

EVOGENE LTD.

CODE OF ETHICS AND PROPER BUSINESS CONDUCT

1. INTRODUCTION

This code of ethics establishes basic principles and a system of standards for proper business conduct and culture (the "**Code**"), and constitutes a guide that obligates all employees of Evogene Ltd. and the subsidiaries wholly owned by it (the "**Company**"), as well as the directors and the managers thereof, to proper business and ethical conduct.

The system of standards in the Code adds and does not derogate from the laws and the regulations that apply and are implemented pursuant to law as part of the ongoing activity of the Company and from any procedures under which the Company operates. The Company's Board of Directors and management regard these standards as part of the disciplinary rules of the organization that apply to all employees and the directors. The aim of the Code is to promote a culture of decency, integrity and respect for the law and for the people with which we come into contact, including our work colleagues.

All the officers and the employees of the Company ("**the employees**"), should understand the Company's policy, standards and guidelines of conduct and undertake to observe them. We expect of the employees to comply with the relevant laws and to meet the ethical standards in all matters that concern the Company.

It is to be emphasized that lack of knowledge of the law does not constitute a reason or explanation for the violation thereof. We expect of each employee that he would exercise reasonable judgment in order to help us maintain appropriate procedures of compliance with conventions and management of the Company in a manner commensurate both with the law and high ethical standards. We expect of each employee at our Company that he would read this Code and demonstrate personal commitment to the standards established herein.

We expect of our managers to exhibit leadership and demonstrate personal commitment, this *inter alia*, in accordance with the standards described in this Code.

We expect that all employees report, through accepted channels, anything that might appear to them as non-compliance with conditions and any sign of unlawful or inappropriate conduct.

The Company shall not accept unethical, unlawful or dishonest conduct. This Code is intended to assist the employees in understanding the standards required of the employees and in complying with them. It is to be clarified that this Code does not include a breakdown of every situation that may occur and does not derogate from the importance of laws and regulations that are not detailed herein.



This Code shall not underestimate the value of any undertaking, task and/or responsibility of an employee toward the Company, under any contract, including an employment contract and/or in accordance with any law. While the Company requires of its employees to comply with standards that have been established in the Code as well as with policy and with the established procedures of the Company, this Code, similar to the policy and the procedures of the Company, is subject to revisions that shall be made from time to time in accordance with the discretion of the Company and it does not constitute an employment contract.

Conduct that violates the values of the Company constitutes inappropriate conduct. Accordingly, the Company could take various disciplinary measures in accordance with the degree of severity of the violation, up to dismissal and denial of rights (subject to any law).

It is clarified that in this Code the singular also implies the plural and vice versa and the masculine also implies the feminine and vice versa, all as the case may be.

2. REQUEST FOR CONSULTATION OR REPORTING ON NON-COMPLIANCE WITH STANDARDS

Each employee is obligated to adhere to this Code in performing the areas of responsibility that are imposed on him by virtue of his position.

If an employee has questions in relation to this Code, on any subject appearing herein, or if the employee suspects non-compliance with standards, or a question has arisen with regard to the suitable course of action in a given situation, the employee shall consult with the immediate manager or his supervisor. If the employee wishes to speak with said person in this regard, or if he is dissatisfied with the manager or supervisor's response, the employee shall seek advice from a more senior manager or from the Legal Adviser of the Company. If the employee wishes to report or to discuss any accounting matter, he may report this directly to the Chief Financial Officer of the Company. If the employee wishes to report any matter anonymously, the employee is free to do so and the Company shall maintain the confidentiality of the notification, to the extent possible in accordance with the relevant laws. For reports that are intended to be reported confidentially, the following electronic mail address is available to the employee: Anonymous@evogene.com, without the possibility of identification, and the report may be forwarded in writing by mail without indicating the name of the employee or his address to the Company's address, to the attention of the Legal Adviser.

