

Supplier Code of Conduct

REVISED NOVEMBER 2020

START



FOUNDATION
MEDICINE®

Foundation Medicine, Inc. is a world-leading molecular insights company, connecting physicians, patients and biopharma partners to the latest insights in cancer genomics. Foundation Medicine's values serve as the guiding principles in everything we do and lay the groundwork for this Code of Conduct. Our mission to transform the lives of patients living with cancer can only be realized if we sustain and build upon what we have done for the past several years.

Conducting ourselves with integrity is essential to Foundation Medicine's ability to realize its vision - to transform cancer care - and achieve its mission - to help physicians and their patients. Our success is driven by building a trusted and ethical corporation to serve our customers, advocates, and patients in communities around the world. To achieve our goal, we are committed to applying the highest ethical standards in all our business activities. Our suppliers (suppliers, service providers, and contract manufacturers) play an important role as enablers of our overall success.

Foundation Medicine promotes innovation and strives for economic, social and environmental sustainability in order to ensure delivery of our products to the healthcare community and the long-term success of Foundation Medicine and its stakeholders. Foundation Medicine regards lasting innovation as our biggest contribution to society. Our suppliers are business partners with expertise and capabilities that we use to enable improvements in efficiency, effectiveness and business continuity which enable us to deliver medical innovations to address the needs of our patients and benefit society. In delivering innovation, our patients and stakeholders expect Foundation Medicine to uphold high standards of responsible and ethical behavior in our operations and to hold our suppliers to the same high standards.

Foundation Medicine's goal is to work with suppliers that can best meet Foundation Medicine's business demands and requirements in terms of cost, innovation, integrity, quality, suitability, credibility and sustainability. Foundation Medicine is fully committed to supporting and respecting human rights. Foundation Medicine requires the same commitment to supporting and respecting human rights from our suppliers. Foundation Medicine does not tolerate bribery or any other form of corrupt business behavior. Our suppliers must adhere to the same ethical principles and work with their own suppliers on anti-corruption.

The principles embodied in this Supplier Code of Conduct comprise an important component of supplier selection and evaluation. Foundation Medicine expects its suppliers to replicate these standards further down the supply chain and ensure that their own suppliers comply with these principles. If a supplier is in breach of these principles and cannot agree on an improvement plan or does not implement it, Foundation Medicine reserves the right to redetermine the continuation of the commercial relationship.



Foundation Medicine Standards of Supplier Conduct

This document outlines the standards for ethics, labor and human rights, diversity and inclusion, health and safety, environment and related management systems that Foundation Medicine expects its suppliers to meet.

COMPANIES SUPPORTING THESE STANDARDS OF CONDUCT:

- Will integrate and apply these standards in a manner consistent with their own supplier programs.
- Believe that society and business are best served by responsible business behaviors and practices. Fundamental to this belief is the understanding that a business must, at a minimum, operate in full compliance with all applicable laws, rules and regulations.
- Are aware of differences in culture and the challenges associated with interpreting and applying these practices globally. While companies supporting these values and standards of conduct believe that what is expected is universal, it is understood that the methods for meeting these expectations may be different and must be consistent with the laws, values and cultural expectations of the different societies in the world.
- Believe that values and standards of conduct are best implemented through a continual improvement approach that advances supplier performance over time.



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Ethics

Suppliers shall conduct their business in an ethical manner and act with integrity. The ethics elements include:

BUSINESS INTEGRITY

All corruption, extortion and embezzlement are prohibited. Suppliers shall not pay or accept bribes or participate in other illegal inducements in business or government relationships. Suppliers shall employ fair business practices, including accurate and truthful advertising.

ANTITRUST AND FAIR COMPETITION

In nearly every country where we do business, there are laws prohibiting activities and practices that interfere with or hinder competition. Suppliers shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws. Suppliers must not engage in any conduct that will violate applicable competition laws, such as colluding with competitors to set prices, bids, or terms of sale or to divide up customers, suppliers, or markets. Suppliers must be careful to structure agreements with their distributors and market partners in a legal manner. Suppliers must not solicit the confidential business information of an Foundation Medicine competitor for the purpose of providing such information, directly or indirectly, to Foundation Medicine.



Ethics (continued)

INTERACTION WITH GOVERNMENT CUSTOMERS

Foundation Medicine is committed to interacting ethically with our government customers and to the integrity of the government contracting process. Foundation Medicine will pursue, execute and perform contracts with its government customers using the same values, principles, and practices Foundation Medicine applies to its commercial business, while adhering to the special requirements, laws and regulations that govern business with governmental entities. Some practices that are common in the commercial business environment may be prohibited in the context of government contracts. To the extent that Foundation Medicine is required to impose government requirements, laws or regulations upon suppliers, it shall expect its suppliers to comply with such requirements, laws or regulations.

