the head of negotiations, the commercial entity will conduct management according to the following regulations and principles:

- The commercial representative will receive in advance from the company's authorized signatories, authorization and counsel in carrying out negotiations.
- The commercial representative will not guarantee, either in writing or verbally, ameliorations or additions that were not defined prior to giving the estimate or in the written contract.
- In the event of the request of additions or amelioration by the client, the commercial representative will apprise them to the CEO of the company.

### Formulation and signing the contract

Signing the contract constitutes the official commencement of the business transaction. The formulation and signing of the contract will be executed according to the following principles:

- Strict adherence to the veracity of the formulation of the contract, ensuring the company's ability to comply with all its conditions.
- The final draft of the contract will be executed by the Maman Group's legal department, adhering to full and precise detail of all technical, financial and legal conditions.
- Signing the contract, including all content and clauses will be executed only by signatories authorized for this purpose by the company according to the company's regulations.
- The Group will ensure the training of all entities involved in preparing contracts.

### Customer service

The Maman Group regards customer service as part of its commitment to all of its clients. Reliable and professional customer service contributes to improving customer satisfaction and maintaining the Maman Group's loyalty, as well as improving its reputation and strengthening its image. Customer service will be conducted according to the following regulations and principles:

- Planning customer service will take place in advance and will be taken into account during the pricing process and resource allotment for the transaction.
- Service provision will be arranged in the contract between the company and the client on a business basis, and will be conducted according to the conditions of the contract.
- Any action, change or utilization of merchandise during or following the transaction with the client, or the utilization of the client inventory or property, not within the framework of the written agreement, will be conducted only with the complete compliance and permission of the client.
- Customer service will be overseen by professional employees who have been appointed for this task and who have been trained for this purpose by the company.
- The companies within the Group will stay abreast of the level of customer satisfaction by holding a meeting in order to receive their feedback.

### Relations with clients and suppliers from abroad

The Maman Group strictly adheres to all the conditions, rules and regulations customary in the international business community in general, and in each and every country with which it works in particular. The Group's regulations and principles guide every business transaction abroad:

- Maintaining the system of rules and regulations customary in the target country, including laws of national and international trade.
- Maintaining proper conduct of each employee throughout every business trip, including full adherence to local laws and precluding any behavior that might be interpreted as an affront to religious or cultural values, or be detrimental to the interests of the State of Israel or the Maman Group.

## 3. Affiliation policy with suppliers

**Within the framework of providing the uncompromising quality service, the Maman Group strictly adheres to high-level quality materials, merchandise, the work and service it acquires. The company regards its suppliers as a committed entity to advance its interests and business success. The process of choosing a supplier is done on the basis of degree of quality, cost, reliability and service according to the company's policy.**

**In all areas of affiliation with suppliers, Group's companies will conduct themselves according to the following regulations and principles:**

- Selecting a supplier will be carried out according to the relevant company policies.
- Selecting a supplier will be carried out impartially and according to the following considerations:
  - The quality and reliability of the supplied services or work.
  - The level of investment required of the Maman Group in order to establish the expected standards from the supplier.
  - The financial solidity of the supplier and its ability to adhere to commitments e.g. deadlines and costs.
  - Licenses, permits, and relevant authorizations.
  - Reputation, experience, recommendations and prior association.
- The company employee must give the supplier a detailed description of expectations, including characterization of product or service, scope, content, quality and time table.

## 4. Conduct towards competitors

**The Maman Group regards competition as an integral part of all business transactions and utilizes it as a spring-board towards improving and developing the company's attributes. The company behaves impartially and respectfully towards its competitors with the belief that emphasizing company attributes without criticizing the competitor, is the correct path towards successful business.**

- Employees suppliers or representatives will not attempt to unlawfully obtain information about the company's competitors, including technical information regarding services, prices, negotiations or any other information that can provide the Maman Group an advantage over the competitor.
- No covert contact should be made with a competitor that will mislead a client.
- The company encourages ecological cooperation, for the welfare of the individual, and society in Israel and the world, even when it requires collaborating with competitors.

## 5. Assets

**The Maman Group's assets, both physical and intellectual, have accumulated over the course of many years and they form the basis for its fortune and solidity. The company's assets are intended for use by the company and its employees for the sole purpose of the company. Any other purpose, either for personal gain or interest, or outside the workplace, is detrimental to the company.**



### Fixed property and equipment

- Any item received as fixed assets will be noted in the company ledgers.
- Company employees will protect company equipment.
- Removal of equipment, property, or any other commodities from the company will be carried out according to the company's regulations and through the proper authorized channels.
- Employees must report any change in the state of property to his/her supervisor, including placement, damage or loss. This will be addressed according to the company's regulations.

### Computer system

- Any and all use of the computer system will be made for the sole purpose of the company.
- Use of the computer system will be made correctly and professionally in order to avoid damaging valuable property.
- Every purchase of a computer system, software and hardware, will be made under the authorization of IT and according to the company's regulations.
- Use of software will be made only according to the condition of sale or receipt.
- No use should be made of any software that has not been accepted by the approved authority.
- No use should be made of any software that has not been purchased or received lawfully.
- The Internet should be used responsibly and only to serve the company, adhering to the utmost confidentiality, in order to prevent any detriment towards the company's image, reputation or business relationships.
- The company will secure information, maintain confidentiality and prevent information loss in a number of ways:
  - Saving classified information according to the company's current regulations.
  - Maintaining a data security system.
  - Maintaining back-up regulations to save data.
  - Educating the employees towards awareness and being alert regarding computer security and securing data.
- The company reserves the right to monitor use of the data base, to investigate or inspect any of the various computer files or libraries at the employees' disposal.

