

***ZIMMER BIOMET LOCAL  
INTERNAL REPORTING  
SYSTEM  
(NETHERLANDS)***

# ZIMMER BIOMET LOCAL INTERNAL REPORTING SYSTEM

## 1 INTRODUCTION

As provided for in the Code of Conduct, the Group has implemented a Speak Up Hotline, globally managed and available to all companies of the Group, including the Entity, through which any potential evidence or suspicion of violation of applicable regulations, protocols, internal procedures and controls, the commission of acts that do not adhere to the ethical principles and good business practices that the Group or Entity has adopted, as well as the commission of acts that could be criminal, can be reported.

In addition to such Speak Up Hotline, the Entity has implemented a Local Internal Reporting System (including a Local Reporting Channel) in line with the current specific Dutch legal requirements of the Law.

Therefore, Recipients, Business Partners and Third Parties are free to submit the Local Reports either through the Speak Up Hotline, in which case, such Local Reports will be globally managed and investigated (see <https://www.zimmerbiomet.eu/en/compliance.html#compliance-hotline>) or through the Local Reporting Channel, in which case, such Local Reports will be locally managed and investigated following this Protocol.

## 2 DEFINITIONS

- Business Partner: Distributors, sales agents, and other third-party agents and representatives acting on Zimmer Biomet's behalf.
- Code of Conduct: Code of Business Conduct and Ethics of the Group which is available to all Recipients at <https://www.zimmerbiomet.com/anz/corporate/corporate-compliance/code-of-business-conduct.html>.
- Entity: Zimmer Biomet Nederland B.V and Biomet Global Supply Chain Center B.V.
- Group: Zimmer Biomet Holdings, Inc. as well as its subsidiaries as applicable within the

context used in this Protocol.

- Investigation Team: Individuals chosen by the System Manager on a case-by-case basis who will proceed to carry out whatever investigative activities necessary to clarify the facts or to obtain evidence and assess the veracity of any Local Report made through the Local Reporting Channel. Usually, the System Manager will choose the Global Compliance Investigations Team to perform the investigation. For any Local Reports relating to Biomet Global Supply Chain Center B.V., the System Manager seeks consent from the Reporter prior to having the Global Compliance Investigations Team conduct the investigation.
- Law: Dutch House of Whistleblowers Act.
- Local Internal Reporting System: Internal reporting system locally implemented by the Entity including the Local Reporting Channel and the System Manager.
- Local Reporting Channel: Internal reporting channel made available by the Entity to Recipients, Business Partners and Third Parties. The Local Internal Reporting Channel is managed locally by the Entity through the System Manager.
- Local Report: Complaint, disclosure, notice and/or any information furnished by a Reporter related to a Reportable Matter regarding the Entity.
- Privacy and Data Protection Regulations: The provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR), and the local regulations applicable to the Entity in force from time to time.
- Recipient: Any person who work for (or have worked for) the Entity, such as but not limited to job candidates, (former) employees, shareholders, management/supervisory board members, volunteers, and trainees.
- Reported Person: Any individual to which the Local Report refers.
- Reporter: Recipient, Third Party or Business Partner who submits a Local Report in good faith through the Local Reporting Channel.
- Reportable Matters: As specified in section 4 below.
- Retaliation: Any acts or omissions that are prohibited by law, or that, directly or indirectly, involve unfavourable treatment that places the people who suffer them at a particular

disadvantage with respect to others in the labour or professional context, solely because of their condition of Reporter, or for having made a public disclosure (such as, for example, the suspension of the employment contract, the dismissal or termination of the employment or statutory relationship, damages, including those of a reputational nature, inclusion in blacklists, etc.).

- Speak Up Hotline: Reporting channel made available at Group level. The Speak Up Hotline is managed by Zimmer Biomet Holdings, Inc. and administered by an independent third party provider and can be accessed through [zimmerbiomet.com/speakup](https://zimmerbiomet.com/speakup) and via phone as set up on the website.
- System Manager: Individual designated by the Entity to manage the Local Reporting Channel. Ms. Inge Derks.
- Third Parties: Self-employed individuals engaged by the Entity, as well as any individual working for subcontractors, suppliers, agency workers or intermediaries.

