

Annex No. 1



After the Perusal of the Articles of Association and the Memorandum of Association of YIACO Medical Company (KSCC) and according to the powers vested in the Board of Directors of YIACO Medical Company and to satisfy the requirements of the Public Interests, the Board of Directors in the meeting No. 5 of the session 2013/2015 and according to the decision No. 2/5/2013 has decided the Following:

YIACO
YIACO Medical Company (KSCC)

Code of Ethics
For Work Performance

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Introduction:

YIACO Medical Company abides with all ethical and legal rules related to its scope of works in all sectors. Each Employee should comply with the highest standards of ethics in work irrespective of the place and circumstances.

The code of Work performance (Charter) summarizes several ethical values, policies and principles developed and adopted by YAICO to contribute in the achievement of Company's works Worldwide, so YAICO demands such controls to be observed by the Suppliers and Contractors working with the Company in different fields.

In this Code, YIACO Medical Company and its affiliates shall be referred to as (YIACO) or the Company.

The Company requires all Employees to be familiar with contents of this Code and to deal with it as basic part of their daily works. This Code also applies on all the Members of the Board of Directors, the Seconded persons of the Companies or YIACO Employees abroad.

Scope

These By-Laws apply on all the Company Employees and any exceptions herein provided should be approved by the Chairman. Any Employee who violates this Code shall be subject to disciplinary actions which may include the discharge from service and the possibility to be subject to Civil and Criminal litigation.

Responsibility:

The Board of Directors is responsible for ensuring that the policies and procedures provided in this Code shall be applied.

Work Ethics Policy:

YIACO is keen to abide with all legal and ethical legislations in addition to practice works which stems from the responsibility towards the community. The Company requires all the Employees to comply

with all the applicable policies and laws in the Field of their works and to observe the restrictions provided in this Code.

YIACO Principles and Values:

The Principles and values of the Company are the basic foundation of this Code. Each principle shall be dealt with as an integral part to the Ethics of works and standards which should be observed in each work.

Integrity at work:

YIACO believes that its main merit is keeping its promises, in that our word is an undertaking which should be executed. Keeping the highest standard of ethics and conduct in all parts of the World is a necessity for the success of the Company's relations, as vital standard of honesty and integrity we ensure the safety and health of our societies and observe the environment protection in all our works.

People's Respect:

YIACO believes that respect is a natural right for all persons and that the Company's Employees are the source of value , what they possess as creativity , abilities and loyalty at work in order to achieve progress , we will deal in a manner to encourage appreciation for all persons , opinions , abilities and talents at YIACO company / respect for others is a thing which cannot be evaluated except through our dealings together and to appreciate the contributions resulted from our differences and extent of our relations strength .

Diversity, Equal chances and respect at work sites:

Diversity and equal chances:

In order to achieve a Competitive merit, YIACO is highly concerned with the outstanding at work , share the different opinions as basic factors for success , therefore , the Company encourages the mutual respect culture whereby each person understands the other and appreciates the aspects of similarities and differences among employees , customers and societies . We are working to ensure the

continuity of an environment which enhances the positive communication and creativity among all Employees.

YIACO seeks to attract persons of Competence who have insistence and desire to be something unique. The Company applies the principle of equal chances for all employees who have the desire to highlight their professional abilities when applying for work at the Company and to observe equality between all qualified applicants without any distinction and according to the rules of the desired position.

YIACO is applying the policies of Personnel Affairs and the professional schemes and programs using a method which avoids distinction in all professional relations including recruitment, appointment, works tasks, promotion, transfer, and discharge from work, merits and pay roll management.

Respect & Responsibility:

YIACO is applying a policy which promotes healthy and positive environment which calls for mutual respect among all Employees and far away from all forms of harassments including sexual harassment and segregation. The Company doesn't tolerate any type of harassment or partial treatment and rejects or prevents any Employee to behave or talk in behaviors which are considered aggressive or offended to others, noting that some causal actions which may appear innocent may create hostile environment towards others.

The Behaviors or conducts which violate the Company's rules are not necessarily to be committed deliberately in open or in public, but the actions of harassment may be implicit and difficult to be determined but has negative impact on others.

