



The Caesarstone way

# Our Code of Conduct

# Table of content

<b>Message from the CEO</b>	<b>3</b>
<b>Part 1: Introduction</b>	<b>4</b>
A. Our Values	5
B. Our Code’s Purpose	7
C. Personal Responsibility for Compliance	7
D. Speaking Up	8
<b>Part 2: People First</b>	<b>9</b>
A. Diversity and Inclusion	10
B. Respectful Environment	12
C. Health and Safety	14
D. Environment and Sustainability	16
E. Our global and local community	18
F. External Communication	20
<b>Part 3: Accountability</b>	<b>22</b>
A. Compliance with Laws, Rules and Regulations	23
B. Avoiding Conflicts of Interests	25
C. Maintaining Strong Internal Controls	27
D. Prohibition on Insider Trading	29
E. Preventing Corruption and Bribery	31
<b>Part 4: Innovation</b>	<b>34</b>
A. Confidentiality, IP and other Company’s assets	35
B. IT and Cyber Security	38
C. Data Protection and Privacy	41
<b>Part 5: Winning Spirit</b>	<b>43</b>
A. Competition, Antitrust and Business Intelligence	44
B. Delivering Product Quality	46
C. Fair dealings	48
<b>Part 6: Reporting concerns and asking questions</b>	<b>50</b>
<b>Part 7: Administration and Enforcement of the Code</b>	<b>52</b>
<b>Annex A: Certificate of Compliance</b>	<b>54</b>

PART 1

# Introduction

# A. Our Values

---

Caesarstone's core values serve as an internal compass and reflect who we are and who we want to be, as individuals and as an organization.

Our values are reflected in everything we do- each decision and interaction. We treat our employees, customers, and partners with dignity and respect. We welcome and embrace diverse perspectives. We solve problems and create solutions as a team. We identify and manage expertise to maximize professional skills. We anticipate customer needs and drive innovation for their benefit. We constantly deepen and expand our knowledge, striving for excellence and the highest quality.



## People First

We treat each other with fairness and respect. We consistently provide opportunities for professional development and personal growth. The health and safety of our employees, suppliers, partners and communities are our first priority.



## Accountability

Together, we take ownership of our business and future. We are responsible for the actions we both directly and indirectly influence. Our behaviors and results are aligned with our goals.



## Innovation

We are committed to fresh thinking and breakthrough ideas that create value for our customers and our business. We embrace curiosity and creativity in our endeavor to lead the industry.



## Winning Spirit

We are enthusiastic and foster a ‘can-do’ attitude in striving to be No 1. We are committed to excellence and setting goals that challenge us. We share and celebrate our achievements. We harness our entrepreneurial drive, embrace challenges that may come our way and strive to overcome them.

These values and behaviors are  
the corner stones of our organization.

## B. Our Code's Purpose

---

This Code is adopted by Caesarstone Ltd. and its subsidiaries (the “Company” or “Caesarstone”) as a reference guide to support our day-to-day decision-making and behaviors. Each conduct is centered on our values and is designed to explain and identify areas in which acting in accordance with our values is particularly important. The explanations are followed by practical guidance, including questions and answers that illuminate particular issues.

The Code applies to all Caesarstone employees, officers and members of our Board of Directors. We expect that independent contractors and service providers who are subject to the Company's supervision and control and/or providing service on the Company's premises, will respect and adhere to the principles of the Code.

## C. Personal Responsibility for Compliance

---

While the Code helps us address some of the most typical ethical and legal issues and dilemmas we may face, it cannot cover every situation. Guided by our values and good judgement, we are all expected to do what is right, use the resources described in this Code and to take responsibility for our actions.



You are responsible for being aware of the potential risks that are relevant to your job responsibilities, being knowledgeable of the Code and any policy relevant to your role, being committed to following the Code and promptly asking questions or raising concerns, and serving as an example for compliance and ethical conduct

## D. Speaking up

---

You are encouraged to ask questions and raise concerns. We invite you to share and discuss any dilemmas that you face during your workday with colleagues and managers. Honest, responsible communication, as well as the opportunity to learn from each other's experiences, are key to our constant growth and improvement. All available reporting channels and their respective contact details are provided in Part 6 of this Code. Confidentiality is always respected. Any retaliation against an employee who raises a good faith concern is grounds for discipline, up to and including dismissal.

# Zero tolerance for retaliation

It takes courage to speak up when something is not right. You will not be penalized for reporting what you believe, in good faith, to be a breach of the Code - even if it later turns out that a violation has not occurred.

PART 2

# People First

We treat each other with fairness and respect.  
We consistently provide opportunities for professional development and personal growth. The health and safety of our employees, suppliers, partners and communities are our first priority.



# A. Diversity & Inclusion

---

## Why is it important?

Caesarstone values the diversity of backgrounds, skills and abilities that a global workforce brings to its business. Providing equal opportunities to develop people's full potential encourages higher quality and more productive work, reduces employee turnover, and increases morale and engagement.

