

BERYL MED LTD

CODE OF ETHICAL CONDUCT IN BUSINESS

An ethical conduct regarding the Representatives of the health service is a crucial element of our mission, consisting in a perpetual improvement and development of medical devices, in order to provide the patients with the best health care, understood as the possibility of taking advantage of the most innovative and most effective technological solutions, contributing to the safety and quality improvement of the provided health care.

Thanks to the efforts of all the Company's employees, with particular regards to the commercial representatives and the sales agents, the Company gained the reputation of an entity conducting its business activity in an honest way, in conformity with the rigorous ethical standards as well as with the legal regulations in force, concerning this matter.

The above-mentioned reputation is one of our most valuable assets, and is depending on the conduct of each of us.

The current document – the Code of Ethical Conduct in Business – was elaborated and implemented in order to help us to strengthen this reputation.

Whereas the Company's Board expresses its determination to develop mechanisms of internal control of the conducted activity, regarding to promotion, marketing and sales of medical devices, in order to ensure its compliance with the legal regulations in force, in particular with the stipulations under UK Bribery Act 2010, the fair trade rules, an advertisement of medical devices that is reliable and consistent with the law as well as lucid and transparent cooperation with the medical staff and the employees of the health service;

Whereas the scientific and technological progress in the medical devices field, serving the improvement of the patient's safety as well as upgrading the quality of the performed health care by giving access to new technologies is impossible without the contacts between the representatives of medical field companies and the representatives of the health service;

Bearing in mind that the Company identifies with the hereby mentioned ethical rules, in particular commits to not reward, as well as to not motivate in any other way, an activity inconsistent with the ethical rules mentioned in the Code;

In order to systemise the most important principles of professional ethics of the sales representatives and sales agents, as well as promoting their professional and honest rules of conduct, the internal work standards in the Company are based on the ethical rules, constituting an integral part of the conducted business activity;

Bearing in mind that an ethical conduct helps to build a positive image of the Company as well as developing favourable, long-term business relations, it might sometimes be necessary to abandon apparent, short-term benefits, in favour of an honest and advantageous conduct bringing benefits in a longer perspective,

The present Code of Ethical Conduct in Business (hereinafter referred to as: **"The Code"**) shall be accepted, reading as follows:

CHAPTER I GENERAL PROVISIONS

Article 1

1. The subject of the regulations of the Code is to lay down the good practices in the scope of:
 - a) Advertisement of medical devices directed to medical staff and employees of health service (hereinafter referred to as: **“Representatives of the health service”**);
 - b) Transparency of marketing and promotional activities of Beryl Med Ltd. (hereinafter referred to as: **“Company”**);
 - c) Cooperation (contacts) with persons or entities, purchasers, landlords or users of medical devices, in particular Representatives of the health service, in order to:
 - Elaborate new technologies, solutions or modifications of the previous solutions regarding to medical devices;
 - Projecting and placing in the market of new, innovative medical devices;
 - Improvement of patient’s security and health as well as improvement of the health care system, safe and effective use of medical devices;
 - Studies, instructions, education, teaching, training, improvement of professional skills as well as technical support of the Representatives of the health service, acting in favour of the improvement of the security of use of the medical devices as well as the patient’s access to new technologies and devices with a possibly high quality (hereinafter referred to as: **“Educational and training programmes”**);
 - d) Conducting preclinical studies or IV phase clinical studies.
2. The Code’s provisions are applying to:
 - a) Promotion and advertisement of medical devices, in particular oral or written communication, as well as other activities undertaken with use of electronic means of communication by the sales representatives or sales agents (hereinafter referred to as: **“Representatives”**), rules of preparing advertising or promoting materials, device’s presentation, offering samples of devices;
 - b) Cooperation between the Representatives and the Representatives of health service under the conducted studies and works on developing and improving the heretofore offered medical devices as well as elaboration and placing in the

- market of new, innovative medical devices, on grounds of and in the scope of the concluded agreements concerning consultations, counselling, sponsoring;
- c) Cooperation of all the Company's employees with the Representatives of health service in the scope of the performed Educational and training programmes.

Article 2

The Code is binding all the Company's employees, in particular Representatives, as well as third persons, acting in the name or on behalf of the Company, within the scope regulated by the Code.