3. PROTECTION OF THE COMPANY'S PROPERTY

We expect that our employees make an effort to protect the Company's property as well as other assets, tangible and intangible. The Company's property is not to be used for the



purpose of dealings that are unrelated to the Company. Each employee is personally responsible for using the Company's assets for lawful purposes of the Company that have been approved by the management. All the employees should help our Company protect its assets against inappropriate use, theft, damage or other loss. Inappropriate use or personal and unauthorized use of the Company's assets is prohibited.

4. ACCURACY OF THE RECORDS AND THE REPORTS OF THE COMPANY

Both Israeli and U.S. securities laws and the relevant regulations promulgated thereunder subject the Company to continuous disclosure requirements and require it to submit certain reports and certain documents to the Israeli Securities Authority (the “ISA”), the Tel Aviv Stock Exchange (the “TASE”), the U.S. Securities and Exchange Commission (the “SEC”) and to convey this information to its shareholders. All of these reports and documents should be consistent with the above-mentioned legal requirements and they cannot include material misstatements or omission of material facts. The Company aspires that its disclosure to the investor public shall not only be consistent with the relevant disclosure rules, but shall also adequately and fairly present to the investor public the financial condition of the Company and the results of its activities. Any financial and other information that relates to the Company must be recorded accurately. All the records and the financial transactions must be in compliance with the system of internal controls of the Company and with the relevant accounting requirements.

We expect of all the employees, within the framework of their position at the Company, to ensure that such reports shall be complete, adequate, accurate, understandable and ready on time, prepared in accordance with all the above-mentioned legal requirements. If you are aware of a material inaccuracy or material omission in the statements of the Company, you must immediately bring the matter to the attention of the Chief Financial Officer or the Legal Adviser of the Company.

5. PROHIBITION ON USE OF INSIDE INFORMATION

The shares of the Company are listed on the TASE and on the New York Stock Exchange in New York. The securities laws in Israel and the Securities Exchange Act of 1934, as amended, in the United States, prohibit the execution of transactions in securities that are traded on the Stock Exchange with the use of inside information. Use of inside information prejudices the public investors that invested in the Company, undermines the confidence of the investors in the Company and in the entire capital market and is also deemed an act of breach of trust against the Company, inasmuch as whoever makes use of inside information is deemed someone who has taken information that belongs to the Company and made use of it for personal enrichment rather than for the purposes for which the information was conveyed. The



ISA and the SEC, as well as the courts in both Israel and the United States, regard the use of inside information with great gravity and adopt strict enforcement and punitive measures in this regard.

The Company's policy with respect to inside information, "Procedure for Prohibition of Use of Inside Information" (the "**Inside Information Policy**"), prohibits any director, officer, employee as well as first-degree relatives of said individuals, who is in possession of material non-public information that concerns the Company, from trading in the securities of the Company based on this information, which has been acquired through access that is not public domain. Every employee must keep in strict confidence any information that has come to him within the scope of his work and he and his family must not trade in securities of the Company or of the shareholders of the Company based on information that has come to his attention during his work at the Company. In addition, employees must not disclose or "allude to" any detail of non-public information to family, friends or others outside the Company and they are obligated to comply with all the requirements of the Inside Information Policy. The provisions of the law with regard to the use of inside information or leaking inside information or failure to safeguard inside information are punishable criminal offenses under both Israeli and U.S. law.

Israeli securities laws define the term "**inside information**" as information on a development or expected development in a company or on a change or expected change in its condition, or any other information on a company which is not known to the public and which, if it became known to the public, might cause a significant change in the price of the security of the company. In addition, the term "inside information" has been defined by courts in the United States as information that, had it been publicly disclosed, would have materially changed the basis of considerations of a reasonable investor.

The definition of the term "inside information" is a general and encompassing definition, which by its nature does not include an exhaustive or clear list of all types of information that fall under the definition. Not all internal information of the Company is "inside information," however.

For additional information regarding the prohibition on use of inside information, please see the Inside Information Policy.

