

April 2004

To all Integra employees:

Our Company's mission is to be the world's leading provider of clinically relevant, innovative and cost-effective products that improve the quality of life. Our Board of Directors and senior management believe that honest and ethical conduct is vital to Integra and to helping us achieve our mission. As a result, we have adopted this Code of Conduct for all employees in the United States and Puerto Rico. I ask that you read it carefully.

Integra's policy is and has been to conduct our business in a lawful and ethical manner. We want to be successful in all aspects of our business, but we cannot and will not be successful if we are unethical in our business or if we engage in unlawful conduct.

For all of us at Integra, proper conduct means compliance with both the spirit and the letter of the laws and regulations that apply to our business. Proper conduct also requires adherence to the highest standards of business and personal ethics in any dealings that involve Integra or its businesses and reputation.

Each Integra colleague must ensure that our principles of conduct are observed. In all of our dealings, whether with customers, suppliers, shareholders, colleagues or governmental agencies, we must live by our Code of Conduct.

Of course, it is impossible to anticipate every situation that may arise. As a result, where a principle or policy does not cover a certain situation, do not assume that you are safe to pursue a course of action. Always err on the side of checking with your supervisor or going through our compliance channels before pursuing a course of action that you are not sure is consistent with this Code or that you are otherwise uncomfortable with.

We demand and expect your full cooperation to ensure that Integra's reputation continues to grow in all aspects of what we do. Solid ethics and principles, when combined with hard work and a good product line, will lead us to where we want to go.

Thank you for your support.

/s/ \_\_\_\_\_  
Stuart M. Essig  
President and CEO

**INTEGRA LIFESCIENCES HOLDINGS CORPORATION**

**AND**

**SUBSIDIARIES**

**IN**

**THE UNITED STATES**

**AND**

**PUERTO RICO**

**CODE OF CONDUCT**

**AND**

**CORPORATE COMPLIANCE PROGRAM**

**Key Telephone Numbers**

<b>Employee Hotline:</b>	<b>1-800-229-5274</b>
<b>Corporate Compliance Officer:</b>	<b>609-936-2481</b>
<b>General Counsel</b>	<b>609-936-2238</b>

# **INTEGRA LIFESCIENCES HOLDINGS CORPORATION**

## **CODE OF CONDUCT**

### **I. Introduction.**

#### **A. Purpose.**

This Code of Conduct has been adopted by the Board of Directors and management of Integra LifeSciences Holdings Corporation to provide standards by which employees of Integra and its divisions, subsidiaries and operating or business units will conduct themselves in order to protect and promote organization-wide integrity, honesty, ethical conduct and compliance with all laws that govern our activities. This Code of Conduct applies to all employees in the United States and Puerto Rico, members of the Board of Directors and is explicitly applicable to the President and Chief Executive Officer, the Senior Vice President, Finance, the Vice President and Corporate Controller, and the Senior Director, Finance. As used in this Code of Conduct, the term "Integra" means Integra LifeSciences Holdings Corporation and each of its divisions, subsidiaries and operating or business units. Whenever this Code of Conduct refers to the term "employee", it shall be understood that this term includes officers and directors.

This Code of Conduct has four parts. Part I is the Introduction, and it provides important information regarding your responsibility for adhering to Integra's policies and for reporting violations of those policies. Part II contains the policies themselves, and the policies cover all aspects of activity at Integra. Part III provides the details regarding the administration of the Code of Conduct, and particularly the process that Integra will employ to investigate reported misconduct and to discipline those found in violation of Integra's policies. Part IV describes Integra's Corporate Compliance Program, which is Integra's system for implementing, modifying and administering the Code of Conduct.

#### **B. Leadership Responsibility.**

While all Integra employees are obligated to follow our Code, we expect our leaders to set the example and to be in every respect a role model. They must ensure that those on their team have sufficient information and training to comply with laws, regulations and policies, as well as the resources to resolve ethical dilemmas. They must help to create a culture within Integra that promotes the highest standards of ethics and compliance. This culture must encourage everyone in the organization to raise concerns when they arise. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

#### **C. Employee Responsibility.**

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each employee has an individual responsibility for reporting any activity

by any colleague, distributor, contractor, vendor, customer, government official or consultant that appears to violate applicable laws, rules, regulations or this Code.

By no means are the provisions of the Code of Conduct meant to provide exhaustive and complete guidance as to all matters that you may face in performing your job on a daily basis. If you find yourself in a situation where you believe the Code of Conduct to be unclear or incomplete, please contact your supervisor or the Chief Compliance Officer or use the Employee Hotline, which is discussed below.

**D. Responsibilities for Everyone.**

The Code of Conduct and Operating Policies shall be distributed periodically to directors, officers, selected employees, and other staff members having administrative or managerial responsibilities in those areas to which a specific Operating Policy applies. All employees are responsible to ensure that their behavior and activity is consistent with the Code of Conduct. As circumstances dictate, we will adopt new Operating Policies from time to time or modify existing policies. All employees will receive training to help them better understand and carry out this Code of Conduct and attached Operating Policies.

The Code of Conduct is part of a larger process that includes compliance with corporate policies themselves, an open relationship between employees and supervisors that is conducive to good business conduct and, above all, the integrity and good judgment of all Integra employees.

Every employee who acts on behalf of Integra should understand and follow the corporate policies that are outlined here. Employees are responsible for reviewing and understanding these policies and procedures to the extent that such policies and procedures related to them and their activities. Employees may obtain advice concerning these policies from their supervisor or the Law Department. While the Code of Conduct is intended to be a statement that is comprehensive and easily understood, in many cases, however, the subject discussed has so much complexity that additional guidance and reference to detailed policies and procedures will be necessary for those directly involved with the particular area to have sufficient direction. On these doubtful questions, employees must seek and receive advice *in advance* of taking action.

It is the policy of Integra to prevent the occurrence of unethical or unlawful behavior, to halt any such behavior that may occur as soon as reasonably possible after its discovery and to discipline those who engage in such behavior, as well as individuals who fail to exercise appropriate supervision and oversight and thereby allow such behavior by their subordinates to go undetected.

