



# Compliance FAQ

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## 1) What is the meaning of Compliance?

Compliance stands for following national and international laws and regulations as well as Brainlab's internal policies, guidelines and procedures, such as the Code of Conduct.

Brainlab has a strong interest in preventing corruption, fraud, misstatements of financial transactions, conflicts of interest, abuse of market power and intellectual property, or theft.

Therefore we implemented a compliance program, which is addressing as well legal requirements for example from the UK Bribery Act 2010, US Federal Sentencing Guidelines §8B2.1., and state laws like the California Health and Safety Code Sections 119402.

## 2) What is our advantage if we are compliant?

Compliance is necessary for a sustainable business – having a clean Compliance record supports continued business and profitability.

A strong Compliance program instils trust in our customers, (potential) employees, investors and the authorities, and can be an effective marketing tool.

**Compliance protects all of us and our business.**

## 3) What are risks of non-compliant behavior?

Non-compliant behaviour creates considerable risks to Brainlab. Potential sanctions include: exclusion from tenders or requests for proposals, damage claims from customers



and competition, penalties from authorities and lawyer fees associated with defending against such sanctions...all of this can result in multi-million payments. Furthermore, Brainlab can be barred from participating in certain government programs, which would have the potential of decreasing annual sales, and, could ultimately threaten the viability of Brainlab. In addition, our brand reputation may be damaged. In short, even one local non-compliant action can have a material and global impact for Brainlab.

Further, individuals can become subject to sanctions including termination of employment, and in certain jurisdiction, individuals can be subject to criminal prosecution.

We are proud of, and believe in, our products...we do not need to pay bribes or fake financial statements to gain sales or show the success of Brainlab. Anyone behaving in a non-compliant manner puts him/herself, his/her colleagues and Brainlab at risk!

#### 4) Who is responsible for Compliance?

**Everyone** working for Brainlab is responsible for following national and international laws and regulations as well as Brainlab's internal policies, guidelines and procedures, including the Code of Conduct. Living our corporate value "integrity" also means raising a concern when you hear or see it.

Supervisors have an increased responsibility to ensure that their area of responsibility is in compliance and to provide proper advice to their teams.

#### 5) Whom can I contact for a question or a report of non-compliant behavior?

If you have a Compliance related question/suggestion, you are not sure how to behave in a certain situation, or you want to report a well founded concern about serious non-compliant behavior or a criminal offense, please contact your supervisor, Human Resources representative, Compliance Officer or the Legal department as early as possible so that we can pro-actively minimize any risk through proper investigation and action.

You may also use the [Compliance Helpline](#) to ask a Compliance related question or report a well founded concern about serious non-compliant behavior to the Compliance Officer. Brainlab is committed to creating an open atmosphere and encourages to ask questions or report concerns.

The Compliance Helpline allows you to ask questions or report concerns anonymously, should you not feel comfortable disclosing your name. However, we encourage you to disclose your name so that we can fully investigate a concern.

In any case, you will have the option to receive feedback or provide additional information about your report or question via an anonymous online postbox.

**The Helpline is available by internet or telephone** with a live operator 24 hours a day in various languages. In most cases, the telephone will initially be answered in English. The Helpline will bring an interpreter on the line if you would prefer to report your concern in a language other than English.



In many countries, Brainlab also offers a toll free telephone number so you can call at no cost.

In the interest of transparency and good business practices, Brainlab has made the Helpline open to our customers, suppliers, and business partners.

Reports to the Helpline should be made in good faith and to the best of one's knowledge. No person shall be subject to any kind of retaliation when reporting a concern or asking a question.

However, Brainlab does reserve the right to take action for malicious accusations, i.e. knowingly providing false or misleading information.

Our internal Integrity & Compliance Policy applies.

## **6) Should I report my concern through the Brainlab Compliance Helpline or my Brainlab manager?**

Internal concerns usually can be resolved quicker and more satisfactorily when they are raised directly with internal resources such as supervisors, Human Resources representatives, Compliance Officer or the Legal department. If you are uncomfortable doing so, if you do not know whom to contact, or if you believe your concern has not been satisfactorily addressed, please proceed with the filing of a report through the Helpline. Please note that the Compliance Hotline should not be used for reporting events other than compliance related issues.

## **7) Why does Brainlab offer an anonymous reporting option?**

An anonymous reporting option is a requirement for a credible and effective compliance program as it is recommended by the US Department of Health and Human Services or the US Federal Sentencing Guidelines.

Anonymous reporting has already been implemented by other organizations across different industries, company sizes and countries, and supports risk prevention and early risk warning.

Brainlab prefers to address such issues on a person-to-person basis, but acknowledges that there are certain situations in which an employee might not be comfortable with personally making a report (for example, if an employee fears that making a report will have a negative consequences for the employee), therefore Brainlab wants to offers employees an anonymous reporting option.

All anonymous reports will be investigated to validate the authenticity and severity of the report. If an anonymous report is not validated, Brainlab will not take any action.

The Compliance Helpline protects your anonymity, provided you do not enter any information that makes it possible to identify you, like name, job title etc.



However, investigations of reports can often occur more quickly and effectively if the reporter identifies her/himself, because it allows Brainlab to follow up directly with the reporter. Please consider providing your identity, if you feel comfortable.

### **8) How can I check the status on my question or report when I used the Compliance Helpline?**

At the end of your telephone call or web-based report, you will be provided with a report key and asked to create a password. You can check the status and learn whether any additional information is needed from you to address your concern. If you submitted your question or report anonymously, Brainlab will in this way also be able to follow up with you through the website.

### **9) What if I face retaliation?**

Brainlab strictly forbids any retaliation against any person who reports a concern. Reports made in good faith will not expose you to any sanctions, regardless of whether the underlying facts prove to be correct or result in any corrective action. If you believe you have faced retaliation of any kind, please report it so that Brainlab can investigate. Brainlab, however, reserves the right to take action for malicious accusations, i.e. knowingly providing false or misleading information.

### **10) How is Brainlab investigating my report?**

The information you provide through the Compliance Helpline is automatically made available to the Compliance Officer. Based on this information, Brainlab decides if an investigation is necessary and feasible. If so, internal and/or external resources are used. The information in your report is shared with appropriate investigation team members. Authorities may be involved after a corresponding General Management decision. All steps follow a defined internal Integrity & Compliance Policy. At the end of your telephone call or web-based report, you will be provided with a report key and asked to create a password. With these credentials you can check the status and learn whether any additional information is needed from you to address your concern.

### **11) How does the Compliance Helpline maintain confidentiality and data security?**

The Compliance Helpline provider, EthicsPoint, does not trace phone calls or use Caller Identification. In addition, EthicsPoint does not generate or maintain internal connection logs containing Internet Protocol (IP) addresses. Reports from your computer come through a secure web portal which does not trace or show user screen names. EthicsPoint will not use information reported to it for any purpose other than passing along the information to the Brainlab Compliance Officer for appropriate handling. EthicsPoint adequately secures and encrypts data during transfer and storage. EthicsPoint is registered under the EU-US safe harbour personal data protection framework and successfully audited under the international SAS 70 type II standard.



### **12) What if there is an emergency?**

Concerns about an immediate threat of physical harm or damage to property e.g. fire, flood, should not be reported to the Compliance Helpline. If you require emergency assistance, please contact your local police, fire department etc.

### **13) Why can I not submit a question or report with the Compliance Helpline in some countries?**

The Compliance Helpline is currently not set-up for some countries due to applicable data protection regulations in these countries. Please contact your local supervisor, Human Resources representative, Compliance Officer or the Legal department directly in this case.