



**BRAINSWAY LTD.
CODE OF BUSINESS CONDUCT AND ETHICS**

INTRODUCTION

As individuals, we value integrity, honesty, ethical conduct and fairness. We believe in applying, and we apply these values to our behavior as employees, managers, officers and directors.

As a corporation, BrainsWay Ltd. ("BrainsWay" or the "Company") strives to conduct its business with the highest degree of integrity and honesty. In every activity, including making business decisions, employee-employee interactions and contact with customers, contractors, suppliers and other third parties, we ought to abide by the laws and rules set out in this document. We are confident that consistent ethical conduct is and will continue to be a major factor in our success, however, in case of a conflict between ethical conduct and business success – ethical conduct comes first.

Managers are expected to understand and inform all employees and contractors under their supervision of this Code of Conduct, ensuring that their group both abide by the letter and spirit of all applicable law and practices the highest standards of business integrity.

This Code of Conduct addresses several key areas of business conduct; however, no code or policy can anticipate or address all situations that may arise and we will invariably encounter "gray areas" in the application of this policy. It is expected that every BrainsWay employee will adhere to these standards of conduct, using his or her best judgment and his or her personal code of conduct and seeking advice from managers, Human Resources representatives, the Legal Department, the Chief Executive Officer, the Chairman of the Board of Directors, and/or other appropriate sources to assist in decisions where the course of action is unclear. This Code of Conduct supersedes any prior codes or policies. We truly value our ethical conduct. Therefore, violations of this Code of Conduct will be dealt with expeditiously and as consistently as possible by the appropriate BrainsWay authority, and may subject our employees to disciplinary action, which, in severe cases may lead up to and including termination of employment.

This Code of Conduct applies to all employees, officers, and members of the board of directors of BrainsWay.

This policy shall be administered by the "Compliance Officer," who shall initially be Menachem C. Klein, Esq. or whomever is designated by senior management. The Policy Administrator may, however, change from time to time, and you are encouraged to review the copy of this Policy Statement that is included on the Company's website in order to obtain current information concerning the Compliance Officer.

APPROVALS AND WAIVERS

Certain provisions of this Code require you to act, or refrain from acting, unless prior approval is received from the appropriate person. Employees requesting approval pursuant to this Code should address their requests for such approval to the Company's Compliance Officer. Approvals relating to executive officers and directors may only be granted by the Company's Board of Directors. All other approvals may be granted by the Compliance Officer, or such officer's designee. Other provisions of this Code require you to act, or refrain from acting, in a particular manner and do not permit exceptions based on obtaining an approval. Waiver of the provisions of this Code for any of the Company's executive officers or directors may be granted only by the Company's Board of Directors. All other waivers may be granted by the Compliance Officer, or such officer's designee. Changes in this Code may be made only by the Board of Directors.

CONFLICTS OF INTEREST

BrainsWay expects the undivided business loyalty of its employees. This means that employees should be free from any interest, influence or relationship which might conflict, or appear to conflict, with the interests of the Company or the effectiveness of their job performance.

Employees must, therefore, avoid any investment, gratuity or association, which interferes, or might reasonably be thought to interfere, with their best judgment in the performance of their job duties and other actions affecting the Company.

The following are examples of unacceptable business practices, which represent or give rise to a conflict of interest or other ethical breach:

- Use of a Company position, or resources or confidential information gained as a result of such position, for personal gain, except under Company's internal policies;
- Acceptance of any item or service of value from someone doing business with BrainsWay where such item is offered or appears to be offered in exchange for any type of favorable treatment or advantage;
- Unauthorized outside employment or consulting which in any way conflicts with, affects or impacts the Company's interests;
- Offering any type of payments or business courtesy of significant value (e.g., entertainment, meals, transportation or lodging) to a government official, supplier or customer for the purpose of influencing any government or organizational decision or obtaining favorable treatment or advantage.