INTERACTION WITH HEALTH CARE PROVIDERS

Foundation Medicine is committed to interacting ethically with Health Care Providers. Numerous statutes and regulations, such as the federal Anti-Kickback Statute, the Stark Law, False Claims Act, and the U.S. Physicians Payment Act (i.e. “Sunshine Act”) provide the overarching principles which help guide interactions with Health Care Providers. Foundation Medicine’s suppliers are expected to comply with all laws and regulations required for contracts in support of Foundation Medicine’s business commitments which involve interaction with Health Care Providers.



Ethics (continued)

BUSINESS INTEGRITY

Suppliers shall not practice or tolerate any form of corruption, extortion, embezzlement or money laundering. Suppliers shall not offer or accept bribes or other unlawful incentives ('facilitation payments') to or from their business partners or government officials. Suppliers shall not offer Foundation Medicine employees any kinds of gifts or personal benefit which could be perceived as a bribe. In all cases, gifts or entertainment shall be offered to improperly influence a business relationship and must not violate applicable laws or ethical standards.

CONFLICTS OF INTEREST

Suppliers shall disclose to Foundation Medicine any situation that could constitute a conflict of interest such as Foundation Medicine employees having professional, private and/or significant financial advantages or interests in any of the supplier's businesses.

IDENTIFICATION OF CONCERNS

Supplier shall encourage and provide means for all employees to report concerns, complaints or potentially illegal activities in the workplace, without threat of reprisal, intimidation or harassment. Any report should be treated in a confidential manner. Suppliers shall investigate and take corrective action if needed. Suppliers shall notify Foundation Medicine of legal actions, administrative investigations or prosecutions that may affect their performance of Foundation Medicine business or that could potentially adversely affect a supplier's and Foundation Medicine's reputation.

If at any time a supplier or one of its employees believes that a Foundation Medicine employee has acted contrary to these principles, the supplier or its employees is encouraged to report its concerns to **Foundation Medicine's Say Something Hotline** at fmisaysomething.ethicspoint.com or by phone to 844.255.1954.



Labor

Suppliers shall be committed to uphold the human rights of workers and to treat them with dignity and respect. Foundation Medicine is committed to supporting the United States Government's policies that respect, protect, and fulfill the rights of all people and supports the enforcement of laws against trafficking in persons. Foundation Medicine does not allow the use of, or facilitation of others' use of, prohibited forms of labor, i.e., convict, forced, or indentured child labor. The labor elements include:

FREELY CHOSEN EMPLOYMENT

Suppliers shall not use forced, bonded, indentured or involuntary prison labor.

CHILD LABOR AND YOUNG WORKERS

Suppliers shall not use child labor. The employment of young workers below the age of 18 shall only occur in non-hazardous work and when young workers are above a country's legal age for employment or the age established for completing compulsory education.

DIVERSITY, INCLUSION AND NON-DISCRIMINATION

Suppliers shall have a diverse work place that supports the inclusion of underrepresented groups including the use of minority-owned and operated businesses. Suppliers shall provide a workplace free of harassment and discrimination. Discrimination for reasons such as color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership or marital status is not tolerated.



Labor (continued)

FAIR TREATMENT

Suppliers shall provide a workplace free of harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers and free of any threat of any such treatment.

WAGES, BENEFITS AND WORKING HOURS

Suppliers shall pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits. Suppliers shall communicate with the worker the basis on which they are being compensated in a timely manner. Suppliers are also expected to communicate with the worker whether overtime is required and the wages to be paid for such overtime.

FREEDOM OF ASSOCIATION

Open communication and direct engagement with workers to resolve workplace and compensation issues is encouraged. Suppliers shall respect the rights of workers, as set forth in local laws, to associate freely, join or not join labor unions, seek representation and join workers' councils. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.



Health and Safety

Suppliers shall provide a safe and healthy working environment, including for any company-provided living quarters. The health and safety elements include:

WORKER PROTECTION

Suppliers shall protect workers from over exposure to chemical, biological and physical hazards, physically demanding tasks in the workplace and in any company-provided living quarters. Suppliers shall also take appropriate measures to protect Foundation Medicine employees from exposure to risk through transport or other interactions with Foundation Medicine employees.

