



Code of Ethics

NEWMEDENERGY



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1. Introduction^{1,2,3}

Dear directors, officers and employees:

NewMed Energy - Limited Partnership (the “**Partnership**”) is a public limited partnership traded on the Tel Aviv Stock Exchange (TASE), which engages in the exploration, development and production of natural gas, condensate and oil in Israel and in Cyprus, and in the promotion of various natural gas-based projects, which is one of the largest and most dynamic in the field in Israel.

The Partnership’s general partner, NewMed Energy Management Ltd. (the “**General Partner**”) manages the Partnership’s business, and directors, officers and employees hold positions therein. For the sake of convenience, the Partnership and the General Partner shall hereinafter be referred to collectively as “**NewMed Energy**” or “**we**”.

NewMed Energy is committed to creating value for the various stakeholders, including participation unit holders, employees, business partners, third parties with which we engage, community, competitors and the environment in which NewMed Energy operates (for the sake of convenience, in this Code: “**Stakeholders**”). Accordingly, we have drafted principles for ethical conduct to which we are committed, in the context of the Code of Ethics, as an ethical compass by which we are guided.

NewMed Energy strives to act with integrity, credibility, mutual respect, responsibility, leadership, professionalism, initiative, and a long-term vision, while creating positive economic, environmental and social value in all of its fields of business, with the aim of continuing to maintain the lead in the market.

The Code of Ethics (the “**Code**”) is binding on NewMed Energy, the directors, officers, employees, service providers and consultants who hold relevant positions, as defined in the Partnership’s enforcement plan⁴ (for the sake of convenience, in this Code: the “**Employees**”), and constitutes an ethical and normative I.D. card which includes values, standards and rules of conduct which serve as guiding principles that determine the manner of conduct of NewMed Energy and the Employees in the relationship with the Stakeholders and with regulators and competitors.

We shall note that compliance with the provisions of the law is a necessary and minimum condition to ethical conduct. Hence, NewMed Energy deems itself obligated to meet standards higher than those determined by the law that applies to its activity, wherever it is operating, while striving to honor international standards and norms of conduct. In cases where there are differences between national and international standards, NewMed Energy will strive to operate according to the higher standards. All of the Employees are required to comply with the law and act according to the Code’s values.

¹Parts of the Code are drafted in the masculine gender for convenience purposes only, but any use of the masculine gender shall include the feminine.

² This Code is not intended to create, nor does it create, any contractual rights pertaining to employment.

³The Code is intended for the benefit of the Partnership only, and the Partnership alone is entitled to enforce it. The Code does not establish any personal cause of action and/or remedy and/or legal right for any other entity and/or person, with the exception of the Partnership against persons violating the Code. This Code of Ethics shall not be interpreted as an employment agreement and it does not modify the terms of an employment agreement or employment status of any person.

⁴The Partnership’s internal enforcement plan on securities (the “Enforcement Plan”).



2. Reading and signing the Code

The Code of Ethics is part of the Enforcement Plan adopted by NewMed Energy, and its purpose is to assist with providing guidance on how to behave in cases where there is no clear answer as to how to act.

Read the Code, think about how the Code applies to your work and consider how you can handle situations in order to avoid wrongful, unlawful or unethical conduct.

In any case of doubt, consult with your supervisors and/or the General Counsel. NewMed Energy is committed to assisting Employees on these issues by providing information and answering questions.

3. When may the Code of Ethics be used?

In cases where we are debating how to act, we shall ask ourselves the following questions:

1. Do I know all of the facts?
2. What am I being asked to do?
3. Does the act that I am being asked to do seem unethical or inappropriate to me?
4. Are there any alternative actions in this case? What are they?
5. Did I involve and include others in the issue? Did I involve my supervisor?
6. Have I used the NewMed Energy resources at my disposal for purposes of consultation and reporting?