## Our fundamental commitments

- We recognize each other's diverse abilities and experiences and accept different perspectives
- We make employment related decisions based on business needs, job qualifications and employee competencies and expertise
- We do not discriminate based on characteristics that are protected by applicable law and treat all employees fairly without regard to age, race, nationality, origin, religion, gender, color, place of residence, condition of pregnancy, fertility treatments, marital status, parental status, disability, veteran status, sexual orientation, political preference, viewpoint and military reserve service
- We respect the right to freedom of association pursuant to applicable laws

## Q&A

*I noticed that my boss favors employees of a certain background over others. What should I do?*

If you feel that you or any other employee has been discriminated against due to any legally protected characteristic, you should raise your concern by notifying your local HR representative or using any of the reporting channels described in *Part 6*.

## Q&A

*During a staff meeting, few co-workers made a comment involving religion that made another co-worker uncomfortable. The comment was not directed at me, so I am not sure I should get involved. What should I do?*

Report it. No employee should be made to feel uncomfortable due to their religion, race, gender or any other characteristic. If you are uncertain whether a comment was inappropriate or offensive, you should share your dilemma with your HR representative or use any of the reporting channels described in *Part 6*.

# B. Respectful work environment

---

## Why is it important?

We share responsibility for fostering a respectful workplace that develops our people and helps us achieve our potential as individuals and as a company. Workplace harassment is destructive to the workplace and the team we seek to foster. The Company is committed to provide a place of work free of sexual harassment, intimidation or exploitation. Workplace violence of any type will not be tolerated.

Substance abuse prevents a professional working environment and endangers the health and safety of our employees. Other than reasonable consumption of alcohol in connection with an authorized or sponsored event, and only to the extent it does not impair job performance, lead to inappropriate behavior, endangers the safety of others, or violates the law, it is prohibited to be in possession of, use, sell or purchase illegal or unauthorized drugs, narcotics or intoxicating substances while conducting Caesarstone's business.

## Our fundamental commitments

- We maintain a respectful workplace and any forms of harassment or bullying are prohibited
- We encourage the immediate reporting of offensive, threatening or violent behavior
- We do not buy, sell, possess or use illegal or unauthorized drugs, nor do we work under the influence of alcohol subject to the Company's policy
- We do not bring firearms or other weapons or dangerous materials to a work location or function for which we do not have proper license, and without first obtaining prior consent from the facility's safety manager

## Q&A

*A fellow employee has called me derogatory names and constantly tells others that I am not qualified to do my job. How should I handle the situation?*

Harassment and intimidation of any type are destructive to the culture of our organization and are not acceptable. You should contact your direct supervisor or your HR representative using any of the reporting channels provided in *Part 6*.

## Q&A

*In an email thread involving a large group of employees, two of my coworkers sent messages containing sexual content. It made me uncomfortable, but I feel awkward being the one that stops this correspondence. What should I do?*

Caesarstone is committed to maintain a professional work environment in which you are treated with dignity and respect. Any form of harassment, including inappropriate communication that makes an employee uncomfortable, as in this case, is not acceptable. In addition, this does not constitute responsible use Company's resources. If you feel uncomfortable speaking with your co-workers directly, you should contact your manager or your local HR representative for assistance. You may also use any of the reporting channels described in *Part 6*.

# c. Health and Safety

---

## Why is it important?

We are committed to conduct our activities with the highest regard for the safety and health of each other, our business partners, customers, consumers and the general public. We are continuously working to improve our safety record by instilling a strong safety culture worldwide. Each of us is responsible for, and shares in the benefits of, a safe and healthy workplace. Any behavior and activities that undermine safety are prohibited.

Our industry is facing risks associated with adherence to health and safety requirements relating to crystalline silica dust. These risks, if unaddressed, threaten the lives of people working with our products. We are committed to educate our employees, our partners and the market in order to increase awareness and health and safety compliance, and are constantly working to further reduce these risks.

## Our fundamental commitments

- We seek to understand the hazards associated with our work, in order to manage risks responsibly
- We strive to meet or exceed all applicable safety and quality standards
- We are knowledgeable of and follow applicable employment, safety, health and security policies, procedures, laws and regulations
- We do not start working with equipment before we received appropriate training. If our job requires it, we use necessary protective equipment at all times



- We report any accidents, incidents of noncompliance, or any other matter posing a threat to health or safety in accordance with our policies and procedures
- We take action to correct unsafe activities
- We never do anything that we believe could compromise the safety of our products

## Q&A

*My supervisor, unaware of the fact that I have not completed my training to operate lift equipment, has asked me to use a forklift. What should I do?*

You should immediately tell your supervisor that you have not completed your training. Your supervisor should advise you not to operate the forklift and ensure you get the necessary training to assist in the future. Your supervisor will find another employee to help with this particular task.

