

CODE OF ETHICS

Keren Hayesod



קרן היסוד
FOR THE PEOPLE OF ISRAEL

Table of Contents

FROM THE CHAIRMAN & CEO.....	5
INTRODUCTION.....	6
Keren Hayesod's Ethics and Code of Ethics.....	6
Why Do We Need a Code of Ethics if There are Laws, Regulations and Clear Procedures?	6
Who is Bound By the Code of Ethics?	6
What is Our Commitment as Keren Hayesod Employees?	9
How Are We Expected to Act When We Are Exposed to Unethical Conduct?...9	
How Was the Code Formulated?	9
THE SPIRIT OF KEREN HAYESOD	10
People Donate to People	10
Our Values.....	11
THE COMMITMENT OF KEREN HAYESOD AND ITS MANAGERS TO EMPLOYEES..	13
FROM VALUES TO ACTIONS.....	14
Committed to the Zionist Vision, Israeli Society and the Jewish People.....	14
Global Community, Peoplehood	17
Heritage Alongside Renewal.....	18
The Individual at the Centre.....	21
Trust.....	22
Professional Leadership.....	25
Together	26
SOCIAL MEDIA.....	29
CONFLICTS OF INTEREST	29
HOW SHOULD WE ACT WHEN WE ENCOUNTER AN ETHICAL DILEMMA?	30
Ethical Dilemma	30
The Ethical Test	33
CONSULTATION AND REPORTING CHANNELS	34



FROM THE CHAIRMAN & CEO

Dear Employees,

The values and ethical system of Keren Hayesod through which we lead this organization is a cornerstone in shaping our corporate culture and forming a language of shared values. Ethical conduct and values are essential for any organization, but especially for us, as we are the main philanthropic organization for raising donations for the State of Israel, and the main part of our work is with donors and involves managing other people's money. We attach great importance to this.

We are pleased to present to you the Code of Ethics of Keren Hayesod, which was formulated in a lengthy process with the participation of managers, employees, and representatives. Our Code of Ethics defines the spirit of Keren Hayesod, its core values, and the rules of conduct (norms) for the realization of the values in practice. This applies both in the internal relations between us and amongst ourselves, both in our relations with our donors and beneficiaries; in relations between us and our leadership; and between the organization and its partners. It also expresses our uniqueness and the way in which we strive to fulfill the mission of Keren Hayesod. Our work challenges us to deal with ethical issues on a daily basis, and this Code of Ethics will be the beacon by which we will deal with them.

The Code of Ethics is binding upon all managers and employees in the organization, from the Chairman and CEO, members of the Directorate and headquarters to the last employee, and the responsibility for implementing its principles rests with each one of us. We are committed to it, and so are all members of the Directorate and headquarters. The implementation of the Code in practice makes it part of the administrative, professional, and personal way of life in our work environment and in the interfaces where we operate forming the great challenge for us all. We see it as an extremely important foundational document, and we have no doubt that it will be a significant element in our organizational culture and work experience at Keren Hayesod.

Yours,

Sam Grundwerg | World Chairman

Alon Futterman | Chief Executive Officer



INTRODUCTION

Keren Hayesod's Ethics and Code of Ethics

The Keren Hayesod Code of Ethics outlines the proper conduct expected of us, the managers and employees of the organization. It is a value statement that defines the way we want to see ourselves and the values and ethics culture in our work environment.

The Code of Ethics of Keren Hayesod formulates the values and ethics policy of the organization based on its spirit and core values. The Code establishes rules of conduct (norms) for the practical implementation of these values in the organization, and it is intended to guide our personal, professional, and managerial conduct.

➤ **In this way, it is an ethical compass for us, a principled and normative identity card.**

Why Do We Need a Code of Ethics if There are Laws, Regulations and Clear Procedures?

Although we are obliged to comply with every law and procedure and are obliged to regulate them, this is not enough. We aim to elevate the standard of conduct at Keren Hayesod to a values level higher than the legal threshold and seek to design a set of rules for responsible values-driven conduct even if it is not defined as mandatory by law.

The Code of Ethics is not intended to replace laws, regulations, or procedures; it is not a legal or disciplinary regulation but is added to them. Its role is to serve as a values compass, a cultural layer that complements them. It is a tool to assist in making decisions and choosing the appropriate conduct in the day-to-day dilemmas we encounter.

➤ **The Code of Ethics will lead to the formation of a common value language and thereby to the formation and strengthening of the organization's value culture.**

Who is Bound By the Code of Ethics?