PROCESS SAFETY

Suppliers shall have programs in place to prevent or mitigate catastrophic releases of chemicals.

EMERGENCY PREPAREDNESS AND RESPONSE

Suppliers shall identify and assess emergency situations in the workplace and any company-provided living quarters and minimize their impact by implementing emergency plans and response procedures. Suppliers shall report any findings by federal or state agencies that supplier has unsafe practices or conditions and its plan to address and remedy such practices and conditions.

HAZARD INFORMATION

Safety information relating to hazardous materials including pharmaceutical compounds and pharmaceutical intermediate materials shall be available to educate, train and protect workers from hazards.



Environment

Suppliers shall operate in an environmentally responsible and efficient manner, and they shall minimize adverse impacts on the environment. Suppliers are encouraged to conserve natural resources, to avoid the use of hazardous materials where possible and to engage in activities that reuse and recycle. The environmental elements include:

ENVIRONMENTAL AUTHORIZATIONS

Suppliers shall comply with all applicable environmental regulations. All required environmental permits, licenses, information registrations and restrictions shall be obtained, and their operational and reporting requirements followed.

WASTE AND EMISSIONS

Suppliers shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges. Any waste, wastewater or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment.

SPILLS AND RELEASES

Suppliers shall have systems in place to prevent and mitigate accidental spills and releases to the environment.

Management Systems

Suppliers shall use management systems to facilitate continual improvement and compliance with the expectations of these principles. The management systems elements include:

BUSINESS INTEGRITY COMMITMENT AND ACCOUNTABILITY

Suppliers shall demonstrate commitment to the concepts described in this document by allocating appropriate resources and incorporating all applicable aspects into policies and procedures.

LEGAL AND OTHER REQUIREMENTS

Suppliers shall identify and comply with applicable international, national and local laws and regulations, contractual agreements, internationally recognized standards and relevant customer requirements. Suppliers shall also conform their practices to generally accepted industry standards, shall obtain, maintain and keep up to date all applicable permits, certificates, licenses and registrations, and shall operate in accordance with permit limitations and requirements at all times.

RISK MANAGEMENT

Suppliers shall implement mechanisms to regularly identify, evaluate and manage risks in all areas addressed by this document and with respect to all applicable legal requirements.



Management Systems (continued)

DOCUMENTATION

Suppliers shall develop, implement, use and maintain management systems and controls related to the content of this document. Suppliers shall maintain documentation necessary to demonstrate conformance with these expectations and compliance with applicable regulations.

TRAINING AND COMPETENCY

Suppliers shall have a training program that achieves an appropriate level of knowledge, skills and abilities in management and workers to address these expectations.

CONTINUAL IMPROVEMENT

Suppliers are expected to continually improve by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal or external assessments, inspections and management reviews.

COMMUNICATION OF SUSTAINABILITY CRITERIA IN THE SUPPLY CHAIN

Suppliers shall replicate the sustainability principles set forth in this document further down the supply chain.

RIGHT TO EVALUATION

Suppliers shall grant Foundation Medicine the right to evaluate their performance upon reasonable prior notice to determine supplier's conformance with principles outlined in the Foundation Medicine Supplier Code of Conduct. The evaluation shall be executed directly by Foundation Medicine or by a qualified third party.



Intellectual Property

As business partners supporting Foundation Medicine's efforts, suppliers shall respect Foundation Medicine's intellectual property rights, protect Foundation Medicine's trade secrets and proprietary information.

Foundation Medicine is dedicated to its vision to transform cancer care and achieve its mission to help physicians and their patients. Foundation Medicine's molecular information platform aims to improve day-to-day care for patients by serving the needs of clinicians, academic researchers and drug developers to help advance the science of molecular medicine in cancer. Foundation Medicine's innovations include valuable intellectual property which is comprised of our proprietary methods and processes, trade secrets, data, scientific and business information, new product and business ideas, concepts and other information we produce. Suppliers shall manage technology and know-how in a manner that protects the intellectual property rights of third parties and ensure third party (including Foundation Medicine's) intellectual property is identified and protected from misappropriation or other misuse. Suppliers shall not use Foundation Medicine's name or marks or that of our affiliates or products in publicity or advertising without Foundation Medicine's prior written consent.



Confidentiality and Privacy

Suppliers must protect the privacy and security of Foundation Medicine's confidential information, and safeguard customer and patient information.