## Q&A

*At the end of my shift, on my way out of the plant, I noticed that a machine guard is not secured in its place. This is not my team's area of responsibility. What should I do?*

You should immediately notify your facility's EHS manager. Each of us is responsible for a safe and healthy workplace, and it is important to report any such incident as soon as you become aware of it, even if it is outside of your scope of responsibility.

# D. Environment & sustainability

---

## Why is it important?

Caesarstone is committed to conducting its business in compliance with all applicable environmental laws, regulations and permits in a manner that has the highest regard for sustaining the environment in which it operates. As we develop, manufacture and market our products, we work to reduce the environmental impact of our processes.

## Our fundamental commitments

- We follow applicable environmental laws, regulations, and standards
- We expect employees, officers and directors to follow and implement our policies and instructions
- We utilize materials efficiently in product design and manufacturing
- We report any potential or suspected violation to the Company's Environment, Health and Safety (EHS) team, or use any of the reporting channels listed in *Part 6*.

## Q&A

*I started working at Caesarstone few weeks ago and don't quite understand the internal employees guidelines relating to EHS. What should I do?*

You are encouraged to ask questions, particularly in matters involving health and safety. You can approach your direct supervisor, your facility's EHS manager or raise your questions through any of the reporting channels in *Part 6*.

## Q&A

*I realized that 100% of my printing needs can be met by using recycled paper. However, I am not sure about the Company's policy in this respect and what other employees need during their work. I am not sure who is the right person to approach with this initiative. What should I do?*

At Caesarstone, we encourage employees' questions, particularly initiatives that can contribute to the Company and the environment in which we operate. You should raise your idea to your direct supervisor, EHS manager or use any of the channels in *Part 6*.

# E. Our global and local community

---

## Why is it important?

Acting in a socially responsible manner is a value that we support both as a corporation and as individuals. We respect international social principles aimed at promoting and protecting human rights. The Company believes that human trafficking, child labor and forced labor are unacceptable, and it is committed to preventing these practices in its operations and supply chain. We also seek to give back to the local communities of which we are a part.

## Our fundamental commitments

- We prohibit forced and compulsory labor, child labor and human trafficking
- We volunteer in communities in which we live and work
- We improve the well-being of people in need through social and community investment
- We encourage employees to enrich themselves in actively participating in their communities

## Q&A

*A new supplier I consider working with is unwilling to commit to the prohibition of child labor in its operations. This supplier offers lower prices than others, and my department is under a lot of pressure to reduce costs. What should I do?*

We will not do business with anyone that participates in child labor, even if it is more cost efficient than other alternatives. You should report your concern to your direct supervisor and the General Counsel, who will suggest additional audit measures and/or assist with reviewing other available alternatives.

## Q&A

*Where can I find more details about volunteering opportunities through Caesarstone for me and my coworkers?*

You can approach your local HR representative and they will be happy to provide further information about Caesarstone's community involvement practices.



# F. External Communication

---

## Why is it important?

We understand that everything we communicate externally affects our reputation. As a global corporation traded on the NASDAQ Global Select Market, providing timely, accurate and credible information is important to our investors and enables us to maintain integrity in our relationships with the public and other stakeholders.

We have defined specific functions and designated individuals with responsibility for communicating with media representatives, financial analysts, regulators and the general public. Any discussion or disclosure relating to the Company's financial information is subject to prior authorization from Caesarstone's Chief Financial Officer. Information relating to our products should not be communicated externally without prior authorization from Caesarstone's Chief Marketing Officer. In addition, questions from investors may be directed to Caesarstone's Investors Relations team.

## Our fundamental commitments

- We responsibly engage with social media
- We speak on behalf of Caesarstone only if we are specifically authorized to do so by Caesarstone's Chief Financial Officer or Chief Marketing Officer, as relevant depending on the topic
- We are committed to deliver fair, timely and reliable information to regulatory authorities, shareholders, financial analysts, brokers and the general public
- We promote full and accurate disclosure in the periodic reports and other documents to be filed by us with the SEC and Nasdaq, and in our public communications

## Q&A

*I was asked by a reporter about new designs that Caesarstone intends to release this year. I think it can be good publicity for the Company. Is there an issue?*

Any communication with media representatives should be done by or following the approval of the designated functions in the Company. In this case, you should speak with Caesarstone's Chief Marketing Officer before agreeing to comment on any matter relating to Caesarstone's new products.

## Q&A

*I saw a post on social media discussing Caesarstone's products. As a Caesarstone employee I think I can provide valuable input to the discussion and help promote our products. Is there any problem with engaging in this online discussion?*

It depends. Social media and networking sites are subject to the same rules as all external communication. You may not speak on behalf of the Company if you were not specifically authorized to do so. Even when expressing personal views, you need to be careful not to disclose any confidential information. Directors, officers and members of management should take particular care not to engage in social media discussions unless specifically authorized to do so. If you are uncertain whether and how to engage and comment on the post, you should share your dilemma with your direct supervisor or the relevant officer.