The Code of Ethics is binding on all employees of the organization, regardless of managerial rank or position. Starting with the Chairman and CEO, spanning managers at all levels and ending with the last employees, including outsourced employees. The commitment to the Code and the day-to-day responsibility for its implementation rests with each one of us personally. The role of the managers in this context is set their conduct in accordance with the values of the Code as an example for all employees. They must ensure that the Code is known and understood by all their employees and assist in the process of assimilating it and making it part of the daily work routine.

➤ **Conduct in accordance with the organization's Code of Ethics and its principles is a key element in creating and maintaining a principled work environment.**





What is Our Commitment as Keren Hayesod Employees?

Being the central and leading national body for raising donations for the State of Israel, and because our work involves contact with donors and managing other people's money, we carry a great responsibility for ethical and moral conduct. During the decades of our existence, we worked to build and establish trusting relationships with the donors and organizations that support our activities. We earned this trust not only thanks to our excellence in our field of work, but also - and perhaps mainly - thanks to the values and ethical conduct of each one of us, which contributed to establishing the image of Keren Hayesod as an organization whose values and ethics are its guiding principles. This trust forms the basis of Keren Hayesod's activity, and we must do everything in our power to preserve and strengthen it.

- **Strict adherence to values and ethical conduct will strengthen the positive image of Keren Hayesod, the trust of donors in us and Keren Hayesod, and intra-organizational relations.**

How Are We Expected to Act When We Are Exposed to Unethical Conduct?

An important condition for the existence of an ethical culture is decisive action against any violation of the Code of Ethics, even if it is only a suspicion. Therefore, if we notice unusual or improper conduct that violates the organization's ethical standards, we must act immediately to stop it. It is possible to proceed in one of two paths:

1. **Phased Action** - In the first step, we will contact the employee who violated the Code of Ethics and talk to him so that he ceases his actions. In the second step, if the employee continues his conduct, we will contact his direct manager, the senior manager in charge of him, or the organization's Ethics Supervisor.
 2. **Direct Action** - We will contact the employee's direct manager, the senior manager in charge of him, or the organization's Ethics Supervisor.
- **It should be emphasized that the notifier is guaranteed absolute confidentiality and protection against harassment, provided that the report is made in good faith and with pure motives of maintaining the organization's ethical standards.**

How Was the Code Formulated?

The process of formulating the Code of Ethics was performed with the participation of managers and employees and was led by a steering committee that included managers and employees headed by Mika Yamin-Daniel, with the professional guidance of Daniel Milo, an expert in the development and assimilation of values and ethics in organizations¹. As part of the process, there were in-depth interviews with various employees in the organization, a Managerial-Headquarters workshop to consolidate the values, employee workshops to target and validate the Code and values, and workshops for emissaries. At the end of the process, the Code was approved by the Headquarters Forum.

¹ The members of the steering committee are: Mika Yamin-Daniel, Yael Gillis, Judith Steinberg, Nurit Chen, Michal Shiloh, Yossi Cohen, Erez Manheimer, Marcelo Goldin, Paul Rosenberg, Dafna Bona and Limor Moalem.



THE SPIRIT OF KEREN HAYESOD

People Donate to People

Keren Hayesod is an organization with a glorious heritage and a tradition of more than a hundred years of fundraising for the realization of the Zionist vision - assisting and supporting the immigration and absorption of new immigrants, strengthening Israeli society, and establishing the relationship between Diaspora Jewry and the State of Israel and its population, based on the principle of mutual responsibility.

Keren Hayesod is the central and leading national body for fundraising for the State of Israel. It forms a bridge between the population of Israel and the Jews of the Diaspora and friends of Israel, as well as strategic factors in Israel, and makes them partners in the journey. Hundreds of thousands of donors and supporters from a variety of countries around the world share a common mission: to enshrine the State of Israel and its position in the world, strengthen its citizens, and lead Israeli society toward progress and social and economic prosperity.

Keren Hayesod employees work together out of a sense of mission, deep commitment, and full identification with its goals, with transparency, integrity and loyalty, and from a combination of respect for heritage and tradition and a commitment to renewal and continuous renewal.

➤ In this way, Keren Hayesod represents Israel at its best.