6. NON-PUBLIC INFORMATION

We expect that all employees help the Company in keeping non-public information of the Company, its customers, its suppliers, its business partners, its employees and of any third parties in strict confidence, save information that is permitted to be disclosed by the Company due to a legal obligation or unless and until the Company approves a press release or another approved announcement or submission of a report to the ISA or SEC.



7. OBLIGATIONS TO ACCOUNTANTS

Employees must be candid in all dealings with the accountants overseeing the Company's financial statements, and may not knowingly misrepresent facts or knowingly fail to disclose material facts, and must respond to specific inquiries and requests by the accountants.

Employees must not take any action, or direct any person to take any action, to fraudulently influence, coerce, manipulate or mislead the accountants in the performance of an audit of the Company's financial statements for the purpose of rendering such financial statement materially misleading.

8. RETENTION OF DOCUMENTS

We expect of the Company's employees to keep an accurate and true record of any relevant information in order to reach responsible business decisions. The accurate documentation includes, *inter alia*, accurate documentation of the working hours including overtime work, accurate and complete documentation of trial and test results, reports on business expenses, etc.

9. INFORMATION TO THE PUBLIC

The Company's policy is to provide information to the public on its businesses only through its employees who are authorized for this purpose. Employees may under no circumstances discuss financial, business, or other information with the press (aside from said employees who are so authorized explicitly). Information requests from the media, analysts or shareholders of our Company must be forwarded to the Chief Executive Officer or to the Chief Financial Officer or to the Legal Adviser of the Company for review by the professional team of the Company that is responsible for these matters. The aforesaid does not detract from any undertaking, task and/or responsibility of the employee towards the Company in this regard, under any contract or pursuant to law.

10. INTELLECTUAL PROPERTY

Employees are obligated to help our Company maintain the value of the intellectual property of the Company by keeping our trade secrets and other confidential non-public information, by limiting access to non-public information only to those who are authorized to use it within the scope of their duties for the Company. All the rights in intellectual property that derive from confidential information or other materials that have been made, developed or created by employees of the Company shall belong solely to the Company and the employees, the inventors or developers of this intellectual property shall not retain any rights or benefits



therein or that derive therefrom. The aforesaid does not detract in any way from any undertaking, task and/or responsibility of an employee toward the Company in this regard, under any contract or pursuant to law.

11. OUR COMMITMENT TO BUSINESS PARTNERS

Our business partners constitute an important part in the Company's ability to continuously grow and develop and we believe in the importance of establishing advantageous alliances with our business partners.

We are committed to acting with confidential information of the Company's business partners at least with the same meticulousness with which we act to protect proprietary or confidential information of the Company. We expect of all the employees to use judgment in limiting access to such aforesaid confidential information and grant access only to those persons in our Company that need to know this information in order to perform their duties.

Our commitment is to each other. We expect of each employee to promote a positive work environment for everyone.

12. RESPECT FOR OUR EMPLOYEES

The Company desires to ensure the proper conduct of all its employees and representatives and the dignified representation of the Company. The use of vulgar language, threats of violence and physical violence are strictly prohibited. Our Company's policy requires adherence to all labor laws. Our Company's policy prohibits discrimination in every aspect of employment that is based on race, color, religion, gender, sexual orientation, family status, national origin, disability or age, as construed under the relevant laws.

13. PROHIBITION ON HARASSING OR OFFENSIVE CONDUCT

Our Company's policy prohibits harassing or offensive conduct on the part of our employees toward one another or toward others, such as unacceptable remarks with sexual overtones, remarks based on ethnic, religious or racial aspects, non-business and other personal remarks or conduct that causes others to feel uncomfortable in their work with us. Our Company's policy is to provide employees of both genders with a safe and pleasant work environment that is free of harassment, sexual or otherwise, in order to prevent harmful abuse of authority and to promote equality between the sexes in the workplace. We encourage employees to report harassment or other inappropriate conduct promptly when it occurs. The purpose of the Israeli Prevention of Sexual Harassment Law, 5758-1998, is to prohibit sexual harassment in order to protect human dignity, liberty and privacy and in order to promote equality between the sexes. Sexual harassment harms human dignity and privacy, equality between the sexes, the working relationships and the work environment and contradicts the



