

<b>STRATA SKIN SCIENCES, INC.</b>		
<b>Title:</b>	CODE OF BUSINESS CONDUCT AND ETHICS	Policy #: COM: 001
<b>Department Ownership:</b>	Compliance	
<b>Approved by and Title:</b>	Board of Directors	
<b>Initial Issue Date:</b>	November 4, 2015	Revised Date: June 4, 2018

## **SCOPE**

“STRATA,” (the “Company”) as used throughout this Code, refers to the entire Corporate Group and is meant to include all subsidiaries and business offices of the Parent Company, both domestic and international, and all individuals employed therein. This Code is applicable to any board member, executive, manager, supervisor, employee or agent (including temporary employee or independent contractor/subcontractor) of the Parent Company or any of its Subsidiaries worldwide. All individuals subject to this Code are expected to read and sign it acknowledging their receipt and understanding of the contents herein.

## **INTRODUCTION**

STRATA’s reputation for honesty, integrity, and adhering to the highest ethical standards and conduct is the sum of the personal reputations of its directors, officers, managers and employees. To protect this reputation and to promote compliance with laws, rules and regulations, this Code of Business Conduct and Ethics (the "Code") has been adopted by the Board of Directors. We have a shared responsibility to make compliance and good business practices part of the fabric of STRATA. This Code sets out the basic standards designed to deter wrongdoing and to promote honest and ethical conduct by our personnel and representatives.

This Code is only one aspect of STRATA’s commitment to ethical conduct in our business operations. This Code is one of many other policies, practices or instructions issued by the Company and its contents must be viewed within the framework of these other policies, practices, and instructions as well as the requirements of the law. You must also be familiar and comply with all other policies issued by STRATA otherwise applicable to you.

This Code will not and cannot cover all situations. The absence of a specific corporate policy, practice or instruction covering a particular situation does not relieve you of the responsibility to exercise the highest ethical standards applicable to the circumstances. Those who violate the standards set out in this Code will be subject to disciplinary action by the Company, up to and including termination and, depending on the nature of the violation, may also be subject to potential civil or criminal liabilities and penalties.

## **HONEST AND ETHICAL CONDUCT**

We, as a Company, require honest and ethical conduct from everyone subject to this Code. Each individual has a responsibility to all other executives, officers, managers, supervisors, employees and agents of the Company, and to the Company itself, to act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts, allowing your independent judgment to be subordinated or being pressured into acting in an inappropriate or unethical manner. Anyone subject to this Code is expected to conduct themselves in a manner consistent with the Company’s ethical and legal standards, without exception.

## CONFLICTS OF INTEREST

As an employee and representative of the Company, your focus should be centered on furthering the interests of the Company. A "conflict of interest" exists when a person's private interests improperly interfere, or appear to interfere, in any way with the interests of our Company. All actions and interests must not interfere with the ability of an executive, manager, supervisor, employee or agent's ability to perform or work for our Company in an objective and effective manner. Personal gain and/or advantage must never take precedence over this goal. Employees must never use or attempt to use their position with this Company for the purpose of obtaining any improper personal benefit(s) (including loans, promises or gift(s) for yourself, family member(s) or other individual(s) or group(s) related to you in any way).

Actions or relationships that result in a personal conflict of interest are prohibited as a matter of Company policy, except as may be permitted through express approval or as otherwise approved in the guidelines of the Board of Directors. Even the appearance of a conflict may damage your reputation and/or that of the Company. Even if an activity seems unrelated to your personal role within the Company, you may be required to receive approval prior to engaging in the action.

Any actual or apparent conflict of interest between your personal and business relationships must be handled in an ethical manner. If you are unsure of whether or not a certain action poses a conflict, please contact the Company's General Counsel prior to engaging in the conduct, if possible, and they will review and make a determination. If you become aware of any transaction or relationship that reasonably could be expected to give rise to a conflict of interest, you should report it promptly to our Company's General Counsel, who will take action that is appropriate and compliant with applicable legal requirements, including the requirements of the Sarbanes-Oxley Act.

The following standards apply to certain common situations where potential conflicts of interest may arise. Although we do not intend to restrict the application of our policies by being too specific, we are describing below certain situations in which a conflict of interest may result:

### **A. Gifts, Meals, Travel, Events and Entertainment**

STRATA directors, officers, managers, supervisors, employees and agents acting on behalf of or representing the Company must not solicit or accept any gift, meal, travel, event or entertainment from customers, existing business affiliates (including contractors, suppliers, vendors and distributors) or potential affiliates of the Company that exceed accepted business practice within the industries in which the Company deals. Gifts, meals, travel, events and entertainment offered by entities doing business with our Company may be accepted only when offered in the ordinary course of the business relationship. Gifts, meals, travel, events and entertainment offered or provided to customers or affiliates must support the legitimate interests of the Company and abide by all applicable laws and regulations. Gifts, meals, travel, events or entertainment may not be offered or accepted if they could in any way be construed as a bribe or payoff.

At all times, we must remain cognizant of the business practices of our customers and affiliates. As such, we must respect their policies and procedures. The purpose of business gifts and entertainment is to create and maintain a good-will working relationship with the customers and affiliates with whom we do business. We must exercise good judgment when offering or accepting business gifts and entertainment. All offers and acceptances must be made according to the provisions set forth under this Code, unless otherwise specified to you in writing by the Company's General Counsel.