OUR VALUES

**Committed to the Zionist Vision,
Israeli Society, and the Jewish People**

Global Community & Peoplehood

Heritage Alongside Renewal

The Individual at the Centre

Trust

Professional Leadership

Together



THE COMMITMENT OF KEREN HAYESOD AND ITS MANAGERS TO EMPLOYEES

We, the managers of Keren Hayesod, are committed to the Code of Ethics and its assimilation among the organization's employees. By virtue of being managers, we have an additional obligation to set a personal example and conduct ourselves in accordance with the Code of Ethics and its spirit in practice. Therefore, we as managers hereby declare that we:

1. **Treat employees with respect** and encourage them to treat each other with respect, allow open communication, listen to their needs, and provide appropriate answers.
2. Promote a **respectful work environment** and exercise zero-tolerance for harassment of any kind.
3. Practice **administrative transparency** and proactively provide our employees with complete, reliable, and up-to-date information about their rights and obligations and meet our obligations toward them.
4. Make decisions according to **transparent, clear, and well-known criteria**.
5. Support our employees and **care for their well-being**, their professional development, the strengthening of their abilities and their ongoing training.
6. Hire employees exclusively **for the promotion of the Keren Hayesod's goals**. We do not require them to perform personal tasks for us, and we do not obtain favors from them, either directly or indirectly. We do not maintain business relations with them of any kind.
7. Encourage a **balance between work and family life**, leisure, and personal development (work-life balance). Although Keren Hayesod operates in a variety of time zones, we avoid as much as possible holding non-urgent meetings and sending non-urgent emails and text messages in the evenings and on weekends.
8. Strictly **protect the privacy of employees** and maintain the confidentiality of their personal information.



FROM VALUES TO ACTIONS

We, all employees and representatives of Keren Hayesod, accept personal and collective responsibility for realizing the values of the organization and its Code of Ethics in all our actions.

This is how we want to see ourselves and Keren Hayesod, and these are the values that guide us:

Committed to the Zionist Vision, Israeli Society and the Jewish People

1. We are committed to the Zionist vision, to the vision of Keren Hayesod and to its goals and work tirelessly with loyalty and dedication for their optimal realization out of a maximum investment of our abilities, skills, and energy.
2. We act out of a deep sense of mission for the State of Israel and its people.
3. We conduct ourselves in a stately manner and out of full identification with the State of Israel, the Jewish people, and the organization's values, giving paramount importance to the public interest of Israeli society.
4. We make sure to be at the forefront of action in our fields of activity and direct our work to the important and immediate needs of Israeli society and the Jewish people.
5. We act on the basis of the principle of mutual responsibility among Jews around the world and lovers of Israel wherever they are.
6. We take care to preserve the values of Keren Hayesod and its interests and to avoid any damage to its image. We also refrain from expressing a political position, from publicly criticizing the state's institutions, and from actions or statements that are intended to harm the state, its institutions, or its symbols. If we do make a political statement, we will make it clear that this is our personal opinion and that it does not represent Keren Hayesod in any way.





Global Community, Peoplehood

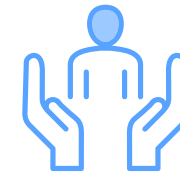
1. Keren Hayesod is an international and multicultural organization, a global community that is active almost everywhere across the globe, and therefore constitutes a kind of world-wide network that connects the Jewish world and friends of Israel in the Diaspora with the State of Israel and its people. Our role is, among other things, to connect our supporters and donors around the world to create a global community (global outreach).
2. Recognize that our donors represent a broad spectrum of cultures, and therefore show tolerance and social and multicultural sensitivity and accept and accommodate different opinions and views.
3. Working in Israel with diverse populations with changing needs, sensitively and out of an aspiration for equality and social and multicultural diversity.
4. Mutual responsibility is one of our cornerstones. We act in the spirit of the phrase composed by the Sages, "All Israel are bound to each other" - an approach that brings together Diaspora Jews and supporters of Israel and inspires in them deep solidarity and a sense of connection to the people of Israel.
5. Collect donations according to strict ethical norms and strive for excellence in the field of fundraising - our main field of activity. Our activity in this field changes and is adapted to the culture, society, and laws of the countries in which we operate.



Heritage Alongside Renewal

1. Appreciate and cherish our being the central body for raising funds for the State of Israel and recognize the ongoing, significant, and ever-renewing impact of our actions on Israeli society.
2. Proud of our solid foundational values, whose roots are intertwined with the roots of the Zionist movement and the State of Israel for more than a century, in the organizational memory, in the capabilities that have been developed and perfected over the years, and in our rich historical experience.
3. Preserve the glorious and multifaceted heritage of Keren Hayesod, and on its basis strive to develop new professional knowledge for constant learning and improvement, initiate changes that challenges the present and fosters renewal.
4. Cherish, enable, and encourage original and groundbreaking creative thinking, innovative initiatives, bringing up unconventional ideas and suggestions for improvement.
5. Keeping up-to-date and relevant, while constantly examining the changing reality and needs in Israel and in the Diaspora and adapting it the way we operate so that we can provide appropriate services.
6. Cherish, preserve, and nurture existing donors, and at the same time, work continuously to recruit new donors.
7. We are committed to nurturing and empowering Keren Hayesod's young donors and employees, who constitute the organization's future generation, while we provide them with tools and train them to lead the organization's activities in the future.
8. Care is taken to preserve the knowledge, abilities and experience accumulated for the sake of organizational memory and for use by the future generation.





