

A PASSION FOR INTEGRITY

# INTEGRITY IN ACTION - HEALTH CARE COMPLIANCE



## HEALTH CARE COMPLIANCE IS EVERYONE'S RESPONSIBILITY

DePuy Synthes is known the world over for innovative, life enhancing orthopedic products and neurological solutions and for the values and principles that we embrace while developing these products and making them available to serve patient needs. This is a reputation that we have worked hard to earn and one we are dedicated to protecting and to building into our future.

Working in a competitive and highly regulated industry, we are often faced with challenging circumstances, requirements, and choices. As a part of the Johnson & Johnson family of companies, we have many sources of guidance that help us understand our responsibilities, including Our Credo and the Johnson & Johnson Policy on Business Conduct. This Global Code of Conduct is another important source, helping us to understand our responsibilities and providing us with a statement of our common values and principles.

Whenever we encounter compliance-related issues, each of us at DePuy Synthes has a personal responsibility to respond in a manner that reflects our shared commitment to integrity. We are all responsible for understanding and following Our Credo upon which all the activities of Johnson & Johnson are founded, the Johnson & Johnson Policy on Business Conduct, this Global Code, our policies and procedures, and all of the laws and regulations that apply to our business.

DePuy Synthes is trusted and respected in the business community, and I am proud of our reputation for a dedication to integrity. We are committed to acting in accordance with the highest levels of professional and ethical standards. It is through our shared vision and dedication to these values and principles that we will continue to build our excellent reputation.

Michel Orsinger  
Worldwide Chairman  
DePuy Synthes Companies of Johnson & Johnson

*August 2012*

## INTRODUCTION

### Living our Values and Principles

DePuy Synthes employees, independent sales professionals, and other associates demonstrate professionalism, good judgment, and commitment to Our Credo. Consistent with Our Credo we are committed to our compliance values and principles, and we follow the policies and procedures that support them. To this end, our Global Code is founded on both the laws of the countries where we do business and applicable industry codes of ethics. All who interact with health care professionals, or with customers who purchase health care products, receive training to understand and abide by these resources. Completion of the training and certification to complying with it are mandatory job requirements.

### What's at Stake?

The laws that apply to DePuy Synthes are far-reaching and overlapping. As a result, single acts of misconduct can raise issues under multiple laws and across multiple jurisdictions. Punishments for legal violations can be severe, including significant fines and, in some cases, imprisonment. In addition, there are sanctions that could potentially devastate our entire organization by excluding our products from reimbursement by some governments, and possibly for sale in some countries altogether. Under many of these laws all of the parties who have engaged in illegal activity may be held accountable. This means that our customers, along with our company, our employees, and the contracted professionals who serve the company, could be prosecuted for violations. By complying with the laws that govern Health Care Compliance we protect our customers, our company, and ourselves.

### Using this Global Code

The terms "Customer" and "Health Care Professional," as used here, encompass the individuals, institutions, and other entities that prescribe, recommend, or acquire medical products and services or influence the recommendation, prescription, or acquisition of those products and services. Examples include physicians, nurses, and materials managers, as well as institutions and organizations such as hospitals, group purchasing organizations, and managed care organizations.

An interaction with a Customer can be anything from a brief product-related discussion between a sales representative and a physician, to a pricing contract with a managed care organization, to an agreement with an institution on the terms of a research grant. All interactions with Customers—no matter how brief or how informal—must comply with existing laws, industry standards, this Global Code, and our policies and procedures.

Our Global Code is organized into five categories containing guiding principles that must be followed by everyone at DePuy Synthes to guide our actions across all of our activities everywhere in the world:

- Our Relationships with our Customers, Government Officials, and Others that Influence the Purchase of our Products and Services
- Our Relationships with our Suppliers, Vendors, and Other Contractors
- Our Relationships with our Regulators
- Our General Business Conduct and Practices
- Our Health Care Compliance Program

All DePuy Synthes directors, officers and employees, independent sales professionals, and other contractors, wherever located, must comply with both the letter and the spirit of this Global Code. Supervisors and managers have the additional responsibility for being positive role models in every respect, for diligently managing, monitoring, and overseeing compliance within their areas of authority, for ensuring that DePuy Synthes is compliant with all legal authorities within their areas of responsibility, and for maintaining our culture that promotes the highest standards of professionalism, ethics, and compliance.

Anyone with questions or concerns about this Global Code or any other compliance matter should seek advice from their supervisor, the Law Department, or HCC. Information on Our Credo Hotline is provided below.