### 3 OBJECT AND CONTENT OF THE PROTOCOL

The Local Internal Reporting System and the Local Reporting Channel is entrusted to the System Manager. In order for such System Manager to carry out their functions of oversight of the Local Reporting Channel, all Local Reports will be accessed, processed, reviewed and investigated by the System Manager (assisted by the relevant Investigation Team) whether they have been received through the Local Reporting Channel or otherwise, except when such Local Reports are submitted through the Speak Up Hotline.

This Protocol ensures that the Local Reports received, other than those submitted through the Speak Up Hotline, are managed, processed, and investigated in accordance with all the requirements of the Law and any other applicable Dutch regulations including the Privacy and Data Protection Regulations. The Local Reports submitted through the Speak Up Hotline will be managed, processed and investigated according to the rules approved by the Group (<https://www.zimmerbiomet.eu/en/compliance.html#compliance-hotline>).

### 4 SCOPE OF APPLICATION

This Protocol is aimed to all Recipients.

Recipients have the obligation to inform the Entity, through the Local Reporting Channel, or to the Group, through the Speak Up Hotline when they have knowledge of Reportable Matters referred to the Entity, that is to say, evidence, facts, founded or alleged suspicions of the commission of ethical violations, breaches of rules and regulations, collusive practices and unlawful criminal acts inside or related to the Entity. In particular, such obligation refers, among others, to breaches of rules and regulations of the following areas:

- public procurement;
- financial services, products and markets, and prevention of money laundering and terrorist financing;
- product safety and compliance;
- transport safety;
- protection of the environment;
- radiation protection and nuclear safety;
- food and feed safety, animal health and welfare;
- public health;
- consumer protection;
- protection of privacy and personal data, and security of network and information systems;
- competition;
- taxes; and
- any other breach that may be considered a criminal offense or a serious or very serious administrative infringement.

In addition to the topics above, if a Recipient observes or becomes aware of wrongdoing involving the public interest (i.e. it extends beyond personal circumstances) concerning any of the following issues, they can also report it further to the Law:

- the violation or risk of violation of any laws or internal rules established by the Entity pursuant to a statutory regulation, or
- danger to public health, to safety, to damage to the environment or to the proper functioning of the Entity by improper acts or omissions.

Both the Speak Up Hotline and the Local Reporting Channel are also available for any Business Partner and Third Party.

## 5 REPORTER PROTECTION: CONFIDENTIALITY AND NON-RETALIATION

Confidentiality and non-retaliation guarantees for the Reporter are a key element of the Local Internal Reporting System.

The Entity therefore assumes the following guarantees regarding the management of the Local Internal Reporting System:

- **Autonomy and Independence of the System Manager:** The System Manager will commit to ensuring the confidentiality and protection of the Reporter without allowing any pressure or interference from members of the local Board of Directors or any other area that may be involved when a Local Report is received.
- **Confidentiality:** Confidential processing to prevent disclosure of personal data, as well as any details that would allow the Reporter to be identified by the Reported Person or departments to which the Local Report refers to, or by any employee, officer, manager or administrator of the Entity that is not the System Manager, the Investigation Team, or any other person who has not executed the relevant confidentiality commitment. Personal data or other details may be disclosed if the Reporter consents.

There are exceptions to the confidentiality rule:

- if disclosure is reasonably necessary to safeguard the rights and defences of persons concerned; and/or
  - if disclosing this information is necessary in terms of any applicable laws (e.g. in the context of investigations by national authorities or judicial proceedings).
- The Reporter shall be informed before their identity is disclosed without consent, unless such information would jeopardise the related investigations or judicial proceedings.

