

## Health for Humanity's Anti-Corruption Policy

Health for Humanity (H4H) is committed to complying with the anti-corruption laws in all countries in which it operates. This includes, but is not limited to, laws in Canada, and international laws such as anti-corruption laws enacted in each country where H4H provides services or conducts business. H4H will actively and closely monitor the adherence of all of its employees, volunteers and partners with whom they conduct business. H4H will also continue to address ethical and legal obligations in countries outside Canada which are subject to anti-corruption laws.

### Anti-Corruption Policy

A. All H4H board members and volunteers, must not make, offer to make, or promise to make payments (regardless of whether the payment is actually made) or give anything of value *directly or indirectly* to any third party, including any Government Official and/or health care provider (HCP), to assist H4H in obtaining or retaining an improper business advantage, whether or not any benefit is received.

Prohibited payments include:

- Payments securing an improper advantage, including a decision to select H4H to provide any services, or to provide H4H with more preferential terms that may provide H4H an improper advantage;
- Improper gifts, hospitality or other non-monetary items provided to a HCP that do not comply with the anti-corruption policy
- Payments to influence any act or decision of a Government Official in his or her official capacity;
- Payments to influence the Government Official to abuse his or her power for private gain;
- Payments to induce a Government Official to perform or fail to perform any act;
- Payments inducing a Government Official to use his or her influence with a government or government instrumentality to affect or influence any act or decision of a government or instrumentality;
- Any facilitation payments made without the approval of the Legal or Compliance Department;
- Any gifts or entertainment provided to any regulatory, customs, or otherwise similarly situated Government Official;
- Any travel expenses of any regulatory, customs, or otherwise similarly situated Government Official; unless expressly preapproved by the Board of Directors for legitimate business purposes; and
- Any political contribution by H4H.

### Examples of Anti-Corruption Issues

The following is a non-exhaustive list of sample situations that raise concerns under various anti-bribery and anti-corruption laws. It is the responsibility of H4H employees and volunteers to be aware of such situations, and to report them promptly to the board of directors for review:

1. Any person or firm who represents, or is being considered to represent H4H who:
  - engages in, or has been accused of engaging in, improper business practices;
  - approaches H4H board members at or near the time of a contract or procurement decision, including tenders, and explains that he or she has a special arrangement with a Government Official, client, or potential client;
  - insists upon receiving a commission payment before the announcement of a contract or procurement decision;
  - demands an extraordinarily high commission or fee for services;
  - requests cash payment or payment "off-books";
  - emphasizes his/her/its "connections";

- requests additional commission or fees in order to “facilitate” services;
- demands lavish entertainment, gifts or travel before commencing contract negotiations or other services;
- requests a consultancy agreement separate from or tied to a distributorship agreement;
- requests a donation from a customer or a party in a position to influence any potential business advantage obtained or retained by H4H;
- requests a payment to "overlook" potential violations of law; or
- requests for employment of a friend or relative.

2. Lack of transparency, supporting documentation or inconsistent documentation for vendor’s expenses, particularly law firms, consultants and travel agents.

3. Comments suggesting that a particular manner of conducting business is "the way business is done here."

4. Large amount of petty cash transactions.

5. Use of side letters.

6. Use of consultant which does not appear to possess capability to perform stated services.

7. Use of consultant whose office location does not make sense in light of service offerings.

8. Recommendation by a customer, Government Official, or HCP to use a particular consultant or distributor.

9. Any request that a commission or other payment be made in a third country or to another name or company different from the one earning the commission.

10. Any commission, payment, or distributor sale price/discount, that appears large in relation to the services provided.

11. Any request to use a specific sales representative, agent, intermediary, consultant, distributor, or supplier that is not typically used by or known to Biomet.

This is not an exhaustive list of compliance issues. Whenever you are in doubt, you should first consult with the Compliance Department pursuant to the reporting guidelines below.