## **Our Relationships with our Customers, Government Officials, and Others that Influence the Purchase of our Products and Services**

*We highly value our business and professional relationships. No such relationships, however, are more important than our ethics and reputation. All of our business and professional relationships must reflect our commitment to honesty, integrity, and legal compliance.*

### **Bribery and Improper Payments**

We strictly prohibit bribes and other payments and benefits offered to any person with the intent to influence them to recommend, use, or purchase our products or services.

### **Offering Business Courtesies**

We will only offer business courtesies, such as hospitality during a business meeting, where they are modest in amount and do not influence clinical or business decisions. We prohibit offering cash or cash equivalents. All business courtesies must comply with DePuy Synthes policies and, if required by a policy, be approved in advance by HCC and/or the Law Department.

### **Charitable Contributions**

We often support charity needs by making donations to legitimate charitable organizations. Charitable donations may never be contingent upon, or related to, the recommendation, use, or purchase of our products. Anyone making personal charitable donations should avoid contributing in circumstances where their donations may appear to influence product purchases and must comply with our charitable donation policies and, if required by policy, have any charitable donations approved in advance by HCC and/or the Law Department.

## **Our Relationships with our Suppliers, Vendors, and Other Contractors**

*We are committed to managing our relationships with our suppliers, vendors, and other contractors fairly in accordance with legitimate business practices, and are committed to our responsibilities as a good customer.*

### Selection

We select our suppliers, vendors, and other contractors based upon their qualifications, experience, and other legitimate business concerns. Selection may never be compromised by personal relationships, or by accepting inappropriate business courtesies.

### Accepting Business Courtesies

We will only accept business courtesies from suppliers, vendors, and other contractors where they are modest, are not cash or cash equivalents, and do not materially influence business decisions. We will never request business courtesies. Where no policies address business courtesies, all business courtesies must be approved in advance by your supervisor.

## Our Relationships with our Regulators

*We strive to be a leader for good corporate citizenship. We recognize and accept our responsibility to self-govern, and to monitor our compliance with laws and regulations. We are committed to a business environment where compliance with laws and sound business practices are deeply woven into our culture.*

### Our Regulators

We work in good faith with all government agencies. Anyone encountering government agents must be courteous, and must promptly contact their supervisors for assistance. DePuy Synthes' management will discuss relevant matters with government agencies, and will provide them with the information to which they are entitled. Anyone who is contacted by government agents may decide whether they want to talk with government agents, or not, without fear of being punished if they do. If you are contacted by government agents, you may contact your supervisor, HCC, or the Law Department for assistance and guidance.

### Government Officials and Employees, Political Parties, and Candidates

We will not offer or make payments (or provide anything else of value) to government officials, government employees, political parties, or candidates for political office for the purpose of obtaining or retaining business with, or directing business to, anyone. We will not order, authorize, or assist anyone else in violating this policy. We may not make donations to government officials, government employees, political parties, or candidates for political office on DePuy Synthes' behalf. Where no policies address payments made on DePuy Synthes behalf or that may appear to be made on DePuy Synthes behalf, any such payment must be approved in advance by your supervisor and Johnson & Johnson Government Affairs.

## Our General Business Conduct And Practices

*Our reputation is built upon good judgment, high standards, and personal integrity. Everyone must conduct their day-to-day activities in an ethical and responsible manner.*

### Johnson & Johnson Policy on Business Conduct

All DePuy Synthes employees, sales professionals, and other associates must comply with the Johnson & Johnson Policy on Business Conduct. The Policy on Business Conduct is available on internal company Web sites. This Code complements the Policy on Business Conduct by providing more detailed guidance about certain types of interactions and relationships.

## Compliance with Law

We each have the responsibility to know and comply with all of the laws, regulations, policies, and local customs that apply to our jobs. Activities that violate the law or our policies are outside our duties, do not benefit our company, and are strictly prohibited.

## Quality

We are committed to providing patients, customers, and the medical community with safe products, instruments, and technologies. Everyone must produce quality work, and all associates are required to report any concerns relating to the compromise of quality to their supervisor or to our Quality Department. Questions and concerns may also be directed to our Health Care Compliance Office or Law Department.

## Clinical and Regulatory Affairs

We comply with all legal and regulatory requirements applying to clinical research, product development, good manufacturing practices, and design controls, labeling, selling, promoting, providing information about and advertising our products and services, and all similar legal standards. All DePuy Synthes associates may ask questions or report any concerns regarding these requirements to their supervisor or to our Clinical or Regulatory Departments. Questions and concerns may also be directed to our Health Care Compliance Office or Law Department.