The Individual at the Centre

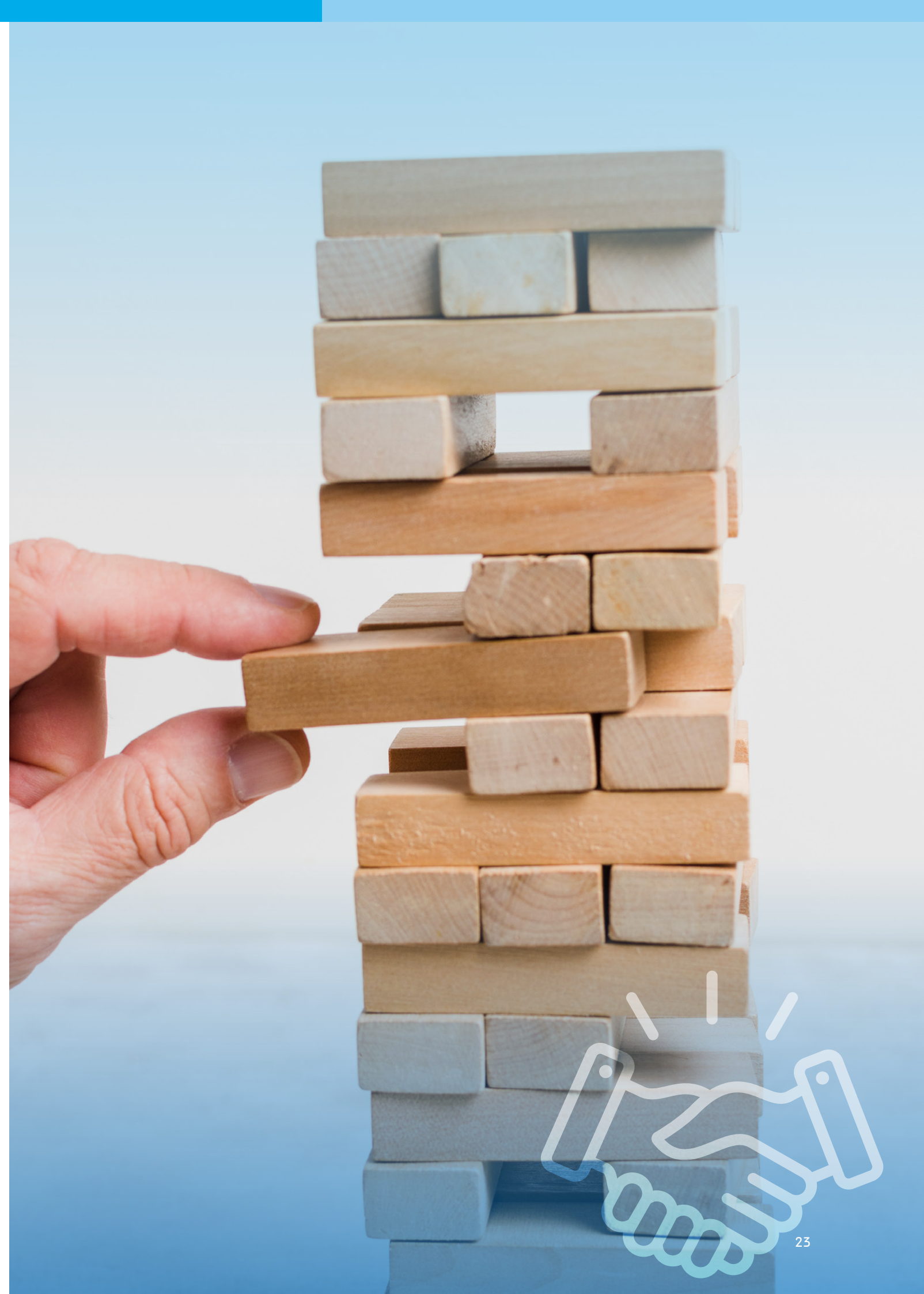
1. Treating every person regardless of who they are with respect, without discrimination and without bias, and making sure to act out of humanity and sensitivity, tolerance, fairness, empathy, care, and acceptance of difference.
2. In every discussion, meeting, or dialogue, including digital communication channels, we make sure to maintain a respectful discourse and a proper discussion culture while preserving the dignity of the participants, and work resolutely to eradicate any disparaging discourse and offensive conduct of any kind.
3. Behaving politely and with modesty and humility and making sure not to offend the dignity of people via our actions, speech, and clothing, which is adapted to the dress code accepted in the organization.
4. We are attentive to the needs of our employees, donors and beneficiaries and do everything we can to help and support them.