The provisions set forth below also apply to the relatives of Company executives, managers, supervisors, employees and agents who maintain communication or relationships with any of our customers, business affiliates healthcare professionals or potential business affiliates.

### **1. Gifts and Meals**

Any gift or meal offered or received must not exceed \$100 in value. Gifts of cash or cash equivalents (e.g. gift cards) may not be accepted. Meals or your attendance at a breakfast, lunch, dinner or other food-based event may be accepted if attendance is in accordance with customary business practice. For instance, dinner between executives, officers, managers, supervisors or employees and existing or potential customers or affiliates is generally customary if the purpose of the dinner is to discuss business transactions. STRATA executives, officers, managers, supervisors or employees may not ask persons or affiliates of the Company for gifts, meals or to support any personally-sponsored function. Gifts may not be accepted or offered in exchange for doing, or promising to do, any favor or activity by the Company or in the course of business with the Company. Gifts of Company stock may not be offered or provided under any circumstances.

Gifts and meals voluntarily offered to or given by a person or affiliate must be reviewed with a member of the Legal Team to ensure they meet the acceptable criteria.

### **2. Travel, Events and Entertainment**

If a customer or affiliate invites you to an event involving out-of-town travel or overnight stay, do not accept the offer or confirm attendance without first consulting your Manager, Supervisor or a member of the Legal Team to gauge if there is an adequate business purpose for your attendance. If there is, STRATA will pay for your travel, meals, overnight accommodations and attendance at the event.

Tickets to events (including sporting events and concerts) offered to you by a customer or affiliate for your personal or family use - without attendance or accompaniment by the customer or affiliate - are considered gifts. The offer to you for personal use of the homes, condominiums, private boats or aircrafts of any of our customers or affiliates is considered a gift of similar nature. Because such gifts are not offered in the context of ordinary business practices, they should not be accepted. The acceptance of event tickets is only acceptable when offered to a large group of our Company's employees as part of an agreement between the Company and the customer or affiliate.

### **3. Declining Gifts, Meals, Travel, Events and Entertainment**

Any and all gifts or meals which have a value greater than the \$100 amount or do not meet the "no cash" requirement must be immediately disclosed to a member of the Legal Team. If you are offered a gift, meal, travel arrangement, event ticket or other entertainment that exceeds any of the limitations noted above, you must decline the offer and explain the Company's rules under this Code. If you are unsure as to the acceptability or appropriateness of any gift, meal, or entertainment proposed to you, you must consult with the Legal Team prior to acceptance or taking any action. The Corporate Counsel will report such gifts to the CEO who will consult with the

appropriate committee on the Board of Directors, which will determine how such gifts should be handled.

#### **4. Changes**

Rules specifying permissions and restrictions on the acceptance of gifts, meals, events or entertainment are subject to change at any time due to new or anticipated updates in government laws, agency regulations, or acceptable industry practice. In the event of such changes, the company's board members, executives, managers, supervisors, employees and agents will all be notified immediately by a member of the Legal Team.

### **B. Financial Interests In Other Organizations**

The determination whether any outside investment, financial arrangement or other interest in another organization is improper depends on the facts and circumstances of each case. Your ownership of an interest in another organization may be inappropriate if the other organization has a material business relationship with, or is a direct competitor of, STRATA or any of its subsidiaries and your financial interest is of such a size that your ability to exercise independent judgment on behalf of our Company is or may appear to be compromised. As a general rule, a passive investment would not likely be considered improper if it: (i) is in publicly traded shares; (ii) represents less than 1% of the outstanding equity of the organization in question; and (iii) represents less than 5% of your net worth. Other interests may also be allowable but will need to be reviewed by the Company on an individual basis, depending on the circumstances and nature of the interest. For questions or inquiries as to whether your existing or potential interests in another company present a Conflict of Interest under this Code, please contact Corporate Counsel.

### **C. Outside Business Activities**

Each employee has the responsibility to devote his or her full business time, attention, skill and effort exclusively to the performance of the duties that the Company may assign. The determination of whether any outside position an employee may hold is improper will depend on the facts and circumstances of each case. In general, outside work activities are not permitted when they:

- Prevent the employee from fully performing work for which he or she is employed at STRATA, including overtime assignments for non-exempt employees;
- Involve performing services as a consultant, employee, officer, director, advisor or in any other capacity for, or have a financial interest in, a competitor of the Company, other than services performed at the request of the Company and other than a financial interest representing less than one percent (1%) of the outstanding shares of a publicly-held company; and
- Violate provisions of applicable state or Federal law or the Company's policies or rules.

Your involvement in trade associations, professional societies, and charitable and similar organizations will not normally be viewed as improper. However, if those activities are likely to conflict with your responsibilities to our Company, you should obtain prior approval from your manager or supervisor. Other outside associations or activities in which you may be involved are

likely to be viewed as improper if they do or could interfere with your ability to devote proper time and attention to your responsibilities to our Company.

For any executive, officer or director: employment or affiliation with a Company with which STRATA does business or competes must be fully disclosed to our Company's Board of Directors or the Nominations and Corporate Governance Committee of the Board of Directors and must satisfy any other standards established by applicable law, rule (including those of any applicable stock exchange or market on which our Company's securities trade) or regulation and any other corporate governance guidelines that STRATA has or may establish.