YIACO urges each Employee who thinks that he suffers any harassment against this Code to follow any of the method listed at the end of this Code, for reporting such cases.

Appearance & Uniform:

All Employees are expected to appear in suitable manner during work and to maintain acceptable levels of good personal appearance at all times.

All Managers are responsible to Control and maintain good appearance in their Departments. All violations to the dress rules should be reported to the labor Relations –HR Department.

Human Rights and Labor:

YIACO believes that respect and appreciation of dignity and rights of all Employees are important factors at work. This Policy includes each Employee in YIACO Company and all those who are working in the Company's Affiliates all over the World. YIACO requires all suppliers and Contractors to observe and comply with such policies.

YIACO emphasizes its respect and compliance with all work and Recruitment Laws including the Legislations which call for freedom in establishing Societies and Associations, and the right in Privacy, equal chances according to the Company Laws.

Health, Safety and Environment (HSE)

Environment Protection:

The Protection of individuals and Environment are of YIACO principles. Environment has its consideration in all steps and decisions adopted by the Company, therefore, each Employee and Officer in the Company should ensure that all products and operations comply with the highest standards of Environment protection as determined by the Government Laws and the Company's Policies.

All YIACO Employees –according to their fields of profession – should be familiar with the Company's By-laws in addition to the laws related to Health, Safety and Environment (HSE). Employees may ask for consultation of the HR Department or Legal Department to explain the extent of applying such laws on their professions.

Health and Safety at work place:

YIACO has laid down certain policies and procedures related to Health, Safety and Environment (HSE) in order to provide safe and healthy work environment which observes all regulations and controls, maintaining suitable healthy and safe environment depends on the behavior of the Employees , therefore , we should all be aware of the rules which may apply on the work site and to encourage others to observe such rules , and to report promptly any unsafe acts to the Health, Safety and Environment (HSE) Officer.

Intake of prohibited materials at work sites:

YIACO is committed to maintain an environment of work free from any prohibited materials to ensure the health and safety of Employees and to perform their professional roles and protect all workers in the Company's sites and properties. Intake of prohibited materials negatively affects the productivity and compliance with work times and professional safety.

It is prohibited to use , possess ,sell , distribute , hide or carry any drugs or alcohols or other drugs which need medical prescription in the work places of the Company or any of its vehicles whether at work site or in the outside locations .

Any Employee who is found working under the influence of alcohols or prohibited materials shall be subject to disciplinary actions which may amount to termination from work according to the local laws and regulations.

The Company reserves the right, according to the law, to inspect and search all personal effects at any time inside work places which shall include offices, tables, computers sets, cars and closets.

Violence at Work Place:

In order to protect the safety and security of Employees, it is prohibited to carry weapons, including fire weapons, ammunitions,

and explosives, fires ignition tools in any of the Company's offices or vehicles. The Company shall not also slacken to take actions against the aggressive behavior or threatening of violence or non-suitable behaviors, or verbal assaults.

The Company urges all employees to report the behaviors and actions which may threaten the safety of persons or properties or actions which may be developed to violence , by resorting to the concerned officers in the Health , safety and Environment Department .

Financial Honesty:

The Company relies on the accounting records to prepare the reports to the Board of Directors, Executive Department, Shareholders, Creditors and Gov. Authorities. The said records should reflect the Company's assets, liabilities and expenses in accurate manner and to observe taking all the decisions and financial obligations according to the policy of Empowerment and written Power of Attorneys.

Books and Records:

Each Employee at YIACO should ensure that there are no false details or deliberate confusion in the Company's records of whatever type (Book or electronic records). Deliberate wrong classification of transactions related to the accounts or accounting periods considered violations to the Law and this Code of Conduct, therefore, all transactions should be supported with accurate documents.

Each Employee should follow one of the reporting methods listed at the end of this Code in case of any inquiries or complains related to the financial records, auditing or other financial records.

All Employees should comply with the controls related to the claims for issue of work expenses , payment claims and use the credit cards of the Company and other Financial transactions.

Cash amounts or other assets shall not be netted in non-approved records for any purpose.