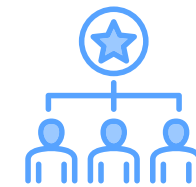


Trust

1. Our conduct strengthens the trust of all our stakeholders² in us, the organization, and its activities, and we see them as full partners along the way.
2. We establish long-term mutual relations with all our stakeholders based on trust, partnership, and reliability, and make sure to fulfill all our commitments and promises to them.
3. We practice maximum transparency in all our operations, including making full, clear, and reliable information available to stakeholders to enable them to make an informed decision.
4. We make sure to provide accurate and complete reports regarding the donations we receive - from the receipt of the money, through its transfer to the beneficiaries, to the ways in which it is realized over time.
5. Act out of personal and professional integrity and without bias, in good faith, with purity of character and modesty, and make sure to avoid discrimination and unfair favoritism.
6. Obligated to faithfully fulfill the duties assigned to us and adhere to the procedures and rules of proper administration.
7. Protect the good name of Keren Hayesod and its reputation as a professional organization operating with fairness, integrity, and high ethical standards.
8. We strictly maintain the privacy, modesty, and confidentiality of the information of all our stakeholders, whether it is personal, business, or other information. We use the information that came to us as part of our work exclusively to promote the goals of Keren Hayesod and take extra care so that privacy and confidentiality are not compromised, even in good faith.
9. We collect information for the purpose of our work in a proper and worthy manner, including information about donors and associations, while maintaining professionalism, matter-of-factness, and complete discretion.
10. Adhere to the highest standards of ethical conduct, as reflected in our Code of Ethics, in all areas of our endeavors. If we have any doubts about any activity, we consult with our superiors and, if necessary, with the organization's Ethics Supervisor.

² Stakeholders are people who influence or are affected by the organization, its activities, services, or products.