# Accountability

Together, we take ownership of our business and future. We are responsible for the actions we both directly and indirectly influence. Our behaviors and results are aligned with our goals.

# A. Compliance with Applicable Laws, Rules & Regulations

---

## Why is it important?

Caesarstone believes in holding itself up to the highest standards in everything we do. As such, it is our policy to observe and comply with all laws, rules and regulations as applicable to us or the conduct of our business, wherever located. This includes issues specifically mentioned in this Code such as insider trading and prevention of bribery and corruption, additional issues such as maintaining compliance with applicable imports and customs laws, export controls, economic sanctions, anti-boycott laws, tariffs, taxes and other trade barriers, as well as any other areas relevant to our operation as an international, global company.

## Our fundamental commitments

- We comply with both the letter and the spirit of laws, rules and regulations applicable in the jurisdiction in which the Company conducts business
- We ask questions, raise concerns and speak up with respect to any issue relating to illegal conduct or specific laws that may apply to the Company's activities
- We report any inquiry or investigation by a governmental organization regarding alleged trade control violations, irregularities or any other questions from government authorities to the General Counsel prior to taking any action

## Q&A

*I have read that there is a new regulation imposing tariffs on imports from certain locations in which we operate, but I am not sure if and how it is applicable to Caesarstone. What should I do?*

Each employee is encouraged to speak up and ask questions in the areas relating to their responsibility as well as other areas relating to the Company's business. Questions relating to tariffs or quotas may be directed to Caesarstone's General Counsel through any of the reporting channels described in *Part 6*.

## Q&A

*I received a letter from a government agency with several questions as to the Company's business and operations. Since the questions relate to my area of expertise, I feel comfortable replying back via email. Is there any issue?*

Any letter, notice or inquiry from a government entity should be reported to the General Counsel or your local finance manager, to ensure accurate and appropriate response is provided. In this case, you should advise the General Counsel of the letter you received and of your proposed response.



# B. Avoiding Conflicts of Interest

---

## Why is it important?

Conflicts of interest arise when we place personal, social, financial or political interests before those of the Company. We are responsible for avoiding situations that present, or even create the appearance of, a conflict with the Company's interests. This will enable us to act according to sound business judgment in Caesarstone's best interests, rather than due to personal interest, relationship, pressure or gain.

## Our fundamental commitments

- We make decisions in the best interests of Caesarstone
- We avoid actions that create, or even appear to create, a conflict of interest with Caesarstone
- We immediately report any potential conflicts of interest to the local HR representative in a transparent and open manner
- We follow the instructions of the General Counsel prior to any potential transaction with an entity or person affiliated with our employees, directors or controlling shareholders

## Q&A

*I was offered to provide consulting services to a start up company. I will provide the consultation during weekends and outside of my working hours at Caesarstone. Can I accept the offer?*

Any offer for engagement with an external organization must be disclosed to your team leader and HR representative. It will then be examined while taking into consideration the potential for a conflict of interest with your responsibilities at Caesarstone, contractual obligations and applicable laws.

## Q&A

*My sister is a contractor that wants to provide services to one of Caesarstone's facility's. Can I speak with the relevant manager on her behalf?*

It depends. Since this may present a conflict of interest, you must disclose the relationship to your manager and HR representative, who will determine what steps should be taken to manage the potential conflict.

# c. Maintaining strong internal controls

---

## Why is it important?

We are committed to corporate integrity. As a company whose shares are traded on Nasdaq, maintaining strong internal controls is important to our investors and enables us to provide accurate and reliable reporting. Our system of internal controls over financial reporting is designed to provide reasonable assurance that financial statements are prepared in accordance with generally accepted accounting principles, and fairly present the Company's financial condition. Such controls enable good business decision-making, ensure the quality of financial reporting, help detect and prevent fraud and facilitate compliance with laws and policies. Efficient and accurate records management supports our legal, financial, regulatory and contractual obligations and promotes organizational efficiency.

## Our fundamental commitments

- We report and record information accurately and honestly, consistent with applicable laws and accounting practices
- We keep thorough and complete records of transactions according to Company's policies
- We make appropriate decisions, obtain necessary approvals and protect Caesarstone's resources from fraud, waste, and abuse
- We report to the Audit Committee significant deficiencies or material weaknesses in internal controls over financial reporting or any concern regarding questionable accounting matters.

## Q&A

*At the end of the year, I have money left in my team's budget. Can I prepay an expense I know I will have next year so that it will be applied to this year's budget?*

No. You must record expenses in the proper accounting period and charge activities to the year in which they occur.