Conflict of interest issues can and should be resolved by informing the Compliance Officer of the potential conflict and obtaining a written authorization to proceed whenever required. An employee also must disclose potential conflicts of interest involving the employee's spouse, siblings, parents, in-laws, children and anyone residing in the employee's home ("Close Relatives"). Non-employee directors must discuss any concerns regarding potential conflicts of interest with the Chairman of the Audit Committee.

Other Employment

BrainsWay expects its full time employees to devote all of their work time to the Company. Employment outside of BrainsWay is not permitted unless the full time employee has received an advance written approval for the other employment from the CEO, the CFO, the Board of Directors of the Company or the duly authorized Company personnel responsible for Human Resources matters.

Serving as a director of another corporation may create a conflict of interest. Employees must disclose such service to the Compliance Officer and obtain prior approval before serving on the board of another company whose interests may be adverse to BrainsWay's or that may require a significant amount of time.

Professional and Trade Associations

BrainsWay encourages employee participation in professional and trade associations in accordance with personal and Company interests. In participating in an outside organization, one must understand whether he or she is representing the Company or acting in a personal capacity. Unless an employee is designated as the official BrainsWay representative by the Company, the employee is acting solely in his or her individual capacity.

As a member of a trade or professional group, a BrainsWay employee may come in contact with competitors' employees. Never discuss proprietary or sensitive competitive issues such as prices, costs, terms or conditions of sales, product plans or any other competitively sensitive or nonpublic information.

Charities and Community Service

BrainsWay encourages its employees to make contributions of personal time or financial resources to non-profit organizations according to their own interests and priorities. If, however, an employee is active in community-based non-profit organizations, the employee must be alert to possible conflicts of interest between BrainsWay and the organization. If a conflict arises between the organization and BrainsWay, the relevant employee should disqualify himself or herself from making any decision in the capacity as an organization representative that concerns or impacts BrainsWay or, if necessary, resign from the organization.

Indirect Interests and Relationships

A conflict of interest can arise because of the business activities of your Close Relatives. For example, an employee may have a potential conflict of interest whenever a Close Relative has a significant relationship with, or has a significant financial interest in, any supplier, customer or competitor. An employee may not make or attempt to influence any decision that could directly or indirectly benefit any of his or her Close Relatives. To protect the employee and the Company from the appearance of a conflict of interest, he or she should make appropriate disclosure of the interest to the Compliance Officer or such officer's designee.

USE AND PROTECTION OF COMPANY ASSETS

Company assets are to be used only for the legitimate business purposes of the Company and its subsidiaries and only by authorized employees or their designees. This includes both tangible and intangible assets.

Some examples of tangible assets include: Office equipment such as phones, copies, computers, furniture, supplies and production equipment.

Some examples of intangible assets include: Intellectual property such as pending patent information, trade secrets or other confidential or proprietary information (whether in printed or electronic form).

Employees are responsible for ensuring that appropriate measures are taken to properly protect Company assets. Employees should assist in the protection of confidential and proprietary information including technical, financial, marketing and other business information which, if made available to Company competitors or the public, would be advantageous to such competitors or detrimental to the Company. No employee should disclose or permit the release to any person (other than a fellow employee having a need to know such information) any confidential or proprietary information except as required by law. In addition, employees should take appropriate measures to ensure the efficient use of Company assets. Theft, carelessness and waste directly impact the Company's profitability.

STOCK TRADING

The Company expressly forbids any employee from trading on material non-public information or communicating material non-public information to others in violation of the law. This conduct is frequently referred to as "insider trading." This policy applies to every employee, officer and director of the Company.

The Company has adopted a separate Insider Trading Policy. Copies of the Insider Trading Policy are also available from the Human Resources Department or the Legal Department. Each employee must be familiar with and abide by the company's Insider Trading Policy.

Any questions regarding this complex and important subject matter should be referred to the Legal Department or the duly authorized Company personnel responsible for Human Resources matters.

