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The Aran Code of Ethics

THINK ARAN, ————
|———| THINK BAG IN BOX



Chapter 1: Code of Ethics Principles

The objective of the Code of Ethics

This document defines the principles of ethical behavior to which we are committed and which we regard as a prerequisite of our existence as an organization in the business world. Our ethics are based upon who we are and define who we want to be.

The ethical principles that guide us are drawn from our legacy, vision and values. "Going our own way" means, first and foremost, turning the legacy, the vision and the values into part of our everyday experience. The principles detailed in this document are intended to assist each and every one of us at Aran into translating all of these into actions, decisions and deeds.

Assimilating the Code of Ethics

The Code includes a series of principles, finger rules and a mechanism for channeling questions. It does not have a comprehensive solution to all questions we encounter, however it provides us with tools and guidelines to contend with the problems we meet in everyday life. The Code is designed to serve as an "ethical compass", translating the principles into actions, and the decision and responsibility for the path we choose to take is ours.

How we run our businesses

We run our businesses with a commitment to maintain the highest of management benchmarks, with integrity, reliability, professionalism and decency.

We aspire to be leaders and serve as a role model for others, in terms of our management quality. Upholding the law is a minimal prerequisite for ethical behavior. We regard ourselves as committed to fulfilling standards higher than those set by the laws and regulations that govern our activities, wherever we operate.

Our Vision

We at Aran cooperate with our partners, suppliers and customers, to enable each home in the world benefit from natural and healthy products, headed by the food and beverage products, through advanced technological aseptic and BIB packaging solutions.

Our Values

- Leadership – to lead, take responsibility, to shape the future
- Flexibility – to know how to change and be changed
- Commitment – to be a genuine partner to our customers
- Professionalism – to do everything the best way possible
- Creativity – to dare, to initiate and to renew
- Family oriented – to be a home away from home for our staff

SECTION 41-1-110. Conspicuous disclaimer of contract of employment created by handbook, personnel manual or other document issued by employer.

It is the public policy of this State that a handbook, personnel manual, policy, procedure, or other document issued by an employer or its agent after June 30, 2004, shall not create an express or implied contract of employment if it is conspicuously disclaimed. For purposes of this section, a disclaimer in a handbook or personnel manual must be in underlined capital letters on the first page of the document and signed by the employee. For all other documents referenced in this section, the disclaimer must be in underlined capital letters on the first page of the document. Whether or not a disclaimer is conspicuous is a question of law.

HISTORY: 2004 Act No. 185, Section 1, eff March 15, 2004.



Chapter 2: The Code in Action

Commitment to our suppliers and customers

We operate daily to achieve the targets we set for ourselves, in terms of sales and of production costs. We make sure we do so with responsibility and caring for our suppliers and our customers. Our suppliers and customers constitute an important part of our ability to continuously grow and develop and we believe in the importance of genuine partnership and mutuality in our shared business activities, therefore:

- We are committed to behave honestly and with integrity towards our customers and suppliers with respect for their rights.
- We are committed to behaving fairly in our negotiations and current operations.
- We are committed to upholding the agreements to which we are party and to avoid abusing our power.

Excellence, continuous improvement and creativity

We aspire to excellence, creative thinking and continuous upgrading, to improve company performance in the long run.

Aran's commitment to its employees

We regard our employees as long term partners. We are fair to our employees, take care of their wellbeing, their safety and their professional development.

The employees' commitment to the company

We are committed and responsible for the company's success, its development and its improved performance. We are required to operate vigorously and devotedly for the success of the company.

Sexual harassment, violence, alcohol and drugs

We are opposed to any form of sexual harassment and operate to prevent it. The sexual harassment prevention regulations are brought to the attention and knowledge of all employees, and we are committed to act accordingly.

We are opposed to any violent behavior (physical or verbal) within the work framework or any other framework associated with work, such as events, business trips or any time you are representing the company.

We forbid introducing any alcoholic beverages, illegal substances or the inappropriate use of controlled substances of any kind whatsoever to the factory areas or premises, and we do not permit entry of any inebriated employee or one who is under the influence of drugs to the factory premises. Please reference the Aran Employee Handbook for additional details regarding our Harassment, Violence and Substance Abuse policies.

Proper use of the company property

We use company resources, assets and property responsibly, and to benefit of the company only.

Integrity and credibility

We operate transparently, and with integrity and forbid the publication of false information. Aran employees are committed to conducting themselves with integrity.

Confidentiality

We are committed to maintaining in confidence the information and intellectual property of the company, its customers and suppliers.

Positive approach, cooperation and decency

We cooperate and have a positive approach.

We commit to operating with decency and to behave with respect to our employees, owners, customers, suppliers, and employees.

Commitment to the owners and the community

We operate and are involved in a community and perform for the benefit of the company owners.

Fulfill the instructions of the law and not accepting bribes

We make sure to fulfill the directives of the law and the company norms of behavior.

Obedying the law is a threshold requirement, we aspire to uphold to higher standards than that.

We oblige all the company employees to act honestly and forbid the giving and receipt of favors or bribes of any kind whatsoever.

Employee safety

Maintaining safety of all employees and visitors to Aran:

We act to maintain strict safety of our employees and all who visit the Aran factories.

Employee safety is a principal component in our point of view, and we operate to achieve maximum safety levels through explanatory means, training and dynamic action in the production halls and throughout the Aran premises.

Commitment to safeguarding the environment and maintaining a decent work environment

Employees must work in a safe and clean environment taking reference from existing knowledge in the industry of any possible risks. We act to prevent accidents and injuries during work by reducing the risk factors to a possible minimum, as is accepted in the sector.