## Q&A

*While working on the quarterly financial reports, I noticed a mistake in one of the calculations. The report was already approved by my manager, and I feel uncomfortable to point out this mistake. What if I am wrong?*

You must immediately call attention to the error and, if indeed it is a mistake, ensure it is corrected. We are accountable in everything we do and take ownership of our work. You will not be penalized for notifying or reporting in good faith of what you believe to be a mistake. We encourage you to speak up and provide the Company the opportunity to improve. If you are uncomfortable discussing this with your direct supervisor, you can use any of the reporting channels provided in *Part 6*.

# D. Prohibition on Insider Trading

---

## Why is it important?

During our work, we may come across material non-public information. Buying or selling the securities of a company while being aware of such information is considered “insider trading” and it is prohibited under applicable laws and our internal policy. Information is considered non-public if it has not been adequately disclosed to the public (for example, earnings and other financial information; mergers & acquisitions).

## Our fundamental commitments

- We do not buy or sell Caesarstone securities or the securities of any other company while in possession of material, non-public information
- We do not “tip” others with such information so they could buy or sell securities
- We do not buy or sell Caesarstone securities during regular quarterly blackout periods designated by the Company
- We follow our Insider Trading Policy to understand when and under what terms we can trade



## Q&A

*I heard that Caesarstone is negotiating a major contract with a customer. The deal has not yet been announced publicly. Can I buy shares of Caesarstone? Can I buy shares of the other company?*

No. You are in possession of material non-public information, and you are prohibited from buying or selling shares of either Caesarstone or the other company until the transaction has been publicly announced and any applicable period under Caesarstone's Insider Trading Policy has passed. Until then, you must not share this information with anyone, or "tip" others to buy or sell shares, in compliance with Caesarstone's Insider Trading Policy.

## Q&A

*I am not sure I understand exactly when the quarterly blackout period ends and whether it applies to certain members of my family. Who can I ask about it?*

You can discuss any questions you may have about Caesarstone's Insider Trading Policy with your direct supervisor, HR representative or the General Counsel. In addition, you can use any of the available channels for raising questions or concerns provided in *Part 6*.

# E. Preventing Corruption and Bribery

---

## Why is it important?

We base our business relationships on trust, transparency, and accountability. Caesarstone is committed to comply with all applicable anti-corruption laws and regulations, including without limitation the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. We do not seek to improperly influence the decisions of our business partners by offering business courtesies, and require that the decisions of our employees and directors not be affected by such courtesy and maintain independence of judgement. All employees and directors are required to follow the Company's guidelines with respect to gifts, hospitality, expense reimbursement and travel. Bribery is prohibited in all of our business dealings. Our system of internal controls, reporting and record management enable good business decision-making, ensure the quality of financial reporting, help detect and prevent fraud and facilitate compliance with laws and policies.

# Our fundamental commitments

- We avoid having any financial or other business relationship with Caesarstone's customers, vendors or suppliers that might impair, or even appear to impair, our independence of judgment
- We decline accepting, and do not offer or give, any gifts whose acceptance could raise any suspicion of improper influence or conduct
- We only give or receive a gift if it is of insignificant intrinsic value and of disposable nature (i.e., flowers), only to the extent it is permitted under the law, may not influence or appear to influence our business decisions and subject to our internal policies
- We report any gift **if we are uncertain whether it complies with our guidelines**, to our local HR representative or head of regional finance team
- We limit giving or receiving business meals or entertainment to what is reasonable and appropriate under the circumstances and subject to our internal policies. Guidelines for 'reasonable and appropriate' are industry practice in the relevant locality consistent with local legal requirements
- We report any offer of a bribe or kickback, or any gifts, meals and entertainment that may be deemed inappropriate to the CFO, VP HR or General Counsel
- We do not provide anything of value to government officials without the prior written approval of the General Counsel. Facilitation payments are prohibited
- We keep accurate records of business gratuities given or received pursuant to Company's internal policies and procedures
- We do not offer, give or receive gifts in the form of cash or cash equivalents, subject to the Company's internal policies and procedures

## Q&A

*I invited a key foreign distributor to a meeting in Israel to discuss our cooperation. The distributor asked if her spouse could join the trip, advising that other companies provide this courtesy. Is it okay to proceed as requested?*

No. Under Caesarstone's policies, such request is not acceptable. You should explain to the distributor that this is not allowed under Company policies and, therefore, you cannot approve such a request.

## Q&A

*After concluding a contract with a supplier, he sent me a box of chocolates to the office. Is it wrong of me to accept it?*

It depends. You should not accept a gift from a supplier, except for gifts of insignificant intrinsic value and of a disposable nature. Even if the chocolate is of insignificant intrinsic value, it is Caesarstone's policy that you should not accept it if it may affect, or may seem as affecting, your independent business judgement. In this case, you should discuss the matter with your local HR representative or the head of the regional finance team.