- **Non-Retaliation:** The filing of a Local Report made in good faith, regardless of the accuracy thereof, shall not generate any Retaliation against the Reporter. No pressure shall be applied, in terms of moral or psychological harassment, to influence the cessation of the accusations or as vengeance for the allegations.
- **Reporter Protection:** The System Manager and the Investigation Team shall be responsible for protecting the Reporter, making sure not to disclose the identity and personal data thereof, and ensuring the absence of negative consequences for making the Local Report. Should the Reporter be required to provide additional data or testimony given the truth and severity of the Local Report, either the System Manager and the Investigation Team shall make sure the aforementioned levels of protection are maintained in both the requirement and the response.
- **Reported Person Protection:** The Reported Person shall have the right to be informed of the acts or omissions attributed to them and to be heard at any time. Such communication shall take place at such time and in such manner as is deemed appropriate to ensure the proper conduct of the investigation. Furthermore, Local Reports shall be handled and investigated with respect for the presumption of innocence and the honor of the Reported Person. Confidentiality guarantee will also cover the Reported Person. However, if deemed necessary, the System Manager and/or Investigation Team may disclose the identity of the Reported Person(s) to the relevant local, regional or global decision making committees in considering appropriate remedial measures resulting from the findings of the investigation and/or include personal data regarding the Reported Person(s) in their work product. It may further be necessary to disclose the identity of the Reported Person(s) to Human Resources, Regional Compliance, the Reported Person's line manager and/or any other employees that will be responsible for implementing remedial measures resulting from an investigation.
- **No Conflict of Interest in the Investigation Team:** Persons Reported and implicated in the content of the Local Report shall not form a part of the Investigation Team, nor others that may be identified as such throughout the course of the investigation.
- **No Conflict of Interest in decision making of the local Board of Directors or Committees:** Members of the local Board of Directors or local, regional or global decision-making committees who may be affected by the decisions made shall be prohibited from participating in decisions for the resolution of the Local Report.
- **Data Privacy:** The Local Reporting Channel will be managed in accordance with the Privacy and Data Protection Regulation in force.

- **Referral of information:** The Entity will comply with its reporting obligations to the relevant authorities, if this is statutory obliged.

## 6 OPERATION OF THE LOCAL REPORTING CHANNEL

Recipients, Business Partners or Third Parties may submit Local Reports or bring questions or concerns to the Entity's attention by email to [whistleblowernl@zimmerbiomet.com](mailto:whistleblowernl@zimmerbiomet.com). Such email is directly and solely managed by the System Manager.

The Entity will not accept anonymous complaints via the Local Reporting Channel. If preferred, the Reporter can report anonymously to the Speak Up Hotline and, therefore, the Reporter will not be obliged to disclose their identity if they do not consider it appropriate to do so.

Local Reports made through a face-to-face meeting will be documented in one of the following ways, in agreement with the Reporter:

- by a recording of the conversation in a secure, durable, and accessible format;  
or
- by a complete and accurate transcript of the conversation by the personnel responsible for handling it.

If the Local Reports are made through a face-to-face meeting and the Reporter indicates a secure way of receiving communications or, in the case of Local Reports made through email, when the Reporter has identified themselves, the Reporter will receive an acknowledgement of receipt within a maximum seven (7) calendar day period, unless this would jeopardise the investigation's confidentiality. In any case, further communication with the Reporter or additional information from the Reporter may be requested.

## 7 PROCESS OF MANAGING LOCAL REPORTS

After the Local Report is received by the System Manager through the Local Reporting Channel, and after assessing any potential conflict of interest, the System Manager must appoint the Investigation Team if the Local Report is classified as admitted and appropriate. The System Manager may need the support of individuals or functions within the Group (*i.e.*, the Global Compliance Investigation team) to complete the investigation. Therefore, conditional upon no objection from the Reporter, members of the Investigation Team may belong to global teams of the Group.

In the assessment of the opening of the investigation of the Report, the following indicators shall be considered: the degree of plausibility of the reported facts and evidence; the legal consequences that could arise at the corporate and personal level from the content of the Local Report received; the damage that failure to conduct an investigation may cause the Entity (whether economic, legal or reputational). The main purpose of the investigations is to improve the prevention system because the validity of the Entity's ethical principles, policies and compliance controls are dependent on violations of law or policy being properly addressed.