Failure to comply with the standards contained in this Code of Conduct may have severe consequences for both the individuals involved and Integra. In addition to potentially damaging Integra's good name, trade and consumer relations and its business opportunities, conduct that violates the Code of Conduct may also violate federal, state

and local laws. These violations can subject the individuals involved to prosecution, imprisonment and fines. Integra also may be subject to prosecution, fines and other penalties for the improper conduct of its employees. Also, violation of these policies could subject an employee to discipline, up to and including termination of employment.

***Jack Henneman, Senior Vice President and Chief Administrative Officer, has been designated as the Corporate Compliance Officer.*** The Corporate Compliance Officer will have ultimate responsibility for overseeing compliance with all applicable laws, this Code of Conduct and all related Integra policies and procedures.

If you know of, or reasonably believe there is, a violation of applicable laws, this Code of Conduct or Integra's related policies and procedures, you must report that information immediately to your supervisor or to the Corporate Compliance Officer by calling the Integra Employee Hotline (discussed below). If you believe the supervisor to whom you have reported the violation or possible violation has not taken appropriate action or, if the immediate supervisor is the subject of the complaint, you must contact the Corporate Compliance Officer. Investigations will be conducted by and under the supervision of the Corporate Compliance Officer. It is imperative that persons who make such reports and persons to whom reports are made not conduct their own preliminary investigations, unless authorized to do so by the Corporate Compliance Officer. Retaliation against any employee who reports a violation of the Code of Conduct or Integra's policies and procedures is strictly prohibited, and any employee who retaliates shall be subject to discipline, which may range from oral correction to termination.

Reports of a violation, or possible violation, may be made by telephone, in person or in writing (by mail or by e-mail). If in writing, to the Corporate Compliance Officer, it must be delivered by hand or mailed to John B. Henneman, III, Corporate Compliance Officer, Integra LifeSciences Corporation, 311 Enterprise Drive, Plainsboro, New Jersey 08536; if by e-mail to [jhenneman@integra-ls.com](mailto:jhenneman@integra-ls.com); and if by telephone to the Corporate Compliance Officer, call 1-800-229-5274. A sufficiently detailed description of the factual basis for the allegations should be given in order to allow for an appropriate investigation. You may file an anonymous report if you so choose, and the best way to file such a report is by mail or by a voicemail that you can leave on the Employee Hotline (discussed below).

#### **E. Employee Hotline.**

##### **Integra has established the Integra Employee Hotline – 1-800-229-5274.**

This is a toll-free number that goes directly to a message machine, and the Corporate Compliance Officer or his designee within the Law Department will monitor it daily. This system is designed to assist you in meeting the challenges of performing your duties and responsibilities under this Code of Conduct.

You should first discuss your concerns with your immediate supervisor. If you are not comfortable talking with your supervisor, you may raise the concern directly with your department manager. If your issue requires further investigation, if you have

additional concerns or if you wish to remain anonymous, please call the Integra Employee Hotline at 1-800-229-5274. If you have any doubts about an issue after going through your reporting chain, please call the hotline.

**F. When to Look for Guidance.**

If you find yourself in a situation where you are unsure of whether your actions are right or wrong, ask yourself a few simple questions:

- Are my actions legal?
- Am I being fair and honest?
- Is this in the best interest of Integra, our customers, employees and shareholders?
- Will my action stand the test of time?
- How will I feel about myself afterwards?
- Will I sleep soundly tonight?
- What would I tell my child or best friend to do?

Of course, this list of questions is neither exhaustive nor definitive. There may be other questions you ask yourself when you consider whether taking an action is right or wrong. Also, executives and other managers often must make decisions or take actions that are perfectly appropriate and lawful, yet nevertheless sometimes sufficiently difficult that they interfere with a good night's sleep. However, we believe that if employees are thoughtful and dedicated they will be less likely to get themselves or Integra into trouble.

If you are still in doubt or need clarification, do not hesitate to call the Corporate Compliance Officer at 1-800-229-5274 or the General Counsel at 609-936-2238.

**G. A Word on Actions and Failures to Act or Omissions.**

For purposes of this Code of Conduct, please assume that there is no meaningful difference between actions you or others take that might be in violation of law, policy or morality, and your failure or omission to act to prevent a violation of law, policy or violation. While there are occasionally differences in law and morality between actions and omissions, they are few and far between. If, in your capacity as an Integra executive, manager or employee, you knowingly permit a violation of law or policy in a situation where you could or should have prevented the violation, in most situations your offense is just as serious as if you took the impermissible action yourself. For example, if you know or should know that one of our employees is bribing a government official, your failure or omission to intervene puts you in violation of this policy (and perhaps the law) just as if you had taken the action yourself.

## **II. Policies.**

### **A. Compliance with Applicable Laws.**

**Integra will strive to ensure all activity by or on behalf of the organization is in compliance with applicable laws.**

The following are intended to provide guidance to employees and management in administrative positions to assist them in their obligation to comply with applicable laws. These standards are neither exclusive nor complete. Employees are required to comply with all applicable laws, whether or not specifically addressed in these policies or policies that we have previously adopted. If questions regarding the existence of, interpretation or application or any law arise, they should be directed to the General Counsel.

#### **1. Quality Systems.**

Many different laws and governmental regulations regulate Integra's operations, including but not limited to ISO 9001, EN 46001, ISO 13485 and the Medical Device Directive (93/42/EEC) as they apply to the medical devices manufactured and distributed by Integra which are included in Integra's Quality System, which is described fully in Integra's Quality Manual. The Quality System also is intended to meet the requirements of the U.S. Food and Drug Administration (FDA) as specified in the Code of Federal Regulations (CFR), 21 CFR 820, the Quality System regulation for medical devices.

The companies of Integra stand for integrity – of our people, our products and our partners. We are committed to providing life saving products that are safe and effective. We are committed to continuously improve our products and services. We are committed to satisfying the needs of our customers and our partners. We strive to deliver high quality products and services to achieve total customer satisfaction. The products manufactured by the companies of Integra provide state of the art medical technology that improves the quality of life for the patients we serve.

