

## Compliance Program

Consistent with our commitment to demonstrate the highest ethical behavior possible in our business conduct with our customers, competitors, suppliers, governmental agencies, and in all our business dealings, and to operate with integrity and in compliance with all applicable laws, as part of the B. Braun group of companies in the U.S., Central Admixture Pharmacy Services, Inc. (“CAPS”) has established a comprehensive compliance program in accordance with the “Compliance Program Guidance for Pharmaceutical Manufacturers” published by the Office of Inspector General, U.S. Department of Health and Human Services (the “OIG Guidance”). Our Compliance Program is one of the key components of our commitment to demonstrate the highest standards of corporate conduct.

The purpose of our Compliance Program is to prevent and detect violations of law or company policy. However, as the OIG Guidance recognizes, the implementation of such a program cannot guarantee that improper employee conduct will be entirely eliminated. Nonetheless, it is our expectation that employees will comply with our Code of Business Conduct, and the policies established in support thereof. In the event that CAPS becomes aware of violations of law or company policy, we will investigate the matter and, where appropriate, take disciplinary action and implement corrective measures to prevent future violations.

Below, CAPS describes the fundamental elements of the Compliance Program. In accordance with the standards established by the OIG Guidance and as explicitly recognized in the OIG Guidance, we have tailored our Compliance Program to fit the unique environment and size of our company.

While this is a description of our Compliance Program, we recognize that a Compliance Program is dynamic, involving not only multiple policies, procedures, and programmatic activities, but also the commitment of senior management, and the support of all employees, vendors, and agents to make the program effective. We have adopted a Code of Business Conduct and compliance policies that are consistent with the voluntary PhRMA Code on Interactions with Healthcare Professionals, adopted by the Pharmaceutical Research and Manufacturers of America (the “PhRMA Code”), and the voluntary AdvaMed Code of Ethics on Interactions with Health Care Professionals, adopted by the Advanced Medical Technology Association (the “AdvaMed Code”).

We regularly review and enhance our comprehensive Compliance Program and policies and procedures to meet our evolving compliance needs. If you would like to receive a copy of our Code of Business Conduct and compliance policies, please call toll-free 1 (800) 523–9676, extension 4581.

### Overview of Compliance Program

#### 1. Written standards.

- Our Code of Business Conduct is our statement of ethical and compliance principles that guide our daily operations. The Code establishes our expectation that management, employees, vendors and agents of the Company act in accordance with law and applicable Company policy. The Code articulates our fundamental principles, values and framework for action within our organization.

- The OIG Guidance has identified several potential risk areas for manufacturers, and called on companies to develop compliance policies to address these risk areas. These risk areas include (1) data integrity pertaining to government reimbursement practices, (2) kickbacks and other illegal remuneration, and (3) compliance with laws regulating drug samples. Our policies and procedures address these and other risk areas.
- In accordance with the PhRMA Code and AdvaMed Code, the Company does not provide any items of a personal nature to healthcare professionals, including without limitation, company logo items such as pens, pads, etc. The Company may only provide items solely of an educational nature to educate healthcare professionals and patients, and modest meals or food items in compliance with state laws and consistent with the AdvaMed Code. As required by California Health and Safety Code §119400 et seq., CAPS has established an annual limit of \$2,000 for certain expenditures made to licensed healthcare professionals in California.

## 2. Leadership and Structure.

- **Compliance Officer.** A senior-level official of the B. Braun Group of Companies in the U.S. serves as our Chief Compliance Officer. We are committed to ensuring that the Chief Compliance Officer has the resources to effectuate change within the organization as necessary and to exercise independent judgment. The Chief Compliance Officer is charged with developing, operating and monitoring the comprehensive Compliance Program.
- **Compliance Committee.** We have established a Compliance Committee to advise the Chief Compliance Officer and assist in the implementation of the comprehensive Compliance Program. The members of the Compliance Committee are senior-level officials in the finance, human resources, marketing, and sales departments, serving the B. Braun group of companies in the United States.

**3. Education and Training.** A critical element of our Compliance Program is the education and training of our employees and agents on their legal and ethical obligations under applicable federal health care program requirements, and on our Code of Business Conduct and compliance policies and procedures. We are committed to effectively communicating our standards and procedures to all affected personnel. Moreover, we regularly review and update our training programs, and identify additional areas of training “as needed”.