All Local Reports, as well as responses, proposals and information generated from all reports received and processed by the Investigation Team are confidential and shall be recorded and kept diligently and individually. In order to guarantee confidentiality, the Local Report, including its existence and the reported facts, shall only be shared with individuals on a need-to-know basis. All persons involved in any way in the investigation, whether they are part of the Investigation Team, technical support that may be requested by the Investigation Team, and witnesses, will expressly assume an obligation of confidentiality.

Further follow-up and feedback will take place within 3 months from the acknowledgement of receipt. Where applicable, the System Manager will inform the Reporter as soon as the investigation has been completed, ultimately within 21 days thereafter. The conclusions will be shared with the Reporter only if deemed appropriate by the System Manager in consultation with the Investigation Team.

The System Manager is not obliged to investigate every report. That is not always possible, desirable or necessary. Should the System Manager decide not to perform investigation, the Systems Manager will ensure that the Reporter is informed accordingly. .

The outcome of the investigation of any Local Report made through the Local Reporting Channel will be reported to the EMEA Disciplinary Committee and Hotline Investigation Steering Committee in line with the Global Compliance Program Policy (COMP 300), read with the Global Compliance Investigations Manual, to determine the appropriate remedial measures. For any Local Reports relating to Biomet Global Supply Chain Center B.V. is the Reporter's consent required before the outcome of the investigation will be reported to the EMEA Disciplinary Committee and Hotline Investigation Steering Committee.

The System Manager and Investigation Team reserves the right to take any additional steps in investigating any Local Reports, including in respect of the outcome and remedial measures, to protect the interests of the Group and to ensure compliance with applicable laws and internal policies.

## 8 REGULATION ON CONFLICT OF INTEREST

When the Local Report implicates the System Manager, or it is alleged that the System Manager is aware of the reported practices, the Local Reports will be submitted through the Speak Up Hotline: <https://www.zimmerbiomet.eu/en/compliance.html#compliance-hotline>).

## 9 REPORTING TO THE GROUP

The System Manager will periodically report to the Group about the Local Reports received, the investigations carried out and the remediation actions adopted on an anonymous basis. No data or information that may allow the identification of the Reporter or the individuals concerned will be provided to the Group except as otherwise provided herein.

## 10 REPORTS TO THE RELEVANT AUTHORITY

Recipients as well as Business Partners and Third Parties may also submit the Local Reports to the Dutch authorities as detailed in **Annex 1** hereto.

## 11 COMMITMENTS

The System Manager is responsible for complying and enforcing compliance with this Protocol to guarantee the correct operation of the Local Reporting Channel, the adequacy of the processes of reception, analysis, investigation, and response of the Local Reports received under its functions of oversight and control, as well as the observance and verification of the requirements of effectiveness of the Model.

## ANNEX 1- EXTERNAL AUTHORITIES

We encourage Reporters to consider the internal reporting channels first. However, employees who report a Breach of Union Law externally, without exhausting internal reporting channels first, will be protected by us against retaliation within our organization, provided that the report is made in good faith to one of the following authorities:

- law enforcement authorities
- Authority for Consumer & Markets, ACM (in Dutch: "Autoriteit Consument en Markt")
- Authority for Financial Markets, AFM (in Dutch: "Autoriteit Financiële Markten")
- Data Protection Authority (in Dutch: "Autoriteit Persoonsgegevens")
- De Nederlandsche Bank N.V.
- the Investigation Department of the Dutch House for Whistleblowers
- Health and Youth Care Inspectorate, IGJ (in Dutch: "Inspectie gezondheidszorg en jeugd")
- Dutch Healthcare Authority, NZa (in Dutch: "Nederlandse Zorgautoriteit")

Recipients, Business Partners and Third Parties may also seek advice on a confidential basis from the Advice Department of the Dutch Whistleblowers Authority before raising a concern ([advies@huisvoorklokkenluiders.nl](mailto:advies@huisvoorklokkenluiders.nl)).