



**FOUNDATION**  
MEDICINE®

**CODE OF CONDUCT**



## Table of Contents

Letter from Michael Pellini, CEO .....	3
Our Cultural Pillars .....	4
Our Responsibilities .....	4
Our Policy Against Retaliation: Asking Questions & Reporting Concerns .....	5
Communication Channels	
Non-Retaliation	
Our Work Environment .....	6
Discrimination	
Harassment	
Workplace Safety	
Violence Prevention	
Anit-Drug & Substance Abuse	
Our Commitment to Confidentiality, Privacy & Security .....	7
Confidential & Proprietary Information	
Employee Privacy	
Customer & Patient Privacy	
Insider Trading	
Communicating with External Parties	
Our Information, Intellectual Property & Corporate Records .....	9
Information Technology Resources & Other Physical Property	
Intellectual Property	
Corporate Records	
Our Way of Doing Business: Honest Dealings & Conflicts of Interest .....	11
Antitrust & Fair Competition	
Advertising & Marketing	
Anti-Bribery	
Meals & Gifts	
Conflicts of Interest	
Our Community .....	13
Political Activities & Contributions	
Charitable Contributions	
Environmental Stewardship	

# A Message from Our Chief Executive Officer

Dear FMI Team Members,

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, investors, advocates and patients in communities around the world. To achieve our goal, we must hold ourselves to the highest ethical standards. Our Code of Conduct is designed to support these efforts.

Each of us has a responsibility to comply with applicable laws, our Code, and our company policies and procedures. We all have an obligation to discuss concerns and report suspected or actual acts of noncompliance. There are multiple resources to do so, including your manager or any member of the Human Resources, Compliance, or Legal Departments. You can also contact FMI's Ethics Helpline at <https://www.openboard.info/FMI/index.cfm> or 1-866-270-3707. Finally, I am always available to meet or speak with anyone who has questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Pellini, CEO". The signature is written in a cursive, flowing style.

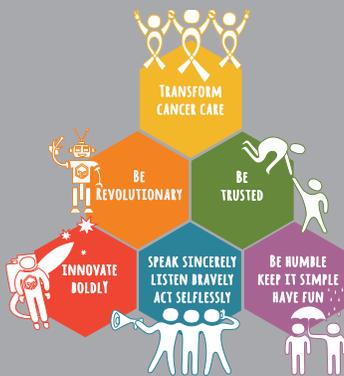
Michael Pellini, CEO

# Our Cultural Pillars

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. Our employees are the true foundation of the company. They bring passion, dedication and curiosity that continuously propels us to the leading edge.

FMI's cultural pillars serve as guiding principles in everything we do.

We always strive to:



Our people and these pillars establish the foundation at FMI. We are here transforming cancer care TOGETHER.

# Introduction

Our Code of Conduct ("Code") applies to all Foundation Medicine Inc. ("FMI") team members, including directors, officers, employees, contractors, consultants, and others who act on FMI's behalf. This Code establishes fundamental principles of FMI's expectations for conduct by communicating our standards to all of our team members, customers, and other stakeholders, as well as the communities in which we do business.

Our Code should help guide your conduct in the course of our business. Many of the principles described in this Code are general in nature. The Code does not cover every situation that may arise. You should use common sense and good judgment in applying this Code.

Speak up if you have any questions about the Code, or if you see or suspect that someone is violating the law or our Code, policies, or procedures. Questions and concerns should be directed to your manager or any member of the Human Resources, Compliance, or Legal Departments. You can also contact the Ethics Helpline at <https://www.openboard.info/FMI/index.cfm> or 1-866-270-3707.

Known violations of the law, this Code, or FMI's policies or procedures will not be tolerated and may be subject to disciplinary action ranging from a warning to termination of employment.

# Our Responsibilities

We all have a personal responsibility to uphold a commitment to our Code in our individual roles, every single day. Seek guidance if you have questions or concerns regarding suspected or actual violations of the law, the Code or FMI's policies or procedures.

Our business is governed by complex laws. We recognize that complying with a demanding regulatory environment can sometimes create uncertainty. We expect you to raise questions when you have doubts about whether an action or situation may be improper.