Professional Leadership

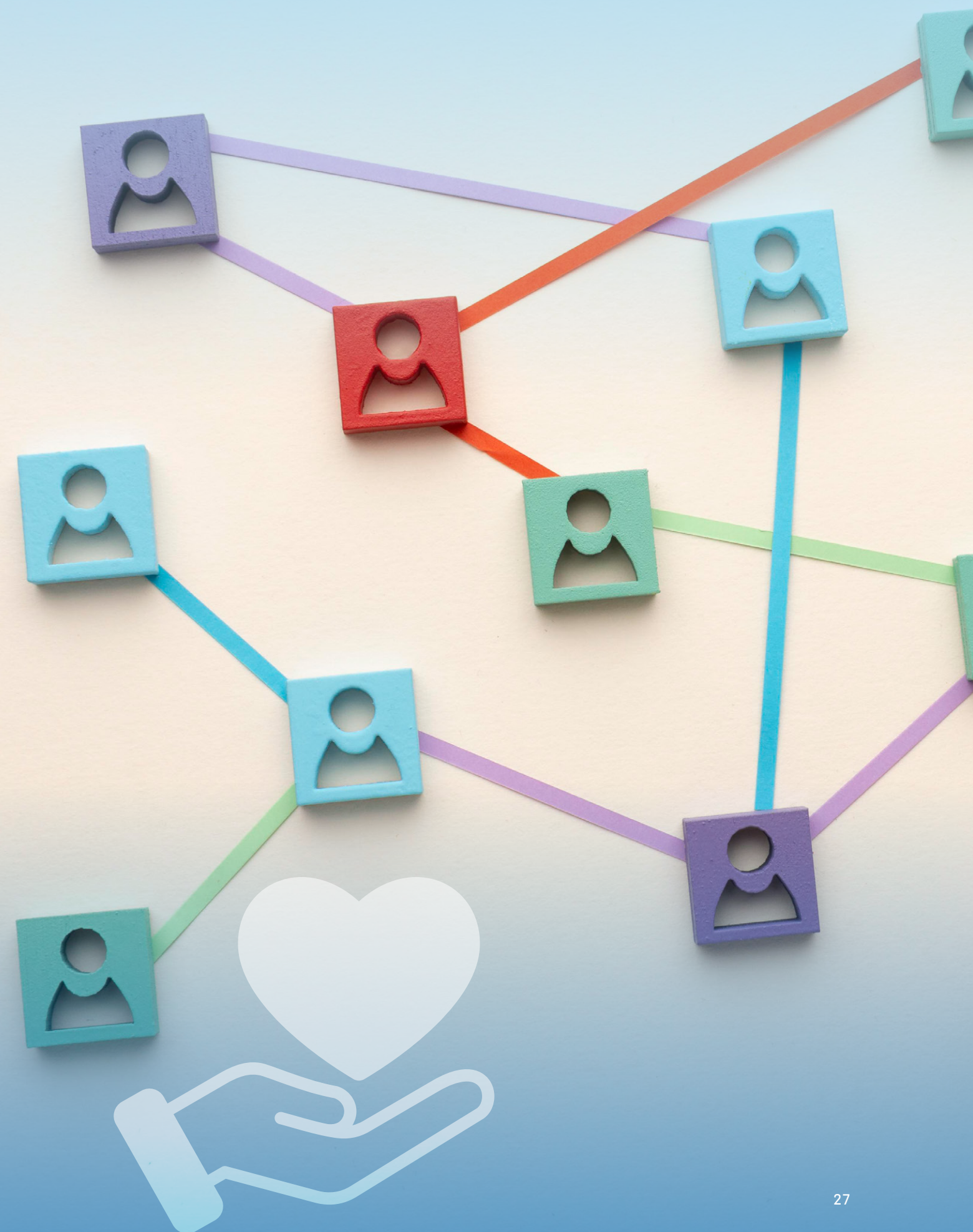
1. Demonstrating expertise in our fields and topics of endeavor. We are constantly learning for the purpose of professional development, acquiring current knowledge, strengthening our skills, and deepening our professional understanding in everything related to our activity.
2. Establishing an overall culture of excellence and taking responsibility and committing that our performance will be of the highest standards, believing that in this way we will strengthen the relationship with our stakeholders and their trust in us.
3. Making professional decisions with the cooperation of the relevant parties and with openness and encouraging expression of professional positions without fear, even if they differ from ours.
4. As professionals, we rationalize our decisions and actions through routine.
5. Gaining professional insights (from both successes, failures and mistakes), working to implement and distribute them among our colleagues for joint learning as part of our work routine.
6. Harnessing our professional knowledge, experience, and skills for the benefit of all stakeholders.
7. Examining our actions and decisions in the context of the overall benefit they bring to the organization.
8. Acting according to high professional standards, striving to carry out our tasks and make sure to plan activities and meet objectives in accordance with the strategy of Keren Hayesod.
9. Operating with accountability - bearing full responsibility for every action and decision we make and all their consequences and acting with the understanding that our activities and conduct impact the results of our work and the image of Keren Hayesod.
10. Working with a high work ethic, initiative and responsibility, diligence, and dedication, while being careful about the high quality of our products.
11. Committing to provide quality service, both inside and outside the organization, while acting with courtesy, patience, attentiveness, and empathy.



Together

"Together" is the adhesive that bonds all Keren Hayesod employees, donors, partners, and beneficiaries together and creates the unique web of connections between all of them - person to person and person to organization.

1. Acting out of recognition of the importance and benefits of teamwork and maintaining open communication channels.
2. We believe that cooperation is a "power multiplier," and therefore we cultivate a spirit of joint, group and individual responsibility, believing that everyone contributes one's part to the success of the entire process. We are committed together to the success of each and every one of us as individuals for a common goal - fulfilling the mission of Keren Hayesod and advancing its objectives.
3. Cooperating fully and cross-organizationally (between Keren Hayesod departments in the main office and representatives around the world, between departments and within each department), from a systemic view of the benefit of Keren Hayesod and our stakeholders.
4. Acting collegially, applauding our colleagues and their work, recognizing their part in the work, and protecting their good name and reputation.
5. The expression of a variety of opinions is encouraged, as well as the ability to receive and give constructive feedback and criticism without fear in a respectable, reasoned, and matter-of-fact manner, both in the current communication between the organization's personnel and when discussing a specific matter. After making a decision, we are all committed to its implementation.
6. We share our expertise, knowledge, information, skills, and experience with our colleagues with full transparency.
7. Managing disputes in a matter-of-fact manner, and in the process put ourselves in the place of our colleagues and partners and examine their positions with a respectful examination even in situations of arguments and disagreements.
8. We refrain from any conduct and any expression that denotes harassment, exploitation, or harm. We denounce it and act immediately to stop it. Such conduct is strictly prohibited, and we will not tolerate it.
9. We extend help and support to our colleagues who need it, both on the professional level and on the personal level.
10. As for the benefit of the organization, we are obliged to make the best use of our working hours. We invest our full abilities, skills, and energy in promoting the goals and objectives of Keren Hayesod and refrain from engaging in activities or issues that are not related to work. We also strictly guard the information and interests of Keren Hayesod, show care and responsibility for its resources and assets, and use them only for the advancement of its goals.





