

FREQUENTLY ASKED QUESTIONS & ANSWERS

ABOUT NAVEX Global and EthicsPoint

What is EthicsPoint?

EthicsPoint is a comprehensive and confidential reporting tool to assist management and employees to work together to address fraud, abuse, and other misconduct in the workplace, all while cultivating a positive work environment.

Why do we need a system like EthicsPoint?

We believe that our employees are our most important asset. By creating open channels of communication, we can promote a positive work environment and maximize productivity. Publicly traded companies are required by law to have an anonymous reporting vehicle to address accounting and auditing fraud directly to the audit committee. An effective reporting system will augment our other efforts to foster a culture of integrity and ethical decision-making.

REPORTING – GENERAL

May I report using either the Internet or the telephone?

Yes. With EthicsPoint, you have the ability to file a report via either the telephone or the Internet.

What type of situations should I report?

The NAVEX Global EthicsPoint system is designed for employees to report any violation of our stated Code of Conduct, or another concern you may have. Please refer to the KARL STORZ Code of Conduct for examples of situations that are/could be critical and should be reported.

If I see a violation, shouldn't I just report it to my manager, security or HR and let them deal with it?

When you observe some behavior you believe violates our code of conduct, we expect you to report it. Ideally, you should bring any concerns forward to your direct manager or other member of our management team. We recognize, however, that there may be circumstances when you are not comfortable reporting the issue in this manner. It is for such circumstances we have partnered with NAVEX Global. We would rather you report anonymously (where permitted by local laws) than keep the information to yourself.

Why should I report what I know? What's in it for me?

We all have the right to work in a positive environment. With that right comes the responsibility of acting in an ethical manner and letting the appropriate people know if someone is not acting appropriately. By working together, we can maintain a healthy and productive environment. Corporate misconduct can threaten the livelihood of an entire company.

Does management really want me to report?

We certainly do. In fact, we need you to report. You know what is going on in our company - both good and bad. You may have initial knowledge of an activity that may be cause for concern. Your reporting can minimize the potential negative impact on the company and our people. Also, offering positive input may help identify issues that can improve corporate culture and performance.

Where do these reports go? Who can access them?

Reports are entered directly to a NAVEX Global secure server to prevent any possible breach in security. NAVEX Global makes these reports available only to specific individuals within the company who are charged with evaluating the report, based on the type of violation and location of the incident. Each of these report recipients has had training in keeping these reports in the utmost confidence.

Isn't this system just an example of someone watching over me?

The NAVEX Global system concentrates on being a positive aspect of our overall philosophy, and allows us to ensure a safe, secure, and ethical workplace. You are encouraged to seek guidance on ethical dilemmas, provide positive suggestions, or communicate a concern. Effective communication is critical in today's workplace and this is a great tool to enhance that communication.

We have carefully chosen the best reporting tool to meet our compliance obligations while maintaining a positive reporting environment.

REPORTING SECURITY & CONFIDENTIALITY

It is my understanding that any report I send from a company computer generates a server log that shows every website my PC connects with; won't this log identify me as a report originator?

NAVEX Global does not generate or maintain any internal connection logs with IP addresses; no information linking your PC to NAVEX Global is available. In fact, NAVEX Global is contractually committed not to pursue a reporter's identity.

If you feel uncomfortable making a report on your work PC, you have the option of using a PC outside our work environment (such as one located at an Internet café, the library, at a friend's house, etc.) through the NAVEX Global secure website. Many people choose this option, as NAVEX Global's data shows that fewer than 12% of reports generated during business hours.

Can I file a report from home and still remain anonymous?

A report from home, a neighbor's computer, or any Internet portal will remain secure and anonymous, where permitted by local laws. An Internet portal never identifies a visitor by screen name and the NAVEX Global system strips away identifying information, such as an IP address, so that anonymity is maintained. Plus, NAVEX Global is contractually committed not to pursue a reporter's identity.

I am concerned the information I provide NAVEX Global will ultimately reveal my identity. How can you assure me that will not happen?