#### **D. Corporate Opportunities**

You are prohibited from taking for yourself, personally, opportunities that are discovered through the use of Company property, information or position, unless the Board of Directors has specifically declined to pursue the opportunity. You may not use Company property, information, or position for personal gain, or to compete with our Company. You owe a duty to our Company to advance its legitimate interests whenever the opportunity to do so arises.

#### **E. Indirect Violations**

You should not indirectly, through a spouse, family member, affiliate, friend, partner, or associate, have any interest or engage in any activity that would otherwise violate this Code if you personally had a direct interest or engaged in the activity. Any such relationship should be fully disclosed to our Company's Corporate Counsel (or the Board of Directors or the Nominations and Corporate Governance Committee of the Board of Directors if you are an executive or officer of our Company), who will make a determination whether the relationship is inappropriate, based upon the standards set forth in this Code.

### **FAIR DEALING**

STRATA competes fairly and in compliance with all applicable business competition laws worldwide. The integrity of our company and its employees is an integral part of STRATA's business practices and dealings. Our values demand that all representatives of STRATA deal fairly with our Company's customers, affiliates, suppliers, competitors, employees and other persons with whom the Company does business. No one acting for or on behalf of the Company is permitted to seek a competitive advantage through unethical and illegal business practices. All business transactions including bids, proposals, negotiations and contracts must be based strictly on fair dealing practices according to established criteria. The use of improper influence through manipulation, concealment of information, abuse of privileged information or power, misrepresentation of material facts and/or any other intentional unfair dealing practice is prohibited by this Code and will not be tolerated.

Violations of this Policy will result in disciplinary action by the Company, up to and including termination. Violators may also be subject to civil or criminal liabilities and penalties and potential legal action by STRATA. For more information on fair dealing practices, please contact our in-house Corporate Counsel.

### **PUBLIC DISCLOSURES AND FINANCIAL REPORTING RESPONSIBILITIES**

As a publicly traded U.S. company, STRATA must comply with various securities laws, regulations and reporting obligations. U.S. federal laws and this Company's associated policies and procedures require that STRATA disclose accurate and complete information regarding its business,

financial condition and results from operations. It is our Company's policy to provide full, fair, accurate, timely and understandable disclosure in all reports and documents that we file with, or submit to, the Securities and Exchange Commission and in all other public communications made by our Company. Inaccurate, incomplete or untimely reporting will not be tolerated and may result in legal liability.

Depending on their position with the Company, employees may be called upon to provide information to assure that the Company's public reports are complete, fair and understandable. We expect all of our personnel to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

### **Accuracy of Books, Records and Public Reports**

Employees must honestly and accurately report all business transactions. You are responsible for the accuracy of your records and reports; accurate information is essential to the Company's ability to meet legal and regulatory obligations. All Company books, records and accounts shall be maintained in accordance with all applicable regulations and standards and should accurately reflect the true nature of the transactions they record. The financial statements of the Company shall conform to generally accepted accounting principles and the Company's accounting policies. No undisclosed or unrecorded account or fund shall be established for any purpose. No false or misleading entries shall be made in the Company's books or records for any reason, and no disbursement of corporate funds or other corporate property shall be made without adequate supporting documentation.

### **Concerns Regarding Accounting or Auditing Matters**

Employees with concerns regarding questionable accounting or auditing matters or complaints regarding accounting, internal accounting controls or auditing matters may confidentially, and anonymously if they wish, submit such concerns or complaints in writing to the Company's Chief Executive Officer (the "CEO") or may report them by contacting the Company's Whistleblower Hotline, as outlined above. All such concerns and complaints will be forwarded to the Audit Committee of the Board of Directors, unless, following investigation, they are determined to be without merit. In any event, a record of all complaints and concerns received will be provided to the Audit Committee at least each fiscal quarter. All reports filed regarding questionable accounting or auditing matters will be automatically directed to the Chairperson of the Audit Committee.

The Audit Committee will evaluate the merits of any concerns or complaints received by it and authorize such follow-up actions, if any, as it deems necessary or appropriate to address the substance of the concern or complaint.

### **Dealings with Independent Auditors**

No executive, officer, manager, supervisor, or employee may, directly or indirectly, make or cause to be made a materially false or misleading statement to an accountant in connection with (or omit to state, or cause another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with) any audit, review or examination of the Company's financial statements or the preparation or filing of any document or report with the SEC. No executive, officer, manager, supervisor, or employee shall, directly or indirectly, take any action to coerce, manipulate, mislead or fraudulently influence any independent public or

certified public accountant engaged in the performance of an audit or review of the Company's financial statements.

## **INSIDER TRADING**

Insider trading is defined as the use of material, non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information. Such actions are both unethical and illegal. Employees who have access to material, non-public information concerning STRATA, any of its subsidiaries, suppliers and customers are not permitted to use or share that information for stock trading purposes, or for any other purpose except the conduct of our Company's business. All non-public information about our Company should be considered confidential information. The prohibition on insider trading applies both to our Company's securities, as well as to securities of other companies if you learn of material non-public information about these companies in the course of your duties to the Company. Violations of this prohibition against insider trading may subject you to criminal or civil liability, in addition to disciplinary action by the Company, up to and including termination.