Article 3

1. The Code has a character of instructions, guidelines in the ethical conduct in order to achieve the objectives stipulated in it.
2. All the legal regulations, in particular the British UK Bribery Act 2010, regulating the matters that are subject to the present Code shall always have priority to the Code.
3. Any questions or doubts regarding the interpretation of the Code, the necessity of giving advices regarding the expected conduct, or any acknowledged illegal activity or Code infringements, shall be consulted with the immediate superior, the Legal Department or the Board.
4. The Company shall provide the persons mentioned in Article 2 with the necessary support as well as with trainings concerning ethical conduct in work and the legal regulations in force regarding this matter.

CHAPTER II
RULES OF CONDUCT REGARDING CONTACTS WITH THE REPRESENTATIVES
OF HEALTH SERVICE

Article 4

1. The contacts of the persons mentioned in Article 2 with the Representatives of the health service shall be:
 - lucid;
 - transparent;
 - proportional;
 - adequate to the purpose.
2. The cooperation with a Representative of the health service consisting in performing services by him on behalf of the Company, such as: consultations, counselling, sponsoring, public appearances, is allowable to the extent permitted by law, provided that an appropriate civil law agreement shall be concluded, in writing, properly documented, as well as the purpose of the aforementioned cooperation shall be the health protection, the improvement of the health care system or the scientific/technological progress. The cooperation shall not constitute an invitation to purchase, supply, sale nor use of medical devices, as well as shall not constitute any concealed, miscreant remuneration in this respect. The cooperation mentioned in the previous sentence shall be based solely on an adequate relation between the character and the scope of the services and the appropriate competences, knowledge or experience of such a person, correlated with criterions of choice as well as the requirements of the performed services. The mutual benefits, in particular rules of remuneration, shall be adequate and proportional to the character and the scope of the rendered service, as well as of the qualification, the required work load and shall remain within the limits of the common market prices for services of similar type.

Article 5

Representatives

1. The Representatives shall be obliged to provide the Representatives of the health service with reliable and truthful information in the scope of parameters, functionality, intended use, rules of proper use as well as risks arising from the presented or offered medical devices as well as information concerning their manufacturers.
2. The Representatives shall be obliged to provide the manufacturer of the medical device with the information and the opinion obtained from the Representatives of health service, concerning the exploited devices, in particular related to adverse effects as well as users remarks or suggestions concerning the desired changes of functionality or parameters of the devices, or the trends of the expected improvements / modifications.
3. The choice of dates, frequency and forms of contacts with the Representatives of the health service shall be considered as good practice, in hospitals or any other premises of the health service, thereby minimalizing the risk of difficulties in their work, whereas it is forbidden to make use of any unethical incentives in this matter, in particular financial incentives.
4. In the contacts with the Representatives of the health service the Representatives shall always bear in mind the shaping of professional, partner relations with observance of mutual respect and dignity.

Article 6

Conflict of interests

1. Conduct or situations that may lead to conflict of interests, any illegal practices or disadvantageous impact on the Company's reputation or its image shall be avoided.
2. The conflict of interests occurs in a situation of deriving personal benefits or commitment in any form, directly or indirectly, independently or non-independently, including by spouse, as well as by relatives or persons in relation of affinity up to the second collateral degree, with or without consideration, in

activities contrary to the Company's interests, or activities that might infringe them, in particular:

- a) pursue employment under employment contract or under any other legal relation, in other companies competitive in relation to the Company, hospitals or other health care entities;
- b) conduct any competitive business activity on its own or on third party account;
- c) hold any functions, including advisors, intermediaries, plenipotentiaries, trustees, etc. in other companies conducting business activity competitive with the Company's activity, hospitals or other health care entities;
- d) hold stakes or shares in competitive companies, excluded acquiring or taking up shares available in public trading in securities, in order to perform capital investment;
- e) conduct any form of counselling in favour of other companies conducting business activity competitive with the Company's activity, hospitals or other health care entities;
- f) enter in competitive economic relations with clients, contractors, employees or other persons employed in the Company, hospitals or other health care entities, under any legal title or performing functions of advisor, intermediary, agent, plenipotentiary, trustee, etc.;
- g) generate revenue or any other personal benefits to oneself, spouse, relatives or persons in relation of affinity up to the second collateral degree under any title (or without title) due to conducting competitive business activity by a third person;
- h) receive personally or by members of the closest family tourist holidays, trips, cash, services, discounts, rebates, loans or gifts from competitive companies or persons acting on behalf or in the name of these companies;

without the knowledge and the consent of the Board.