The Quality Manual sets forth in detail the elements of the Quality System that Integra must satisfy in order to maintain its regulatory approvals. If you believe you have not been sufficiently trained in those aspects of the Quality System that apply to your job, please request more training from your supervisor.

While the Quality System and Quality Manual that describe it are detailed, in the day-to-day performance of your job you should be alert to situations that may compromise the quality of our products. With medical products, the two most important objectives of the Quality System are *consistency* and *traceability*. Are your actions or omissions or those of your colleagues making our products less consistent than they should be? Are your actions or omissions interfering with our ability to know where our products or raw materials come from, what happens to them while they were within our walls, or where they go once we ship them to the customer? If so, discuss the situation with your supervisor or somebody in the QA department.

For more detailed guidance on this subject matter, please refer to Integra's Quality Manual and to the Standard Operating Procedures for your area of responsibility.

## **2. Fraud and Abuse.**

Integra expects its employees to refrain from conduct that may violate the Federal fraud and abuse laws. These laws are wide-ranging and prohibit, among other things, (1) direct, indirect or disguised payments designed to induce the sale of products; (2) failure to provide appropriate documentation to customers regarding discounts and (3) doing anything that might help a hospital, physician or other health care provider to submit a false, fraudulent or misleading claim to any government agency or third-party payor (such as Medicare, Medicaid or an insurance company). Further, business transactions with customers, vendors, contractors, and other third parties shall be transacted free from offers or solicitation of gifts or other favors or other improper inducements in exchange for influence or assistance in a transaction. Integra employees shall not seek to gain any advantage through the improper use of payments, business courtesies or other inducements. Offering, giving, soliciting or receiving any form of bribe or other improper payment is strictly prohibited.

Appropriate commissions, rebates, discounts and allowances must be approved in accordance with Integra's Discount Policy and must not constitute illegal or unethical payments. Any such legal business inducements must be reasonable in value, competitively justified, properly documented, and made to the business entity to which the original agreement or invoice was made or issued. Such legal business inducements should not be made to individual employees or agents of business entities.

In addition, employees may provide entertainment and meals of nominal value to Integra customers, current and prospective business partners and other persons when such activities have a legitimate business purpose and are reasonable and consistent with all applicable laws and with Integra's Travel and Entertainment Policy.

For more detailed guidance on this subject matter, please refer to Integra's Discount Policy, Integra's Sales Practices Policy and Integra's Travel and Entertainment Expense Guidelines.

## **3. Discrimination.**

Integra believes that the fair and equitable treatment of employees and other persons is critical to fulfilling its vision and goals.

Integra is an equal opportunity employer, and is committed to providing equal employment opportunities to all qualified applicants and employees regardless of race, marital status, color, religion, sex, age, national origin, sexual orientation, physical or mental disability or Vietnam era/disabled veteran status.

To further the principle of equal employment opportunity, Integra will continue to maintain an environment of non-discrimination. Employment practices and personnel actions, including hiring, promotions, demotions, transfers, recruitment, advertising, layoffs, return from layoffs, terminations, compensation, training, working conditions, social and recreational programs and other conditions and benefits of employment will be administered without regard to race, marital status, color, religion, sex, age, national origin, sexual orientation, physical or mental disability, or Vietnam era/disabled veteran status. Reasonable accommodation will be provided in accordance with applicable law to ensure employment opportunities for disabled individuals and disabled veterans.

All employees scrupulously and in good faith shall conform with the principles and provisions of all applicable legal requirements and diligently pursue the objectives of Integra's "Policy on rapid growth, respecting each other, equal employment opportunity and unlawful sexual harassment." If any employee believes that these principles and provisions have not been applied with regarding to his/her own employment conditions or those of a fellow employee, that employee should discuss his or her concerns as soon as practicable with the Human Resources Manager or the Vice President of Human Resources. If you are uncomfortable bringing the issue to Human Resources, you may alternatively discuss the issue with your Plant Manager, the Chief Administrative Officer, the General Counsel, the Senior Vice President for Regulatory Affairs, the Vice President of Marketing, the Vice President of Clinical Development or the Chief Executive Officer.

For additional guidance, please refer to Integra's "Policy on rapid growth, respect for each other, equal employment opportunity and unlawful sexual harassment."

#### **4. Sexual Harassment.**

Sexual Harassment is a form of employment discrimination and a particular type of violation of our policies concerning equal employment opportunity that will be handled in a particular way. Integra will not tolerate any form of unlawful harassment by supervisors, coworkers, vendors or agents. Employees should promptly report any incidents of harassment in accordance with the procedure outlined in the Employee Handbook.

For additional guidance, see Integra's "Policy on rapid growth, respect for each other, equal employment opportunity and unlawful sexual harassment" and the Integra Employee Handbook.

#### **5. Securities Laws/External Communications.**

Employees may not use inside information and must be equally careful not to make such information available to others who might profit from it. The law and Integra policy forbid employees from using or disclosing material, non-public information that they acquire during the course of their employment with Integra. Material information is any information that an investor might consider important in deciding whether to buy, sell or hold securities. Examples of some types of material information are: financial

results; financial forecasts; changes in dividends; possible mergers, acquisitions, divestitures or joint ventures; and information concerning significant discoveries, important product developments, major litigation developments, and major changes in business direction.

The trading of Integra stock and other securities in the market by an employee, based upon material, non-public information, or by others who have acquired material, non-public information from the employee is prohibited. In addition to raising obvious ethical considerations, such behavior subjects the user of such information to legal risks, including civil or even criminal penalties, and could prove embarrassing and harmful to the individual and to Integra. Integra has adopted two policies on the trading of its securities and the use of non-public information. The first policy "Trading in the Stock of Integra LifeSciences Holdings Corporation, and Related Matters" is applicable to all employees. The second policy, entitled "Restrictions on the Trading of Integra Stock Applicable to the Board of Directors, Officers, and Certain Other Employees", is applicable to members of the Board of Directors, corporate officers and other designated employees of Integra who work on various confidential matters for Integra. For more guidance on this subject, please refer to those policies.