4. Fair business practices vis-à-vis all of our Stakeholders

- We act fairly towards the Stakeholders, and respect their rights.
- We believe in integrity and fairness and therefore do not unfairly exploit the Stakeholders in business.
- We expect the Employees to promote the legitimate interests of NewMed Energy when the possibility arises to do so lawfully and ethically.
- We condemn any business practice carried out by means of manipulation, concealment, misuse of confidential information, misinterpretation of material facts or any other unfair deliberate conduct.



5. Our Employees

We believe that a safe and respectful work environment free of discrimination or threat is the key to NewMed Energy's long-term success. We believe in creating a workplace which respects the individual and his rights, and in developing and making the most of the Employees' potential.

5.1. Personal responsibility

All of the Employees are obligated to understand the values of the Code and to act according thereto, also in their online activity and their personal lives, including taking actions to protect confidential and private information, respecting the privacy of the Stakeholders, refraining from harassment, etc. Any violation of the Code of Ethics and the standards set forth herein may lead to the taking of disciplinary action. In any case of doubt, the Employee must consult with his supervisors and/or with the General Counsel. NewMed Energy is committed to helping the Employees in these matters by providing information and answering questions.

5.2. Administrative responsibility

The managers at NewMed Energy play an important role in implementing and enforcing the Code in all of the activities. In addition, the managers are required to act responsibly and to serve as an example of appropriate conduct according to the principles of the Code of Ethics, the Enforcement Plan and NewMed Energy's other procedures.

It is emphasized that this Code determines the basic standards of ethics and conduct, but does not cover the manner of conduct required in each and every case, according to the circumstances.

5.3. Values of respect, equality and diversity

- We are committed to acting in an egalitarian manner and to not discriminating against any Employee or candidate for employment, including on the basis of race, age, gender, color, sexual orientation, ethnicity, disability, religion, political affiliation, union membership or marital status, or any other classification of persons which is protected by the applicable law, with regards to employment and work procedures, such as hiring, promotions, compensation, access to training, assignment to jobs, salary, benefits, discipline, termination of employment and retirement.
- We work to ensure that our Employees have a pleasant and respectful work environment, safe and free of harassment, coercion or abuse of any kind.
- We act with courtesy and respect between the Employees inter se, while maintaining human dignity.

5.4. The Employee's privacy

Some of the information at NewMed Energy contains personal details which may be traced to our Employees. We respect the privacy of the Employees and the right to privacy, and



maintain the confidentiality of all the information about them at NewMed Energy. All of the Employees are obligated to take the necessary steps according to law to maintain the privacy of the personal details of employees at NewMed Energy, and not to use the information without the employee's explicit consent. The personal information will be kept on the information systems in accordance with the provisions of the law and NewMed Energy's procedures.

5.5. Verbal and non-verbal communication

- We strictly use a respectful and professional form of expression in our communication with external and internal functions, including among NewMed Energy's Employees themselves. We disapprove of correspondence that contains exaggerations, derogatory remarks, guesses or inappropriate characterization of individuals and companies, unprofessional language, unauthorized financial, legal or business statements, in e-mails, memos, and official reports.
- We exercise discretion and act discreetly in all of the formal and informal communication we conduct.

5.6. Prevention of sexual harassment

- We undertake to provide our Employees with a work environment free of violence and harassment. We will not tolerate any form of violence (physical, verbal, sexual or psychological) for any reason, or any form of harassment, including sexual harassment, or any behavior which makes others feel unsafe.
- We work to prevent sexual harassment or bullying in labor relations and in the work environment, and we immediately handle any complaint on the matter. In this context, the Code for the Prevention of Sexual Harassment can be found on the bulletin board at the NewMed Energy offices. The contact details of the Sexual Harassment Prevention Officer at NewMed Energy are: Adv. Sari Singer Kaufman, direct line: 09-9717628, 052-8700171, e-mail: saris@newmedenergy.com.

5.7. Committed to employment rights (human rights)

- We are committed to honoring international codes of human rights, and have a policy of zero tolerance to slavery, child labor and human trafficking in all of our activity.
- We strive to create a culture of respect throughout our organization, based on values of caring, teamwork and responsibility. As part of this culture, we are committed to employment rights and honor, fulfill and promote basic and universal employment rights in all of the projects in which we are partners, in accordance with the regulations that apply in the countries in which we operate, and in this context, inter alia, prohibition on forced labor, and the right of the Employees to freely choose their place of work. We will not tolerate any form of human trafficking or unlawful exploitation. In addition, we respect the right of Employees to join workers' unions under the principle of freedom of association.