**4. Internal Lines of Communication.** CAPS is committed to fostering dialogue between management and employees. Our goal is that all employees, when seeking answers to questions or reporting potential violations of law or our policies, should know who to turn to for a meaningful response and do so without fear of retribution. To that end, we have adopted open-door policies, as well as confidentiality and non-retaliation policies. In order to further encourage open lines of communication regarding potential violations, we have established procedures allowing individuals to report anonymously. Our anonymous hotline number is **1 (800) 300-1863**.

**5. Auditing and Monitoring.** Our Compliance Program includes efforts to monitor, audit, and evaluate compliance with the compliance policies and procedures, including efforts to monitor the activities of sales force personnel. We note that in accordance with the OIG Guidance, the nature of our reviews as well as the extent and frequency of our compliance monitoring and auditing varies according to a variety of factors, including new regulatory requirements, changes in business practices, and other considerations. We use these ongoing assessments to identify new and emerging risk areas and address these risks.

**6. Responding to Past and Potential Violations.** Our Compliance Program includes procedures to screen potential employees, vendors, and agents, and we will not do business with persons or organizations that have been excluded, debarred, suspended, or are otherwise ineligible to participate in federal healthcare programs. Our Compliance Program also includes the imposition of disciplinary action for employees that violate the law or Company policy. Although each situation is considered on a case-by-case basis, we will consistently undertake appropriate disciplinary action to address inappropriate conduct and deter future violations.

**7. Corrective Action Procedures.** Our Compliance Program increases the likelihood of preventing, or at least identifying unlawful and unethical behavior. However, HHS-OIG recognizes that even an effective Compliance Program may not prevent all violations. As such, our Compliance Program requires CAPS to respond promptly to potential violations of law or Company policy, take appropriate disciplinary action, assess whether the violation is in part due to gaps in our policies, practices, or internal controls, and take action to prevent future violations

#### **Declaration**

CAPS is committed to the highest standard of ethical practice in our business conduct with our customers, competitors, suppliers and governmental agencies. As part of our Compliance Program, we have adopted a Code of Business Conduct and Company Compliance Policies that are in accordance with (i) the Compliance Program Guidance Issued for Pharmaceutical Manufacturers published by the Office of Inspector General, U.S. Department of Health and Human Services (the "OIG Guidance"); (ii) the voluntary PhRMA Code on Interactions with Healthcare Professionals, adopted by the Pharmaceutical Research and Manufacturers of America (the "PhRMA Code"), and (iii) the voluntary AdvaMed Code of Ethics on Interactions with Health Care Professionals, adopted by the Advanced Medical Technology Association \*the "AdvaMed Code"). Consistent with the OIG Guidance, we have tailored our Compliance Program to the nature of our business, considering our size, organizational structure and resources, and have implemented policies that are consistent with the PhRMA Code and the AdvaMed Code.

To the best of our knowledge, and based upon our good faith understanding of the statutory requirements of the California Health and Safety Code §§ 119400-119402, we believe we are compliant with such California requirements and that we comply in all material respects with our Compliance Program. Government compliance program standards, including the U.S. Sentencing Guidelines and the OIG Guidance, recognize that no program can completely prevent individual employees from improper conduct; thus we are not making a representation that every employee will always fully comply with our policies and procedures or that we can completely eliminate the possibility that an employee will ever violate our standards. However, our Compliance Program is reasonably designed to prevent and detect violations.

Recognizing that compliance is a dynamic concept that must be adapted to the characteristics of a particular company, we are constantly reassessing our Compliance Program to improve it. As such, we make modifications to our policies and procedures to address any changes in, or interpretations of, the laws, regulations, advisory opinions, case law, OIG Guidances, PhRMA Code, AdvaMed Code, or other guidances that may become known to us from time to time. The description of our Compliance Program, provided above, reflects our program. Policies and procedures have been implemented to ensure compliance with our Code of Business Conduct and comprehensive Compliance Program.

This Declaration is made as of July 1, 2019, and as noted above, we will update our Compliance Program on an ongoing basis. Copies of our Compliance Program and this Declaration may be obtained by calling the toll-free number listed above in the description of our Compliance Program.