To help ensure that you do not engage in prohibited insider trading and avoid even the appearance of an improper transaction, the Company has adopted an Insider Trading Policy, which employees are required to sign at the start of their employment. For further information on insider trading, please refer to this policy or contact a member of our Legal Team for assistance.

If you are uncertain about the constraints on your purchase or sale of any Company securities or the securities of any other company that you are familiar with by virtue of your relationship with the Company, you should consult with the Company's CFO before making any such purchase or sale. For more information on Insider Trading, please refer to the STRATA Skin Sciences, Inc. Insider Trading policy.

## **CONFIDENTIAL INFORMATION**

Confidential information is considered to be all material, non-public information that, if disclosed or publicized, might be of use to competitors of STRATA or its subsidiaries or persons with whom our Company does business, and may result in harm to the Company. Confidential information includes, but is not limited to:

- information regarding the Company's intellectual property (such as trade secrets, patents, trademarks and copyrights)
- customer information
- confidential employee and salary information
- business, marketing and service plans
- engineering and manufacturing ideas
- current and future product designs
- computer and paper databases and records
- any unpublished financial data and reports

The responsibility to maintain the confidentiality of information extends to information entrusted to any executive, manager, supervisor, employee, agent or affiliate, including our suppliers and customers. You also must abide by any lawful obligations that you have to your former employer(s). These obligations

may include restrictions on the use and disclosure of confidential information, restrictions on the solicitation of former colleagues to work at the Company and non-competition obligations.

Every executive, manager, supervisor, employee, agent or affiliate of the Company maintains a duty to retain the confidentiality of all such information entrusted to them by STRATA. The sharing of Confidential Information with unauthorized individuals outside of the Company or unauthorized third-parties is prohibited. Employees should take appropriate precautions to ensure that confidential or sensitive business information, whether it is proprietary to the Company or another company, is not communicated within the Company except to employees who have a need to know such information to perform their responsibilities for the Company.

Only the Company's authorized Spokespersons (most often CEO and CFO) are permitted to discuss proprietary Company information to others outside of the Company. Employees who believe that they are being required to disclose proprietary Company information to complete their job accordingly are required to obtain the prior approval of the Company CEO before doing so. Statements to the media, market professionals (such as securities analysts, institutional investors, investment advisers, brokers and dealers) and security holders are prohibited. Such communications must be conducted by the Company CEO or other authorized Company Spokesperson, unless the CEO has provided approval for such otherwise.

Disclosure of confidential information may be required in some circumstances, including instances when disclosure is legally mandated by a state or government agency in the event of audit or investigation. If you are approached by a government agency or subpoenaed for such information, you must, unless prohibited by law, inform the Company of that request so that the Company has an opportunity to review and/or contest that request. Disclosure may otherwise be authorized by internal executives, Corporate Counsel or the Board of Directors for legitimate business purposes which may be precluded without the presentation of this information. In such instances, Corporate Counsel will advise as to when and what information is required and to whom it may be disclosed.

To ensure the protection of confidential information by our employees, STRATA has adopted an Employee Confidentiality and Non-Disclosure Agreement which is required to be signed by all employees and agents upon hire or start with the Company. This Agreement is binding and enforceable. Employees who violate confidentiality are subject to disciplinary action, up to and including dismissal, and possible civil or criminal penalties. STRATA retains the right to take legal action against any individual who violates this Confidentiality policy. Should you have questions regarding what is considered confidential information, or would like to report a possible breach of confidentiality, please call our Compliance Hotline or contact a member of the Legal Team.

## **NATIONAL PHYSICIAN FINANCIAL TRANSPARANCY PROGRAM (SUNSHINE ACT)**

The Sunshine Act is designed to increase transparency around financial relationships between physicians, teaching hospitals and manufacturers of drugs, medical devices, and biologics. The goal of the law is to increase transparency of financial relationships between healthcare providers and pharmaceutical manufacturers and device manufacturers and to uncover potential conflicts of interest. The program is administered through the Centers for Medicare & Medicaid Services (CMS).

Manufacturers, like STRATA, are required to submit annual reports regarding payments or other transfers of value covered recipients, such as physicians and their offices. Reports are due annually by December 31<sup>st</sup>. The scope of the coverage of the law is extremely broad. While the program is administered by CMS, whether or not a doctor is enrolled in CMS has no bearing on the need to report payments to that physician.

STRATA prohibits any of its employees, and particularly its sales representatives from providing anything of value, other than de minimis value, to physicians. Reporting thresholds are set each year. Currently any individual gift or payment of \$10.49 or annual payments of \$104.90 must be reported in the annual Sunshine Act report.

## **PROTECTION AND PROPER USE OF CORPORATE ASSETS AND PROPERTY**

It is the responsibility of each member of STRATA Skin Sciences to protect the assets and property of the Company to the best possible extent. Employees should seek to protect the Company's assets whenever possible. Theft, loss, carelessness and waste have a direct impact on the Company's financial performance and day-to-day function. Employees must use the Company's assets and services solely for legitimate business purposes of the Company and not for any personal benefit or the personal benefit of anyone else. Further, employees should take care not to expose Company property to situations in which confidential information can be exposed to unauthorized individuals both inside and outside of the Company.