3. The Company does not consent to perform employment in favour of competitive companies and hospitals and other health care entities, under an employment agreement or under any other legal relation.
4. Persons mentioned in Article 2 are obliged to keep confidential service secret, professional secret, company's secret as well as other confidential information acquired in relation to the performed obligations or undertaken activities, if they

are not explicitly authorised to provide such information, during the term of employment in the Company or performing services on behalf or in the name of the Company, as well as after its termination.

5. Persons mentioned in Article 2, under no circumstances, except previously given, written consent of the Board, shall not agree, talk over nor discuss with competitive companies or persons acting on behalf or in the name of those companies, matters related to:
 - a) Company's price policy, prices, rebates, discounts, margins;
 - b) profit and its margin, costs;
 - c) conditions of delivery (sale);
 - d) commercial conditions;
 - e) price practices;
 - f) clients, contractors, recipients, associated entities or entities entering in delivery chains of the Company;
 - g) the method of delivery, transport, storage, practice or distribution channels organisation;
 - h) sales or distribution network;
 - i) conducted or terminated public procurement procedures or the intention to apply for awarding public procurement;
 - j) submitted, elaborated or filed commercial offers;
 - k) areas of sales;
 - l) concluding, negotiating, terminating agreements, cooperation with the Company's clients or contractors;
 - m) conditions on pending litigation resolution.
6. Persons mentioned in Article 2 shall refrain, in contacts with the Representatives of the health service or with the competitive companies, or persons acting on behalf or in the name of those companies, from performing any activity consisting in dissemination of untrue information concerning the competitive companies or their products, proposing to break the concluded agreements, industrial espionage, stealing or unauthorised use of confidential information or secrets of competitive companies.
7. Regarding to persons whose employment or commission relation has ended, regardless of the legal basis, discussing by the Employees of any matters referred to in the present article or any other professional matters or matters arising from the performed function, is strictly prohibited.

CHAPTER II ADVERTISEMENT

Article 7

General conditions on advertisement and promotion

1. Advertisement, marketing and undertaking other activities related to medical devices promotion, in particular organisation of trainings, workshops, conferences, symposia, **Educational and training programmes**, etc. (hereinafter referred to as: **“the Advertisement”**) shall be conducted in an open, reliable, precise and objective way, pursuant to legal regulations in force, the Code or other good practices and the highest possible ethical standards shall be ensured.
2. The Company’s Employees, in particular Representatives, while undertaking activities mentioned in point 1, shall ensure that every submitted standings or documents in this matter, including presentations, are credible, true, reliable and objective, as well as are not misleading the recipients, in particular with respect to: the intended use of the device, its properties, date of production, usability, quantity, origin, technical parameters or other relevant features of the device, value and price, sales/delivery conditions, repair, service, guaranty, admittance to trade or to use, etc.
3. The Advertisement shall not, directly or indirectly, mislead the recipient nor be offensive to the recipient, nor refer to his sensations or feelings nor have an impact on him and shall be based on the recommendations or guidelines of the device’s producer and on the device’s documentation.
4. The transfer of advertisement content concerning medical devices, with use of fax, electronic mail, text messages or other electronical methods, shall occur solely under an agreement and in the purpose to perform the agreement, or after obtaining a written consent of the recipient, in accordance with the legal regulations in force related to this matter.

Article 8

It is hereby confirmed that the allowed forms of Advertisement are the following:

- 1) Meetings with the Representatives of the health service or with the Medical staff in order to:
 - a) Present the medical devices, trainings, instructions, teaching or technical support related to their use;
 - b) Studies, education, teaching or improvement of professional skills in relation to medical devices, technology, procedures or medical techniques;
 - c) Discussing over matters of characteristics or attributes of the medical devices, negotiating agreements or the conditions of delivery (sales).
- 2) The transfer, including the use of electronic means of communication, of magazines, catalogues, newsletters, samples, designs, tables and other illustrative materials, numerical data, charts, data or results of scientific studies and their analysis, publications or information presented during the Educational and training programmes or *via* Internet pages, or other informative, educational or promotional materials;
- 3) Organization of fairs, symposia, conferences, workshops, Educational and training programmes etc. with the participation of the Representatives of the health service, Medical staff, as well as conducting market analysis, preclinical studies or IV phase clinical studies, concerning the offered medical devices;
- 4) Offering minor forms of hospitality or transferring minor presents or gifts including in particular reimbursement or financing travel costs or costs incurred in relation to travel such as board (meals), accommodation, transport, provided that the conditions mentioned in Article 13 shall be fulfilled;

on condition that their purposes are compliant with the Code and are not an attempt of circumventing its provisions.