SOCIAL MEDIA

As Keren Hayesod employees, we are committed to appropriate conduct in the digital space, both private and institutional, as one.

1. Make sure to exhibit respectful conduct on social media while respecting the dignity of others. We use a respectful writing style that reflects the values of Keren Hayesod and completely avoid rants, offensive statements, shaming and violent language.
2. Conduct ourselves in a dignified and representative manner; refrain from expressing a political or ideological position; and act in the digital space as we would in the physical public space.
3. If we do make a political statement, we will make it clear that this is our personal opinion and that it does not represent Keren Hayesod in any way.

CONFLICTS OF INTEREST

A conflict of interest is a situation of contradiction between the interests of the organization and the personal interests of an employee or one of his associates - interests that may influence his decisions and cause him to act contrary to the interests of the organization, instead of professional and practical considerations only, as required by his position. A conflict of interest does not have to actually occur; it is enough that it may occur.

1. We completely avoid a situation of conflict of interest or suspected conflict of interest, in fact or in appearance, between our duties as employees of Keren Hayesod and any personal interest of ours or those close to us.
2. We make sure not to take advantage of our position and our roles at Keren Hayesod to promote our personal interest or of those close to us or for any purpose unrelated to the performance of our duties.
3. As part of our work, we give and receive only small gifts of reasonable value that do not influence our decision-making, in accordance with the "Acceptance of Gifts, Benefits and Bribes" procedure. We refrain from accepting gifts or benefits of any kind from suppliers and service providers, and we do not have any financial or business relationship with them.
4. When we are not sure if we are going to act out of a conflict of interest, we apply the principle, "If there is doubt, there is no doubt," and we decide strictly.
5. In any case of uncertainty or even slight suspicion that there may be a conflict of interest, we report it to our superiors and consult with them and refrain from any activity until a decision is made on the matter.