5.8. Gifts, bribery and corruption

- We demand that all of our Employees behave with integrity, reliability, fairness, and impartiality. We prohibit our Employees from receiving or giving, approving or supplying gifts, benefits and reimbursements or any other unlawful payment to any person, directly or indirectly, in consideration for their work or in connection with their work, in Israel or abroad, whether to a civil servant or to a private-sector worker, except for gifts or other benefits of nominal value.
- We demand that our Employees clearly and unequivocally refuse solicitation where they are asked to give an irregular payment or benefit which may be deemed as a bribe to a third party.
- Any expense that is paid to a third party will be fully documented on the Partnership's books alongside the appropriate evidence. Our Employees will not create a record that does not meet the requirements of the law and NewMed Energy's procedures, no false or misleading record shall be created, and no record that does not meet the said requirements shall be accepted from any supplier or from any other third party.
- In cases where we do not know whether it is appropriate to receive or give a gift, or whether the irregular payment or the benefit may be deemed as a bribe, and in any case of doubt regarding the lawfulness or propriety of the action, we shall consult with the General Counsel before taking an action.
- In this regard, we shall act in accordance with the provisions specified in the Prevention of Bribery and Corruption Procedure specified in the Enforcement Plan.

6. Participation unit holders and creditors

We are committed to using our best efforts to create long-term positive economic value for the participation unit holders and creditors. In order to promote trust and transparency in the relationship with them, we report regularly and as required by law and according to NewMed Energy's procedures, on our business and financial position. We undertake to strictly comply with the law and maintain ethical conduct, integrity and transparency with our creditors and participation unit holders.

6.1. Reporting, informing the public and precise documentation⁵

- We ensure integrity and accuracy in all of our reports, both in internal records and in information released to the public.
- We are committed to accurate and reliable records in NewMed Energy's books. All of NewMed Energy's books, records, accounts and balance sheets are detailed, reflect NewMed Energy's transactions, and are consistent with the legal requirements that apply to us and NewMed Energy's internal audit methodology.

⁵ As specified at length in the Enforcement Plan procedures.



- We ensure the implementation of NewMed Energy’s policies on matters relating to retaining or destroying documents.
- In cases where litigation or a regulatory investigation is being conducted, we act according to instructions and after consulting with the General Counsel and, insofar as necessary, with outside legal advisors.
- We act in accordance with the law and keep NewMed Energy’s documents for at least seven years. We prohibit our Employees from destroying or modifying documents or documentation (whether in paper, e-mail, or any other form) in response to or in anticipation of a legal proceeding or regulatory investigation of any kind.
- We act according to the securities laws that prohibit selective disclosure of non-public material information to any person outside of NewMed Energy. All of NewMed Energy’s Employees are obligated to maintain the confidentiality of all of the non-public information, unless or until NewMed Energy releases an immediate report or another official report.
- Any financial or business information pertaining to NewMed Energy’s business shall be circulated only through the authorized employees, and in accordance with NewMed Energy’s procedures.
- We ensure that any transfer of information to external entities such as the media, analysts, participation unit holders, etc., shall be performed by the relevant senior management functions of NewMed Energy, and in accordance with NewMed Energy’s procedures. We refrain from making declarations regarding NewMed Energy, its business and its customers, or from conducting interviews for written, electronic or online media, on these issues, unless it is done as part of the job and approved in advance by the competent functions. When we express ourselves on public or political issues as a private person, it should be made clear that we do not speak for and/or on behalf of NewMed Energy.

6.2. Obtaining confidential information

- We act with integrity and instruct our Employees to only obtain information by legal and ethical means.
- NewMed Energy’s Employees are not required to disclose confidential or proprietary information which is in their possession due to their work at previous workplaces.

