



## **DECLARATION OF COMPLIANCE AND DESCRIPTION OF COMPLIANCE PROGRAM**

### **I. INTRODUCTION**

Hill-Rom Holdings, Inc. ("Hill-Rom") is committed to establishing and maintaining an effective compliance program in accordance with the "Compliance Program Guidance" published by the Office of Inspector General, U.S. Department of Health and Human Services ("OIG") (the "Guidance") and recognized industry codes of conduct, such as the Code of Ethics on Interactions with Healthcare Professionals published by the Advanced Medical Technology Association ("AdvaMed Code"). Our Compliance Program, established by our Board of Directors, is one of the key components of our commitment to the highest standards of corporate conduct.

Hill-Rom's Compliance Program is designed to prevent and detect violations of law and company policy. It is Hill-Rom's policy that all employees must comply with applicable laws, regulations, and company policies.

In accordance with California Health & Safety Code §§ 119400-119402, Hill-Rom is making available the following information on Hill-Rom's Compliance Program for compliance with applicable federal and state laws and industry standards regulating the marketing and promotion of health care services and products. As the OIG calls for in its Guidance, we have tailored our Compliance Program to fit the unique environment, size, and product range of our company. Moreover, we are continually reassessing our Compliance Program to improve it, and it is possible that we will make further adjustments aimed at improving the effectiveness of our Compliance Program in the coming year.

### **II. DESCRIPTION OF COMPLIANCE PROGRAM**

#### **A. Written Standards**

Hill-Rom's Global Code of Conduct ("Global Code"), together with our corporate policies and procedures, is our statement of ethical and compliance principles that guide our daily business operations. Our Global Code establishes that we expect management, employees, and agents of our company to act in accordance with applicable law and company policy. Our Global Code articulates our fundamental principles, values and framework for action within our organization.

In addition, Hill-Rom has developed a Global Policy on Interactions with Health Care Providers (Global IHCP Policy), U.S. State Law Supplement to the Global Policy on Interactions with Health Care Providers (State Law Supplement), and an Interactions with U.S. Health Care Providers Guidebook (U.S. Guidebook), which contain Hill-Rom's primary policies regarding employee interactions with health care practitioners and health care facilities. Hill-Rom's Global IHCP Policy, State Law Supplement and U.S. Guidebook are based in large part on the AdvaMed Code and build on Hill-Rom's long-standing commitment to compliance with applicable laws as set forth in Hill-Rom's Global Code.

A specific annual dollar limit has been imposed on promotional materials, items, or activities provided by a Hill-Rom employee to California-licensed health care practitioners.

#### **B. Leadership and Structure**

*Responsibility:* Hill-Rom's Board of Directors is responsible for approval and oversight of our Global Code, which requires compliance with all applicable laws and regulations and Hill-Rom policies. The Board of Director's Audit Committee and Nominating and Corporate Governance Committee have responsibility for implementation and administration of the Global Code.

*Compliance Officer:* Hill-Rom has designated a Chief Compliance Officer. Our Chief Compliance Officer is charged with the responsibility of overseeing the development, operation, and monitoring of our Compliance Program. We are committed to ensuring that our Chief Compliance Officer has the ability to effectuate change within the organization as necessary and to exercise independent judgment.

*Corporate Compliance Committee:* Hill-Rom has established a Global Compliance Committee that oversees and evaluates the operation of the Compliance Program. This Committee regularly assesses



compliance risks and reviews reports of key compliance-related metrics. The members of the Global Compliance Committee are high-level personnel from multiple business units and functions across the company.

C. Education and Training

A critical element of our Compliance Program is education and training of relevant employees on their legal and ethical obligations under applicable federal and state health care program requirements, including, but not limited to, training on various interactions with health care professionals. Hill-Rom is committed to taking all necessary steps to communicate effectively our standards and procedures to all relevant personnel. Moreover, Hill-Rom will regularly review and update its training programs as well as identify additional areas of training as necessary.

D. Internal Lines of Communication

Hill-Rom is committed to fostering dialogue between management and employees. Our goal is that all employees, when seeking answers to questions or reporting potential instances of inappropriate activity, should know who to turn to for a meaningful response and should be able to do so without fear of retaliation. We have adopted open-door policies as well as confidentiality and non-retaliation policies. We also established a confidential hotline number through which Hill-Rom employees may report known or suspected violations of our Global Code or other company policies and procedures.

E. Auditing and Monitoring

Hill-Rom's Compliance Program includes efforts to monitor, audit, and evaluate compliance with our Global Code and our compliance policies and procedures. These efforts include, but are not limited to, evaluating whether there are policies and procedures addressing potential risk areas, whether the policies and procedures have been implemented and communicated, and whether the policies and procedures have been followed. We note that in accordance with the OIG Guidance, the nature of our review 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.

F. Responding to Past and Potential Violations

Under Hill-Rom's Global Code, violations of Hill-Rom policies and procedures are required to be reported. Hill-Rom includes clear disciplinary policies that set out the consequences of violating 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.

G. Corrective Action Procedures

Our Compliance Program requires the company 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.

### III. REQUESTS FOR ADDITIONAL INFORMATION

A copy of this Program Summary or additional information on Hill-Rom's Global Code can be obtained by calling (toll-free) **(800) 445-3730** and asking for the Global Compliance Office.

### IV. DECLARATION OF COMPLIANCE

Our Compliance Program reflects our plan to promote compliance. To the best of its knowledge and based on a good faith understanding of the applicable statutory requirements, Hill-Rom is, in all material respects, in compliance with its Compliance Program and California Health and Safety Code §§ 119400-119402 as of June 18, 2019.

The OIG has recognized in its Guidance that the implementation of an effective compliance program may not entirely eliminate improper conduct from the operations of a manufacturer. By making this declaration, Hill-Rom is not asserting that in all circumstances it can prevent individual employees from conduct that deviates from its policies. Hill-Rom



expects employees to comply with its Compliance Program and has made a good faith effort to enforce its Compliance Program, prevent violations, and address any inappropriate conduct that may occur.

\* \* \*

Declaration Last Updated: June 19, 2020.