PART 4



# Innovation

We are committed to fresh thinking and breakthrough ideas that create value for our customers and our business. We embrace curiosity and creativity in our endeavor to lead the industry.

# A. Confidentiality, IP and Company Assets

---

## Why is it important?

Caesarstone's tangible and intangible assets are critical to its ability to innovate and advance its business. Such assets include buildings, equipment, computers, vehicles, phones and other tangible assets, as well as know-how, patents, trade secrets or other confidential or proprietary information.

In the course of our work, we may have access to confidential information, including business plans, financial information, marketing strategies, patent applications, employee and compensation data, research and development, manufacturing methods and others, whether in written or verbal form. We are committed to protect the Company's confidential information, as well as that of third parties who disclosed information to the Company in confidence.

We are all responsible for taking appropriate measures to assure that Caesarstone's assets are properly protected, used only for the Company's legitimate business purposes and only by authorized personnel.

# Our fundamental commitments

- We disclose confidential information within the Company only on a need-to-know basis
- We disclose confidential information outside the Company only with prior approval from the CFO or General Counsel, when required by law or necessary to further the Company's business activities, and subject to obtaining written obligation of confidentiality in a form acceptable by the Company
- We exercise care to protect the confidentiality of information received from third parties
- We do not allow anyone access to Company facilities without proper authorization
- We immediately report any loss, misuse, fraud, theft or unauthorized disclosure



## Q&A

*I have a friend who is considering applying for an open position at Caesarstone. She asked if I could tell her about Caesarstone's financial situation and the Company's growth plans for the future. Can I discuss this with her?*

You may only disclose publicly available information. The fact that she is your friend does not protect Caesarstone's confidential information.

## Q&A

*While traveling abroad, I accidentally lost my work phone. I think I may have left it on the flight back home. Since I have an old cellphone at home that I can use instead, is there any reason I need to let anyone know about this?*

Yes. You should immediately report the loss to your local HR or IT representatives. Not only is this a waste of a Company asset, but also your work phone may contain sensitive, confidential information, and it is critical to ensure that no one could access it. We only use authorized hardware and software when accessing Caesarstone's information, so you may not be able to use your personal phone without prior authorization from your IT representative.



# B. IT and Cybersecurity

---

## Why is it important?

Our information technology (IT) systems are key to our operations and allow us to work efficiently to meet our business objectives. These resources belong to Caesarstone, and we use them responsibly and securely, for intended business uses, with protection against cyber security threats.

Caesarstone's communications systems may be monitored or accessed by the Company as necessary to ensure its integrity and protect the systems from cyber threats, for compliance with applicable data security and privacy laws, to protect against fraud and abuse, to ensure business continuity, to protect against legal claims, and for any other business purposes as the company sees fit.

# Our fundamental commitments

- We exercise good judgment when using company-provided technology resources
- We prevent unauthorized access to Caesarstone's information by securing hardware and storage areas, using confidential passwords, alerting the IT department of any sign of phishing, and referring to applicable IT policies for additional guidance
- We only use authorized hardware, software, and other IT services
- We do not use Caesarstone IT resources to engage in inappropriate communications or access sites that are offensive, illegal, or obscene
- We limit personal use of Caesarstone email and internet to a reasonable minimum
- We understand that, where legally permitted, Caesarstone has the right to access and review all communications, records and information , transferred or saved using its communications systems, in order to ensure the security of our systems, to maintain quality standards, to investigate disputed matters, or otherwise to further the Company's business interests, subject to applicable law and internal policies
- We comply with Caesarstone's IT security standards and internal policies and procedures

## Q&A

*While on vacation, I remembered that I forgot to send out an email with data located in password protected folders. Can I share my password with a fellow employee who works in a different department so that he can access the folders and send me the required data?*

No. You cannot share your login information or email passwords with anyone. Any exception must be justified to and approved by the appropriate manager and the IT department. Furthermore, you cannot provide other employees access to documents and folders which may be outside of the scope of their responsibility or need to know.

## Q&A

*I received an email from the Company's CFO, instructing me to process payment to an unfamiliar account. I have never received such an email before, and it is not part of the Company's approval process. What should I do?*

You should immediately report this email to your IT representative and follow applicable security procedures. You should refrain from opening any attachments or forwarding any email with a request that is not in line with Company's internal policies, an email from an unknown sender or other reason that raises concern, as it may be an attempt to access Company's systems. You should immediately report it to the IT department for implementing proper security measures.

# c. Data Protection and Privacy

---

## Why is it important?

We are transparent about how we handle data and respect the privacy of our employees and third parties who share personal data with us. Personal data is defined broadly and includes personal information such as name, phone number, Social Security Number (SSN) / Social Insurance Number (SIN), email, address, online identifiers and others. We handle this information responsibly, consistent with data protection and privacy laws and our internal policies. We build trust when our employees, consumers, and business partners know that we protect their privacy and the security of the personal data they share.