Article 9

Comparative advertising

1. The comparative advertising or advertising having a comparative character (hereinafter referred to as „**Comparative advertising**”) is permitted, understood as advertising referring to, in a direct or indirect way, to the competitor’s company or to the devices offered by him, or remaining at his disposal, in order to promote another company or devices offered by another company or devices remaining at its disposal, under the condition that it will comply with legal regulations and that the addressee (recipient) will not be misled. The Comparative advertising shall be compliant with the principles of fair competition.
2. In the Comparative advertising, it is allowed to compare solely devices that have the same purpose of use, function or that are manufactured in the same purpose.
3. The compared device’s characteristics (i.e. price) shall be identical, measurable and verifiable.
4. The Comparative advertising is unacceptable if it misleads the addressee (recipient) with respect to the compared devices, their parameters, functions, trade names, trademarks, origin (including geographical) or other marks, including a diversified use of complete or incomplete names, business names or other individualising marks or symbols.
5. The Comparative advertising shall not discredit, ridicule or tarnish in any unlawful manner the good name, reputation of the competitor, of his devices or of the rights that he is entitled to, in particular with regard to the company, forms of activity, competitive device, trademarks, company marks or other distinctive or individualising marks.

Article 10

The activities undertaken by the Representatives, with regard to the Comparative advertising shall be compliant with the legal regulations in force, in particular it is forbidden to undertake activities that might infringe the rules of ethics, the fair competition law or the public procurement law, resulting in or aimed at concluding with competitive entities agreements or other understandings on setting prices, quantity, sales territorial area, or other unfair exchange of confidential information or commercial,

professional secrets, in particular with regard to refusal to conclude an agreement resulting from an award of public procurement, or refusal to sell (supply).

Article 11

Rules of conduct in contacts with the Representatives of health service

1. The Company requires and expects from the persons mentioned in Article 2, to not undertake, accept, participate, tolerate nor commit itself, in all of the transactions and business or professional contacts, in any activity bearing mark of bribery, as well as to exercise the due diligence to not cause, on the other Party – the Representatives of the health service, public officers, persons performing public functions, or third parties – a false impression of giving, promising or pledge of bribe, irrespective of the potential disadvantageous consequences of such a conduct to the Company, that might result in a Client's or business' loss.
2. „Bribe” (bribery) shall be understood as every personal or commercial benefit of a financial or other character, consisting in offering, promising, requiring, giving, handing over, receiving, directly or indirectly (by third parties), any benefits in order to remunerate or to cause an inappropriate activity of a third party, a Representative of the health service, a public officer or a person performing public functions – irrespective of their function in private or public, national or foreign companies - or any other way of leverage, or unfair acquisition, in an illegal manner or in a way contrary to good customs, of an influence on a decision of such a person.

Article 12

1. The Advertisement, including Educational and training programmes, shall be targeted at the potential final users of the advertised medical devices, i. e. doctors, nurses, emergency medical workers (paramedics, medical rescue workers) as well as other members of medical personnel (hereinafter referred to as: “**Medical personnel**”) including Representatives of the health service.
2. The Company's employees targeting the Advertisement at doctors or other persons performing public functions, i.e. in particular with respect to: national and regional consultants, heads of wards or heads of hospitals, directors, managers of hospitals or other persons exercising management over entities performing health care

services, are under obligation to exercise particular care if the activities directed to them are not in conflict with the functions that they perform nor breach the legal regulations in force or the Code provisions, in particular, that the aforementioned activities are not constituting an illegal or unfair impact on their decisions.

Article 13

Rules of Advertisement organisation

1. The Company undertakes and actively supports the activities aiming to develop the medical sector, the science, the improvement of solutions useful to the medical environment, including the support of initiatives improving the medical devices, a mutual exchange of good practices and experiences, provided that they are included in the scope regulated by the Code.
2. The Company appoints that the aforementioned activities, as they are having a measurable financial character, might consist a bribe or cause a false impression in this matter, in particular by arising an impression of obligation to undertake unfair or illegal activities or actions, or by perceiving these activities as gratification or acquiring benefits from them, which orders to exercise particular due diligence in order to prevent damages to the Company's reputation and good name.
3. The Company's promotional and marketing activities shall fulfil the following conditions:
 - a) Direct connection between the incurred cost or expense and the promotional purpose, in particular showing or presenting a good or service or other kind of the Company's business activity support;
 - b) The necessity of incurring costs or expenses shall arise from the concluded agreement, or in the purpose to perform this agreement;
 - c) Comprise the incurred actual costs;
 - d) All of the costs and expenses shall be properly documented;
 - e) All of the costs and expenses shall be legal, reasonable, appropriate and given *bona fide*;
 - f) All of the costs and expenses shall be previously approved by the Company's Board.
4. As a rule, the Company shall not permit to offer to the Representatives of the health service, in particular with regard to the conducted public procurement proceedings,