6.3. Appropriate use of NewMed Energy’s assets

Assets include the physical assets of NewMed Energy, including equipment, offices, documents, etc., as well as the intellectual assets such as intellectual property, patents and registered trademarks. In addition, information and know-how that is stored on NewMed Energy’s information systems is also included under the definition of “assets”.

- We make available to our Employees NewMed Energy’s resources and assets and expect them to make appropriate use thereof. Each Employee is personally responsible for using NewMed Energy’s assets solely for lawful purposes which pertain to NewMed Energy



and which have been approved by NewMed Energy's management.

- We work to protect NewMed Energy's assets and to ensure efficient use thereof, recognizing that theft, negligence and waste have a direct impact on the profitability of NewMed Energy. Our Employees are obligated to protect the information owned by NewMed Energy, which includes, inter alia, knowledge or part thereof with respect to NewMed Energy's business, its business plans, budget, trade secrets, modus operandi, intellectual property and data regarding its operations, including commercial and/or technical and/or geological data, lists of customers and suppliers and any information in connection therewith, data with respect to markets, information in connection with transactions, business volume, loans, financing sources, financing conditions, assets, projects, forecasts, financial statements, prices, costs, procedures, rules, information security and safety.
- We instruct our Employees to immediately report any event that raises a suspicion of fraud or theft, for purposes of investigation thereof.
- We refrain from using NewMed Energy's property, information held by NewMed Energy, NewMed Energy's goodwill or our position for personal benefit and/or personal gain, including gain for a relative, inappropriately.
- We ensure that our business expenses are justified and in compliance with NewMed Energy's procedures.
- We prohibit our Employees from making use of the property, position, goodwill, information and/or assets of NewMed Energy to promote personal opportunities and causes, unless approval is received from the competent body at NewMed Energy.

6.4. Non-use of inside information and refrainment from circulating confidential information

- We strictly maintain the confidentiality of all of NewMed Energy's information, on any issue and matter. This information includes negotiations with other corporations, business developments, financial results, business policy, managerial and strategic decisions, financial data and any other material information about developments at NewMed Energy, a change in its position or a development or change expected therein or in its position, and even information that pertains to other corporations (such as business partners and entities with which we engage) which came to our attention by virtue of our work at NewMed Energy. The inside information of NewMed Energy may appear in various forms: oral, written, and in electronic or digital form (such as e-mail, flash drive, magnetic stripe, etc.). The duty of non-disclosure and confidentiality applies to all of the above.

What is a conflict of interest?

A conflict of interest exists when a person's loyalties or actions are divided between the interests of the company and those of another entity, such as a competitor, supplier, customer or private business. A conflict of interest may arise when an employee takes actions or has interests that may make it difficult for him to perform the company's work in an objective and efficient manner.



- We are aware that all of the information entrusted to us in the context of our work is the sole property of NewMed Energy. We make appropriate and honest use of any information that pertains to NewMed Energy, and refrain from using or sharing it with others, unless required for NewMed Energy's business, and only after receiving prior approval from the appropriate functions, as specified in the Procedure for the Prevention of Prohibited Use of Inside Information and the Duty of Confidentiality of NewMed Energy.
- We keep strictly confidential all of the documents entrusted to us by NewMed Energy, and are aware that all of the files, records and documents are the sole property of NewMed Energy, and shall not be copied in any manner or removed from NewMed Energy's offices without NewMed Energy's prior written explicit consent.
- We transfer information about NewMed Energy or about our customers only in cases where we are required to do so by law or based on instructions approved by the senior management of NewMed Energy, which may seek consultation thereon with the General Counsel of NewMed Energy.
- We strictly protect confidential information which may serve the competitors or which may harm NewMed Energy or its customers if disclosed.
- We act to protect confidential information which suppliers and customers have entrusted to us, and we are committed to keeping the information confidential even after conclusion of the engagement.
- We only use and disclose information in cases where the information was submitted to the supervisory authorities in accordance with the law, or is public information, was released to the media and/or to the public, as specified in the Procedure for the Prevention of Prohibited Use of Inside Information and the Duty of Confidentiality of NewMed Energy.
- We strictly comply with the requirements of laws prohibiting the use of inside information, and act in accordance with the Procedure for the Prevention of Prohibited Use of Inside Information and the Duty of Confidentiality of NewMed Energy.