Conducting business activities in an ethical way is everyone's responsibility. When engaging in business activities, consider the following:

- What feels right or wrong about the planned action?
- Is the planned action consistent with the law, the Code, and our company policies or procedures?
- How will the planned action appear to your manager, company executives, the Board, and/or the general public?
- Would another person's input help to evaluate the planned action?

## Our Policy Against Retaliation: Asking Questions & Reporting Concerns

**We strive to maintain an open door policy; we encourage team members to share ideas, raise concerns, and ask questions – without fear of retaliation.**

**Communication Channels:** You can often avoid potential violations by asking questions before acting. If possible, start with your manager. If you think that an actual or possible violation of the law, Code, or FMI's policies or procedures has occurred, it is important to report your concerns immediately to your manager or any member of, the Human Resources, Legal, or Compliance Departments. You may also report your concerns or obtain guidance through the Ethics Helpline.

All reports will be taken seriously and will be investigated, as necessary. Reports may include your name or be made anonymously; however, we encourage you to report as much information as possible. Note: there are jurisdictions outside the United States that do not permit anonymous reporting. If you have questions about this, please contact the Compliance Department. Should you choose to identify yourself, we will respect the confidentiality of your identity to the fullest extent possible.

**Non-Retaliation:** Any team member who raises a good faith concern about a suspected violation of the law, this Code, or FMI policies or procedures will be protected from retaliation. This policy also applies to anyone who assists in an investigation or proceeding regarding any good faith concern.

**Q** The different laws are often complicated and cover many different areas, how can I be sure that I won't violate some technicality?

**A** Don't abandon your own judgment. If something seems wrong to you, ask before acting. You have an obligation to understand the finer points of the rules governing your job. Do not hesitate to contact your manager or a member of the Legal Department or Compliance Department, if you need clarification of the law the Code, or any FMI policies or procedures.

**Q** What if I make a report about a suspected violation, and I am wrong?

**A** If you made the report in good faith and believe that the information you provided is accurate, you will not be subject to disciplinary action. You do not need to be right, but you do need to believe that the information you are providing is truthful. Making a report based on information that is knowingly false or inaccurate is against company policy and can result in disciplinary action.

## Our Work Environment

**We strive to provide a safe, respectful, and healthy workplace for team members and customers.**

**Discrimination:** Having a diverse workforce made up of team members who bring a wide variety of skills, abilities, experiences, and perspectives is essential to our success. We are committed to the principles of equal employment opportunity, inclusion, and respect.

We do not tolerate discrimination against any team members, customers, business partners, or other stakeholders on the basis of race, color, religion, sex, sexual orientation (including trans-gender status), national origin, age, disability, genetic information, ancestry, marital or veteran status, pregnancy, childbirth, military service, or any other legally protected category in the locations where we operate.

**Harassment:** Every team member has a right to a work environment free from harassment, regardless of whether the harasser is a co-worker, manager, customer, vendor, or visitor. Harassment can include any behavior (verbal, visual, or physical) that creates an intimidating, offensive, abusive, or hostile work environment. Unlawful harassment includes harassment based on race, color, religion, sex, sexual orientation (including trans-gender status), national origin, age, disability, genetic information, ancestry, marital or veteran status, pregnancy, childbirth, military service, or any other legally protected category. Sexual harassment includes harassment of a sexual nature of a person of the same or opposite sex as the harasser.

**Workplace Safety:** All team members have a responsibility to report any unsafe behavior or condition regardless of whether they are directly involved or a witness. This may include accidents, injuries, and occupational illnesses, as well as unsafe practices or conditions.

**Violence Prevention:** Threats, acts of violence, and physical intimidation are prohibited. Possession of firearms, weapons, explosive devices or other dangerous material on the job or on our premises is prohibited.

**Anti-Drug & Substance Abuse:** Alcohol and drug abuse can endanger the health, safety, and security of our team members and our patients, adversely affect the quality and effectiveness of our company operations, and potentially harm others. FMI strictly prohibits team members from using, possessing, distributing, or selling illegal drugs or alcohol whenever they are on FMI's premises, performing work on behalf of FMI, or otherwise representing FMI.

**Q I sustained a minor injury at work, but I didn't miss any work as a result of the incident. Is it OK not to report the incident?**

**A** No. You must report all work-related safety incidents. By tracking incidents, regardless of whether an injury occurred, we can better identify trends that could lead to more serious incidents.