Executives, officers, managers, supervisors, employees and agents further agree that they will not make or retain any originals, copies or reproductions of or excerpts from any confidential information for his or her use or the use of others and, on request by the Company, the Employee will deliver to the Company all tangible property that is or embodies any confidential information, whether prepared or developed by or with the assistance of the executive, officer, manager, supervisor, employee or agent, or otherwise coming into his or her possession, control or knowledge. Upon termination of employment with Company, executives, officers, managers, supervisors, employees and agents shall promptly return to the Company all confidential information in whatever form, as well as any other property of Company, which is or has been in the Employee's possession or under the Employee's control.

For more information on the access, permitted uses and protection of Company assets and property, please refer to the STRATA Skin Sciences, Inc. Employee Handbook.

## **ANTI-CORRUPTION**

1. STRATA has a strict anti-corruption and bribery policy. STRATA does not pay or accept and does not condone paying or accepting bribes to or from anyone. All persons or entities subject to this Policy may not give or offer bribes, kickbacks, or similar payment or consideration of any kind, either directly or indirectly, to:
  - a federal U.S. state, local or foreign government official;
  - customers or potential customers, persons, or affiliate entities of the Corporate Group whether at home or abroad;
  - a government official, political party, candidate for political office; or
  - any intermediaries, such as agents, attorneys or consultants.

All persons or entities subject to this Policy are prohibited from intentionally exercising improper influence upon such persons in an effort to:

- obtain or retain business;
- influence a business decision;
- influence official acts or decisions of that person or entity;
- obtain a business advantage for, or direct business to, the Company;
- expedite a process; and/or
- secure an unfair advantage.

Similarly, no one may accept a bribe, kickback, or similar payment or consideration of any kind, whether at home or abroad, from any person or entity which is intended to, or which may be perceived as being intended to:

- influence a business decision being made by STRATA board members, executives, officers, or personnel;
- obtain or retain business with STRATA;
- obtain a business advantage for, or direct business to, any entity that the Briber represents;
- facilitate a deal based on bribery or other form of illegal payment or action; and/or
- perform other forms of illegal action(s) which may result in the improper disclosure or concealment of reportable information or record.

Everyone must take care to not accept or make any payment, legal or illegal, which may bring embarrassment or negative publicity to the Company. Prior to offering anything to or accepting anything from a government official, employees must obtain approval from the Legal Department.

Gifts, meals, entertainment, or favors may not be offered, delivered or promised to any government official or employee with the intent of influencing the official or employee to make a decision favorable to the Company. A “government official” includes:

- any official or employee of a government or government-owned enterprise,
- any official or employee of a government agency or regulatory authority,
- any political candidate or member of a political party,
- any public international organization or an official or employee thereof, or
- any person acting in an official capacity for or on behalf of any of the foregoing.

Government includes local, regional, and national governments and the legislative, judicial, administrative and executive branches. Payments made to members of a government official’s family in order to influence the government official are also prohibited.

Gifts, meals, or other forms of entertainment offered to a government official or employee on behalf of this Company may not exceed \$20 at any time or more than \$50 per year. Each branch of state and federal government and their various agencies have their own specific rules and regulations which govern the acceptance of gratuities. As such, STRATA employees and agents must be sure to abide by the applicable regulations governing gifts, meals, and entertainment.

Similarly, such gratuities may not be accepted from a government official or employee in exchange for a favor by STRATA. Such acts are illegal and could result in serious criminal and civil penalties for both the acceptor and STRATA. The possible appearance of bribe or attempt to influence must be avoided.

## **2. UNITED STATES FOREIGN CORRUPT PRACTICES ACT (FCPA)**

**Reference: 15 U.S.C. §§ 78dd-1, et seq.**

The FCPA is governed domestically by the U.S. Department of Justice (DOJ) and the Securities and Exchange Commission (SEC). The law is broad and applies to:

- U.S citizens, nationals, or residents,
- businesses organized or holding a principal place of business within the U.S.,
- foreign persons and entities and foreign subsidiaries of U.S. companies, and

- foreign companies that have securities listed on the national securities exchange such as NASDAQ and the New York Stock Exchange.

The FCPA makes it unlawful for any of the above named individuals or entities to corruptly offer, pay, promise to pay or authorize the payment, directly or indirectly through any person or firm, of anything of value to a foreign official, foreign political party or candidate for foreign political office for the purpose of influencing the foreign official or inducing the official to influence the acts or decisions of a foreign government body in order to obtain or retain business.

An “item of value” is generally defined as any tangible and/or intangible benefit(s) that an official subjectively believes to be of value. Such items include, but are not limited to: cash, gifts, meals, business opportunities, and entertainment consisting of lavish affairs or extravagant trips. Any amount could be construed as a bribe so long as it has a value; there is no established monetary threshold.

Violations under the FCPA can consist of civil and criminal penalties, sanctions, and remedies (including fines, disgorgement, and/or imprisonment), the Company being debarred from government contracting, and/or personal liability for board members and/or Company Executives.

### **3. INTERNATIONAL ANTI-CORRUPTION LAWS**

Because of the damage corruption does to the public good, it is illegal around the world and each country has its own anti-corruption laws that must be followed. For purposes of this Policy, it should be assumed that these anti-corruption laws apply to everyone and every party associated with STRATA, worldwide.