7. **Avoidance of conflict of interest**

We are committed to using our best efforts to create long-term positive economic value for the participation unit holders and creditors. In order to promote trust and transparency in the relationship with them, we report regularly and as required by law and according to NewMed Energy's procedures, on our business and financial position. We undertake to strictly comply with the law and maintain ethical conduct, integrity and transparency with our creditors and participation unit holders.

- We believe that business decisions should be made based on the broad interests of NewMed Energy and not based on narrow personal interests or personal whims.



- We work to prevent situations in which conflicts of interest may be created between the Employee's personal interests and NewMed Energy's interests.
- We expect our Employees to use sound judgement, adhere to high ethical standards, and avoid situations that create an actual or potential conflict of interest.
- We ensure that our Employees do not work for a competitor, customer, or supplier of ours while they are Employees of NewMed Energy, in order to avoid conflicts of interest.
- We ensure that NewMed Energy's Employees do not serve as consultants or as board members of competitor companies, other than for special reasons and with the approval of the competent organs.
- We recommend that NewMed Energy's Employees refrain from any direct or indirect business tie with our customers, suppliers or competitors, except on our behalf.
- We instruct our Employees that in case of doubt, they should consult with their supervisors and/or the General Counsel of NewMed Energy.
- We encourage NewMed Energy's Employees to report to their supervisors and/or the General Counsel if they encounter an action constituting a conflict of interest or a concern of a conflict of interest.
- We are careful to avoid any 'perceived' conflict of interest, recognizing that the perception of a conflict of interest in itself can have a negative impact on NewMed Energy's goodwill and on its relations with its customers, suppliers and Employees.
- We prohibit our Employees from engaging in any activity involving direct or indirect competition with NewMed Energy.

8. Refrainment from political involvement

NewMed Energy does not take part in political activity, does not support such or other political party and is not involved in political contributions of any type. We expect our Employees not to engage in politics and not to support a candidate of a political party on behalf of NewMed Energy, but rather only personally. In addition, we expect NewMed Energy's Employees to obtain the approval of the relevant functions at NewMed Energy in the event that they represent NewMed Energy in various groups that include government bodies.

9. Money laundering

We expect our Employees to be vigilant of possible money laundering activities, and to report, insofar as necessary, to the most senior financial officer and/or the General Counsel. In addition, we expect our Employees to ensure the completeness and propriety of the due diligence (DD)



proceedings vis-à-vis third parties in order to mitigate the risk of a money laundering attempt on their part.

Money laundering means use of illegally obtained money for legitimate actions and transactions, thus 'whitewashing' the money.

10. **Additional Stakeholders – competitors, customers, the environment, community, and maintaining environmental and community safety**

NewMed Energy does not take part in political activity, does not support such or other political party and is not involved in political contributions of any type. We expect our Employees not to engage in politics and not to support a candidate of a political party on behalf of NewMed Energy, but rather only personally. In addition, we expect NewMed Energy's Employees to obtain the approval of the relevant functions at NewMed Energy in the event that they represent NewMed Energy in various groups that include government bodies.

10.1. **The competitive space – fair competition**

- We act with integrity and fairness in the competitive environment in which we operate.
- We believe that our competitive edge lies in the quality of our performance, and our business conduct is based on the law and ethical conduct of our Employees.
- We strictly adhere to the requirements of the law, including the Economic Competition Law.
- NewMed Energy's Employees act according to the law, and are required to contact NewMed Energy's General Counsel whenever questions arise.
- We do not allow our Employees to join and include competitors in proposals, discussions, or agreements on the subject of sales, customers or prices. We require our Employees to refrain from discussing with a competitor agreements which harm free and open competition or involve bundled sales or reciprocal transactions, without the prior approval of NewMed Energy's senior management and without consulting with NewMed Energy's General Counsel thereon.
- We publicly disclose NewMed Energy's activity, including in comparison to other entities, in a reliable and fair manner and in accordance with the law.