All employees must exercise caution not to disclose inside information to outsiders, either intentionally or inadvertently, under any circumstances, whether at meetings held as part of the business day or at informal, after-hours discussions. Only authorized officials of Integra are permitted to respond to inquiries for Integra information from the media, the financial community, investors and others, and employees are to promptly refer all such inquiries to the specified officials or to their supervisors. Integra has created our Communications Guidelines for Employees; please refer to them for more guidance on this subject.

If you have a question as to whether certain information is material or if it has been adequately disclosed to the public and the market, you must contact the Chief Administrative Officer and abstain from trading Integra stock or other securities or disclosing such information to people outside Integra until you have been informed that the information is not material or has been appropriately disclosed.

## **6. Scientific Misconduct under Federally Funded Programs.**

Integra from time to time receives grants from or enters into agreements with the United States government for scientific research programs. Federal law requires that Integra have a Scientific Misconduct Policy to address scientific misconduct by our employees in the conduct of federally funded scientific research programs.

While this policy does not apply to non-federally funded research programs, Integra management takes all scientific misconduct very seriously. As a result, the absence of a specific policy applying to research programs other than federally funded ones does not imply (and no employee shall infer) that Integra will treat scientific misconduct in situations other than in federally funded programs any less seriously.

Regardless of the type of research program, you are expected to report incidents of scientific misconduct that you become aware of immediately. Where scientific misconduct is alleged to have occurred in a non-federally funded program, Integra is not required to implement any or all aspects of this policy. Integra will address such allegations in non-federally funded programs on a case-by-case basis at its discretion.

In all of its research activities, Integra endeavors to observe the highest standards of professional conduct. The enterprise of scientific research relies upon the trust and confidence of both the scientific community and the public at large in the integrity of the scientific process. Unethical behavior represents a breach of confidence among scientists that is central to the advancement of knowledge. It also undermines the confidence that the public shall have in the reliability of science. For these reasons, Integra considers scientific misconduct a betrayal of fundamental scientific principles and shall deal with all instances of possible scientific misconduct firmly and promptly.

For more detailed guidance on this subject matter, please see Integra's Scientific Misconduct Policy.

## **7. International.**

Laws governing trade regulations matters include antiboycott laws, laws relating to United States embargoes and export control laws. Many foreign countries have their own antitrust laws, some of which are significantly different from United States antitrust law.

Integra personnel engaged in the Integra's foreign operations should observe the antitrust/competition, device regulatory and promotional laws of the countries in which they operate. The European Union and virtually every European country, including many in Eastern Europe, as well as many non-European countries, now have laws in these areas that prohibit many of the same types of conduct that are prohibited under U.S. laws and, in some cases, additional types of conduct. Indeed, the laws of the European Union and many other countries sometimes impose more stringent rules than exist under U.S. laws with respect to many types of business practices, including, among others, distribution agreements, patent, copyright and trademark licenses, territorial restrictions on resellers and licensees, rebates and discounts to customers, promotional activities and pricing policy generally.

Integra has a long-standing policy forbidding bribery in the conduct of its business in the United States and abroad. The U.S. Foreign Corrupt Practices Act prohibits U.S.-based companies from offering, paying, promising to pay or authorizing payment of anything of value, directly or indirectly to a foreign official with the wrongful intent to obtain or retain business for or with, or direct business to, Integra. Put simply, no Integra employee anywhere in the world may make a bribe, payment or gift to any government official whether or not there is intent to influence. Moreover, we may not hire someone in a foreign country (such as our own distributors) who then will do what

the U.S.-based company is prohibited from doing under U.S. law. If you have any questions about any foreign transaction, please contact the General Counsel.

In addition, from time to time the President of the United States issues an executive order placing restrictions on trade by U.S. companies to certain foreign governments or companies based in those countries. The State Department has a standing list of countries with which U.S.-based entities may not do business or, if they may do business, they have to go through procedures prescribed by the United States Department of State in conjunction with the Office of Foreign Assets Control of the United States Department of Treasury. The countries currently on this list are Cuba, Iran, Iraq, Libya, Myanmar (Burma), North Korea, Sudan and Syria. Importantly, please note that as a general rule we also may not sell products to companies in countries that are not on the above list if we know that those companies are going to re-sell our products into countries that are on the list. Please refer to our Sanctioned Countries Policy for more guidance on this topic.

Each Executive Order may differ from country to country, but with certain countries we are obligated to obtain a license from OFAC in order to ship goods to those countries. Moreover, the international couriers will not accept such shipments without getting a copy of the license relating to the shipment.

Employees responsible for Integra's operations overseas must be aware of these laws and how they apply and should contact the General Counsel with particular inquiries as issues arise.

## **8. Environmental.**

It is Integra's policy to manage and operate its business in the manner that respects our environment and conserves natural resources. Integra employees will strive to utilize resources appropriately and efficiently, to recycle where possible and otherwise dispose of all waste in accordance with applicable laws and regulations, and to work cooperatively with the appropriate authorities to remedy any environmental contamination for which Integra may be responsible. For more detailed guidance on this subject matter, please refer to Integra's Environmental Policy.

## **9. Antitrust; Methods of Competition.**

All employees must comply with applicable antitrust and similar laws that regulate competition. Examples of conduct prohibited by the laws include (1) agreements to fix prices, bid rigging, collusion (including price sharing or agreements to divide markets) with competitors; (2) boycotts, certain exclusive dealing and price discrimination agreements; and (3) unfair trade practices including bribery, misappropriation of trade secrets, deception, intimidation and similar unfair practices. Employees are expected to seek advice from Integra's General Counsel when confronted with business decisions involving a risk of violation of the antitrust laws. In general, avoid discussing sensitive topics with competitors or suppliers, unless you are proceeding

with the advice of the General Counsel. You also must not provide any information in response to oral or written inquiry concerning an antitrust matter without first consulting the General Counsel.