EMPLOYEE RELATIONS AND NON-DISCRIMINATION

The Company is committed to hiring, promoting and compensating employees based on their qualifications and demonstrated ability to perform job responsibilities. As an Equal Opportunity Employer, the Company treats all employees fairly, without regard to age, race, national origin, religion, sex, condition of pregnancy, marital status, disability, veteran status and sexual orientation.

COMMUNICATING OPENLY

Occasionally, each of us will have suggestions for improvements at work or the need to discuss an issue affecting our work lives. As a BrainsWay employee, you are expected to make suggestions, share insights or obtain advice and guidance in challenging work-related situations. You can talk to any leader in the Company about any work-related issue or idea without fear of retaliation. You can also make inquiries through the appropriate channels regarding the Company's policies and practices.

TECHNOLOGY USE

BrainsWay provides various technology resources (including computers, telephones, software, copying machines, Internet access, and voice mail) to you to assist in performing your duties on behalf of the Company. You have the responsibility to use the Company's technology resources in a manner that complies with applicable laws and Company policies.

Authorization

Access to the Company's technology resources is within the sole discretion of the Company and subject to Company policies. Generally, employees are given access to the Company's various technologies consistent with their job functions. The Company reserves the right to limit such access by any means available to it, including revoking access altogether.

Prohibition against Violating Copyright Laws

You may not use the Company's technology resources to copy, retrieve, forward or send copyrighted materials unless you have the author's permission or are accessing a single copy only for your own reference.

Email and Internet

The use of the Company's electronic mail (e-mail) system and connection to the Internet should be restricted primarily to Company business. Employees should not abuse access to the Internet for personal purposes. All employees should use the same care, caution and etiquette in sending e-mail messages as in all other written business communications. The Company will not tolerate discriminatory, offensive, defamatory, pornographic and other illegal messages or materials sent by email or accessed through the Internet.

Other Prohibited Uses

You may not use any of the Company's technology resources for any illegal purpose, in violation of any Company policy, in a manner contrary to the best interests of the Company, in any way that discloses

confidential or proprietary information of the Company or third parties on an unauthorized basis, or for personal gain.

Electronic Databases of the Company

You may not use any information contained in electronic databases maintained by the Company which relates to the personality, personal status, intimate affairs, state of health, economic position, vocational qualifications, or opinions and beliefs of any person, for any purposes other than those for which the database was established, as determined by the terms of the registration of such database in the relevant country. You may not transfer any information from a Company database outside of the country where such database originated, unless the laws of such country permit such transfer.

ACCURACY OF REPORTS, RECORDS AND ACCOUNTS

You are responsible for the accuracy of your records, time sheets and reports. Accurate information is essential to BrainsWay's ability to meet legal and regulatory obligations and to compete effectively. The records and books of account of BrainsWay must meet the highest standards and accurately reflect the true nature of the transactions they record. Destruction of any records, books of account or other documents except in accordance with BrainsWay's document retention policy is strictly prohibited. You must not create false or misleading documents or accounting, financial or electronic records for any purpose relating to BrainsWay, and no one may direct an employee to do so. For example, expense reports must document accurately expenses actually incurred in accordance with BrainsWay policies. You must not obtain or create "false" invoices or other misleading documentation or invent or use fictitious entities, sales, purchases, services, loans or other financial arrangements for any purpose relating to BrainsWay. Employees are also responsible for accurately reporting time worked. It is of critical importance that the Company's filings with the Israeli Securities Authorities ("ISA") and other public disclosures be accurate and timely. To that end, all of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform to applicable legal requirements, generally accepted accounting principles, the Company's revenue recognition policy and to the Company's system of internal controls. No undisclosed or unrecorded account or fund may be established for any purpose. No false or misleading entries may be made in the Company's books or records for any reason. No disbursement of corporate funds or other corporate property may be made without adequate supporting documentation or for any purpose other than as described in the documents. In addition, all employees must comply with generally accepted accounting principles and the Company's internal controls at all times. Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. Any record, books of account, or other documents relating to BrainsWay, including emails, may not be destroyed or deleted except in accordance with the Company's document retention policy. In the event of litigation or governmental investigation involving Company records, consult the Company's Chief Financial Officer.

