

## **Declaration For California Compliance Law**

Compliance is one of the corporate values that shapes Zimmer Biomet's business practices. As part of our compliance efforts, Zimmer Biomet has adopted a comprehensive compliance program designed to advance our corporate values and prevent and detect violations of our business standards, which accords with California Health and Safety Code § 119402 (S.B 1765).

The Zimmer Biomet compliance program is in accordance with the Compliance Program Guidance published by the Office of the Inspector General of the U.S. Department of Health and Human Services. Zimmer Biomet's primary business is the design, manufacture and sale of medical devices. As a leader in the medical device marketplace, the Zimmer Biomet compliance program reflects our adoption of policies and procedures appropriate to our company, including compliance with the AdvaMed Code of Ethics on Interactions with Healthcare Professionals. Substantially similar to the PhRMA Code referenced in California Health and Safety Code § 119402, the AdvaMed Code addresses potential risk areas that apply to the unique environment of the medical device industry. Therefore, consistent with the OIG Guidance, the Biomet compliance program includes policies for compliance with the AdvaMed Code.

### **Written Policies and Procedures**

Zimmer Biomet written policies and procedures emphasize individual and corporate responsibility for compliance with all applicable laws and regulations and adherence to the highest ethical standards. Zimmer Biomet's written policies govern activities involving communicating with customers about the appropriate use of our products including appropriate instruction, education, training, service and technical support required for the safe and effective use of our products. Zimmer Biomet also has policies governing activities involving the advancement of scientific and educational activities supporting medical research and education. Every Team Member must understand and comply with these obligations.

Each of the Companies, have established an annual limit of \$1,500 per business segment for meals and educational items as the aggregate value of the items or activities that may be provided to California health care professionals pursuant to the requirements of Cal. Health & Safety Code § 119402 (S.B. 1765), which excludes the value of travel expenses for attendance at company medical education and product training meetings; samples; patient education materials; evaluation units; items used for the provision of charity care; and fair market value payments for bona fide healthcare services provided by a health care professional.

## **Declaration For California Compliance Law-Cont'd**

### **Leadership and Structure**

The Zimmer Biomet Chief Compliance Officer has ultimate responsibility for overseeing our compliance program. The Chief Compliance Officer has been empowered with appropriate authority to exercise independent judgment and has free and unencumbered access to senior management.

Zimmer Biomet has appointed four (4) Regional Compliance Officers to assist the Chief Compliance Officer in administering the Compliance Program.

### **Communication**

Every Team Member is encouraged to report any potential compliance violations in a timely fashion. If a Team Member needs guidance on a legal or ethical question or has knowledge of an illegal or unethical activity, he or she should seek counsel from a supervisor, senior management, Zimmer Biomet legal counsel, the Human Resources Department and/or the Compliance Office.

Compliance questions and reports of potential violations may also be directed to Zimmer Biomet's toll-free helpline at 1 (888) 469-1566 or online at <http://www.ethicspoint.com>. Team Members may choose to remain anonymous when reporting a potential violation on the helpline. As with all questions and inquiries, the information given on the helpline is treated as confidential to the extent possible. It is a violation of Zimmer Biomet policy for any Team Member to be retaliated against in any way for asking questions or voicing concerns in good faith.

### **Training**

As part of our commitment to ethics and compliance, Zimmer Biomet conducts annual health care compliance training of relevant team members regarding their legal and ethical obligations, and includes an annual team member certification. Our training encompasses applicable guidelines governing our compliance program and advises team members of the consequences of failure to comply with our compliance program. Zimmer Biomet regularly reviews and updates its training programs and deploys additional training on an ad hoc basis.

### **Auditing and Monitoring**

Zimmer Biomet monitors and periodically audits its compliance with its policies and procedures.

### **Investigations and Corrective Action**

All reports of alleged violations are investigated by Zimmer Biomet. If the results of an investigation indicate that corrective action is required, the Company will decide the appropriate steps to take, including Team Member discipline, dismissal and possible legal proceedings. If appropriate, at its discretion, Zimmer Biomet may turn over an investigation to applicable outside authorities, and outside investigators may assist in the inquiry.

## **Declaration For California Compliance Law-Cont'd**

### **Response and Discipline for Ethics Violations**

Each Team Member is responsible and accountable for adhering to all applicable laws and regulations as well as Zimmer Biomet policies and procedures. Team Members who fail to meet these responsibilities are subject to appropriate disciplinary action by Zimmer Biomet, which may include termination.

### **Declaration**

As of the date of this declaration to the best of our knowledge, Zimmer Biomet is in compliance with this compliance program and the provisions of the California Health and Safety Code § 119402 in all material respects. Last update: June 11, 2018.