



Code of Business Conduct

June 2016



A message from the Board of Directors

Dear Colleagues,

Since its founding, Arabio's business practices have been governed by Integrity, excellence, and full compliance with all applicable laws and regulations. Arabio's employees have endorsed and lived this pledge in their every day's work. Our reputation is and will remain one of our most valuable assets. This Code of Business Conduct (referred to in this document as "the Code") represents the commitment of Arabio to conduct its entire business in accordance with all applicable industry laws, rules and regulations and the highest ethical standards. It is crucial for us to earn and maintain the trust of our communities, customers, governments, investors, and the employees wherever we operate. Each employee is required to abide by this Code and ensure that all business activities and decisions reflect our commitment to Ethics Excellence. The objective of this Code is not meant to address all possible situations that may occur; it is rather developed to provide a guiding reference to measure any activities against. Our reputation and our success depends upon the personal commitment that each of us makes to exhibit Arabio's values of Acting with Integrity, performing with excellence and Communicating with respect for people in all of our business. Remember, how we do things is just as important as what we do. All employees must seek guidance when they are in doubt about the proper action in a given situation, as it is the ultimate responsibility of each employee to "do the right thing right from the start".

Chairman of Arabio's Board of Directors

Our APC Core Values

Act with Integrity

Perform with Excellence

Communicate with respect



Article 1: Compliance with laws, rules and regulations

We respect the law, rules and regulations at all times. We will consult the Code, comply with its provisions and seek guidance where needed

Arabio and its employees are adherent to the law. Compliance with all applicable laws and regulations is a must and will never be compromised. Moreover, employees must adhere to internal rules, regulations and standards as they apply in any given situation. Those internal rules are specific to the Company and may go beyond what is required by the law.

It is each employee's responsibility to ensure full compliance with all provisions of this Code and to seek guidance where necessary from their supervisors, HR, Legal or Compliance personnel in order to **"do the right thing right from the start"** and to ensure the highest standards of integrity.

This is employee's personal responsibility and cannot be delegated. Any failure to comply with this Code may result in disciplinary action, including the possibility of dismissal and, if warranted, legal proceedings or criminal sanctions.

Article 2: Adverse events and Product Complaint Reporting

We take our obligations to submit timely reports to the authorities very seriously

Appropriate measures must be established for monitoring for, and processing, any adverse event reports that may be received in the course of any healthcare support service, or during a clinical research activity supported, sponsored or conducted by Arabio.

Submitting reports of adverse events or product complaints relating to our medicines is an obligation towards the community and health authority that we will always meet. Information learned from reporting may lead to improvements in communications to health care professionals and patients, enabling them to optimize the benefits and minimize the risks for individual patients. Making such reports is in the very best interests of the community and customers we serve.

Employees must report any human safety information relating to the use of any of Arabio's products. This information must be reported to the Pharmacovigilance system in Arabio in compliance with the applicable rules and regulations.

Article 3: Antitrust and fair dealing

We believe in the importance of free and fair competition

Arabio is well equipped to compete successfully in the regional business environment and will always be in full compliance with all applicable antitrust, competition and fair dealing laws. Employees must all the times adhere to the following rules:

- Commercial policy and prices will be set independently and will never be agreed, formally or informally, with competitors whether directly or indirectly.
- Customers, accounts and/or territories will never be allocated between Arabio and its competitors but will always be the result of fair competition;
- Customers and suppliers will be treated equally and fairly.

All employees have a responsibility to ensure that they are familiar with applicable competition laws. When in doubt, employee should consult his/her supervisor, HR, legal and/or compliance personnel.

Article 4: Confidential information

We value and protect our confidential information and we respect the confidential information of others

Any information that is not in a public domain is considered as confidential information. It includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data.

Arabio's sustained success depends in great part on the use of its confidential information. Unless required by law or authorized by their management, employees must not disclose confidential information or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, employees must exert best efforts to avoid non-intentional disclosure by applying special care when storing or transferring confidential information.

Arabio respects all third parties interest in protecting their confidential information. In case that third parties such as joint venture partners, suppliers or customers, share with Arabio confidential information, such information shall be treated as confidential as Arabio's confidential information. Upon their joining of Arabio, employees shall protect confidential information that they have obtained in the course of their prior employment.