Many countries have established anti-corruption and bribery laws that make it a crime for certain classes of persons or entities to bribe domestic or foreign government officials to assist in obtaining or retaining business. Such laws are established and enforced with the intent to:

- promote honest and ethical business dealings;
- protect the rule of law;
- prevent against criminal activity;
- protect public financial resources;
- protect businesses domestically and internationally by allowing companies to identify their actual costs; and
- protect domestic and international stockholders by permitting access to honest and full disclosure of business records to allow for better business investment decisions.

If you have a question regarding the anti-corruption laws of a particular Country in which STRATA owns property or conducts business, please contact the Company’s in-house Legal Department.

### **4. FACILITATION OR “GREASE” PAYMENTS**

Facilitating or grease payments are small payments made to low-level government officials. These payments have generally been utilized in order to expedite or secure the performance of “routine governmental actions,” which are limited to a narrow range of non-discretionary acts that are ordinarily and commonly performed by a government official. Facilitation payments are often involved in obtaining non-discretionary permits, licenses or other official documents, expediting lawful customs clearances, obtaining the issuance of entry or exit visas, providing police protection, mail pick-up and delivery, providing phone service, and performing actions that are wholly unconnected to the award of new business or the continuation of prior business.

Facilitation payments are illegal in almost all countries. It is STRATA policy that the practice of providing facilitating or grease payments by any individual acting on behalf of the Company is strictly forbidden.

## **5. THIRD PARTY DUE DILIGENCE**

In those circumstances where third-party relationships are required, STRATA must choose its agents, consultants, referral partners, resellers and other representatives very carefully. Prior to entering into an agreement with any such third-party, appropriate due diligence must be performed in accordance with STRATA's current policies and procedures with regard to the due diligence and retention of third-party intermediaries by the Company. It is the responsibility of the relevant Subsidiary or Department looking to engage an agent, consultant, channel partner, reseller or other representative to read and understand the requirements of STRATA's Policies and Procedures (including the Code of Business Conduct and Ethics and Whistleblower Hotline Policy and Procedure in addition to this one).

The most important factor to be considered is the person's/entity's activities, regardless of job title or description. Individuals should consult the STRATA Legal Department if questioning the validity of a relationship with a particular third-party.

Employees or agents may never do through any third-party what they may not do directly through STRATA. Authorizing or encouraging any third-party, including a distributor, reseller or referral partner to pay bribes or engage in other misconduct is a violation of Company policy and anti-corruption laws. Even the knowledge of an improper payment or illegal activity can lead to civil and criminal liability against the Company and quite possibly for the individual with knowledge. In some instances, STRATA can be held criminally liable for bribes paid on its behalf by anyone performing

## **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

It is the Company's policy and duty to conduct all business in an honest and lawful manner. As such, the Company, and all those subject to this Code, are required to comply with all applicable government laws, rules and regulations, both in letter and in spirit, at all times, wherever it does business. Although you are not expected to know the details of all the applicable laws, rules and regulations, you are expected to use good judgment and common sense in seeking to comply with them. We do expect you to seek advice from our General Counsel if you have any questions about whether a mandate applies to a particular situation or what conduct may be required to comply with any law, rule or regulation. If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code.

If you become aware of a violation of any law, rule or regulation by the Company, whether by its board members, executives, managers, supervisors, employees, agents or any third party doing business on behalf of the Company, you are encouraged to promptly report the instance via the reporting mechanisms outlined below.

## **REPORTING OF UNETHICAL OR ILLEGAL CONDUCT**

STRATA is dedicated to promoting ethical behavior. In furtherance of this goal, we have structured a compliance system designed to support legal and ethical actions in our Company. This system consists of our in-house counsel, the Audit Committee and the Corporate Governance and Nominations Committee of our Board of Directors.

## A. General Counsel

Our General Counsel is responsible for overseeing the legal issues that arise within the Company and ensuring that the Company consistently follow standard legal practices that abide by the applicable letter of law. The General Counsel reports to the Chief Executive Officer of the Company and the Board of Directors, as General Counsel deems appropriate in each specific matter and in a manner compliant with the requirements of law, including the requirements of the Sarbanes-Oxley Act.

You may contact General Counsel as follows:

**Name:** Jay Sturm, Esq.  
**Mail:** STRATA Skin Sciences, Inc.  
100 Lakeside Drive, Suite 100  
Horsham, PA 19044  
**Phone:** 215-619-3285  
**Fax:** 215-619-3209  
**E-mail:** [jsturm@strataskin.com](mailto:jsturm@strataskin.com)

## B. Whistleblower / Compliance Hotline

STRATA has established a Whistleblower / Compliance Hotline to provide a way for Board Members, executives, directors, officers, employees and agents of STRATA to anonymously report a concern or obtain information or advice. Employees and others may communicate suspected violations of law, policy, or other wrongdoing, as well as any concerns regarding questionable accounting or auditing matters (including deficiencies in internal controls) by contacting Lighthouse Services, Inc., a third-party contractor which we have engaged to receive communications about suspected violations, wrongdoing or questionable accounting matters. You can be assured that any information will be treated with confidence.