Integra as a whole must be particularly careful when it comes to matters involving the pricing of our products. No employee may discuss the prices of our products with our competitors, and no employee may agree with competitors to fix prices for any market. To do so is a violation of Federal criminal law. In addition, no employee of Integra may agree with a competitor to stay out of a certain market where the competitor sells product (or vice versa). Bid rigging is also a form of price fixing. No Integra employee may agree with a competitor to rotate the winning bid, bid low or somehow otherwise agree on a strategy regarding the prevailing bid. In summary, if you have any questions regarding dealing with customers and pricing, please contact the General Counsel.

Under the Federal Trade Commission Act, unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce, are unlawful. This prohibition broadly covers misrepresentations of all sorts that are made in connection with sales, whether orally or in writing, and a number of other types of unfair acts or practices. The range of practices prohibited covers anything the Commission finds to be deceptive, unfair or unethical and includes such activities as false or misleading advertising, the use of lotteries in the sale of products, bribery of employees, competitors or customers, unfair disparagement of a competitor's products, and stealing trade secrets or customer lists. This is not an exhaustive list, but is merely intended to indicate the broad reach of the laws.

If you have any questions in these areas, please consult with the General Counsel.

## **B. Business Ethics and Practices.**

**In furtherance of Integra's commitment to the highest standards of business ethics and integrity, employees will accurately and honestly represent Integra and will not engage in any activity or scheme intended to defraud anyone of money, property or honest services. Integra employees shall strive to maintain the confidentiality of confidential information in accordance with applicable legal and ethical standards. All employees will strive to preserve and protect the corporation's assets by making prudent and effective use of Integra resources and properly and accurately reporting its financial condition.**

The principles set forth below are designed to provide guidance to ensure that Integra's business activities reflect the high standards of business ethics and integrity. Employee conduct not specifically addressed by these standards must be consistent with the provisions in this Section II.

**1. Honest Communication.**

Every Integra employee and every other person who works within our walls, including our executive officers, is expected to conduct himself or herself with great personal integrity. Employees and any other covered persons must speak and write the truth in all circumstances of their employment, and under no circumstance shall any employee or other covered person falsify or improperly modify or alter an Integra record, report, correspondence or other documentation. Any deviation from this requirement shall be considered grounds for discipline, up to and including termination.

**2. Misappropriation of Others' Proprietary Information.**

Integra employees shall not misappropriate confidential or proprietary information belonging to another person or entity nor utilize any publication, document, computer program, information or product in violation of a third party's interest in such product. All Integra employees are responsible to ensure they do not improperly copy for their own use publications, documents or computer programs in violation of applicable copyright laws or licensing agreements. Employees shall not utilize confidential business information obtained from competitors, including customer lists, price lists, contracts or other information in violation of a covenant not to compete, prior employment agreements, or in any other manner likely to provide an unfair competitive advantage to Integra or in violation of applicable law.

**3. Confidential and Proprietary Information.**

Integra's internal business affairs, especially non-public information about employees, customers, technology, processes, regulatory affairs, business strategy, financial matters or pending or potential acquisitions, represent valuable assets of Integra that each employee has an obligation to protect. Integra and its employees are in possession of and have access to a broad variety of confidential, sensitive and proprietary information, the inappropriate release of which could be injurious to individuals, Integra's business partners and Integra itself. Every Integra employee has an obligation to actively protect and safeguard confidential, sensitive and proprietary information in a manner designed to prevent the unauthorized disclosure of information. Information, ideas and intellectual property assets of Integra are important to organizational success. Information pertaining to Integra's competitive position or business strategies, payment and reimbursement information, and information relating to negotiations with employees or third parties should be protected and shared only with employees having a need to know such information in order to perform their job responsibilities. Employees should exercise care to ensure that intellectual property rights, including patents, trademarks, copyrights and software is carefully maintained and managed to preserve and protect its value.

#### **4. Personnel Actions/Decisions.**

Salary, benefit and other personal information relating to employees shall be treated as confidential. Personnel files, payroll information, disciplinary matters and similar information shall be maintained in a manner designed to ensure confidentiality in accordance with applicable law. Employees will exercise due care to prevent the release or sharing of information beyond those persons who may need such information to fulfill their job functions.

#### **5. Internal Control.**

Integra has established control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable. All employees of Integra share the responsibility for maintaining and complying with required internal controls.

#### **6. Personal Use of Corporate Assets.**

All employees are expected to refrain from converting assets of the organization to personal use. All property and business of the organization shall be conducted in the manner designed to further Integra's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of Integra's equipment, supplies, materials or services. Prior to engaging in any activity on company time that will result in remuneration to the employee or non-work related purposes, employees must obtain the approval of the appropriate business unit or other management of Integra. In addition, please refer to Integra's "Policy governing computers, email and Internet access," for provisions governing an employee's personal use of those Integra assets.

#### **7. Manufacturing Records.**

It is the policy of Integra to control our Quality System documentation to ensure that Integra and its employees are operating from approved and appropriate documentation. The system of document and data control ensures that our products are manufactured according to approved procedures and specifications to meet the quality requirements of our customers and the regulatory and certification agencies with which the company must maintain compliance. In addition, it is the policy of Integra to maintain control of quality records and to ensure that they demonstrate compliance with the applicable standards and customer requirements and provide documented evidence of the effectiveness of the quality system.

For complete guidance on this topic, please consult the current version of the Quality Manual and your location's Standard Operating Procedures regarding document and data control.

## **8. Financial Reporting.**

All financial reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts of the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of Integra and may be in violation of applicable laws.

Integra's policy is to provide full, fair, accurate, timely and understandable disclosure in report and documents that Integra files with or submits to the United States Securities and Exchange Commission as well as in other public communications, such as press releases and presentations to securities analysts. All employees who provided data or information used in such reports, documents or other communications must always provide truthful, accurate and complete data and information.

No employee shall make any false or misleading statement in connection with an audit of Integra by Integra's independent auditors or in connection with an internal audit, or take any other action that would interfere or improperly influence an internal or external audit of Integra.