10.2. Responsibility and authority vis-à-vis customers in the performance of transactions

- We act with authority and responsibility in every transaction that we make with our customers.
- We ensure that each transaction has been approved at the level of the competent organ and/or NewMed Energy's management, according to the subject matter, nature and scope thereof.
- We transact in NewMed Energy's affairs, assets or property, only through the competent functions at NewMed Energy and according to NewMed Energy's procedures.
- We work to identify transactions which may involve related parties, and act in accordance with the provisions of NewMed Energy's Procedure for Transactions with Related Parties.
- We ensure that every document is signed by the authorized signatories who have been authorized therefor, according to the required composition.

10.3. Our relationship with the environment

As a leading partnership in the energy field, NewMed Energy is committed to sustainable behavior, looking to the long-term future and safeguarding the interests of the future generations, in social and environmental contexts, including increasing the use of natural gas at the expense of polluting fuels. We are constantly working to reduce and mitigate our harmful impact on the environment, and to expand our beneficial impact.

- We continue to study and understand the consequences of the global climate changes, and analyze the risks and opportunities that these changes present to our activity, and how we can adapt and plan for the future.
- We manage NewMed Energy's policies in accordance with Israeli and international directives at the sites where we operate, and in accordance with best practice.
- We will act to do business with third parties which meet practicable safety, health and environmental criteria.

10.4. Contribution to society and the community

- We are aware of the diverse social needs of the communities in Israel and at the sites where we operate, and strive to create a positive social impact thereon.
- We participate in lectures, training and diverse collaborations with various educational institutions throughout Israel.

10.5. Occupational health and safety

The health and safety of our Employees and of the communities and the environment in which we operate are core values in our conduct. The creation of a secure, healthy and



safe work environment is the responsibility of all of us and we expect our Employees and partners to promote a culture of occupational health and safety.

- We are committed to creating a safe work environment for all of our Employees.
- All of our Employees, business partners and suppliers are committed to acting according to the procedures, laws and regulations in the fields of health and safety that are relevant to their work.
- We expect our Employees and partners to report any accident / near accident to the relevant functions at NewMed Energy.

11. **The Code of Ethics Officer, reporting and protected disclosures on Code-related issues**

The Code of Ethics Officer

The Code of Ethics Officer on behalf of NewMed Energy is Adv. Sari Singer Kaufman, the General Counsel of NewMed Energy, at NewMed Energy's registered address, at e-mail: Saris@newmedenergy.com, Tel.: 09-9712424, 052-8700171.

The Code of Ethics shall be circulated to all of the Employees, as defined herein, who are asked to read the Code, sign the attached confirmation and return it to NewMed Energy.

How is illegal or unethical behavior reported?

In any case where our Employees are exposed to or suspect improper or unethical conduct, they must immediately report it to the Internal Auditor, Mr. Gali Gana (Galig@rhcpa.co.il) and/or the General Counsel, Adv. Sari Singer Kaufman (Saris@newmedenergy.com) and/or the Chairman of the Audit Committee, Mr. Jacob Zack (jzack78@gmail.com) and/or the Chairman of the Board, Mr. Gabi Last (gabil@delek-group.com).

Protected Disclosures (Whistleblowing) on Matters of Ethics Procedure

Protected disclosures (whistleblowing) on matters of ethics shall be made to the General Counsel, Adv. Sari Singer Kaufman, by e-mail Saris@newmedenergy.com, or by telephone: 09-9712424, 052-8700171, or to the Internal Auditor, Mr. Gali Gana, by e-mail Galig@rhcpa.co.il, or by telephone: 03-6092020, who is the Protected Disclosures Officer.

We guarantee our Employees confidentiality. We shall not allow retaliation of any kind against Employees who report ethical or legal violations.

This procedure is circulated to all of NewMed Energy's Employees in the framework of the Code, and a copy thereof is available for inspection on NewMed Energy's bulletin boards.