Employees are trained in the fields of health and safety, and this training is to be applied by every employee. The employees are ensured clean bathrooms and potable drinking water and if necessary, food storage facilities. We regard maintaining the environment to be of great importance and act towards this.

At-Will Employment

All employees are "At-Will," meaning that either the employee or Aran can terminate the employment relationship at any time, for any or no reason, with or without cause, and with or without notice. The At-Will nature of employment may not be altered or modified in any manner without prior written approval from Aran Group's CEO. All employees are required to sign the important notice maintained in the Employee Handbook acknowledging their At-Will status. (According to South Carolina Law).

It is forbidden to employ children

Aran's policy is clear and we act in accordance with the accepted law in Israel concerning the employment of children. In general, we do not employ children, except where the law permits. Children under the age of 18 are not employed for night shifts or in dangerous work environments.

Wages and employment terms

Wages and employment terms in Aran are according to the accepted legal regulations in the country and/or regulations of the plastic sector, the higher of the two, and in any event, wages will be appropriate and the rate will be adjusted to ensure legal compliance and local rates.

Aran employees receive written and comprehensible information on the terms of their employment in terms of wages prior to commencement of work, as well as details of their wage components with each payment.

It is forbidden to deduct money off wages as a means of punishment or to deduct any amount that can be deducted by law without the explicit consent of the employee.

Reasonable working hours and vacations

Work hours in Aran will adhere to state laws. Working hours, except for overtime, will be defined in the employment agreement and may be subject to change at management's discretion. Aran employees are eligible for vacation days according to company policies.

Discrimination is prohibited

Aran policy forbids discrimination in recruiting employees, as well as in compensation, in access to training, promotion, termination of employment or retirements, that is based on race, social class, sect, religion, age, disability, gender, marital status, sexual orientation, genetic information, union membership or political affiliation.

Regular employment

Work relationships are based for the most part on state laws and procedures.

Open Door Policy

Every employee has the opportunity to express their questions or concerns with their work conditions, to complain and to submit suggestions. Employees should reference the Aran Employee Handbook regarding additional details regarding our Open Door Policy.

Filing and safeguarding decision making documents

We undertake that all decisions taken by the Human Resources Department and in general, will be filed and kept secured in the employee's personal file, and will be presented as required to prevent the taking of arbitrary decisions.



Chapter 3: Our Quality Policy

- Our principle goal is to ensure the provision of products, support and service to our customers, according to their requirements and expectations, with the intention of achieving customer satisfaction and loyalty and to achieve a safe product for the customer and the end user and to continuously improve the product safety.
- We regard the managing of a quality policy as a means to achieve this goal. The quality assurance setup will ensure quality control and control over all phases of production, product supply, support and customer service, according to the requirement of IS900 and the high standards required from the company's activities and products.
- As a company that manufactures packaging for food, we are committed that our products do not cause any harm to consumers, whether directly or indirectly. Special emphasis is made at the factory on proper production conditions that ensure the products have a high level of hygiene and safety, as well as compatibility with legal and standardization requirements and to customer food safety demands. All this to prevent health and safety hazards from the end user.
- The company is committed to BRG-IOP requirements and belongs to category no. 1 in the field of packaging that comes into contact with food. The company is also committed to the requirements of ISO-22000.
- The company will uphold a quality assurance and quality control system that includes supplier and raw materials control, production and processes control, final inspection, and delivery and transportation process control, including delegation of responsibility and determining compulsory procedures through which the goal is achieved effectively and well. The company will adhere to all requirements of law (statutory and regulatory).
- The company will uphold a food safety management system that includes in addition a food safety risk factor locator, determination of advance programs to prevent risks and control of infrastructure.
- The methods for achieving the goal will include measurable quality targets and customer satisfaction surveys, the follow up of which will be periodically reported in a management survey.
- The quality policy will be reviewed at the beginning of each year in a management survey, will be updated accordingly and signed by the CEO.
- The company management undertakes to serve as a role model for all employees in implementing all the above matters and will verify that the policy is understood and implemented by all company employees at all times.



Chapter 4: Summary and implementation of the Code of Ethics

The Code of Ethics is our compass. Its principles, together with our vision and values, are designed to enable us to choose the correct path when encountering a junction. In many cases this will not be easy. The challenges that life presents us with will demand that we exercise discretion when considering all the various alternatives and choosing the one that best reflects who we are and who we want to become. At the same time, the Code cannot and is not designed to provide answers to all the questions and dilemmas that may arise.

We take upon ourselves a commitment to make every effort that will facilitate the task of navigation. We will make the Code accessible and clear. We will make sure to explain the logic behind each of the principles written, and provide examples for their proper implementation. All this will be done through training sessions for veteran and new employees and through ongoing explanatory activities.

In addition, we are committed to continuously examine our policies, strategies and the targets that we set, to ensure that these integrate the principles of the Code of Ethics. Each person is responsible for requesting guidance and assistance when encountering an ethical dilemma and does not know how to contend with it.

If an employee encounters a case of breach of the principles in the Code of Ethics, caution of such must be made. Employees are responsible for notifying their Supervisor, Human Resources or any member of management regarding any breach of the Code of Ethics. We will regard with severity any breach of the principles in the Code of Ethics, and take significant action if necessary up to and including termination. We assure that the employee reporting on improper conduct among workers or managers will be protected.

We believe that through the Code of Ethics and the ethical systems that exist in the company, we can navigate our way along the different paths, while fully achieving and implementing the principles of the Code, the company values and its vision.



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