As a general rule, our documents (whether they involve sales, marketing, administrative, legal or financial functions) must always be prepared accurately and reliably and stored properly. All transactions must be executed in accordance with Integra's general or specific authorization. Integra's financial books, records and accounts must reflect all transactions of the company and all other events that are the subject of a specific regulatory record-keeping requirement.

Any employee having information or knowledge of any hidden fund or asset, of any false or artificial entry in the financial books and records of Integra or of any inappropriate payment shall promptly report the matter to Integra's Senior Vice President, Finance and the Vice President and General Counsel.

**Integra has adopted special procedures for the making, investigation and handling of complaints related to matters involving accounting, accounting internal controls, fraud and auditing matters. Please refer to Section III. C. below for procedures relating to complaints in this area.**

## **9. Product Experience Disclosure.**

It is the policy of Integra to continuously improve our processes and the quality of product that we manufacture. Corrective and preventive actions provide a system designed to detect and correct conditions that cause or may cause a nonconformance and to prevent their occurrence. All employees are responsible for the quality of the products that Integra manufactures. Employees have the authority to report potential nonconformances to the appropriate management, which may initiate a corrective or preventive action for quality-related problems. Our quality assurance management team

is responsible for ensuring the implementation of this system. When corrective or preventive action is identified, the investigation will be assigned to the appropriate person that is directly responsible for monitoring the effectiveness of the actions, resolutions and timeliness of completion.

For more guidance on this topic, please consult the Integra Quality Manual and your location's Standard Operating Procedures regarding corrective and preventive action, or consult with the Quality Assurance/Quality Control department.

## **10. Use of Company Computers and E-mail.**

Company computers, e-mail addresses and Internet access are assets of Integra. They are provided to employees for business purposes. Improper use of e-mail and the Internet can hurt you, fellow employees and Integra in many ways, from damaging your reputation and Integra's reputation to tying up resources that are otherwise necessary to fulfill important objectives of Integra. In addition to the principles set forth in Integra's "Policy on use of company computers, e-mail and Internet access", the following are strictly prohibited uses of e-mail and the Internet:

- Transmitting or forwarding obscene, harassing, offensive, sexual or unprofessional messages;
- Accessing any web site that is sexually or racially offensive or suggestive or otherwise carries illegal or discriminatory content;
- Displaying, downloading or distributing any pornography or sexually oriented material; and
- Except as particularly authorized in connection with your duties, transmitting any confidential or proprietary information (whether owned by Integra or some party to whom Integra has a duty or obligation) including (without limitation) customer data, trade secrets or other materials covered by Integra's confidentiality policy.

Careless use of e-mail and the Internet – even with the best intentions – can lead to serious problems for Integra and possibly litigation. As a result, we urge you to use e-mail and the Internet carefully. Integra has the right to monitor employee use of the e-mail system and the Internet from time to time to ensure that such use is consistent with Integra's policy.

### **C. Conflicts of Interest.**

**Directors, officers, committee members and key employees owe a duty of undivided and unqualified loyalty to the organization. Persons holding such positions may not use their positions to profit personally or to assist others in profiting in any way at the expense of the organization.**

All covered persons are expected to regulate their activities so as to avoid actual impropriety and/or the appearance of impropriety which might arise from the influence of

those activities on business decisions of Integra, or from disclosure or private use of business affairs or plans of Integra.

### **1. Outside Financial Interests.**

While not all-inclusive, the following will serve as a guide to the types of activities by an employee, or household member of such employee, which might cause conflicts of interest:

- a. Ownership in or employment by any outside concern which does business with Integra. This does not apply to stock or other investments held in a publicly held corporation, provided the value of the stock or other investments does not exceed 5% of the corporation's stock.
- b. Conduct of any business not on behalf of Integra, and on behalf of another entity, with any vendor, supplier, contractor, or agency, or any of their officers or employees with whom the individual works on behalf of Integra.
- c. Representation of Integra by a covered person in any transaction in which he or she or a household member has a substantial personal interest.
- d. Disclosure or use of confidential, special or inside information of or about Integra, particularly for personal profit or advantage of the covered person or a household member.
- e. Competition with Integra by a covered person, directly or indirectly, in the purchase, sale or ownership of property or property rights or interest, or business investment opportunities.

### **2. Services for Competitors/Vendors.**

No covered person shall perform work or render services for any competitor of Integra or for any organization with which Integra does business or which seeks to do business with Integra outside of the normal course of his/her employment with Integra, without the prior approval of the Corporate Compliance Officer of Integra. Nor shall any such employee be a director, officer, or consultant of such organization, nor permit his/her name to be used in any fashion that would tend to indicate a business connection with such organization, without the prior approval of the Corporate Compliance Officer.

### **3. Acceptance of Gifts, Entertainment, Loan or Other Favors.**

Circumstances that may give rise to conflicts of interest are not always obvious. There are many areas of uncertainty, as well as conflicts, that arise despite the best intentions of an employee. Receipt of gifts and entertainment by the employee, any

member of the employee's immediate family, or anyone designated by the employee may present potential conflicts of interest. While business courtesies are to be encouraged, Integra prohibits the acceptance or receipt by any employee of any gift, gratuity, entertainment or other item of monetary value or more than token or nominal value from Integra's suppliers or customers. Moreover, such gifts are permitted only if they are not made or received on a regular or frequent basis. Employees should never accept gifts, services, travel or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their duties.

#### 4. **Outside Employment.**

A conflict of interest exists if your outside business or other interests affect adversely your motivation or performance. For example, outside employment may, under certain circumstances, result in a conflict of interest for the employee, as could employment with a supplier, competitor or customer of Integra by a member of the employee's family. To avoid potentially damaging effects on both Integra and the individual, employees must disclose to their Human Resources representative, before taking action, any facts or circumstances that may involve a conflict of interest. Such disclosure can assist employees in resolving honest doubts as to the propriety of a particular course of conduct.