Employees should comply with IFRSA and the recognized Internal Auditing Standards (IAS) , there should be an acceptable reason for using accounting standards different from IFRS and IAS.

Suspected financial dealings:

According to the Company's policy it is prohibited to pay amounts in illegal manner or in suspected ways to the Customers or Gov. Employees and Officers or other parties considering that the Company is performing its works and sell its products on the basis of quality and price.

YIACO declines to pay bribes or financial amounts or rewards of any kind to the Representatives of Customers, Suppliers or State Officials. This applies on each person or corporation at all levels whether in or out of Kuwait, also includes preventing Employees from paying suspected amounts.

Accuracy of Company's Records:

Laws and regulations stated that the records of YIACO should reflect adequate details , therefore the forfeiting of works registers is a serious crime which leads to legal or criminal procedures being taken in addition to disciplinary actions which may amount to termination from service. Details should always be entered in accurate manner and during the time frames to protect the performance of YIACO

If an Employee has any inquiry or complain related to the accuracy of the Company's accounts including intellectual properties , he should follow one of the methods listed at the ending part of this Code.

Conflict of Interests:

The Conflict of interests are of the matters which violates YIACO integrity. All Employees should work to achieve the maximum benefit for the Company and to protect its reputation and we should deal in accurate manner with any signs of Interests conflict , which means that the Employees should avoid any investment or benefit, or activity

which make others in doubt if such actions are according to the laws and the fair attitude of the Company , also this may negatively affect the ability of others to perform their work tasks . Through transparency and full disclosure, we can prevent a lot of interests conflict attitudes. It should be stressed that all YIACO Employees are responsible to protect the Company from the Conflict of interests.

The List of Interests Conflict as approved by the discoing of the Board of Directors No.... in its meeting No. 15 of 2013/2015 session explains all details and Provisions related to this Clause in all matters not provided for in a special stipulation .

Gifts and entertainment:

YIACO selects products and services on the basis of price, quality and benefit, in return, the Company expects all Customers to follow the same standards when buying its products and services observing objectivity and bias away from external influences in all Trade dealings.

Symbolic gifts and entertainment services are used to foster the commercial relations but gifts or such services should not be accepted if they are intended to oblige the receiver to accept something or to influence a right decision.

YIACO Employees are prohibited from giving or accepting any cash amounts or equivalent when the matter is related to a Commercial transaction also employees are prohibited to provide promises, loans or any kind of investments without fully comply with the empowerment policy. No employee or any of his relatives or any Agent or his relative shall accept any offer or gift or entrainment from any Customer or supplier if such gifts are:

- Giving in cash or Gifts Coupons which may be exchanged for cash
- Not according to the Commercial norms
- Are of exaggerated value (KD 120 or more).
- May be explained as reward against commercial transaction , bribe or payment to violate the effective laws including bribes to official Gov. employees.

-May cause embarrassment to the Company or weaken trust in the Company's policies.

All Employees of the Company are required , when dealing with Representatives , Gov. Employees should understand the effective laws and the local traditions .

**Obligations towards Customers, Competitors and Controlling Authorities
Competition , anti manipulation and Fair trade**

YIACO Company observes fair and open competition in the Commercial works which means comply with the ethical competition according to the laws which support the commercial competition and fights manipulation and unfair trade .

YIACO announces and market its products and services in realistic and transparent manner.

State of Kuwait adopts commercial laws and legislations which fight manipulation to ensure free and fair competition. Therefore the Company's Employee are not allowed to enter into negotiations or conclude official or non-official agreements, written or verbal with Competitors which may hinder pen and fair Competition, this includes discussing or concluding agreement Contracts with Competitors about prices, Credit Conditions, offer of Tenders and Bids, share markets or Customers or place restrictions on production and distribution or apply boycott against suppliers or Customers.

Crimes related to manipulations are not necessarily to be reduced in written form, but if there is only a signs of agreement with the Competitor, is evidence of a misconduct which leads to serious sanctions.

Violation of commercial laws or anti-manipulation laws and unfair trade whether in deliberate or casual manner may expose YIACO, the Employees and the Higher Management to serious Civil and Criminal penalties or legal suits.

