



COMPREHENSIVE COMPLIANCE PROGRAM STATEMENT

Alphatec Holdings, Inc. and its US subsidiaries (ATEC) are committed to maintaining an effective compliance program consistent with the Compliance Program Guidance published by the U.S. Department of Health and Human Services, Office of Inspector General (OIG Guidance) to safeguard ATEC's compliance with the law, regulations, industry standards and company policy. Our compliance program reflects ATEC's commitment to maintain a culture of excellence, innovation, quality and ethical conduct and is designed to reasonably detect, prevent where possible and remedy potential or actual violations of applicable laws, regulations, our quality system and other company policies. This program statement is posted on our website in compliance with California law.

ATEC expects its directors, officers, employees, contractors, vendors and distributors will, when working on behalf of ATEC, comply with the company policies that comprise our compliance program, including without limitation our Code of Business Conduct and our quality system. As we become aware of potential violations of law or company policy, the company will take appropriate action, which may include, depending upon the circumstances, investigation, disciplinary action, implementation of corrective measures to prevent future violations and make any legally required disclosures and reports. We note that as recognized in OIG Guidance, a compliance program cannot guarantee the prevention or elimination of improper conduct.

Components of Our Comprehensive Compliance Program

1. Written Standards.

Our compliance program is anchored by our written ATEC Code of Business Conduct (Code). The Code operates as a framework of how we make day-to-day decisions that are further defined by our Core Values, our Quality System and other company policies that provide guidance and expectations for our executive management, employees, contractors, vendors and distributors.

Consistent with OIG Guidance, the ATEC compliance program contains policies and procedures to address the potential risk areas specific to medical device manufacturers, such a interactions with providers and payers of healthcare services. Our Healthcare Provider Interactions Policy (HCPI Policy), for instance, covers behavior, decision-making and annual spending limits applicable to our interactions with Healthcare Providers (HCPs) that comply with applicable laws.

2. People Leadership.

Compliance Officer: ATEC has designated Craig Hunsaker, Executive Vice President, People & Culture and General Counsel as its Compliance Officer. Mr. Hunsaker serves as the leader for compliance activities. In this role, Mr. Hunsaker, directly or through subject matter experts, oversees the design and implementation of the compliance program, provides interpretative guidance and leads enforcement of all facets of the compliance program. Mr. Hunsaker's training, experience and leadership roles ensure that he can use independent judgment in the oversight of compliance matters and implement necessary change to both policies and culture.

Oversight: Oversight of the compliance program is performed by the Executive Committee of ATEC, which includes our Chief Executive Officer (CEO), President and Chief Operations Officer (COO), Chief Financial Officer (CFO) and other executives of the company. Ad hoc approval processes have been implemented and are followed for decisions that have compliance implications. When appropriate, certain matters are reported, reportable or overseen by the Audit or Nominating and Corporate Governance Committees of our Board of Directors.

Training and Education: Communication, training and education are key parts of the ATEC compliance program. ATEC continuously provides compliance-related communications, new-hire and refresher training on the law, company policies and standard operating procedures. Training is delivered through a variety of methods including in-person training sessions, web-based training, one-on-one training by subject matter experts, reviewing policy documentation, procedures and quick reference guides. Specialized training is provided to employees who interact with HCPs or perform related functions.

Open Lines of Communication: ATEC communicates and maintains an "open door policy" to encourage our employees and representatives to seek guidance from managers and subject matter experts. Questions and reports of violations can be made directly to company management or through our telephone and web-based compliance hotline. Reports made be made anonymously. Retaliation is not permitted for good faith reporting of violations.

Monitoring and Auditing: ATEC's compliance program requires that efforts be made to monitor, audit and evaluate compliance with company policies and procedures. This includes monitoring sales and marketing interactions with HCPs. The frequency and resources used to perform audits varies with applicable legal requirements, functional needs and corporate priorities. The Executive Team, the Legal Department, the Finance Department, the Regulatory and Compliance Department and functional managers continuously identify new risks areas that need to be addressed whether due to regulatory changes, business practice changes or the need to assess corrective actions.

Responding to Past and Potential Violations: ATEC requires prompt and diligent follow-up, to allegations of misconduct. Actions may, on a case-by-case basis, include

investigation, audit, procedure improvement, training, communications, monitoring or disciplinary action up to and including warnings and termination of employment or distributor contract.

Corrective Action Procedures: A key function of any compliance program is to prevent and identify unlawful and unethical behavior, and remedy ineffectual internal controls intended to prevent unlawful and unethical behavior. As no compliance program can prevent all wrongful activity, ATEC promptly responds to reports of potential or actual violations, risky practices and perceived gaps in our policies, practices and internal controls, and takes action to prevent future violations.

ALPHATEC HOLDINGS DECLARATION OF COMPLIANCE

ATEC has established, adopted and actively implements, trains and monitors its comprehensive compliance program with reference to the OIG Guidance. The program aligns with the seven basic elements from the OIG Guidance that are fundamental to an effective compliance program. To the best of the company's knowledge, as of May 17, 2018, ATEC is effectively operating under its comprehensive compliance program in compliance with California Health and Safety Code § 119402.

By making this declaration, ATEC is not asserting that in all circumstances it can prevent individual ATEC representatives from conduct that deviates from its policies, but it will continue to make a good faith effort to develop and enforce its comprehensive compliance program, prevent violations and address any inappropriate conduct that may occur.

COMPLIANCE HOTLINE

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866-352-2788

[OPENBOARD.INFO/ATEC](https://openboard.info/atec)

Reports may be made anonymously.

Information about the ATEC compliance program may be obtained by calling our Chief Compliance Officer at (760) 494-6897 or by sending a written request to:

Chief Compliance Officer
Alphatec Holdings, Inc.
5818 El Camino Real
Carlsbad, CA 92008