



August, 2021

## **Whistleblower procedure**

### **1. Purpose**

It is the policy of Cardo Systems, Inc. (“**Cardo**,” “**We**,” or the “**Company**”) to create a whistleblower procedure to encourage employees to come forward with credible information on illegal practices or violations of adopted policies of the Company. The Whistleblower Policy set forth herein (the “**Whistleblower Policy**”) is intended to facilitate disclosures, encourage proper individual conduct, and alert Cardo’s VP HR that will defined as Cardo’s Whistleblower Officer for purposes of the Whistleblower Policy Ms Anat Gafni (“**Whistleblower Officer**”) to potential issues before serious consequences result.

### **2. Procedure**

2.1. **Scope**. Any employee of the Company may submit, on a confidential and anonymous basis, any concerns regarding: (i) questionable accounting or auditing matters, (ii) bribery or improper payments, or (iii) certain other matters, including violations of the Code of Ethics, to the extent conveyed to employees with respect to a particular jurisdiction.

2.2. **Submission Procedure**. Complaints and concerns regarding the matters covered under this Whistleblower Policy may be reported anonymously and confidentially through an anonymous form which is send to the Whistleblower Officer only. The form will be received only by the Whistleblower Officer, who will take immediate steps to investigate the report independently and confidentially, without recourse to the sender. If the matter is considered of sufficient seriousness, the Whistleblower Officer, will consider appropriate further action, including informing the CEO and Whistleblower Officer, external legal counsel and/or relevant authorities. The form for filing a complaint can be found in the following link:

<https://forms.office.com/Pages/ResponsePage.aspx?id=UwmQUuRVuUuNc18RHM0OHyCPqtHG9aFOqfOEEvojeDVURU5STFpJMEpZMkRVQTNQNU05ODITWExJWi4u&lang=en-US>

2.3. **Treatment of Complaints**. Potentially viable or valid complaints will be directed initially to the Whistleblower Officer. The Whistleblower Officer, after consultation with the CEO, can decide not to investigate a potentially viable or valid complaint that is not related to any of the matters expressly covered by this policy or that is lacking in details that permit a meaningful investigation. If the complaint does not include the name or contact information of the complaining employee, it will be forwarded by the Whistleblower Officer to the appropriate



manager for handling in a manner which such manager deems appropriate and in accordance with Company policies. Inappropriate submissions to the whistleblower procedure that on their face do not amount to possibly viable or valid complaints will be discarded.

The Whistleblower Officer will inform the reporting person (if his or her identity is known) that the complaint has been received and, to the extent appropriate, provide him or her with the steps taken to investigate the complaint.

- 2.4. Evaluation and Investigation of Complaints. The Whistleblower Officer or any other designated person will perform an initial evaluation of each potentially viable complaint to determine if it involves any of the matters addressed by this policy. If a complaint appears to involve financial disclosures, accounting, internal accounting controls, auditing matters or bribery/improper payments, the complaint will be reviewed and, if necessary, investigated. In conducting any such investigation, the anonymity of the employee making a complaint or submission on a confidential basis will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- 2.5. Reporting. Upon concluding its review or investigation of a complaint, the Whistleblower Officer shall prepare a written report regarding the nature of the complaint, the review or investigation process and its recommendations. The Whistleblower Officer shall submit its report to the Chairperson of the Board of Directors. These reports (and other documents regarding a complaint) will be purged/destroyed to any extent and within any time frame mandated by applicable law.

### 3. Administration

The Whistleblower Officer is responsible for the administration of this policy. The Chief Executive Officer of the Company will take corrective and disciplinary actions, if appropriate, based on the findings of the investigations, which actions may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit salary increase, bonus or stock options, suspension without pay or termination of employment and any other actions in accordance with the Code of Ethics.

### 4. Miscellaneous

- 4.1. No Retaliation. The Company does not permit retaliation of any kind against employees for complaints submitted hereunder that are made in good faith. The Company and its management are prohibited from discharging, demoting, suspending, threatening, harassing or in any manner discriminating against any employee as a result of any good faith complaint relating to the Company's financial disclosures, accounting, internal accounting controls, auditing matters or violations of the Corporate Code of Ethics.
- 4.2. Record Keeping. The Whistleblower Officer shall retain any such complaints or concerns for a period of no less than seven years from the date on which the complaint was submitted, except that complaints and documents pertaining to complaints will be purged/destroyed sooner, to any extent and within any time frame mandated by applicable law.
- 4.3. Notice to Employees. A notice to the employees of the Company regarding the adoption of this policy will be made using good employee communication

practices. Communications will include instructions for submitting complaints under this policy in a way that complies with applicable local law.

- 4.4. Review of Policy. The Whistleblower Officer will review and update this Whistleblower Policy from time to time as appropriate.

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