PUBLIC COMPANY REPORTING AND OTHER PUBLIC COMMUNICATIONS

As a public company, it is critical that the Company's filings and submissions with the ISA be accurate and timely. Depending on his or her position with the Company, any employee, officer or director may be called upon to provide necessary information to ensure that the Company's public reports and documents filed with the ISA and in other public communications by the Company are full, fair, accurate, timely and understandable. The Company expects its employees, officers and directors to provide prompt, accurate answers to inquiries related to the Company's public disclosure requirements. All employees, officers and directors of the Company must, and must cause the Company to, comply with the system of disclosure

controls and procedures devised, implemented and maintained by the Company to provide reasonable assurances that information required to be disclosed by the Company in the reports that it files or submits to the ISA is properly authorized, executed, recorded, processed, summarized and reported. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits to the ISA, is accumulated and communicated to the Company's management, including the Chief Executive Officer and other officers, as appropriate, to allow timely decisions regarding required disclosure.

GOVERNMENT INVESTIGATIONS

It is the policy of the Company to cooperate with all Israeli, US, and foreign government investigations. You must promptly notify the Compliance Officer of any government investigation or inquiries from government agencies concerning BrainsWay. You may not destroy or delete any record, books of account, or other documents relating to BrainsWay, including emails, except in accordance with the Company's document retention policy. If you are aware of a government investigation or inquiry, you may not destroy any record, books of account, or other documents relating to BrainsWay unless advised by the Compliance Officer or the officer's designee that you may continue to follow the Company's normal document retention policy. You must not obstruct the collection of information, data or records relating to BrainsWay. The Company provides to the government information that the government is entitled to during an inspection, investigation, or request for information. You must not lie to government investigators or make misleading statements in any investigation relating to BrainsWay. You must not attempt to cause any employee to fail to provide accurate information to government investigators. Employees have the right to consult their own legal counsel at their own expense.

BUSINESS RELATIONSHIPS

The Company seeks to outperform its competition fairly and honestly. The Company seeks competitive advantages through superior performance, not unethical or illegal business practices. Each employee must endeavor to deal fairly with the Company's customers, suppliers, competitors and employees and must not take advantage of them through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

Customer Relationships

Our customers are of the utmost importance to us. Our employees must treat customers and potential customers according to the highest standards of business conduct. It is the Company's policy to sell our products on their merits and to avoid making disparaging comments about the products of competitors unless they can be substantiated. Employees should be careful when commenting upon the character, financial condition, or potential legal or regulatory problems of competitors.

Suppliers

Our employees always should treat suppliers and potential suppliers in accordance with the highest standards of business conduct. Suppliers must be selected based on objective criteria, such as value (quality for price), price, technical excellence, service reputation and production/service capacity. Employees working with current suppliers must never intentionally interfere with a supplier's contracts or business relations with a competitor of BrainsWay. Individuals with procurement responsibility should review the sections of this Code concerning fair competition and should be familiar with applicable laws and Company policies.

Contracts and Commitments

You may not enter into any agreement binding the Company without authorization. The Company has instituted contract and signature approval policies which identify those individuals who have the authority to approve and sign certain contracts binding the Company and its subsidiary. If there are any questions about which employees have signature authority for a given contract, contact the Compliance Officer or such officer's designee. Employees involved in proposals, bid preparations or contract negotiations should strive to ensure that all statements, communications, and representations to prospective customers are truthful and accurate.

GIFTS, GRATUITIES, ENTERTAINMENT AND OTHER CONSIDERATIONS

Use of Company funds or other Company property for illegal, unethical or otherwise improper purposes is prohibited. The purpose of business entertainment and gifts in a commercial setting is to create goodwill and a sound working relationship, not to gain personal advantage with customers or suppliers.

Gifts

Except as set out below, without approval by the Compliance Officer or such officer's designees, employees must refrain from giving and receiving business-related gifts.

