The Acelity Compliance and Ethics Program

WHO WE ARE.
WHAT WE DO.
OUR COMMITMENT

We are unwavering in our commitment to compliance and integrity.

We do more than just comply with the law.

Everywhere and every day we do the right thing.

Customer First
Integrity
A Will to Win
One Acelity
The Acelity Compliance and Ethics Program

Our values serve as our compass in how we achieve our vision of restoring people’s lives. They are also the reason our stakeholders, including customers, employees, business partners, and shareholders, place their trust in us. We place the CUSTOMER FIRST by providing the best solutions for healthcare providers and patients. We operate with INTEGRITY, being accountable for our actions and doing what is right everywhere and every day. We demonstrate a strong WILL TO WIN as we compete fairly and enjoy being the best at what we do. Ultimately, we are ONE ACELITY, one team, executing with a unified global focus.

Acelity operates a comprehensive compliance program based on federal, state and international laws; industry guidelines, including the U.S. Federal Sentencing Guidelines; U.S. Department of Health and Human Services Office of Inspector General guidance; the Advanced Medical Technology Association (“AdvaMed”) Code of Ethics; and international equivalents.

The overall program consists of standard elements in accordance with the basic structure outlined under the U.S. Federal Sentencing Guidelines. The Acelity Compliance and Ethics Program is designed, implemented and enforced to promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

Our Compliance and Ethics Program enables Acelity to succeed in our mission of changing the practice of medicine with solutions that speed healing, reduce complications, create economic value and improve patients’ lives.
LEADERSHIP AND STRUCTURE
Acelity has in place high level personnel and a dedicated team of professionals with the authority and knowledge about the operation of the Compliance and Ethics Program to ensure implementation and effectiveness.

WRITTEN STANDARDS
We have established standards of conduct expected of all our employees, and policies and procedures to help prevent and detect wrongdoing.

COMMUNICATION
Our program offers various lines of communication, including a process for reporting concerns without fear of retaliation. Acelity communicates its standards, policies and other aspects of the Compliance and Ethics Program to all employees.

TRAINING AND EDUCATION
We conduct training programs, both in-person and web-based, and provide information appropriate to individuals’ respective roles and responsibilities within the organization.

AUDITING AND MONITORING
Acelity has created mechanisms for auditing, monitoring and reporting on the effectiveness of controls to ensure adherence to the Compliance and Ethics Program.

INCENTIVES AND ENFORCEMENT
We promote the value and importance of the Compliance and Ethics Program by recognizing and rewarding actions which demonstrate our ethical culture and discipline individuals who fail to adhere to our standards.

CORRECTIVE ACTIONS
Acelity takes steps to investigate and respond to suspected compliance and ethics violations while taking steps to preserve confidentiality. We undertake modifications to the Compliance and Ethics Program to prevent further similar conduct when needed.

RISK ASSESSMENT
We periodically assess the Compliance and Ethics Program and take steps to design, implement or modify the program based on the assessment results.
LEADERSHIP AND STRUCTURE

The Chief Compliance Officer (CCO) is a designated senior-level official with unrestricted and regular reporting to the CEO and Board of Directors. The CCO has the authority to effectuate change within the organization to ensure compliance with the various rules, regulations and laws governing our enterprise. The compliance organization develops, operates and manages the Compliance and Ethics Program and provides assurance to management and the Board of Directors regarding compliance with regulatory requirements. To this end, the Compliance department has dedicated professionals with subject matter expertise who manage and perform the operational requirements for many of Acelity's compliance risk coverage areas. Compliance leadership and staff work closely with subject matter experts and leaders in other key functional areas of the company in a direct oversight role monitoring Acelity's other compliance risk coverage areas.

The Compliance and Ethics Program is structured for success, with leadership empowerment and appropriate resources.
WRITTEN STANDARDS

At Acelity, we communicate the major compliance categories and expectations for ethical conduct to employees through the Code of Conduct. Our Code is translated into multiple languages and available to all employees online and in printed copy. Employees and third party distributors are trained regularly on our Code and are required to agree to abide by its terms.

Acelity creates and manages the lifecycle of corporate level policies through a centralized web-based platform accessible by all employees to search and read our company policies. Utilizing the global enterprise-wide learning management system, global email and live training, information and policies are disseminated to the appropriate individuals to keep them informed. At the department level, business managers are responsible for developing and communicating/training on department level policies and procedures in support of the specific risk coverage area and corporate level compliance policies.

The Company Code of Conduct is the foundational document for the overall program and is our statement of ethical and compliance principles that guide our daily operations.
COMMUNICATION

Everyone at Acelity has a duty to report any suspected violations of law, our Code of Conduct or company policies. We encourage first line reporting to a manager, when appropriate, and then to a Human Resources, Legal or Compliance representative. Employees may also report a concern anonymously by telephone or online via our AlertLine system, as local law permits. All allegations of misconduct are investigated.