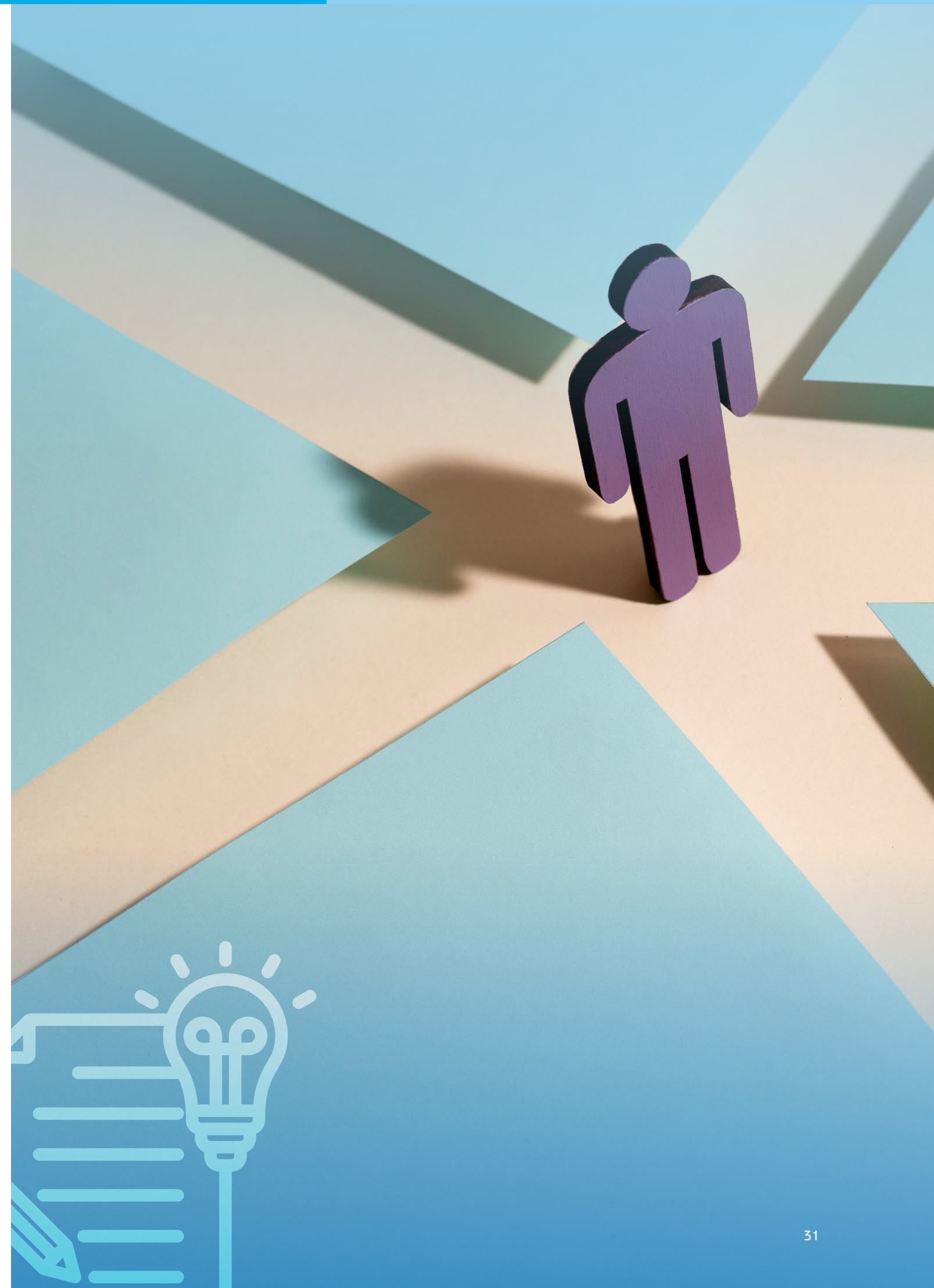


HOW SHOULD WE ACT WHEN WE ENCOUNTER AN ETHICAL DILEMMA?

Ethical Dilemma

Ethical dilemmas arise in the gray area because of deliberation, a clash, or contradiction between several values or from dual loyalties and obligations, sometimes contradictory.

Naturally, we often encounter such dilemmas in our work. In practice, how can we decide what is the appropriate alternative, and how should we conduct ourselves? To this end, we have at our disposal The Ethical Test-- a tool designed to help us make the right decision in accordance with Keren Hayesod's ethics and values policy.





The Ethical Test

Let's ask ourselves the following questions:

1. What values or obligations come into conflict in this dilemma?

- Is it possible to balance and combine them?
- If not, what is the leading value or commitment?

2. Does the Code of Ethics refer to the issue confronting me, either directly or indirectly?

3. What courses of action are available to me?

- Is there a course of action that does not involve an ethical dilemma?

4. What is the path I tend to choose? I will now assess whether the path I chose is appropriate:

- Is it legal (in terms of state laws, regulations, and procedures of Keren Hayesod)?
- Will it maintain the reputation of Keren Hayesod as an organization that operates with high ethical standards?
- Is it compatible with the values of Keren Hayesod and its ethics rules?
- Is it free of foreign interests and considerations?
- Is this how I would want everyone to conduct oneself?

5. The P.C.P. (Pillow, Child, Publicity) Ethical Test:

- How will I feel when I lay my head on the pillow before going to sleep and reflect upon the action I did or am about to do?
- If others conduct themselves in this manner toward me or toward my children or family member, would I consider it proper ethical conduct?
- Would I feel comfortable if the act I did or am about to do is publicized in the media?

In every decision with regard to an ethical dilemma, we will rule, as mentioned, with severity: If there is doubt, there is no doubt. If we have not been able to decide upon the appropriate conduct, we will not let the matter go until we obtain an answer. We will contact the direct manager, the senior manager who oversees him, or the Ethics Supervisor of Keren Hayesod.



CONSULTATION AND REPORTING CHANNELS

Keren Hayesod encourages employees to consult and report on ethical and values-related issues. This is the correct way to constantly improve our cultural values. Keren Hayesod commits to maintain the confidentiality of notifiers and will act resolutely to prevent any harm or mistreatment of them.

We must use all the means at our disposal to make the appropriate decision:

- By consulting with direct or senior supervisors.
- By contacting the Ethics Supervisor or Ethics Board members. One can also initiate contact anonymously.
- If the event Ethics Board members are unable to reach a decision on an ethical issue that arises, they will consult with **Daniel Milo**, external consultant.

Ethics Supervisor | **Mika Yamin-Daniel**

Ethics Board | **Mika Yamin-Daniel, Chair**

| **Sara Aharon Sarussi**

| **Nurit Chen**

| **Yossi Cohen**

| **Refael Heumann**

| **Limor Moalem**

| **Rachel Nagar**

| **Paul Rosenberg**

| **Michal Shiloah**





Produced by the Marketing Communications
Department, Keren Hayesod

Jerusalem | May 2023



KEREN HAYESOD קרן היסוד
FOR THE PEOPLE OF ISRAEL