### Intellectual assets

**The intellectual assets of the Maman Group include any information or data accumulated in any of its business endeavors – professional as well as managerial, e.g. patents, exclusive developments and specialized work methods. In order to protect the company's intellectual assets it has devised overseeing regulations that limit the use of these assets. Within every area of protecting its intellectual assets the following rules and regulations will be followed:**

- All company employees must protect information and avoid passing on information that has not been authorized, to other companies. Any transference of information must be carried out under the company's direction and according to its regulations.
- The company operates various types of software and hardware security programs in order to protect compartmentalization of information and prevent disclosure of information to unauthorized entities.

- Employees will conduct themselves according to the company's instructions in all areas concerning the use of the communication system in order to prevent the disclosure of any material to unauthorized entities.

### Client and supplier assets

The Maman Group regards the intellectual assets of other companies (especially business information and other information regarding them) according to those criteria that guide the company with regard to its own assets. The company ensures responsible implementation of these assets while protecting the rights of the owners and adhering to the conditions of implementation agreed upon in advance. The Maman Group will not pass on one client's business information to another.

## 6. The Maman Group as a work place

**The Maman Group is a work place that strives to provide its employees with a pleasant and positive working environment, free of harassment, and based on mutual consideration of feelings, and preserving the accepted codes of decorum. The following are the regulations and principles according to which the Maman Group work environment is built:**

### Conditions of employment

Aspiring to ensure high-level quality employees that maintain their full personal and professional potential, the Maman Group adheres to an employment policy according to the following regulations and principles:

- Selecting employees is carried out based on the applicant's skills, experience and compatibility to the relevant position.
- The Group maintains a system that protects the employee and his/her rights.
- The company enables its employee's mobility among the different divisions according to the needs of the company, and/or employees' preference.
- Promotion of the employee is determined by his/her supervisors according to the company's policy and needs.
- The company invests in the development of its employees and managers on all levels through training and direction.

### Work attendance

Attendance creates the basis on which to determine the employees' salary and assessing work costs. The responsibility of reporting attendance lies on the employee, authorized by the manager at the end of each month. This report is processed by a computerized system.

### Work safety

The Maman Group ensures the safety and health of its employees and provides them with a high quality, safe and well-functioning environment through a system of safety regulations guided by the following regulations and principles:

- The Group ensures that its employees are made aware of the safety regulations relevant to his/her work through a system of instruction, and practice, circulating information and conducting organized monitoring.
- It is mandatory for all employees to adhere to all safety regulations.

- The company encourages its employees to strive towards a safe work environment, to demonstrate awareness of safety by locating possible dangers or potential system failures and to report them to the proper authority.

#### Harassment-free work environment

The Maman Group condemns any type of harassment towards its employees in the work environment. Along with organizing regulations and appointing a person in charge in every location to deal with complaints of sexual harassment according to the law, the company aspires to raise the awareness among its employees and encourages them (especially appointees) to demonstrate heightened sensitivity and alertness in this area.

#### Political activity at the work place

The Maman Group recognizes everyone's right to his/her political opinion. Having said that, it is strictly forbidden for an employee to carry out any political activity in the work place and during work hours, use any of the company's assets, either physical or intellectual, in order to promote political opinion or objectives.

#### Commitment towards the environment and community

As part of its being a progressive company that adopts community and business values and demonstrates responsibility and commitment towards environmental resources, the Maman Group adheres to a policy that protects the environment and the community's welfare. This policy is implemented through a system of company regulations, organizing the concern for the environment and protecting its quality.

The company expects its employees to demonstrate awareness towards the environment and society, to do their utmost to protect it by preventing hazards, demonstrating caution and concern in light of possible environmental hazards and requiring pro-active conduct in order to promote quality in the environment and society in which they live.

## Part II | Implementing business ethics and monitoring procedures

**The document entitled Code of Ethics, contains the Maman Group's ethos and philosophy along with rules of conduct that is manifested by this philosophy by the manner in which the Group is managed, and comprises its code of ethics.**

### 1. Management and monitoring

**The implementation of the code of ethics is the responsibility of the Maman Group's deputy CEO of personnel. The code**

**administer, appointed by the Group, will monitor the following areas:**

- Conducting an organized workshop to initially integrate the code, to continually maintain instructional expertise.
- Maintaining and updating of the code and recommendations for necessary updates.
- Advising employees on every matter regarding business conduct or specific guidance found in the code.
- Addressing violation of the code including:
  - Encouraging employees to report code violations.
  - Creating approachable and discreet venues for complaints.
  - Protecting employees from real or potential harassment.
  - Follow-up regarding complaint.
  - Notifying and updating complainant of results.

### 2. Mandatory implementation

**It is mandatory to implement the code of ethics, to adhere to its regulations and proper business conduct that is incumbent upon every employee of the Maman Group, at any level, each in his/her field of responsibility. As part of this duty, employees will conduct themselves according to the following regulations and principles:**

- They will familiarize themselves with the code of ethics.
- They will adopt its demands and behave accordingly.
- They will demonstrate alertness in cases in which the code is not being maintained.
- They will avoid as much as possible situations that are liable to lead to unlawful or immoral activities and will not tolerate this behavior by others.
- They will seek advice from the head of the code of ethics if in behavior is in question or doubt.

### 3. Instructional plan

- Enforcing the regulations and principles of the code of ethics will be combined with the activities and general training of the company.
- Memorandum will be conveyed by the managers to their employees. Thus, creating a top-down process among senior managers to management members, and from there each member of management will instruct his/her staff, etc. down to the last employee.
- The code will be distributed to the employees and will appear permanently on the Maman Group's Internet site and its subsidiary companies, in English and in Hebrew.



**MAMAN** ממן

LOGISTICS IS OUR EXPERTISE

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