- In general, no employee or agent may solicit or accept a gift (including any payment, compensation, loan or other financial favor) to or from a person or organization with the intention of influencing the recipient's business judgment, conduct or if it is likely to influence that individual's selection of a particular provider, supplier or practitioner for services covered by certain federal health care programs.
- With respect to gifts to patients or beneficiaries in the United States, the Company adopts and incorporates by reference the guidelines set forth in the Special Advisory Bulletin issued by the US Office of the Inspector General (OIG) which may be amended from time to time. The OIG has permitted certain inexpensive gifts or services, and considers inexpensive gifts or services to be those that have a retail value of no more than \$10 individually and no more than \$50 in the aggregate annually per patient.
- With respect to gifts to gifts to physicians - and more broadly, with respect to interactions with Health Care Professionals - the company adopts the and incorporates by reference the AdvaMed Code of Ethics on Interactions with Health Care Professionals, which may be amended from time to time.
- Where possible, gifts should be embossed with the Company logo.
- The gift must be provided openly and transparently, permitted under local law, permissible under BrainsWay's expense account procedures, and properly recorded in the Company's books and records.
- It is never appropriate or permissible to accept or give cash or a cash equivalent from or to a vendor, supplier or customer outside the Company's normal business. Cash equivalents include, among other things, checks, money orders and vouchers.
- No employee may accept a customer, vendor or supplier discount for himself or herself unless it is generally available to the public or is approved by the Compliance Officer.

Loans

Employees may not accept loans from any person or entity having or seeking business with the Company. The Company's Directors, Chief Executive Officer, Chief Financial Officer, principal accounting officer

or controller, and persons performing similar functions may not receive loans from the Company, nor may the Company arrange for any loan.

Meals, Travel and Entertainment

Employees may provide or accept reasonable meals, travel and entertainment, including attendance at sporting or cultural events, as long as such meal, travel and entertainment expenses are infrequent, nominal in value, have a bona fide business purpose, are associated with an occasion at which business is discussed, are not provided with the intention of receiving a business advantage and do not impose a sense of obligation on the recipient. This provision shall not apply to entertainment provided to a government official, a political party, or official thereof, or to any candidate for political office, or to an officer of a public institution or entity controlled directly or indirectly by the government, or to any employee of an international organization ("Government Official"), which is prohibited. The value of the activity must be reasonable and permissible under BrainsWay's expense account procedures (i.e., not extravagant or lavish), permitted under local law and properly recorded in the Company's books and records. Each employee should take care to insure that such activities are necessary and that their value and frequency are not excessive under all the applicable circumstances. Without being subject to the above limitations, BrainsWay employees may entertain socially relatives doing business with the Company, so long as such entertainment is not provided with the intention of receiving a business advantage. Expenses of such entertainment are reimbursable by the Company only if they receive prior approval from the Compliance Officer.

Investment Activities

Unless you have sought and received pre-approval, you may not:

- participate in so-called "directed shares," "friends and family," and similar stock purchase programs of customers, vendors or suppliers of BrainsWay;
- invest in non-public companies that are, or are likely to be, customers, vendors or suppliers of BrainsWay; or
- invest in non-public companies in which BrainsWay is expected to make an investment. Investments in non-public companies that do not exceed the lesser of \$25,000 or 0.5% of that company's equity securities are exempt from this restriction.

Bribes and Kickbacks

The use of Company funds, facilities or property for any illegal or unethical purpose is strictly prohibited. You are not permitted to offer, give or cause others to give, any payments or anything of value for the purpose of influencing the recipient's business judgment or conduct in dealing with the Company or with the intention of receiving any business advantage. You may not solicit or accept a kickback or bribe, in any form, for any reason.