The Compliance Hotline is available 24 hours a day, 7 days a week, and 365 days a year. You may contact Lighthouse through any of the following methods:

<b>English speaking USA and Canada:</b>	1-844-280-0005
<b>Spanish speaking USA and Canada:</b>	1-800-216-1288
<b>French speaking Canada:</b>	1-855-725-0002
<b>Spanish speaking Mexico:</b>	01-800-681-5340
<b>All other Countries of North America:</b>	1-800-603-2869 ( <a href="#">click here</a> for access codes and dialing <b>outside</b> instructions)

**Internationally:** A Country listing can be found on STRATA’s website or in PowerDMS under the Compliance section.

**Website:** [www.lighthouse-services.com/strataskinsciences](http://www.lighthouse-services.com/strataskinsciences)

**Email:** [reports@lighthouse-services.com](mailto:reports@lighthouse-services.com)

**Fax (USA):** 215-689-3885 (must include Company name with report)

**Mail:** Lighthouse Services, Inc.,  
1710 Walton Road, Suite 204  
Blue Bell, PA 19422.

Lighthouse will receive anonymous reports, as well as reports in which the caller chooses to reveal his or her identity. Calls to the Compliance Hotline will not be traced or recorded and callers may remain anonymous if they so choose. Representatives of the Compliance Hotline will listen to your concerns, ask questions and review the information provided. They will then forward your matter to the Chairman of the Audit Committee of the Board of Directors and the appropriate designated recipient within the Company, who will take action appropriate and compliant with applicable legal requirements, including the requirements of the Sarbanes-Oxley Act.

When encountered with a compliance or ethical dilemma, employees are encouraged to talk to supervisors, Human Resources or other appropriate personnel if in doubt about the best course of action. Employees should promptly report all violations of laws, rules, regulations or this Code to our in-house counsel. Any report or allegation of a violation of applicable laws, rules, regulations or this Code need not be signed and may be sent anonymously. All reports of violations of this Code, including reports sent anonymously, will be promptly investigated and, if found to be accurate, acted upon in a timely and appropriate manner. If any report of wrongdoing relates to accounting or financial reporting matters, or relates to persons involved in the development or implementation of our Company’s system of internal controls, a copy of the report will be promptly provided to either the Chief Executive Officer or the Chairman of the Audit Committee of the Board of Directors, or both as may be deemed appropriate, who may participate in the investigation and resolution of the matter.

If there is a concern relating to the Company’s Chief Financial Officer, General Counsel, it should be submitted in writing to the CEO of the Company at:

**Name:** Dolev Rafaeli

**Mailing Address:** STRATA Skin Sciences, Inc.  
100 Lakeside Drive, Suite 100  
Horsham, PA 19044

**Email:** [dolev@strataskin.com](mailto:dolev@strataskin.com)

**Phone:** (215) 619-3200

We understand that the confidentiality of the reports we receive is important. Every effort will be made to protect a Reporter’s identity whenever they interact with any element of the Compliance System. In some instances, it may not be possible to keep Reporter identity confidential because of the demands of conducting a thorough investigation or because of certain legal requirements. If you are concerned about confidentiality, you may consider placing an anonymous call to our Compliance Hotline. In the interest of confidentiality, if you are aware that someone has filed a report, you should refrain from informing other employees or persons of such unless you are providing additional information to a member of the

Legal Team, Executive Personnel or Lighthouse Services regarding the reported matter. Please also refer to the separate STRATA Whistleblower Hotline Policy and Procedure for additional details on reporting illegal or unethical conduct and the protections our Company provides.

While it is the Company's desire to address matters internally, nothing in this Code should discourage you from reporting any illegal activity, including any violation of the securities laws, antitrust laws, environmental laws or any other Federal, state or foreign law, rule or regulation, to the appropriate regulatory authority. This Code should not be construed to prohibit you from testifying, participating or otherwise assisting in any state or Federal administrative, judicial or legislative proceeding or investigation.

## **INTERPRETATIONS AND WAIVERS OF THE CODE OF BUSINESS CONDUCT AND ETHICS**

While some of the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be possible. If you are uncertain whether a particular activity or relationship is improper under this Code or requires a waiver of this Code, you should disclose it to a member of the in-house Legal Team (or the Board of Directors or Nominations and Corporate Governance Committee if you are a senior Executive Officer or Director), who will make a determination first, whether a waiver of this Code is required and second, if required, whether a waiver will be granted. You may be required to agree to conditions before a waiver or a continuing waiver is granted. However, any waiver of this Code for an Executive Officer or Director may be made only by the Company's Board of Directors and will be promptly disclosed to the extent required by applicable law, rule (including any rule of any applicable stock exchange) or regulation.

## **ANTI-RETALIATION**

STRATA values the critical role its employees and agents play in protecting the integrity of our business. Employees who identify potential problems that the Company needs to address are crucial to the ongoing success of this Company. Thus, we strive to create an environment where employees and agents of our Company feel comfortable raising concerns without fear of retaliation. Retaliation is defined as any actual, recommended or threatened act (direct or indirect) in response to a report of ethical or legal concerns or misconduct, or in response to an employee's cooperation with an investigation. Acts of retaliation include, but are not limited to:

- filing a knowingly false report against an employee;
- filing a report with the intent to threaten or damage the reputation of an employee;
- taking any action against another employee which is considered retaliatory, including harassment, discrimination, violence or bullying (for more information on the Company's policies against such actions, please refer to the STRATA Skin Sciences, Inc. Employee Handbook and Anti-Discrimination and Harassment Policy).