**Q I think my manager didn't promote me because of my age. What can I do?**

**A** If you believe that you or another employee are discriminated against for age or any other reason that is protected by law, you should discuss it immediately with a higher level of management or a member of Human Resources.

**Q My manager makes several of us uncomfortable with rude jokes and comments. What should I do?**

**A** Talk to your manager about how you feel. If you are uncomfortable talking directly to your manager, talk to another manager or a member of Human Resources. All forms of harassment or the creation of a hostile work environment in which any team member feels threatened or intimidated are not acceptable at FMI.

**Q During a department presentation I asked a question. I felt the response I received was abusive and felt humiliated. Several other people in the room started to laugh.**

**A** We encourage open communication, differing opinions on issues, and healthy debate when decisions are being made. When we disagree, it must be done professionally and respectfully. Talk to the individual who made you uncomfortable about your concerns.

# Our Commitment to Confidentiality, Privacy, & Security

**Taking precautions to avoid improper, inappropriate or inadvertent disclosures of confidential or proprietary information is vital to FMI's business.**

**Confidential & Proprietary Information:** Team members have an obligation to safeguard the privacy and security of all confidential and proprietary information. If you come into contact with such information in the course of performing your responsibilities at FMI, respect the following guidelines:

**Sharing:** Only share it with others who:

- Need to know the information to serve FMI's business interests and only share the minimum amount of information necessary to serve the business interest, and
- Owe FMI a legal duty of confidentiality (either as an FMI employee or an outside party who has signed a confidentiality agreement).

**Public Areas & Forums:** Use discretion when discussing our business publicly, for example, when you are in public areas and when using online forums, social media sites, blogs, chat rooms, and bulletin boards.

**Appropriate Use:** Do not use FMI's confidential or proprietary information for your own purposes or in any way that is inconsistent with our interests.

**Continuing Duty to Safeguard:** Remember that your duty to safeguard FMI's confidential and proprietary information continues even after your relationship with FMI ends.

**Team members must protect the privacy and security of confidential and proprietary information.**

**Employee Privacy:** We respect employee privacy and only collect and use personal employee information, such as personnel, payroll, and medical information, for business purposes. Access to personal employee information is limited only to those who have a business need to see the information, and even then, only on a "need-to-know" basis for the performance of their job. Those who handle personal information are advised on a regular basis of their duty to protect the confidentiality of this information.

**Q I know that some of the information I work with is confidential. Does this mean I can't talk about it with anyone, even other team members?**

**A** You must handle FMI's confidential and proprietary information carefully; therefore, you should only disclose such information with those who have a legitimate need to know about it for FMI business purposes. If you have any questions about whom you can disclose such information to please ask a member of the Legal Department.

**Proprietary information** includes any information that we own, develop, pay to have developed, or possess, as well as certain information we have a contractual right to use.

**Confidential information** includes any information that is private or not common knowledge to others, both within and outside of FMI. Some examples include:

- Employee, personnel, payroll, and medical records
- Patient data, protected health information, 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 publically 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 possible or pending acquisitions or divestitures, potential new products or market expansions

**Customer & Patient Privacy:** All team members must safeguard and secure all customer and patient information entrusted to us. You may only access customer and patient information as needed for legitimate business purposes. Do not share customer or patient information outside of FMI, unless permitted to do so. Do not share customer or patient information internally with anyone at FMI who does not “need-to-know” that information for business purposes.

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. If you are uncertain about the collection, transfer, processing, disclosure, or destruction of customer or patient data, contact a member of the Compliance Department before taking action.

**Insider Trading:** Our company values open communication. At times, however, we may have certain information before it is made publicly available to ordinary investors. Some of that information may be considered significant or “material” in that it could be important to an investor deciding to buy, sell, or hold securities such as FMI stock.

All non-public information about FMI or about companies with which we do business is considered confidential information. To use material non-public information in connection with buying or selling securities, including by “tipping” others who might make an investment decision on the basis of this information, is not only unethical, it is illegal. We must exercise care when handling any such material non-public information.