Company's policy. In addition to the damage caused to the work environment, sexual harassment constitutes a criminal offense. Employees are required to adhere to our Company's policy in this regard, as instructed by the existing laws and regulations. The Company has bylaws on the prevention of sexual harassment, which are published on the main message boards of the company. As set forth in the bylaws, in any case of complaint of sexual harassment, the Director of Human Resources of the Company may be contacted.

14. HEALTH AND SAFETY

We expect that all employees help us maintain a healthy, hygienic and safe work environment and immediately report unsafe or hazardous conditions or materials, injuries and accidents connected with the Company. Our Company is committed to observing the workplace safety laws and regulations, including those that concern fire extinguishing.

15. COMPETITION AND FAIR DEALING

We are committed to competing effectively, but legally, in our business markets. We undertake to observe fair and appropriate rules of competition in our relationships with and vis-à-vis our competitors. All employees should endeavor to respect the rights of, and deal fairly with, other Company employees, customers, and suppliers. We will not denigrate the competitors, their actions or their products. A few examples of unacceptable business conduct, which constitutes unfair and strictly prohibited competition, are detailed below:

- Conversations with competitors with respect to pricing, discounts, profits, costs, sale terms, royalties, research, development, production and inventories;
- Conditioning an engagement with a supplier on it purchasing from the Company;
- And any other improper method of competition and misleading actions and conduct.

16. FAIR METHODS OF COMPETITION

Our Company is committed to competition on a legal and ethical basis. Our employees are prohibited from using improper or illegal means to acquire competitor information that is confidential or belongs to others. Our employees are prohibited from using or conveying confidential information and/or intellectual property that may be in their possession from a previous workplace with other employers.

17. CONFLICTS OF INTERESTS

A conflict of interests arises when the personal interest of a person intervenes with the interest of the Company. It is expected that all of our employees avoid allowing their private interests to intervene with the interests of our Company in general. Save if advance written approval has been obtained from the Chief Executive Officer of the Company, there shall be



no call for private activity or business influence that could influence proper judgment and the selection of an action solely for the benefit of the Company is required.

We expect of our employees to make decisions or to participate in decisions and actions within the scope of their work at the Company in accordance with the best interests of our Company in general and not on the basis of personal relations or personal benefits. We expect that our employees exercise judgment in order to avoid conflicts of interests that might adversely affect the Company or its businesses, whether or not the Company has explicit guidelines or regulations for particular circumstances facing the employees. We expect that employees will notify the Company of any situation in which inappropriate or improper conflicts of interests may be involved, which affects them personally or affects other employees or third parties with which we do business, as described in the paragraph "Request for Consultation or Reporting on Non-compliance with Standards".

18. BUSINESS REFERRALS, TRANSACTIONS WITH RELATED PARTIES

An employee at our Company is not permitted to personally attempt to give or direct the Company's transactions to companies in which a relative or a personal friend has a financial or other interest, unless said transaction has been forwarded to the management and to the Legal Adviser of the Company and has obtained the requisite approvals from the Company. All the employees of the Company must inform a representative of the Company's Finance Department or the Legal Department promptly on commencement of negotiations or contacts concerning a potential transaction between the Company and an entity or a person that is related to an employee of the Company prior to the finalization of such transaction (irrespective of its size or importance). Transactions with related parties could require approval of the Board of Directors, the Audit Committee or other approvals that should be obtained as early as possible.

19. BUSINESS OPPORTUNITIES

Employees must refrain from purchasing property or personally taking for themselves a business opportunity that they learn of through their employment at our Company or through the use that they make of information of the Company. All members of the Company are prohibited from exploiting their position or relationships with the Company and its employees in order to further their private affairs.