of presents or gifts as well as undertaking other marketing activity, excluding the following activities, commonly accepted and treated as admissible:

- a) Offering objects and promotional materials of inconsiderable value, i.e. not exceeding the amount being the equivalent of 50,00 GBP, such as, in particular: bags, calendars, pens, mugs, watches, etc. with the Company's or the device's logo;
 - b) Offering minor or symbolical gifts such as, e.g. bouquet of flowers, in order to show respect or express the gratitude from the Company's side, provided that the aforementioned offering shall occur after the termination of the proceedings or after taking a decision on purchasing goods;
 - c) Providing, during business meetings, in the Company's headquarters or in premises to which the Company holds legal titles, of board in the form of catering or meal in a nearby restaurant, in accordance with the position or function of the participant, whereas the repast shall comprise solely the individuals directly participating in the meeting. If the circumstances are requiring the following, it is permitted to cover the justifiable costs of transport, for above-mentioned purposes;
 - d) Coverage of costs related to presentations of offered products and services or trainings in this scope, comprising in particular coverage or refund of transport and accommodation costs (airplane or train tickets, hotel), in a situation where the circumstances of such a case are requiring such a solution, in particular where it is not possible to present the possibilities or the technical parameters of the offered goods in the Client's headquarter or in premises where the performance of professional duties takes place or the conditions on signing a contract are requiring to train the personnel or the Client's staff. Relating to situations raised in this indent, one ought to keep in mind the time and the costs of the Client's visits in the Company's properties and premises and shall keep, regarding to this matter, a far-reaching caution, in order to ensure their proportionality to the purpose of the visit.
5. It is forbidden to:
- a) Undertake inappropriate (eccentric) activities as well as give inappropriate (eccentric) presents or gifts;
 - b) Cover any costs that are not in connection with the business purposes, or that are not serving them;

- c) Grant cash rewards, goods vouchers or any other kind of cash or non-cash payments;
 - d) Enable the use of luxury holiday objects, or covering such expenses;
 - e) Present tickets to cultural or sportive events, or concerts;
 - f) Finance the accommodation in luxury hotels, unless it is compliant with the position or social status of the receiver;
 - g) Cover any expenses of the family members or close persons to the entitled person, or any other persons that might accompany the entitled person;
 - h) Cover expenses incurred in relation to shopping or trips.
6. Irrespective of the above, every expenses or costs incurred by the Company in relation with marketing and promotional activity shall be proportional to the circumstances as well as shall unconditionally be compliant with the legal regulations, including the British anti-bribery act UK Bribery Act 2010 and the Code, as well as shall be precisely and reliably included in the Company's books and registers.

Article 14

1. Each of the persons under the obligation to observe the Code is obliged to immediately inform the Company's Board, the Legal Department or the direct superior, about every breach of the Code, of the legal regulations or of any other unethical conduct, or suspicions in that respect.
2. The Company ensures the confidentiality of reports mentioned in point 1 as well as a detailed and reliable examination and clarification of every case and drawing the appropriate consequences, depending on the arrangement's results. Under no circumstances, in particular in a situation in which during explanatory proceedings a suspicion of unethical behaviour will not be proved, any negative measures shall not be taken, in particular disciplinary measures, in relation to the person that made the report.

Article 15

Obligation to act ethically

1. The Code's regulations concerning the relations between the employer and the employee (work ethics) are more detailed than the British legal regulations, which,

under no circumstances, shall not be interpreted as a justification of an unethical conduct in work or as a justification of the lack of taking disciplinary measures against such a conduct.

2. In accordance with the “zero tolerance” policy conducted by the Company, any form of Code’s breach, in particular bribery, corruption, bribe shall not be tolerated.
3. Disciplinary measures, including dismissal, shall be taken against persons that are under the obligation to observe the provisions of the Code, but that fail to observe it.