DOING BUSINESS INTERNATIONALLY

BrainsWay is committed to the highest business conduct standards wherever it operates. BrainsWay observes these standards worldwide, even at the risk of losing business. While no one can anticipate all the situations that may present challenges to BrainsWay employees doing business in the worldwide marketplace, the following guidelines always apply:

- Observe all laws and regulations, both Israeli and non-Israeli, that apply to business abroad.
- Paying bribes to Government Officials is absolutely prohibited, even if those bribes are common practice. You may not give, promise to give or authorize the giving to a Government Official any money or offer, gift, promise to give or authorize the giving, directly or indirectly, of anything of

value in connection with any act or decision of a Government Official or to receive any advantage in connection with any business activity.

- Do not cooperate with illegal boycotts.
- Observe all licensing requirements and the requirements of applicable import and export control laws.

COMPLIANCE WITH LAWS

It is BrainsWay's policy to comply with both the letter and the spirit of all applicable laws, rules and regulations governing its operations. Every employee with significant responsibilities should have a working knowledge of permissible activities involved in his or her work and where there is any question, will seek guidance from a superior.

Any questions concerning the application of this policy or a particular law to a specific situation should be discussed with an employee's immediate supervisor or the Legal Department. Any such questions may be referred to higher levels of management when necessary. Whenever there exists a potential violation of law or possible ethical compromise, every employee has an obligation to avoid or to promptly correct the situation as necessary.

IMPLEMENTATION OF THE CODE OF CONDUCT

At BrainsWay, ethics is everyone's business. All managers are responsible for communicating this policy to the employees under their supervision and the policy will be electronically available. Any revisions or updates to this policy will be published periodically and appropriately distributed for inclusion in the Company's on-line reference materials and other appropriate locations. All employees will be required to certify that they have reviewed and understood the Code of Conduct. This certification will take place upon the Code of Conduct coming into effect. New coming employees will be required to make this certification upon joining BrainsWay. BrainsWay, at its sole discretion, may ask its employees for renewal of their certification of the Code of Conduct in case it will be materially revised or updated.

Reporting Procedures and Other Inquiries

Any employee having information, knowledge or suspicion of any actual or contemplated action or inaction which is, or appears to be, in violation of this Code of Conduct is required to report the matter promptly to his or her manager, to the Compliance Officer, to the Chief Financial Officer, to the Chief Executive Officer and any other reporting channel that may be established by the Company from time to time. All employees are required to recognize the critical importance of legal compliance and the Company's commitment to ethical conduct. Any violation or failure to report a known violation of law or policy may result in disciplinary action up to and including termination. If the report is made to the employee's manager, the manager shall promptly report the matter to the Compliance Officer, to the Chief Financial Officer or to the Chief Executive Officer. In some cases, employees may report issues to the Audit Committee of the Board of Directors or the Company's Internal Auditor. Employees who report an actual or apparent violation of this policy will not be subject to retaliation or reprisal from any person as a result of having disclosed the violation and any such attempt at retaliation or reprisal will result in disciplinary action up to and including termination. BrainsWay has established means by which employees can anonymously provide information directly to the Company's Audit Committee or Internal Auditor regarding possible violations of law and/or the Company's Code of Conduct or policies or other issues that may place the Company's reputation at risk. Employees can contact the Audit Committee or Internal Auditor by:

E-mail to any of the following:
scott.areglado@BrainsWay.com
mklein@BrainsWay.com
HRUS@BrainsWay.com
HRIsrael@BrainsWay.com

INTERPRETATION OF THE CODE OF CONDUCT

The matters addressed in this Code of Conduct are both fundamental and important. The Company is committed to providing employees all resources necessary to understand and comply with its terms and the terms of the underlying laws and policies. All Code of Conduct terms should be construed in tandem with the Company's other stated policies, procedures and guidelines, and in conjunction with any applicable laws, rules and regulations. Any employee who is uncertain as to the meaning or interpretation or application of this policy to a specific situation should seek guidance from his or her department manager, the Compliance Officer or the Chief Financial Officer. The BrainsWay Code of Conduct is not a contract and BrainsWay retains the right to change, modify, suspend, interpret or eliminate any provision of this plan, retroactively or proactively, at any time with or without notice.

The terms of this policy are a condition to employment for each employee.