#### D. **Waivers and Amendments.**

No employee has the authority to grant a waiver for any obligation under this Code of Conduct. Only the Board of Directors has the authority to grant such a waiver. Any such waiver would be communicated to the person affected in a written document signed by the General Counsel. Any waiver granted to an Executive Officer or member of the Board of Directors shall be promptly posted on Integra's website and disclosed in accordance with the Federal securities laws.

### III. **Administration and Application of this Code of Conduct.**

#### A. **General.**

Integra expects each person to whom this Code of Conduct applies to abide by the policies set forth herein and to conduct the business and affairs of Integra in a manner consistent with those policies and the principles set forth herein.

Failure to abide by this Code of Conduct or the guidelines for behavior which the Code of Conduct represents may lead to disciplinary action. For alleged violations of the Code of Conduct, Integra will weigh the relevant facts and circumstances, including but not limited to, the extent to which the behavior was contrary to the express language or general intent of the Code of Conduct, the degree of the behavior, the employee's history with the organization and other factors which Integra deems relevant. Discipline for failure to abide by the Code of Conduct may, in Integra's discretion, range from oral correction to termination.

**Integra strictly prohibits retaliation against any employee who reports a violation of the Code of Conduct, a company policy or applicable law. Any employee who retaliates against another employee for reporting such violations shall be subject to discipline, which may, in Integra's discretion, range from oral correction to termination.**

**Nothing in this Code of Conduct is intended to nor shall be construed as providing any additional employment or contract rights to employees or any other persons.**

**While Integra will generally attempt to communicate changes concurrent with or prior to the implementation of such changes, Integra reserves the right to modify, amend or alter the Code of Conduct without notice to any person or employee.**

**B. Internal Investigation of Reports.**

We are committed to investigate all reported concerns promptly and confidentially to the extent possible. The Corporate Compliance Officer will coordinate any findings from the investigations and recommend corrective action or changes that need to be made to appropriate authorities, which may include the Corporate Compliance Committee, the Vice President of Human Resources and the President and CEO. We expect all employees to cooperate with investigation efforts. We have adopted more specific procedures for the reporting and investigation of complaints about accounting matters, internal accounting controls, fraud and auditing matters. These are provided in Section C. below.

If you wish to report a matter about the Corporate Compliance Officer or the Senior Vice President and Chief Administrative Officer, you may do so directly to the President and CEO. If such a matter requires an investigation of the Chief Administrative Officer, the President and CEO will conduct such an investigation and report his findings to the Corporate Compliance Committee and act in place of the Corporate Compliance Officer as the head of the Corporate Compliance Committee for purposes of such investigation.

**C. Complaint and Investigation Procedures for Accounting, Internal Accounting Controls, Fraud or Auditing Matters.**

1. General. The following procedures govern the receipt, retention, and treatment of complaints regarding Integra's accounting, internal accounting controls, or auditing matters, and to protect the confidential, anonymous reporting of employees' concerns regarding questionable accounting or auditing matters. It is the policy of Integra to treat complaints about accounting, internal accounting controls, fraud, auditing matters, or questionable financial practices ("Accounting Complaints") seriously and expeditiously.

2. Types of Complaints. Employees will be given the opportunity to submit for review by Integra confidential and anonymous Accounting Complaints, including without limitation, the following:

- fraud against investors, securities fraud, mail or wire fraud, bank fraud, or fraudulent statements to the SEC or members of the investing public;
- violations of SEC rules and regulations applicable to Integra and related to accounting, internal accounting controls and auditing matters;
- intentional error or fraud in the preparation, review or audit of any financial statement of Integra; and
- significant deficiencies in or intentional noncompliance with Integra's internal accounting controls.

3. Treatment of Accounting Complaints. If requested by the employee, Integra will protect the confidentiality and anonymity of the employee to the fullest extent possible, consistent with the need to conduct an adequate review. Vendors, customers, business partners and other parties external to Integra will also be given the opportunity to submit Accounting Complaints; however, Integra is not obligated to keep Accounting Complaints from non-employees confidential or to maintain the anonymity of non-employees.

4. Review of Accounting Complaints. Accounting Complaints will be reviewed under Audit Committee direction and oversight by Integra's General Counsel, Director, Internal Audit or such other persons as the Audit Committee or General Counsel determines to be appropriate. *The Company will abide by all laws that prohibit retaliation against employees who lawfully submit complaints under these procedures.* In the event that Integra contracts with a third party to handle complaints or any part of the complaint process, the third party will comply with these policies and procedures.

5. Procedures

a. Receipt of Accounting Complaints.

(1) Telephone Hotline: Any person with an Accounting Complaint can call 1-800-229-5274 to submit his or her Complaint. Employees who call this number need not leave their name or other personal information and reasonable efforts will be used to conduct the investigation that follows from any employee call in a manner that protects the confidentiality and anonymity of the employee making the call. The intake phone call will be received by a voice mailbox which the General Counsel will monitor daily during the workweek. The information from the call will be documented in a format acceptable to Integra and shall include at a minimum a written description of the information received concerning the Accounting Complaint allegations.

(2) Written Complaints: In addition, any person may submit a written Accounting Complaint to the General Counsel at the following address: 311 Enterprise Drive, Plainsboro, NJ 08536. Employees submitting this information need not provide their name or other personal information and reasonable efforts will be used to conduct the investigation that follows from an Accounting Complaint from an employee in a manner that protects the confidentiality and anonymity of the employee submitting the Accounting Complaint.

b. Treatment of Accounting Complaints

(1) An Accounting Complaint made under these procedures shall be directed to Integra's General Counsel or other designated Company legal counsel (in either case, "Company Counsel") who shall report directly to the Audit Committee on such matters.

(2) Company Counsel shall review the Accounting Complaint, and may investigate it himself or herself or may assign another employee, outside counsel, advisor, expert or third-party service provider to investigate, or assist in investigating the Accounting Complaint. Company Counsel may direct that any individual assigned to investigate an Accounting Complaint work at the direction of or in conjunction with Company Counsel or any other attorney in the course of the investigation.