CONFIDENTIALITY

Taking precautions to avoid improper, inappropriate or inadvertent disclosures of information is vital to Foundation Medicine's business. Suppliers' information systems that contain Foundation Medicine's confidential information and data shall be appropriately managed and protected against unauthorized access, use, disclosure, modification or destruction. Suppliers shall safeguard and make only proper use of confidential information provided by Foundation Medicine to suppliers to ensure that company, worker and patient privacy rights are protected. Suppliers must handle Foundation Medicine's confidential, proprietary, and sensitive information carefully and may only disclose such information as permitted by Foundation Medicine and only then with those who have a legitimate need to know about it in support of Foundation Medicine's business purposes. Suppliers shall protect all Foundation Medicine confidential information, and proprietary and sensitive information in accordance with these provisions and with appropriate security policies. Suppliers shall retain such information only for as long as necessary and obligate all third parties with access to such information to protect it.



Confidentiality and Privacy *(continued)*

The categories of information that Foundation Medicine may disclose to suppliers include the following:

- **Proprietary Information:** Includes any information that Foundation Medicine owns, develops, pays to have developed, or possesses, as well as certain information Foundation Medicine has a contractual right to use.
- **Confidential Information:** Includes any information that is private or not common knowledge to others, both within and outside of Foundation Medicine.
- **Sensitive Information:** Includes any information protected by law that could jeopardize Foundation Medicine's security, competitive advantage, or interests. This information is highly restricted and should only be shared with those authorized to view it.

Examples of Foundation Medicine Proprietary, Confidential and/or Sensitive Information are:

- Employee, personnel, payroll, and medical records
- Patient data, protected health information (as defined by HIPAA), and any other personally identifiable information
- Scientific and clinical data; methods, processes, procedures, or protocols; research and development activities; laboratory notes or notebooks; presentations, draft abstracts, and manuscripts; inventions, invention disclosures, and patent applications
- Sales information, test volumes, revenue numbers, or other financial information that has not been publicly disclosed
- The identity of customers and prospects, their specific requirements, and the terms of customer and supplier contracts and proposals
- Information not generally known to the public, including product plans and designs, marketing strategies, pricing policies, source code, screen designs or visual expressions of software products
- Information about potential new products or market expansions



Confidentiality and Privacy *(continued)*

Foundation Medicine strives to comply with applicable laws on privacy and data security, such as the U.S Health Insurance Portability and Accountability Act to safeguard protected health information and the European Union General Data Protection Regulation, and has established policies to protect personal information accordingly. Suppliers who are entrusted with any information protected by laws or regulations are expected to be in compliance with all applicable laws and regulations in the locations where such information will be received, stored, disclosed, distributed, used, processed, transmitted or destroyed. It is essential that suppliers safeguard and secure personal information and in particular patient information (including protected health information) entrusted to suppliers. Suppliers will also be expected to comply with the provisions related to privacy in agreements with Foundation Medicine. For Foundation Medicine's practices regarding personal health information outside the European Economic Area (EEA), suppliers should reference the Foundation Medicine Privacy and Security Policy and the HIPAA Breach Notification Policy. For Foundation Medicine's practices regarding personal information originating inside the EEA, reference the Foundation Medicine EEA Data Protection Policy.

Additionally, the manner in which patient data is shared must comply with specific protocols (e.g., it must be encrypted or sent through a secure email system). The laws pertaining to the collection and sharing of patient data can be complicated. Importantly, the permissible and required uses and disclosures of patient data varies and must be confirmed with Foundation Medicine prior to use or disclosure. If at any time a supplier is uncertain about the collection, transfer, processing, disclosure, or destruction of customer or patient data, they must contact a member of the Foundation Medicine Procurement Department before taking action.



Economic Sustainability

Suppliers are encouraged to help foster social and economic development and contribute to the sustainability of the communities in which they operate.



Supplier Diversity

Foundation Medicine is committed to building a diverse and inclusive community that reflects a wide range of backgrounds, perspectives, and skills and supports the goal of promoting equal opportunities for individuals and businesses and expect our suppliers to operate in a similar manner. Suppliers shall engage socially and economically different categories of for their own suppliers through inclusive sourcing processes that promote equal opportunities.



Audit and Termination

Foundation Medicine evaluates our suppliers' adherence to the Supplier Code of Conduct through our Supplier Sustainability Assurance Visit program. Foundation Medicine shall have the right to audit a supplier for compliance with this Code of Conduct without notice and shall have the right to inspect a supplier's suppliers for compliance with this Code of Conduct.

Foundation Medicine may immediately terminate its business relationship (including any purchase order(s) and purchase contracts) with a supplier if the supplier or one of its suppliers fail to meet this Code of Conduct.



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