Article 5: Fraud, Protection of company assets, Accounting

We insist on honesty and we respect the Company's assets and property

Employees must never engage in fraudulent or any other dishonest conduct involving the property or assets or the financial reporting and accounting of Arabio or any third party. This may not only lead to disciplinary actions but also result in criminal charges.

Arabio's financial records are the basis for managing the Company's business and fulfilling its obligations to various stakeholders. Therefore, any financial record must be accurate and in line with Arabio's accounting standards.

Employees must protect and make only proper and efficient use of Arabio's property. All employees must seek to protect Arabio's property from loss, damage, misuse, theft, fraud, and destruction. These obligations cover both tangible and intangible assets, including trademarks, know-how, confidential or proprietary information and information systems. Within the boundaries set under applicable law, the Company reserves the right to monitor and inspect how its assets are used by employees, including inspection of all e-mail, data and files kept on Company network terminals.

Article 6: Bribery and Corruption

We condemn any form of bribery and corruption

Employees must never, directly or indirectly, offer or promise any improper financial or other advantage in order to gain or retain a business or other advantage from a third party, whether public or private. Employees must not accept any such advantage in return for any favorable treatment of a third party.

Moreover, employees must refrain from any activity or behavior that could give rise to the appearance or suspicion of such conduct. Employees should be aware that the offering or giving of improper benefits in order to influence the decision of the recipient may not only entail disciplinary sanctions but also result in criminal charges.

Article 7: Off-Label Information

We only promote company medicines in a manner consistent with the approved local label.

Employees must not proactively discuss or present in a promotional manner information concerning unapproved new products or Off-Label Information about approved products.

Any company-organized meetings designed to address a legitimate need for scientific exchange between the company and experts in a specific scientific field that may include Off-Label Information must be conducted in compliance with the applicable laws and regulations in each specific market.

Sales and marketing employees who receive unsolicited questions from customers about Off-Label Information must refer them to the medical and regulatory departments.

Medical and regulatory personnel must comply with the applicable local rules and regulations when responding to Unsolicited Requests for Off-Label Medical Information.

Article 8: Gifts, meals, entertainment

We compete and do business based only on quality and competence

Employees shall not improperly try to neither influence others by providing those favors nor be influenced by receiving favors from others.

Gifts offered to third parties (such as customers, distributors, vendors, service providers, government officials, doctors or other professionals) must be reasonable, modest (not to exceed 50 SAR) and appropriate and must not create the appearance of improper influence or illegitimate advantage.

Gifts should normally be offered only on customary business and cultural occasions and shall never include cash or cash equivalents. No gifts of any nature should be offered in the context of a decision affecting Arabio by the relevant authority or government official which is pending or imminent.

Arabio may offer reasonable and appropriate meals and hotel accommodation to third parties who attend business meetings, conferences or events which are hosted, supported or sponsored by Arabio provided they are:

- Ethical and allowed by the applicable local laws and regulations.
- Of modest value and properly recorded in full transparency.
- Secondary to the purpose of the business meeting.
- Offered in an appropriate venue i.e. not perceived as lavish or extravagant venues.

Entertainment activities (e.g. sporting or leisure events) should not be included in any hospitality offered to HCPs.

Arabio staff may accept gifts or hospitalities from third parties and business partners only when those gifts and hospitalities are lawful and ethical, infrequent, modest in value, and customary in a business relationship. When in doubt, employee should consult his/her supervisor, HR, legal and/or compliance personnel.

Article 9: Scientific Support and Meetings with HCPs

We genuinely support the Education and Scientific activities of the HCPs.

Arabio's interactions with healthcare professionals that include sponsorship of scientific events and group meetings will be conducted within the applicable local laws and regulations.

Appropriate interactions with HCPs are only intended to enhance the practice of medicine and the health care provided to patients. Interactions will focus on informing HCPs about products, providing scientific, medical and educational information, and/or supporting medical research and education.

Nothing will be offered or provided to HCPs in a way that has an inappropriate influence on prescribing practice or that could be seen as an inducement to prescribe.

Financial sponsorship may be provided to Health Care Organizations to arrange and/or support scientific Medical meetings/Congresses, as allowed by applicable local laws and regulations. This support will never be an inducement or reward for the prescription of products.

When Arabio hosts, supports and/or sponsors a medical meeting for HCPs, it will be the scientific agenda and the medical contents that attract an HCP to attend and not the associated meals, venue or location. Those meetings will not be held at venues that could be perceived as lavish or extravagant or renowned for their entertainment facilities.