The NAVEX Global system is designed to protect you. In fact, we are contractually committed not to pursue a reporter's identity. To further ensure your anonymity, you - as a reporting party - need to be careful not reveal any identifying details as part of your report. For example, "from my cube next to Jan Smith ..." or "in my 33 years ..."

Is the telephone toll-free hotline confidential and anonymous too?

Yes – so long as anonymous reporting is permitted by local laws. You will be asked to provide the same information you would provide in an Internet-based report; the interviewer will type your responses directly into NAVEX Global's secure environment. Hotline-based reports have the same security and confidentiality measures applied to them during delivery as Internet-based reports.

What if I want to be identified with my report?

There is a section in the report where you may identify yourself, if you wish.

If I see a violation, shouldn't I just share it with my Manager of HR?

When you observe some behavior you believe violates our Code of Conduct, we expect you to report it. Ideally, you should bring any concerns forward to your direct manager or other member of our management team. We recognize, however, that there may be circumstances when you are not comfortable reporting the issue in this manner. It is for such circumstances we have partnered with NAVEX Global. We would rather you report anonymously (where permitted by local laws) than keep the information to yourself.

Are the reports to the Compliance Hotline secure and confidential?

Yes, either you choose to submit a report via the web portal or the phone, the KARL STORZ Compliance Hotline ensures a secure and confidential environment for collection, storage and transmission of the hotline reports.

Am I protected against retaliation if I call the Compliance Hotline?

The company encourages and supports those who ask questions and raise concerns and will take very seriously any claims of retaliation or discrimination against those who raise concerns in good faith.

TIPS & BEST PRACTICES

I am aware of some individuals involved in something but it doesn't affect me. Why bother reporting it?

Our company chooses to promote ethical behavior. All unethical conduct, at any level, ultimately hurts the company and all employees, including you. One only has to consider what happened in recent corporate scandals to see the disastrous effects a seemingly harmless lapse in ethics can have on an otherwise healthy company. If you know of any incidents of misconduct or ethical violations, consider it your duty to yourself and your coworkers to report it.

I am not sure if what I have observed or heard is a violation of company policy or involves unethical conduct, but it just does not look right to me. What should I do?

File a report. NAVEX Global can help you prepare and file your report so it can be properly understood. We would rather you report a situation that turns out to be harmless than let possibly unethical behavior go unchecked because you were unsure.

What if my boss or other managers are involved in a violation? Won't they get the report and start a cover-up?

The NAVEX Global system and report distribution protocols are designed so implicated parties are not notified about or granted access to reports in which they have been named.

What if I remember something important about the incident after I file the report?

When you file a report, either using the Internet or through NAVEX Global's Contact Center, you receive a unique report key and are asked to select a password. With the report key and your password, you can return to the NAVEX Global system again, either by Internet or telephone, and access the original report. At that point, you can add more details.

What if you have questions for me concerning my report?

NAVEX Global provides functionality that enables company representatives to post questions for you, even if you report anonymously. When you receive your report key, you will be provided with the amount of time we expect for the report to be processed. When that time has passed, we strongly suggest you check to see if any questions have been posted. Providing the opportunity for such dialogue means situations may not only be identified but can also be resolved, no matter how complex.

Are these follow-ups on reports as secure as the first one?

All NAVEX Global correspondences are held in the same strict confidence as the initial report, continuing under the umbrella of anonymity, if you so choose (and where permitted by local laws).

Can I still file a report if I don't have access to the Internet?

You can file an NAVEX Global report from any computer that can access the Internet. You can file from home. Many public locations, including most public libraries, have Internet computers. If you don't have access or are uncomfortable using a computer, you can call the NAVEX Global toll-free hotline which is available 24 hours a day, 365 days a year. Dialing instructions vary by country; verify the proper dialing instructions with a local team member.

What should I do if the telephone number is not working?

If the telephone number listed above is not functioning, please make your report online through this web site. Please indicate in the report that the telephone number did not work.