Anyone who raises a concern about possible compliance violations will be supported by management and will not be subject to retaliation. Any threat or act of retaliation is not tolerated.

Consistent and open communications are a foundation of our program.
TRAINING AND EDUCATION

Acelity provides training for our compliance risk coverage areas. We utilize an enterprise-wide training management system to deploy engaging role-based training (full-length courses, videos, micro-learning) and, track, report and archive training for employees and appropriate third parties.

Compliance training is also delivered live and through web conference capabilities. Acelity provides interactive compliance training in various formats to new hires during the new hire orientation process and the field sales orientation program. Often times, the compliance team facilitates training and education for functional areas during their regularly scheduled meetings, or as part of new program launches or corrective action.

Compliance professionals and risk coverage area management are afforded the opportunity to receive appropriate third-party professional training.

By supplementing the online training curriculum, we are able to reinforce key compliance concepts through live interactions.
AUDITING AND MONITORING

Acelity has formal auditing functions and programs including a dedicated Internal Audit department which executes a board approved audit plan with an emphasis on Sarbanes-Oxley, financial controls and key operational controls. Acelity also has separate dedicated auditing functions within Compliance, Quality and Service Operations executing work plans related to key compliance risk coverage areas including Anti-corruption/Third Party Interactions, Quality System Regulations, Governmental Payer, HIPAA and others.

Informally, departments across the Acelity organization perform assurance functions and review adherence to established controls throughout the year to continually assess the effectiveness of the controls and respond appropriately to assessment results, emerging changes in risk, market and business dynamics. Departmental level compliance monitoring is integral to risk management activities.

Any compliance violations discovered are investigated, analyzed and appropriately reported to management.

We strive for monitoring activities that gauge whether our Compliance Program is reasonably effective.
INCENTIVES AND ENFORCEMENT

Everyone has a duty to report suspected violations of the Code of Conduct, company policy or applicable law.

Any violation of the Code of Conduct, company policy or applicable laws may result in disciplinary action up to and including termination of employment or service.

Acelity promotes a culture of ethical conduct and compliance with the laws through publication of our Company’s strategic goals and objectives by senior leadership, which is disseminated across the workforce. These written goals are the basis for the company performance and bonus system. Included in these written goals is the Company’s commitment to operating with “integrity and compliance.” Departments and individuals are responsible for developing goals and objectives to support the Company’s strategic goals and objectives, including quality and compliance metrics depending on the department’s and individual’s roles and responsibilities. In addition, the Company has established reward programs supported by senior management, that provide an avenue to encourage and reward ethical and compliant behavior. And, any employee that demonstrates behavior that exemplifies compliance and ethics through courage and/or leadership may be nominated for special recognition.

Promotion and enforcement through incentives, rewards and disciplinary measures is valued at Acelity.
CORRECTIVE ACTIONS

Acelity strives to continuously improve the overall Compliance and Ethics Program through a corrective and preventative action system. Each phase contributes to ethical and compliance objectives of prevention, detection and response.

- Define the issue or objectives of the program
- Establish and implement actionable elements and ownership
- Monitor or investigate
- Implement preventive or corrective action
- Report on status to stakeholders to verify and close

The regular review of industry publications, regular consultation with industry experts and familiarity of the latest enforcement trends is important for meaningful program benchmarking. Our risk coverage areas and strategic priorities may be modified based on benchmarks and trends. As part of the benchmarking process, corrective or preventative actions can be implemented.

*Corporate Compliance, in cooperation with business leaders, work through a cycle of review and improvement in five phases: defining, establishing, investigating, preventing/correcting and reporting.*
RISK ASSESSMENT

The Compliance department performs assessments of key compliance risk coverage areas (RCAs) with input from global individual stakeholders and RCA leaders. This allows Acelity to identify possible compliance and ethics threats early, and proactively work with leadership to prioritize and address a proper response and plan. This process links with the company-wide risk management efforts to better understand relationships with compliance risks.

Our program is tailored to our specific business and the risks associated with that business.

- Bribery, Anti-Corruption
- Data Security, Privacy, HIPAA, HITECH
- Antitrust, Competition
- Clinical Affairs, Medical Affairs
- Environmental Health & Safety
- Human Resources & EEO/Affirmative Action
- Trade, Import/Export
- US Government Affairs/Lobbying
- Health Care Compliance
- US Government Payors
- Supply Chain
- US Government Procurement & Contracting
- Quality Systems
The Acelity Compliance and Ethics Program

Robust compliance programs and culturally entrenched ethical behavior require engagement from the Board of Directors, executive leadership and partnership with all employees. The Acelity Compliance and Ethics Program is designed to help us all succeed in our vision of restoring people's lives.

Corporate Compliance partners with the business on vital initiatives to ensure sustained grown through ethical and compliant conduct and decision making. Our practices, our culture and our successes depend on a high ethical and compliance IQ to thrive.

A compliance and ethics program is never static; always evolving with the changing global business, industry and enforcement footprint.