## Financial Integrity

We provide full, fair, accurate, timely, and understandable information in all our financial reports and documents in conformance with policies, laws, and standards applicable in the region where they originated. We prohibit any attempt to influence or mislead any auditor regarding our financial statements, processes, or controls.

## Privacy and Data Protection

DePuy Synthes is committed to maintaining the trust of our employees, customers, contractors, and patients we serve. Data are only collected and stored when necessary to conduct our business, with consent of the individual as necessary, and according to applicable law.

## Policies and Procedures

We recognize that other standards, in addition to this Global Code, such as Our Credo, the Policy on Business Conduct, and our policies and procedures, govern our compliance. All persons remain bound by these standards as they are applicable. If there is a conflict between this Global Code and any other policy or procedure, or between the policies applicable to health care professionals from different countries, consult with HCC or the Law Department for guidance.

## Our Health Care Compliance Program

*Our Health Care Compliance program is intended to demonstrate in the clearest possible terms our absolute commitment to the highest standards of ethics and compliance. That commitment is integral to our success, and is woven throughout our entire business.*

### Program Management

Health Care Compliance is an essential responsibility for all of us at DePuy Synthes. Our Health Care Compliance Office is led by our Vice President of Health Care Compliance, who is responsible for developing, implementing, managing, and coordinating our global program. Each operating company or business unit is supported by a dedicated Health Care Compliance Officer. DePuy Synthes senior leaders provide leadership, oversight, and direction for the DePuy Synthes compliance program by their active participation in DePuy Synthes HCC Committees.

### Asking Questions and Reporting Concerns

Answering compliance questions and concerns is a top priority. Everyone is encouraged to discuss their questions and concerns, promptly as they arise, with their supervisors.

Regardless of whether you talk with your supervisor, all associates are required to raise any concerns related to potential non-compliance with law or DePuy Synthes' compliance policies directly with their local Health Care Compliance Officer or the Law Department.

All U.S. based associates may submit an anonymous report of potential non-compliance by calling our toll-free Credo Hotline or online at [www.credohotline.com](http://www.credohotline.com). Due to local laws, in some countries the Credo Hotline:

- Is not available for reports by vendors, suppliers, customers, and others
- May only be used to report matters relating to accounting, internal accounting, controls, auditing matters, bribery, banking, and financial crime

More information about these limitations and telephone numbers for each country where the Credo Hotline is available are listed on the Credo Hotline Web site. The Credo Hotline is managed by a third party vendor, and all questions and concerns shall be maintained, at the request of the individual and where appropriate and allowed by law, as confidential.

Failing to promptly disclose possible non-compliance is a serious violation of DePuy Synthes' policies and trust, and may result in appropriate corrective action.

### Prohibition on Retaliation

We strictly prohibit punishing anyone for reporting possible non-compliance in good faith or cooperating with an investigation. Any retaliatory actions are prohibited, including, but not limited to, actions designed to discourage DePuy Synthes associates from reporting possible non-compliance. DePuy Synthes associates who engage in direct or indirect

retaliation are subject to disciplinary action, up to and including termination of the employment or contract with a DePuy Synthes company.

Promptly notify Human Resources, the Law Department, or Health Care Compliance if you believe you have been punished for reporting possible non-compliance or for cooperating with an investigation.

### Evaluations and Discipline

Promoting and complying with this Global Code and our Health Care Compliance program, and participating in our compliance program-related activities, are mandatory, and are significant elements in evaluating the performance of all of our associates. Additionally, anyone who violates the terms of this Global Code, or who fails to participate in compliance program related activities, is subject to corrective and disciplinary action, up to and including termination of the employment or contract with DePuy Synthes.

### Agents, Contractors, and Vendors

We are dedicated to working with business partners who share our standards for business conduct and ethics. All DePuy Synthes' agents, contractors, and vendors are required to comply with this Global Code in their relationships with or on behalf of DePuy Synthes.

## FINDING SUPPORT; TAKING ACTION

This Global Code is intended to provide meaningful and understandable guidance on our standards of legal and ethical compliance. However, no code can fully address every possible question or concern, or can anticipate every eventuality. If you have any questions or concerns about this Global Code or any other compliance matter, seek advice from a supervisor, the Law Department, or our Health Care Compliance Office.

*If you have questions about this Global Code, our policies and procedures, or compliance with any laws or regulations, please contact your local Health Care Compliance Officer or the Law Department. You may also visit your local operating company's Intranet site or the Law Center Web site (<http://lawcenter.jnj.com>).*