Article 10: Grants & Donations

We genuinely support the community

Arabio may offer scholarships, grants, charitable contributions or non-commercial sponsorships to support the advancement of knowledge in science, vaccination, healthcare, or to support other socially beneficial purposes.

They must never be used to obtain an improper advantage to Arabio or be made conditional upon an individual's or organization's agreement to recommend or promote Arabio's products.

When Arabio provides this kind of economic support, it shall apply appropriate review and approval procedures, including an evaluation of the proposed recipient's reputation, track record, the suitability for the intended purpose, and the socially responsible benefits in terms of healthcare, science, medicine and public welfare.

Article 11: Records and Book-keepings

We are reliable and trustworthy in the way we carry out and document our transactions

Arabio requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions. All of Arabio's books, records, accounts and financial statements must conform both to applicable local laws and regulations and to Arabio's system of internal controls. This applies equally to e-mails, internal memos, and formal reports. Records should always be retained or destroyed according to the applicable record retention policies.

Article 12: Discrimination and Harassment

We embrace diversity and respect the personal dignity of our fellow employees

Arabio respects the personal dignity, privacy and personal rights of every employee and is committed to maintaining a workplace free from discrimination and harassment. Therefore, employees must not discriminate on the basis of origin, nationality, religion, race, gender, age or sexual orientation, or engage in any kind of verbal or physical harassment based on any of the above or any other reason. Employees who feel that their workplace does not comply with the above principles are encouraged to raise their concerns with the HR department.

Article 13: Conflict of Interest

We will always act in the best interests of Arabio

A Conflict of Interest occurs when personal interests of an employee or the interests of a third party compete with the interests of Arabio. In such a situation, it can be difficult for the employee to act fully in the best interests of Arabio. Employees shall avoid Conflicts of Interest whenever possible. If a Conflict of Interest situation has occurred or if an employee faces a situation that may involve or lead to a Conflict of Interest, the employee shall disclose it to his / her supervisor, HR, Legal and/or Compliance Function to resolve the situation in a fair and transparent manner.

Article 14: Outside engagement and other Activities

We take pride in Arabio's reputation and consider Arabio's best interests in our outside engagements and activities

Outside of Arabio, no activities shall be pursued if such activities will interfere with the employee's responsibilities for Arabio, or create risks for Arabio's reputation, or in any other way conflict with the interests of Arabio. When in doubt, employee should consult his/her supervisor, HR, legal and/or compliance personnel.

Unless requested by the Company to take up a particular position or activity, employees shall pursue outside activities and positions at their own risk and cost and within their spare time only.

Article 15: Families and relatives

Our hiring and employees' development decisions will be fair and objective

Immediate family members of employees may be hired as employees only if they have the desired qualifications, skills and experiences. There should not be direct or indirect reporting relationship between the employee and his or her relative. The equal treatment principals will apply to all aspects of the employment including but not limited to compensations, promotions and transfers.

Article 16: Health and safety

We strive to keep our work environment healthy and safe

Arabio strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted.

Employees are expected to perform their Company related work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances.

Article 17: Reporting non-compliant conduct

We take responsibility for ensuring that we all act with integrity in all situations

Employees shall report any practices or actions believed to be inappropriate under this Code to their supervisors, HR, Legal and/or Compliance function. Where appropriate, complaints may be made on a confidential basis or through employees Hotlines. All complaints shall be properly investigated. Arabio prohibits retaliation against any employee for such reports made in good faith, while it also protects the rights of the incriminated person.

Article 18: Annual Acknowledgement

We are consistent on enforcing the code

To help ensure compliance with this Code of Business Conduct, the Company requires that all employees review the Code of Business Conduct and acknowledge their understanding and adherence in writing on an annual basis on the attached form.

**Your Personal Commitment to
ARABIO
Code of Business Conduct**

I acknowledge that I received a copy of the Company Code of Business Conduct dated _____ (“the Code”), that I have read the Code and that I understand it. I will comply with the Code. If I learn that there has been a violation of the Code, I will follow the right procedures of reporting as stated by Arabio’s internal regulations. I acknowledge that the Code is not a contract, and that nothing in the Code is intended to change the traditional relationship of employment.

Dated:

Employee’s Name:

Signature