## Our fundamental commitments

- We follow applicable data protection and privacy laws and Caesarstone's internal policies
- We only collect and use personal data as required or permitted by applicable law
- We use and implement measures to secure personal data
- We do not share or entrust personal information to third parties unless they maintain acceptable data protection and security standards

## Q&A

*A business partner asked if he could receive emails and phone numbers of employees so he could offer them a one of a kind discount, provided exclusively to employees of our Company. Is this acceptable?*

You may only reveal personal data of employees in accordance with and subject to Company's policies and any applicable laws and regulations, and only to persons authorized by the Company's Legal and IT departments.

## Q&A

*While organizing my documents on the Company's network folders, I noticed that I have access to a folder with personal data of customers. I was involved in a project which required such access, but the project has been completed a while ago. What should I do?*

You should immediately inform the IT department that your access to the data is no longer needed or required. Monitoring access is part of the measures we can take to protect the privacy and security of the personal data we hold.



# Winning Spirit

We are enthusiastic and foster a ‘can-do’ attitude in striving to be No 1. We are committed to excellence and setting goals that challenge us. We share and celebrate our achievements. We harness our entrepreneurial drive, embrace challenges that may come our way and strive to overcome them.

# A. Competition, Antitrust and Business Intelligence

---

## Why is it important?

Competition and antitrust regulations are intended to protect and promote free and fair competition, ensuring a level playing field for all businesses. This area of law varies from jurisdiction to jurisdiction, generally prohibiting anti-competitive practices such as agreements with competitors to fix prices, allocation of markets or customers, participation in group boycotts, questionable intelligence gathering about competitors and efforts to obtain or maintain a monopoly through means other than competition on the merits.

## Our fundamental commitments

- We follow applicable laws, regulations, and our internal policies relating to competition and antitrust
- We do not suggest or engage in any actions or agreements that limit fair and free competition
- We avoid discussions with competitors that could create the appearance of impropriety
- We do not attempt to obtain information of or about our competitors in an illegal or unfair way
- We do not take unfair advantage of our market position

## Q&A

*At a large kitchen & bath store, I ran into a competitor's sales rep. We talked about a new movie that just came out at the theatres, and then he said that he would limit his sales pitch to certain products and certain prices if I would do the same. This sounded like a good deal for both our companies. Is it?*

No. It is against the law to agree with competitors about anything related to the sale of our products. It is best to limit your conversation with competitors to non-business topics.

## Q&A

*A customer sent me a breakdown of competitors' sales and price lists. The customer thought that she was being helpful, and I do not want to be rude. What should I do?*

We do not obtain information of or about our competitors in an illegal or unfair way. In this case, it is not publicly available information, and we do not know how the supplier obtained it. You should explain to her that you cannot accept this information and it is against Company policy. You should make sure that you do not keep or use this information in any way and report the matter to the General Counsel for further guidelines.



# B. Delivering Product Quality

---

## Why is it important?

We are leaders in our field and are committed to the development, production and delivery of high-quality, safe products under our brand. Our business partners and consumers rely on the strength of Caesarstone's brand and reputation and trust us to provide products meeting the highest standards of quality performance.

## Our fundamental commitments

- We are committed to meet all applicable regulatory requirements and quality standards across all our facilities and at all stages of the product life cycle
- We develop, implement and follow internal quality principles and procedures
- We take quality-related complaints seriously, and ensure that they are properly investigated and reported, as required
- We do not compromise quality in anything we do. We do not take shortcuts.

## Q&A

*I noticed that a new shipment of raw materials we just received looks different from other materials I have worked with. I think it might be contaminated. What should I do?*

Stop what you are doing and contact your supervisor, the safety manager of the facility or the quality assurance department to determine whether the material is safe and meets our quality specifications.

## Q&A

*At the end of my shift, on my way out of the plant, I saw a loading of a container with Caesarstone slabs. The forklift operator did not notice that several slabs were damaged during the process. As this is not my area of expertise or responsibility, is there any issue if I prefer to not get involved?*

You should immediately report what you saw to the facility's manager or use any of the reporting channels provided in Part 6. We are all responsible for compliance with our standards, gaining the trust of our partners and ensuring that Caesarstone's brand stands for high quality products. If you become aware of a product or practice that does not meet our standards, even if it is out of your direct area of responsibility, you should immediately report it so that it could be properly addressed.

# c. Fair dealings

---

## Why is it important?

Caesarstone is committed to being fair and honest in its interactions with its employees, officers and directors, as well as with customers, consumers suppliers and other business partners. We believe that honesty and trustworthiness build long-lasting relationships, and implement fair dealing in our day to day conduct and behaviors.