Actual or threatened retaliation against any individual who reports, in good faith, previous, existing, or potential ethical or legal misconduct is strictly prohibited. STRATA does not condone any act(s) of retaliation against any employee or agent who brings forth a report and such acts will not be tolerated. Any employee who raises a concern or provides information in an investigation should continue to be treated with courtesy and respect. If you believe you have been retaliated against, or that retaliation has or is occurring to another employee, you must report the matter immediately to a member of the Legal Team or through the Whistleblower Hotline. All reports of retaliation will be investigated

promptly and accordingly. If retaliation is found to have occurred, appropriate disciplinary action will be taken by the Company, up to and including termination of the employee(s) at fault.

We trust that our employees will appropriately escalate and report any existing or potential breaches of this Code, other Company policies and the law. We understand that employees may have certain rights, outside of this Company or as provided by law, in connection with reporting legal, compliance, ethical or other issues to regulatory, administrative or other governmental bodies. This Code is not intended to limit those rights or any protections that may be available in connection with reporting potential violations according to applicable law. The Company shall not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against an employee because he or she reports any such violation, unless it is determined that the report was made with knowledge that it was false.

## **COMPLIANCE STANDARDS AND PROCEDURES**

This Code is intended as a statement of basic principles and standards and does not include specific rules that apply to every situation. The absence of a specific corporate policy, practice or instruction covering a particular situation does not relieve you of the responsibility for exercising the highest ethical standards applicable to the circumstances.

In some situations, it is difficult to know right from wrong. Because this Code does not anticipate every situation that will arise, it is important that each of you approach a new question or problem in a deliberate fashion:

- (a) Determine if you know all the facts;
- (b) Identify exactly what it is that concerns you;
- (c) Discuss the problem with your Manager or Supervisor, Human Resources, or a member of the Legal Team;
- (d) Seek help from other resources such as other management personnel or our Company's in-house counsel;
- (e) Contact our Compliance Hotline;
- (f) Seek guidance before taking any action that you believe may be unethical or dishonest.

You will be governed by the following compliance standards:

- Compliance with the law is mandatory;
- You are personally responsible for your own conduct and for complying with all provisions of this Code and for properly reporting known or suspected violations;
- If you are a supervisor, manager, director, officer or executive you must use your best efforts to ensure that employees understand and comply with this Code;
- No one has the authority or right to order, request or even influence you to violate this Code or the law; a request or order from another person will not be an excuse for your violation of this Code;
- Any attempt by you to induce another executive director, officer or employee of our Company to violate this Code, whether successful or not, is itself a violation of this Code and may be a violation of law;

- Any retaliation or threat of retaliation against any executive, director, officer, employee or agent of our Company for refusing to violate this Code, or for reporting in good faith the violation or suspected violation of this Code, is itself a violation of this Code and our Whistleblower Policy and may be a violation of law; and
- Every reported violation of this Code will be investigated.

Violation of any of the standards contained in this Code, or in any other policy, practice or instruction issued by STRATA, can result in disciplinary actions, including dismissal and civil or criminal action against the violator. This Code should not be construed as a contract of employment and does not change any person's status as an at-will employee. This Code is for the benefit of STRATA, and no other person is entitled to enforce this Code. This Code does not, and should not be construed to, create any private cause of action or remedy by any other person for a violation of the Code. All STRATA Board Members, executives, managers, employees, healthcare professionals and some third-party agents are expected to read and understand this Code.

## **DISSEMINATION AND AMENDMENT**

This Code shall be distributed to each new executive, officer, manager, supervisor, employee and agent of the Company upon commencement of his or her employment or other relationship with the Company and shall also be distributed annually, in the fourth quarter, to each executive, officer, manager, supervisor, employee and agent of the Company, and each shall certify that he or she has received, read and understood the Code and has complied with its terms. Dissemination of the Code will take place electronically.

In accordance with the requirements of the Sarbanes-Oxley Act and COSO 2014, this Code will also be distributed to the Company's key affiliated third-party vendors and contractors, both domestically and internationally. Dissemination to all such third-parties will take place electronically, where possible.

The Company reserves the right to amend or alter this Code at any time for any reason. If this Code is amended or altered, it will be redistributed to all pertinent individuals.

## **QUESTIONS**

If you have any questions regarding this Code, please contact:

**Name:** Jay Sturm  
**Title:** General Counsel  
**Address:** STRATA Skin Sciences, Inc.  
 100 Lakeside Drive, Suite 100  
 Horsham, PA 19044  
**Phone:** 215-619-3285  
**Fax:** 215-619-3209  
**Email:** [jsturm@strataskin.com](mailto:jsturm@strataskin.com)

*Adopted by the Board of Directors of STRATA Skin Sciences, Inc.: November 29, 2007*  
*Last amended by the Board Of Directors of STRATA Skin Sciences, Inc.: October 26, 2016*  
*Last amended by the Board Of Directors of STRATA Skin Sciences, Inc.: June 4, 2018*