If any Employee is aware of violations related to manipulation he should report such incident using one of the methods listed at the ending part of this Code.

Acquiring information on competitors:

YIACO Employees should use the publicity available information and details when collecting information about the products, services and prices; this includes the printed materials, market Analysis and Reports.

Employees should not look for or accept confidential information related to Competitors without the agreement of the concerned Companies. YIACO undertakes not to use or employ illegal means – bribes, theft or spying through the use of electronic means or non-ethical methods to acquire information related to competitors.

If any Employee is aware of violations related to illegal acquiring of information on Competitors, He should report such incident using one of the methods listed at the ending part of this Code.

Controls for Computer and Communication protection:

YIACO depends on Computer and Communication systems to carry out the operational and financial requirements which mean the necessity to protect such systems against misuse. Such protection is a joint liability between all owners of systems and Programs.

All Company Employees should be aware of and follow the Controls of IT systems.

If any employee is aware of violations related to, issue of IT and Communications systems, He should report such incident using one of the methods listed at the ending part of this Code .

Using the Company resources:

Employees of YIACO Company have the right to use certain resources and properties of the Company for personal purposes. Although such resources are dedicated for the Company's works, Employees may use the Copy machines and Computer Sets or Internet services or e-mail in personal manner within certain limits, observing the Controls and restrictions on the use of IT and Communication systems of the Company. They also should not incur any additional costs or disturbed other employees.

IT Systems and Data:

YIACO is the owner of all Computer sets and all information loaded in such sets in addition to any materials related to the Company on the Employee's PC.

All Employees should use the licensed programs and documents according to the agreement of Licenses observing not to reproduce or copy any software without the explicit agreement of the manufacturing Company. Employees should also protect the passwords related to the Company's networks.

Each Employee is responsible for the Consents of his electronic mails issued by him unless there is an explicit permit, Employees shall not use their Job description or Communication information related to work when using E-mail for personal purposes.

All Employees of the Company should ensure the use of the Company's IT and tools in a way which complies with the local laws and Regulations and the Company's policies including the Regulations of IT protection.

Protection of Confidential Information:

All records, files and details of YIACO Company are of top importance for the success of the Company. All Employees should ensure full protection to such assets.

Records and Information of different types (Documents, Contracts, E-mails, CD's) are important properties of YIACO Company and vital elements to take decisions, operation processes and should be

managed in adequate manner to maintain their full value, in each day when the Employee creates new records he is trusted to keep and protect them safely for the proper performance of the Company works.

The misuse or mismanaging or disclosure of such assets by omission or in deliberate manner may avail the chance to the competing parties which may adversely affect YIACO or its reputation.

Confidential Information:

The confidential information includes : commercial secrets , technical knowledge, Employees records, work plans and proposals, information of Production capacity and actual production , Plans and strategies of marketing and sales , Customers Lists and Prices , or Strategies and Plans of Construction , Details of Suppliers , Means of Commercial Activity , Information of Research and Development , Financial Statements and the Company's Performance.

Each Employee of the Company is responsible for the protection of all confidential information , noting that the Company's information are dedicated only for performing works and should be disclosed except according to the work interests in YIACO Company . Such information shall not be discussed with persons out of the Company including your family members, also secret records or documents should not be left in places in which others may have access to them also Employees should not discuss or deal with the Company's details in public places so that such conversations may be heard or expose to disclosure .

YIACO respects all commercial secrets, publishing and written rights, trade marks, patents owned by others. Unless permission is secured from the Owner or if such use is permitted by law, the reproduction of such materials shall be a violation to the law and this Code of Conduct.

The Confidential information of the work place shall not be disclosed without written consent of the said Department. Persons who left the work in the Company have no right to disclose the confidential information of the Company or the information related to other parties

such as Customers, Suppliers or Competitors. The illegal acquiring of the confidential information of others may expose YIACO to legal liability and may cause the disclosure of the confidential information of the Company without prior permission or the loss of valuable intellectual rights.

Secret Details:

The secret details includes the protection of personal information which are related to any information to identify the person in direct or indirect manner such as personal, Occupational , medical , financial , educational or training information. The responsibility lies on all Employees to observe the requirements of secret details according to the laws and Legislations of the Concerned Countries and the Company's Controls and By-Laws. Also Employees should be familiar with the related policies.