### **Reporting Responsibility**

Employees or volunteers have a responsibility to report any conduct that they believe may violate this Policy. They may report such conduct to any one of the H4H Board Members. Reports of violations must be reported in writing. All such reports will be treated as confidential and be used only for the purpose of addressing the specific problem reported. Such reports will be shared by H4H board members and other authorized individuals only on a need-to-know basis. Unless acting in bad faith, H4H employees and volunteers will not be subject to reprisals for reporting information about potential violations.

### **Auditing and Monitoring**

H4H will periodically audit and monitor compliance with this Policy through scheduled, as well as random, anti-corruption compliance assessments and other monitoring initiatives employed by the Board of Directors or other third parties engaged by H4H. All H4H employees and volunteers will be required to attend an information session related to H4H’s anti-corruption policy.

### **Penalties and Consequences**

Each H4H employee or volunteer is responsible and accountable for adhering to this Policy. Violations of this Policy can result in criminal and civil exposure for H4H and each H4H employee or volunteer

involved, including imprisonment and other severe penalties. For example, by law, fines imposed on individuals for violations cannot be paid by H4H and must be paid by the individual committing the violation. Many countries also have local laws which impose various fines and/or criminal sanctions. In addition to penalties that may be imposed by the laws of the countries where we operate, violations of this Policy may be punished with discipline, up to and including termination, of the H4H employee or volunteer and referral for prosecution.

### Where to go for more information

Questions about this Policy should be directed to the H4H Board of Directors.

### Policy Definitions

1. **Anything of value:** Includes cash, gifts, travel expenses, offers of employment, and business meals. Anything of value may also include event sponsorships, consultant contracts, fellowship support, research grants, and charitable contributions made at the request of, or for the benefit of, a Government Official or HCP, his or her family, or other relations, even if made to a legitimate charity.
2. **Affiliate:** Each company in which Biomet Inc. has a direct or indirect ownership interest.
3. **Facilitation Payment:** A payment made outside of the ordinary course of business to secure performance of an action by a Government Official.
4. **Government Entities:** For the purposes of this Policy, Government Entities refers to government-owned or controlled commercial enterprises, institutions, agencies, departments, instrumentalities and other public entities (regardless if it is whole or partial ownership or control), **including health care facilities, research institutions, universities and hospitals.**
5. **Government Official:** For the purposes of this Policy, the term Government Official should be interpreted broadly. It includes (1) officers and employees of Government Entities, (2) officers and employees of non-governmental international organizations (e.g., World Health Organization, Doctors Without Borders, Red Cross), and (3) any person with the responsibility to allocate or influence expenditures of government funds, including persons serving in unpaid, honorary or advisory positions and private doctors whose patients are insured by government programs. **The term Government Official also includes any HCP working in, on behalf of, or otherwise affiliated with a government health care facility, institution, university or hospital.**
6. **Government Sponsored System:** A healthcare program, system or facility which is in whole or part, owned, administered, funded or controlled by the government or a government instrumentality.
7. **Health Care Professional (HCP):** Any individual or entity that is in a position to purchase, lease, recommend, use, arrange for, or influence the purchase or lease of, or prescribe Biomet's medical technology products including, but not limited to, a licensed physician, medical resident or fellow; non-physician health care practitioner; medical student; and/or an institutional educational or health care facility, entity or organization, including an academic medical center, as well as agents and employees for each of the above individuals and entities. An HCP is considered to be affiliated with an entity if the HCP is employed by, has staff privileges at, or otherwise has a position of influence with the entity.
8. **Payments:** Any and all compensation or remuneration, including but not limited to payments and reimbursements for personal or professional services, meals, travel, grants, sponsorships, research grants, clinical studies, professional meetings, product training, medical education, research funding, product development services, in-kind services (e.g., use of aircraft), advertising, promotion, and marketing expenses or support, and royalties or other payments for transfer of documented intellectual property.