20. PROHIBITED COMPETITION

Employees are not allowed to compete with the Company during the course of their employment and may not initiate any competing action against the Company while they are employed by the Company. The aforesaid does not detract, in any manner whatsoever, from any undertaking, obligation and/or responsibility of the employee toward the Company in this



regard, under any contract or pursuant to law. Our employees are prohibited from maintaining working relationships with our competitors and each employee is obligated to ensure that all of his actions do not harm the Company and do not create a conflict of interests, a professional or ethical conflict, or infringe on confidentiality.

21. REMUNERATION AND OUTSIDE ACTIVITIES

As long as an employee works for our Company, he may not work or seek or receive a personal reward or payment from any client, supplier, competitor, distributor, sub-distributor or other business partner of our Company, unless approved in writing by an authorized manager at our Company. Trade secrets and other non-public knowledge and information that have been obtained at our Company should not be used in actions outside the Company or in other ways that could cause damage to the Company.

22. CURRENT EXPENSES -GENERAL

Decisions with regard to current expenditures at the expense of the Company and execution of procurement must always be business decisions that are made in accordance with objective tests and based on relevant considerations, such as the need for said procurement / expenditure and a price comparison in order to reach the most reasonable price. The expense must be based on relevant considerations that reflect the Company's interest.

23. GIFTS AND U.S. FOREIGN CORRUPT PRACTICES ACT

Our employees are prohibited from seeking or receiving gifts or services or other valuable items from our clients, other business partners or from other entities with which our Company maintains business relationships. Our employees are prohibited from offering or giving anything of value that is or could be seen as a bribe or as an unlawful payment. Employees are not allowed to receive anything that could be seen as creating a conflict of interests. In the exceptional situation, where refusal to receive a genuine gift might harm the Company, you must verify and consult with an authorized manager at our Company or with the Legal Adviser of the Company with regard to the proper measures required to resolve the situation.

In addition, the U.S. Foreign Corrupt Practices Act (“**FCPA**”) prohibits giving anything of value to officials or political parties of foreign governments in order to obtain or retain business or to gain any improper advantage, and applies to the Company by virtue of the issuance of the Company’s shares in the United States. Furthermore, the laws of many jurisdictions limit, and often prohibit, giving gifts (even token gifts or Company-identified items) and other things of value to government officials (e.g., meals, travel and accommodations, entertainment, charitable donations made at the direction of a government



official), their staffs and the families of both. Other jurisdictions have anti-bribery laws, such as the UK Bribery Act 2010, which go further than the FCPA as they also prohibit improper transactions between private companies and individuals, even non-government officials. Directors and employees must obtain specific prior written approval of the Company's Chief Financial Officer when providing gifts or anything of value to government officials.

24. BUSINESS HOSPITALITY

The employees shall adhere to the Company's policy, as it is updated from time to time, in relation to business hospitality costs. Giving or receiving invitations to reasonable meals, public business activities and similar activities carried out in good faith are generally acceptable activities, assuming that the costs are not disproportionate to the business purpose and do not create the impression of a conflict of interest.

25. TRAVEL EXPENSES AND OUT-OF-POCKET EXPENSES

It is expected of the Company's employees to comply with the existing Company policy in relation to travel expenses and out-of-pocket expenses, which is updated from time to time. We expect that all expenses connected with travel and other related expenses shall be reported accurately and recorded in accordance with said policy.

26. POLITICAL AND SOCIAL ACTIVITY

The Company's employees are free to associate with any political activity and to donate their money and free time to such activity. It is clarified that the Company's employees may not use the Company's resources to further such political activity.

27. GENERAL COMPLIANCE WITH THE LAW

We expect that our employees be committed to compliance with the laws and the regulations that concern our Company and its businesses, in addition to laws that are referred to elsewhere in this Code. The actions of the Company and its employees should fully satisfy the language and the spirit of the laws, the regulations and the rules that apply to the Company. Where the employee has any doubt with regard to the illegality of any action, he must consult with the Legal Adviser of the Company.