Internal Information and internal dealing:

There are cases in which an Employee possess information not available to all investors about YIACO Company or its Affiliates, or Sister Companies or companies which practice certain works with YIACO. Such Internal information may be related to plans , new products, new procedures, merging, acquisitions or disposition of entities or commercial projects or financial notes , problems , sales , profits or negotiations related to important projects or commercial relations with other parties , or litigation in certain matter or other financial information. It should be noted that any Employee of the Company may have access to such internal information, in such case the following restrictions shall apply.

If such internal information is substantial, which means that it is of value to the normal investor when taking his investment decision, the said person should not sell or buy YIACO shares or the shares of its affiliates according to such information or provide such information to others so that they become available in public. Also the persons should not buy or sell shares of any other Company of which they have internal substantial information not available to the public – which were obtained due to their work with YIACO or by other means also they should not provide such information to others so that they

become available in public. The Internal dealing includes providing internal information or informs others of such information, and if any person performs a selling or buying of shares according to such internal information disclosed by an employee of YIACO, such Employee is guilty of internal dealing even if he didn't invest or trade in anything.

Interaction with Society:

YIACO exerts utmost efforts to communicate with society in effective and cohesive manner, in ensure compliance with law in addition to protection of the Company's interests and secrets, representing of YIACO in the continuous dealing with the different Mass Media and Society categories is limited to certain portion of the Employees who received the necessary training to perform such missions and tasks.

All inquiries from foreign sources, whether oral or written and related to the company's affairs should be addressed to the Higher Administration of YIACO.

If the Company Employee is expressing a personal point of view within a general scope such as in the press, she/he should not use the Company's letterheads or E-mail or give reference to the work address or the job description.

The Company's Community Responsibility:

Development events:

YIACO is an effective element in the societies in which it works the Company contributes in several development, charity and human events in the State of Kuwait through the office of the Executive Manager and the activity of the Community Programs and through the cash and in-kind donations, and awareness initiatives. When the Company launches a society Intuitive it employs the times and resources of the Employees and the Company, therefore the Company should inform the Employees in advance of such events sponsored by the Company.

Each Employee should ensure to separate his personal social activity from his work at the Company. Employee may follow up his social activities in his private time using his private resources as a person and citizen and not as a representative of YIACO. No Employee may allege to represent YIACO in the Society or in any event unless he has prior consent by the Higher Management of the Company.

The continuous developments in the international conventions for performing the works and principles which govern the joint community responsibilities are positive indicators to re-define the principle of Responsibility at work. In this regard, YIACO respects and support the efforts of other parties related to such development, it also sees that any international charter to perform the work or initiative related to the Community may have important effect on the operations and commercial activities of YIACO Worldwide

Violation Reporting:

All Employees, customers, suppliers and shareholders may report their remarks or any violations without any fear from being subject to revenge or harassment by others. At the same time they may ask for consultation from the Auditing Committee if there are any current or possible problems.

The Following means were allocated to report and inquire on any violations related to this Code and to provide proposals for development:

-Box of Complains and Proposals: these Boxes are available at the Company's Sites. Sheets of Reporting and proposals may be collected through the Internal Internet page of the Company.

E-mail: COBC@yiacokuwait.com for receiving of different proposals, inquires and reports.

In addition to observing the privacy and interests of all persons, the Auditing Committee shall investigate any Conduct which may affect the Company's reputation or violates the ethical work conduct; All Employees are expected to cooperate with the said committee when performing any investigation.

Non-Revenge policy

YIACO Employees should not feel any worries of being subject to any revenge when they report any ethical or legal violations by others. Also it should be noted that any false accusation or indecent words – whether orally or in writing about such violations are absolutely prohibited.

YIACO shall not tolerate any desire of revenge or cause harm to any person who on bona vide basis reported any confirmed or suspected violations against this Code. The Company shall take Disciplinary actions which may amounts to the discharge from work against any employee who has any role in a revenging acts.

Signature:

Date:

Name:.....