## Our fundamental commitments

- We do not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair-dealing practice
- We buy from suppliers and sell to customers based on appropriate business considerations such as quality, price, service and reliability
- We treat all potential suppliers fairly and honestly

## Q&A

*I heard about an event held by a competitor which many customers will be attending. I don't think they will allow me to attend if they know that I'm from Caesarstone. Can I go if I pose as a customer?*

No. Obtaining information by disguising your identity is never appropriate. Gathering information about competitors is a legitimate business activity when done lawfully and ethically. You should consult with the Legal Department before meeting with a competitor or gathering competitive information, because any such interactions may raise competition and antitrust concerns.

## Q&A

*An employee asked me a question I don't know the answer to. As a manager, it is important to me that my team feels comfortable coming to me with questions and concerns. What should I do?*

No one has all the answers readily available all the time. If you do not know something, do not make statements you cannot back up with facts. Part of dealing fairly with others is admitting when we do not have an answer and having the diligence to follow up as soon as possible.

PART 6

# Reporting Concerns and Asking Questions

If you have a question about making sound decisions, if you think you are being asked to behave in an illegal or inappropriate manner, or if you suspect others of such behavior, you can raise your questions or concerns through any of the channels described below.

- |  |  |
|--|--|
| <b>1. Your team leader/manager</b>     | <b>5. General Counsel</b>  |
| <b>2. Your local HR representative</b> | Ron.Mosberg@caesarstone.com  |
| <b>3. Your facility's EHS manager</b>  | +972-46109239  |
| <b>4. VP HR</b>                        | <b>6. CFO</b>  |
| Efrat.Yitzhaki@caesarstone.com         | ophir.yakovian@caesarstone.com   |
| +972-46109410                          | +972-46109266  |
|  | <b>7. Reporting mechanism under<br/>Caesarstone's Whistleblower policy</b> |

## what happens after i report a concern?

If the General Counsel determines that an investigation is required, he shall follow the procedures set in our Whistleblower policy. The confidentiality and/or anonymity of the reporting individual shall be maintained to the fullest extent possible, subject to the need to conduct an adequate review and to the extent permitted by law and regulation. Corrective action will be implemented when appropriate, and you will have the opportunity to receive feedback.

**It shall be a violation of the Code to intimidate, discharge, demote, suspend, threaten, harass or impose any form of retribution on anyone who utilizes our reporting system in good faith.**

# Administration and Enforcement Of The Code

## A. Amendment and Waiver

The Code has been adopted by the Board of Directors and may be amended at any time by the Board. Waivers of the provisions of the Code may be granted by the Company in its sole discretion. A Waiver for the benefit of all employees must be approved by the CEO. A waiver to any officer or director must be granted by the Board of Directors, and publicly disclosed to the extent required by the Securities and Exchange Act of 1934, as amended, and the rules thereunder, and any applicable Nasdaq rules.

## B. Interpretation

This Code is supplemented by additional policies that cover specific topics in more detail or deal with certain local or regional issues. The Code is not as comprehensive as these supplemental policies and therefore does not supersede them or act as a substitute for reviewing each policy that applies to our specific job. Nothing contained in the Code in any way limits or derogates from other obligations that you may have to the Company or to others, including, but not limited to employment agreement, service agreement, Company policies or any applicable law or regulation.

Unless otherwise required by context, “including” means “including but not limited to”, the singular includes the plural and vice versa, and the masculine, feminine and neuter genders includes the others.

Final authority with respect to the interpretation of the Code rests with the Board of Directors.

## C. Disciplinary Measures

Employees, officers and members of the Board of Directors who violate the Code will be held accountable and sanctioned appropriately. Any employee or officer whose conduct violates the Code, as well as any contractor or service provider who the Code applies to, will be subject to corrective and disciplinary action as shall be determined by the Company’s CEO or the officers designated by the CEO for such purpose. The Board of Directors shall decide on disciplinary action with respect to the CEO or any member of the Board, if necessary.

Disciplinary actions may include but are not limited to a warning; a reprimand in the employee’s personnel record; probation; demotion; a hearing; temporary suspension; reimbursement of losses or damages; termination (with/without notice and compensation); and/or referral for criminal prosecution or civil action. Disciplinary measures may apply to any supervisor who directs, approves or has knowledge of the violations, and does not promptly correct them.



# Certificate of Compliance

Employees and directors are required to fill out and sign this Certificate. In the event you are not now in compliance, or are not certain, or believe that any part of the Statement does not pertain to you, you should discuss the matter with your local HR and explain the situation in written form in section 4 below.

**I certify that:**

- 1. I have received and read Caesarstone’s Code of Conduct.
- 2. I understand and accept the statements contained in this Code
- 3. I confirm that as of this date I am in compliance and will continue to comply with the standards and policies set forth herein.
- 4. I am not aware of any violation of or variances from the Code, except as described below:  
.....  
.....  
.....
- 5. I understand that the policies and practices set forth in the Code are continually evaluated and may be amended, modified or terminated by the Company.

**Name** ..... **Date** .....

**Department** .....

**Signature** .....