**Communicating with External Parties:** Team members must not speak with the media, investors, and analysts on behalf of FMI unless authorized by our Communications Department, CEO, or President. Unless authorized, do not give the impression that you are speaking on behalf of FMI in any communication that may become public. This includes:

- Any posts to online forums, social media sites, blogs, chat rooms, and bulletin boards, and
- Any comments to journalists about specific matters that relate to our businesses, as well as letters to the editor and endorsements of products or services. If you are contacted by an external party, contact our Communications Department immediately and do not respond unless advised that you may do so.

All public disclosures, including manuscript or abstract submissions, posters, presentations, and talks, must be approved in advance by your manager, the Disclosure Committee, and, if applicable, the Intellectual Property Committee.

**Material non-public information** is information that an investor might consider important in making a decision about buying, holding, or selling our stock. This information includes financial results, business acquisitions or sales, senior management changes, government investigations, changes in significant customers, and product recalls. If you are unsure whether you have material non-public information, refrain from trading and ask. Examples include:

- Information about possible business deals, such as a merger, purchase, sale, or joint venture
- Financial results or changes in dividends
- Important management changes
- Significant supply interruptions
- Significant product or manufacturing process developments
- Gain or loss of a significant customer or supplier
- Major lawsuit or regulatory investigation

Any other information that may positively or negatively affect the stock price of FMI or any other company.

**Q My family and friends often ask me about FMI and whether they should buy the stock. Is it a problem for me to tell them what I know about our business or to recommend buying or not buying FMI's stock?**

**A** Yes, it could be. The same rules about inside information apply whether you buy or sell stock yourself or give the information to someone else. If a relative or friend buys or sells stock based on material non-public information or “tips” that you give him or her, both of you could be liable for violation of securities laws. You should never provide material non-public information or make any recommendation based on such information or “tips.” Remember that it is sometimes difficult to separate such inside information from public information. If you are uncertain and have questions, consult a member of the Legal Department before sharing any such information.

# Our Information Technology, Intellectual Property & Corporate Records

**Team members must use and protect our property appropriately.**

**Information Technology Resources & Other Physical Property:** We provide an array of information technology resources intended to maximize your efficiency in carrying out your job, including email, computers, computer applications, networks, the internet, the intranet, facsimile machines, cell phones and other wireless communication devices, telephones, and voice mail systems. Limited personal use of these resources is permitted, but should not interfere with your work performance or with the work performance of your colleagues. Report any misuse or suspected misuse to your manager or any member of the Human Resources, Compliance, or Legal Departments.

All data residing on or transmitted through our computing and communications tools, including email and word processing documents, is the property of FMI. You shouldn't have an expectation of privacy when using FMI's property. We reserve the right to monitor and inspect, without notice or consent, the use of information technology resources, as well as any documents residing on or transmitted through such tools.

Our property, including our office supplies, computer equipment, buildings and products, are expected to be used only for legitimate business. Additionally, you may not use our corporate name, any brand name or trademark owned by or associated with FMI, or any letterhead stationary for any personal purpose.

**Intellectual Property:** We value our 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. If we do not properly identify and protect our intellectual property, FMI risks losing rights to it and the competitive advantages it offers. It is up to each of our team members to ensure our intellectual property is identified and protected from misappropriation or other misuse by following these guidelines:

**Trade Secrets:** Some of our confidential information, particularly certain information pertaining to our laboratory, computational biology, and related methods and processes, is considered trade secret and is almost never disclosed outside of FMI. Do not disclose any information that you believe may be a trade secret outside of FMI without explicit approval from your manager and the Intellectual Property Committee.

**Inventions:** Contact your manager and the Intellectual Property Committee about any invention (e.g., a new concept, method, technique, process, process improvement, algorithm, system, or software-implemented tool) that you believe you have come up with to ensure a proper invention disclosure is made for possible patent filing. Treat all inventions or potential inventions as confidential information, and do not disclose them to any individuals outside of FMI without the explicit approval of your manager and the Intellectual Property Committee.

**Publication:** Submit all manuscripts, draft abstracts and presentations containing any scientific or clinical data or any non-public information concerning our laboratory, knowledgebase, or other proprietary methods, processes, and procedures to your manager and the Intellectual Property Committee for clearance as early as possible, but no later than two weeks in advance of submission.

