

California Declaration of Compliance

Advanced Bionics

Advanced Bionics, LLC (“AB”), a subsidiary of Sonova Holdings AG (“Sonova”), is committed to ethics, integrity and accountability as these are at the center of the organization’s core values.

All of us at AB are responsible for adhering to ethical standards and compliance with all applicable laws and regulations as we continue to strive to achieve the highest standards of conduct.

AB’s Corporate Integrity Program (the “Program”) embeds the Sonova’s Code of Conduct and additional group wide policies in the AB organization. The Program is administered by AB’s Compliance Manager, who reports to Sonova’s Head of Group Compliance as well as AB’s President. The Compliance Manager coordinates the AB Compliance Committee, which consists of AB’s President as well as divisional and functional leaders, which may from time to time decide to update elements of the Program. Minor updates may be made by the Compliance Manager directly, but will be brought to the attention of the Compliance Committee.

The Program specifically addresses areas that may be susceptible to unlawful behavior within the context of our business dealings. Integrity, in the broadest sense, must govern our actions in all of our relationships with patients, health care providers, vendors and all business partners. Integrity is also what we expect to govern the relationship between our employees. It is every employee’s responsibility to stay up to date with the Program and any published updates. Regular trainings are made available to all employees.

AB encourages all employees to lead by example and to report any concerns about inappropriate or unethical behavior. Employees can address these to their supervisor, senior management, the Compliance Manager, contact the toll-free Compliance Hotline (1-866-447-5045) or use the email address [compliance@advancedbionics.com](mailto:compliance@advancedbionics.com).

AB will not retaliate nor tolerate any retaliation against any employee for reports made in good faith.

By working together with integrity, we can achieve our goals — to improve lives by developing technologies and services that help the recipients of our medical technology to achieve their full potential.

Sincerely,

Xavier Schops Valorie Ciechanowski

General Counsel Sr. Compliance Manager

**Summary**

Consistent with the principles embraced by the Sonova Group (“Sonova”), AB is committed to conducting its operations ethically and in compliance with all applicable laws, rules, and regulations. To support this commitment, AB has implemented and endorses the Sonova Code of Conduct to provide guidance on employee and organizational ethical values.

This is a summary of AB’s Corporate Integrity Program (the “Program”). It is complemented by the global Sonova Code of Conduct, as well as group wide policies and procedures. Our Program is dynamic and evolves as California and other relevant state and federal laws and regulations and industry best practices progress.

As noted in the U.S. Department of Health and Human Services’ April 2003 publication “OIG Compliance Program Guidance for Pharmaceutical Manufacturers” (the “OIG Guidance”) the Statute applies to the pharmaceutical industry, however, a footnote in the OIG Guidance indicated application to manufacturers in medical device industry. Consistent with the OIG Guidance, AB has adopted a compliance program taking account of the nature of our business as a medical device manufacturer.

The Program embeds the Sonova’s Code of Conduct and additional group wide policies in the AB organization, which includes the following:

1. **Code of Conduct:** Sonova has established a written Code of Conduct which is made available to all AB employees.

2. **Compliance Officer.** The AB Compliance Manager is responsible for developing, operating, and monitoring the U.S. Compliance Program. The individual reports to the Head of Group Compliance for Sonova, as well as the AB President.

3. **Compliance Committee:** The AB Compliance Manager regularly convenes compliance committee meetings to ensure that the compliance program is reasonably designed, implemented, and enforced. The Compliance Committee consists of AB’s President as well as divisional and functional leaders.

4. **Education & Training:** The AB Compliance Manager develops and implements annual compliance trainings for AB employees aligned with Program. Those who regularly interact with healthcare professionals, are required to complete additional compliance trainings.

5. **Communications and Complaint Reporting:** All employees should report knowledge of actual or potential violations of laws, regulations, program or any policies and procedures to their supervisor, senior management, the AB Compliance Manager or the global Compliance Hotline (1-866-447-5045). AB promotes effective lines of communication between management and employees and has adopted a non-retaliation policy.

6. **Internal Monitoring & Auditing:** The Compliance Manager coordinates and conducts ongoing activities to monitor, audit and assess compliance with the Program and related policies.

7. **Investigations:** Upon receipt of a report of a suspected violation, the Compliance Manager shall conduct an initial inquiry to determine whether there is sufficient information to resolve the matter or whether the report warrants further investigation. If further investigation is required/recommended, compliance investigations will be conducted under the direction of the Sonova Head of Group Compliance and/or General Counsel (or designee).

8. **Grants Committee:** AB may provide funding to third parties including healthcare organizations or professionals and other third parties for educational purposes, as long as funding (in any form) is not provided as an unlawful inducement to procure AB’s products. The Grants Committee will use objective criteria when reviewing requests that do not take into account the volume or value of purchases made by, or anticipated from, the requestor. All grants are required to be consistent with the Program and relevant policies.

9. **HCP Interactions:** All interactions with Health Care Professionals should be compliant with the Sonova Anti-Bribery Policy and HCP Interactions Matrixes as well as applicable laws.

10. **Transparency Reporting:** AB reports all relevant payments or other transfers of value as required by Section 6002 of the Physician Payments Sunshine Provisions of the Patient Protection and Affordable Care Act (PPACA) of 2010, commonly known as the Physicians Payment “Sunshine Act,” and/or any other state or international relevant transparency law.

**Declaration**

As of the date of this declaration to the best of our knowledge, Advanced Bionics, LLC is in compliance with the provisions of the California Health and Safety Code § 119402 in all material respects.

To obtain a copy of the compliance program and/or the annual written declaration, please call 1-800-440-6436 or email [compliance@sonova.com](mailto:compliance@sonova.com)

Last update: October 1, 2019