Environmental laws - our Company is committed to protecting the environment. We respect the policy and the requirements of the laws designed to protect the environment. We expect commitment on the part of our employees to properly respect and avoid any violation of the environmental laws and to avert any exposure to hazardous substances that are not properly handled or cleared.



Intellectual property laws – our Company is committed to protecting intellectual property rights. Likewise, we are meticulous in all matters associated with safeguarding the property rights of others and are committed to preventing unauthorized copying and to respecting and protecting copyrights. We expect of our employees to manage the Company's businesses and to use the business systems, the facilities and property of the Company in ways that prevent any infringement of copyrights, trademarks, patents, trade secrets or other intellectual property rights that are held by third parties.

28. CODE OF ETHICS FOR THE CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS

This clause specifically relates to the Chief Executive Officer and senior officers holding financial positions, including the Chief Financial Officer and Controller. This special section in the Code was adopted in accordance with Section 406 of the Sarbanes–Oxley Act of 2002. Although this specific section is expressly directed toward the officers described above, the Code establishes broad principles for proper business conduct and therefore the Company expects that all of its officers, managers and employees comply with and act pursuant to this Code. The signature on the Confirmation of Receipt of Code of Ethics and Proper Business Conduct, which is attached to this Code, shall constitute evidence of its signatory's understanding of the principles of this Code.

The officers hereby undertake:

- To engage in and to promote decent and ethical conduct, including ethical handling of real or possible conflicts of interests;
- To avoid conflict of interests and to disclose to the Chairman of the Audit Committee (or, if the Chairman is not available, then to the other members of the Audit Committee) a material transaction that might give rise to a conflict of interests;
- To take all the reasonable measures in order to protect confidential information, which is not public, of the Company, and to prevent the disclosure of such information, unless required pursuant to law;
- To take all reasonable measures in order to achieve responsible use of the Company's resources and assets;
- To promote full, fair, accurate, timely and understandable disclosure in reports and in documents that the Company is obligated to submit to the SEC and to any other regulator and to promote full, fair, accurate, timely and understandable disclosure in the public media in accordance with the following guidelines:
- All accounting records and the statements generated from such records must be in accordance with the relevant laws;
- All accounting records must fairly and accurately reflect the transactions to which



they refer, and no information should be concealed from the Company's accountants;

- All accounting records with respect to the Company's assets, liabilities, revenues and expenses must reflect fairly, accurately and in reasonable detail and this in accordance with generally accepted accounting principles.
- To comply with any law that is relevant to the business activity of the Company, including taking measures to prevent, to the extent possible, any violation of Israeli and U.S. securities laws;
- To report without delay to the Chairman of the Audit Committee (or, if the Chairman is not available, then to the other members of the Audit Committee) any material or immaterial fraud involving any of the Company's employees and managers who have significant involvement in the accounting matters and reports of the Company;
- To report without delay to the Chairman of the Audit Committee (or, if the Chairman is not available, then to the other members of the Audit Committee) any possible violation of this section.

29. WAIVERS OF THE CODE

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors and will be publicly disclosed as required by law or stock exchange rules.

30. HANDLING A VIOLATION OF THE CODE OF ETHICS

The company intends to prevent conduct that is not consistent with this Code, relevant laws and/or regulations, or other types of procedures and policies that have been outlined by the Company and to stop this kind of conduct as soon as possible following its discovery.

Accusations and/or apprehensions with regard to non-compliance with the terms of the Code shall be investigated and handled by the Ethics Committee, which is composed of the senior financial officer of the Company, the internal Legal Adviser of the Company and the Director of Human Resources of the Company. Significant measures shall be taken against individuals who are found to have violated this Code and their punishment may rise to cessation of employment. Information regarding criminal offenses shall be referred to the appropriate legal authorities.