(3) Unless otherwise directed by Company Counsel, the person assigned to investigate will conduct an investigation of the Accounting Complaint and report his or her findings or recommendations to Integra Counsel. If the investigator is in a position to recommend appropriate disciplinary or corrective action, the investigator also may recommend disciplinary or corrective action.

(4) If determined to be necessary by Company Counsel or the Audit Committee, Integra shall provide for appropriate funding, as determined by Company Counsel or the Audit Committee, to obtain and pay for additional resources that may be necessary to conduct the investigation, including without limitation, retaining outside counsel and/or expert witnesses; provided that funding in excess of \$50,000 with respect to the investigation of any individual Accounting Complaint must be approved by the Audit Committee.

(5) At reasonable intervals after Accounting Complaints have been reported, Company Counsel shall submit a report to the Audit Committee and any other member of Company management that the Audit Committee directs to receive such report, that summarizes each Accounting Complaint made and shows specifically: (a) the complainant (unless anonymous, in which case the report will so indicate), (b) a description of the substance of the Accounting Complaint, (c) the status of

the investigation, (d) any conclusions reached by the investigator, and (e) findings and recommendations.

(6) At any time with regard to any Accounting Complaint, Company Counsel may specify a different procedure for investigating and treating such an Accounting Complaint, such as when the Accounting Complaint concerns pending litigation.

c. Access to Reports and Records and Disclosure of Investigation Results.

(1) All reports and records associated with Accounting Complaints are considered confidential information and access will be restricted to members of the Audit Committee, Integra's Law Department, employees of Integra or outside counsel involved in investigating an Accounting Complaint as contemplated by these procedures. Access to reports and records may be granted to other parties at the discretion of the Audit Committee.

(2) Accounting Complaints and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at the time.

d. Retention of Records.

All Accounting Complaints and documents relating to such Accounting Complaints made through the procedures outlined above shall be retained for at least five years from the date of the complaint, after which the information may be destroyed unless the information may be relevant to any pending or potential litigation, inquiry, or investigation, in which case the information may not be destroyed and must be retained for the duration of that litigation, inquiry, or investigation and thereafter as necessary.

**D. Corrective Action.**

Where an internal investigation substantiates a reported violation, it is Integra's policy to initiate corrective action, including, as appropriate, among other things, instituting whatever disciplinary action is necessary and implementing changes to prevent a similar violation from recurring in the future at Integra. The Corporate Compliance Committee will work with the Vice President, Human Resources, and the appropriate corporate officers and supervisors to implement such corrective action.

**E. Discipline.**

All violators of the Compliance Program will be subject to disciplinary action. The precise discipline utilized will depend on the nature, severity and frequency of the violation and may result in any of the following disciplinary actions:

- Verbal warning;
- Written warning;
- Written reprimand;
- Denial of commissions (for those compensated on a commission basis);
- Suspension;
- Termination; and/or
- Restitution.

This list is neither exhaustive nor progressive (that is, there are violations for which the consequences may be immediate termination, for example).

**F. Internal Audit and Other Monitoring.**

Integra is committed to conducting regular auditing and monitoring activities in order to identify and to promptly rectify any potential corporate compliance issue.

**G. Training.**

Integra will conduct training sessions for employees as to the specific laws and regulations that affect their job responsibilities and as to the Code of Conduct itself.

**H. Acknowledgment Process.**

Integra requires all administrative, exempt and non-exempt staff to sign an acknowledgment form confirming that they have received and reviewed the Code of Conduct and understand that it represents the mandatory policies of Integra. New employees will be required to sign this acknowledgment as a condition of employment.

**IV. Compliance Program Structure.**

**A. The Corporate Compliance Committee.**

The Corporate Compliance Committee consists of senior corporate officers appointed by the Executive Committee to implement and maintain the Corporate Compliance Program. The Corporate Compliance Committee has responsibility for establishing compliance standards and procedures, which are set forth in Integra's Code of Conduct and Operating Policies and for ensuring compliance with these policies. The Corporate Compliance Committee shall report to the Audit Committee of the Board of

Directors. The Corporate Compliance Committee shall meet not less than twice a year and shall convene additional meetings on an as-needed basis.

**B. Objectives of the Corporate Compliance Committee.**

- To establish and communicate basic principles that assist all U.S. personnel in making business conduct decisions.
- To provide guidance to all U.S. personnel on acceptable business conduct to ensure consistency in professional and ethical responses to customer needs.
- To ensure compliance with applicable laws.

**C. Corporate Compliance Officer.**

The Corporate Compliance Officer shall head and direct the implementation of the Corporate Compliance Program and reports to the Corporate Compliance Committee. The Corporate Compliance Officer directs and reviews the results of all investigations of noncompliance, determines which matters should be reviewed by the Corporate Compliance Committee and ensures that material misconduct is reported to and reviewed by the Audit Committee of the Board of Directors. The Corporate Compliance Officer is responsible to ensure that an effective training program is implemented and maintained.

**D. Compliance Resources.**

The Corporate Compliance Committee will work closely with the Law Department, the Regulatory Department and Finance Department in reviewing the results of audits and, where appropriate, participate in audits and investigations and prepare reports for the Corporate Compliance Committee as deemed appropriate. The Corporate Compliance Officer will consult outside auditors, consultants and/or attorneys, as reasonably necessary to ensure Integra's compliance with applicable laws and the Corporate Compliance Program.

**E. Guidance.**

The Corporate Compliance Committee shall periodically provide guidance on the meaning of Operating Policies. This guidance may be provided in question and answer format. Any such guidance shall also be provided for distribution to U.S. personnel, if appropriate.

**F. Annual Review of Code of Conduct.**

The Corporate Compliance Program will require all personnel located in the United States to certify having re-read the Code of Conduct and corresponding Operating Policies as part of Integra's Quality System review.

**G. Annual Report to Audit Committee of Board of Directors.**

The Corporate Compliance Committee shall make periodic reports to the Audit Committee of the Board of Directors on the results of the Corporate Compliance Program. Results of any material misconduct shall be reported to and reviewed by the Audit Committee.