



WORKPLACE CODE OF CONDUCT

A guide to Delta Galil's Labor Standards
for Responsible Manufacturing Practices

> LEGAL OBLIGATION

To be a responsible company means first and foremost to comply with the laws and regulations of the countries where we live and work. Delta will not tolerate any failure to obey the law by its employees or its business partners, and expects its employees and partners to report any suspected violation of the law or regulation. In all cases where there are differences between this code, the applicable customer code and the law, the higher standard will apply. To this end, all Delta employees will be trained in the content of the Delta and customer codes.

> TRANSPARENCY

Transparency is an important value in Delta's conduct and relation with its employees, business partners, customers and suppliers. Delta makes a point of providing all of its stakeholders with timely, accurate and reliable information.

> EMPLOYMENT RELATIONSHIP

Delta adopts and adheres to rules and conditions of employment that respect workers and at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

> DIVERSITY AND NON-DISCRIMINATION

The diversity that characterizes Delta's human capital is treated as a highly valued asset, allowing the company to benefit from a great variety of opinions, talents and strengths. Delta therefore actively promotes diversity in its workforce, adhering strictly to mutual respect and tolerance.

Delta is firmly committed to the fair and equal treatment of all its employees and candidates who join its ranks. Candidates and employees are assessed according to their competencies, qualifications and accomplishments.

In every country that it operates in, Delta supports laws and standards prohibiting discrimination in hiring, compensation, advancement, discipline, termination or retirement, including discrimination based on social group, ethnic origin, race, gender, sexual orientation, religion, nationality, age, disability, or any other characteristic.

> FORCED LABOR

Delta does not use forced labor, including prison, indentured, bonded or other forms of forced labor.

> CHILD LABOR

Delta will not employ any person under the age of 16 or country legal working age or under the age for completion of compulsory education, whichever is higher. Employees under the age of 18 will be employed in line with local regulations relating to young workers.

> FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Delta recognizes and respects the right of employees to associate, to collective bargaining and to take action to safeguard their rights without fear of interference, harassment or retaliation.

> HARASSMENT AND ABUSE

Delta's employees are entitled to work in an environment that is free of any verbal, psychological and physical abuse, intimidation, sexual harassment, exploitation, assault or humiliation by any other employee, man or woman, regardless of their position in the company.

Delta expects each and every one of its employees to do all they can to avoid and prevent such prohibited acts, and urges employees to report any instance of harassment or abuse that they have witnessed.

Employees who feel that they have been subjected to abuse or harassment of any kind should approach the senior officer in every unit (directly or through a third party); Delta will take immediate and decisive steps to investigate and address the issue.

> WORK HOURS AND REST

It goes without saying that satisfied and contented people make better, healthier and happier workers. Delta recognizes that when the needs of an employee have been met in all areas of life, this will impact directly and positively on the employee's performance. Delta therefore aspires to achieve a balance between the employees' private lives and their jobs, and encourage employees to live a rich life that includes sufficient time for family and leisure.

To this end, Delta does not require workers to work in excess of the regular and overtime hours allowed by local law, maximum regular weekly hours being limited to 48 and total weekly overtime hours being limited to 12. Workers have one rest day, equivalent to 24 consecutive hours, in every seven day period. Delta does not request overtime on a regular basis and overtime work is consensual. Delta compensates overtime work at a premium rate that will not be less than one and a quarter times the regular rate.

> COMPENSATION

Every worker has a right to compensation for a regular work week that is sufficient to meet the workers' basic needs and provide some discretionary income. Delta will pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, Delta will work to take appropriate actions that seek to progressively realize a level of compensation that does

> HEALTH AND SAFETY

Delta is committed to providing its employees with a safe and healthy work environment. The Company strictly enforces all safety and health laws and regulations. Each Delta Site has a safety program in place including a safety officer suitably trained in applicable local and international laws and regulations. Delta will take all necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of facility operations. Delta will employ systems such as risk assessment and internal audits to identify and reduce potential risks to the safety and health of employees.

Each and every one of Delta's employees is responsible for complying with and upholding the safety and health laws relating to their work area. All employees are responsible for taking the necessary precautions to protect themselves, suppliers, co-workers and the public at large, including immediately reporting accidents, injuries, and unsafe, unhealthy and hazardous conditions.

> ENVIRONMENT

Delta is committed to responsible management of its environmental impact wherever it operates worldwide and to adopt responsible measures to mitigate negative impacts that the facility has on the environment. As responsible world citizens, Delta employees take measures in the course of their daily routine to create a positive environmental impact. This sense of responsibility prompted Delta to define its sustainability policy and to launch the 'Green Campaign' to which all Company sites have been recruited.

> SUPPLY CHAIN

Delta believes in doing business with suppliers, manufacturers, sub-contractors, agents, sales agents, distributors, contractors and consultants (hereinafter: "suppliers ") who demonstrate high standards of ethical business behavior, at least as described in this Code of Conduct. Delta will not knowingly engage entities that operate in violation of laws, regulations and internationally accepted standards, including laws and regulations pertaining to the environment, worker employment, and health and safety.