**Identification:** Ensure our intellectual property is affixed with or identified by appropriate trademarks, service marks, copyright notices, or patent markings, as applicable.

**Corporate Records:** FMI records are our corporate memory, providing evidence of actions and decisions and containing data and information critical to the continuity of our business. Accurate and reliable records are crucial to our business. We are committed to maintaining accurate corporate records and accounts in order to ensure legal and ethical business practices and to prevent fraudulent activities. Such corporate records include payroll, timecards, travel and expense reports, emails, accounting and financial data, electronic data files, and all other records maintained in the ordinary course of our business.

Corporate records consist of all forms of information created or received by FMI, whether originals or copies and whether paper or electronic.

- Never make or ask others to make a false or misleading entry or report. This applies whether the report is financial or non-financial or for internal or external use.
- Always record business transactions and payments accurately and in accordance with FMI's policies and procedures.
- Never use or transfer FMI funds for any purpose that would be in violation of the law, the Code, or FMI's policies or procedures.
- If you have any questions or concerns about our financial records, internal accounting controls, or audit practices, discuss the matter with your manager or a member of the Compliance or Legal Departments.

## Our Way of Doing Business: Honest Dealings & Conflicts of Interest

**We expect all team members to act honestly and ethically in all dealings, including with customers, suppliers, business partners, and government officials.**

**Antitrust & Fair Competition:** In nearly every country where we do business, there are laws prohibiting activities and practices that interfere with or hinder competition. We must compete vigorously, but at all times fairly. Team members 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. Also, we must be careful to structure agreements with distributors and channel partners in a legal manner.

**Advertising & Marketing:** It is our responsibility to accurately represent FMI and our products in our marketing, advertising, and sales materials. Deliberately misleading messages, omissions of important facts, or false claims about our products, individuals, or competitors or their products, services, or team members are inconsistent with our values. Sometimes it is necessary to make comparisons between our products and those of our competitors. When we do so, we will make factual and accurate statements that can be easily verified or reasonably relied upon.

**Anti-Bribery:** Any form of bribery is prohibited. A bribe can be anything of value that is offered or given in exchange for an improper purpose, such as gaining new business, securing a contract renewal, or seeking any other improper advantage.

FMI is subject to U.S. anti-bribery laws, such as the Foreign Corrupt Practices Act (FCPA), and similar laws in other countries, which prohibit the offering, promising, or giving anything of value to a public or government official and require the maintenance of accurate books of account. Anti-bribery laws can be complex and violations can subject FMI and involved team members to serious criminal, civil, and other penalties. Consult a member of the Legal Department with any questions.

**Q** What if I talk about prices with a competitor, but we never actually sign an agreement?

**A** A formal agreement is not necessary to trigger a violation of competition laws. Any discussion or exchange of pricing information, no matter how informal or casual, can be a violation of antitrust and competition laws.

**Q** Are there warning signs that behavior by a team member could be considered a bribe?

**A** Yes. Warning signs may include requesting payments in a different country or to a third party, requesting cash or untraceable funds, failing to disclose an affiliation with a government official, appearing unqualified or having no prior professional experience, lack of necessary staff or facilities to perform the services in question, or lack of adequate financial record-keeping.

**Meals & Gifts:** Modest gifts are often used to strengthen business relationships. However, a gift should not be accepted or given if it obligates, or appears to obligate, the recipient. In general, unless you have supervisory approval you should not provide any gift or entertainment to customers, suppliers, or others.

- Never offer or accept cash or its equivalent in connection with a business transaction
- Never offer, accept, or receive a gift if it:
  - Is in cash
  - Is not consistent with customary business practices
  - Is extravagant in value
  - Can be construed as a kickback, bribe or payoff in violation of any law, including a bribe under the FCPA.

The U.S. and other countries have strict laws that apply to interactions with government employees and health care providers. When doing business with government employees or health care providers, be sure you understand applicable laws as well as local customs and norms.

**Avoiding Conflicts of Interest:** We have an obligation to make sound business decisions in the best interests of FMI without the influence of personal interests or gain. Avoid any conflict, or even the appearance of a conflict, between your personal interests and FMI's interests. A conflict exists when your interests, duties, obligations, or activities or those of a family member are or may be contrary to FMI's interests.

It is impossible to describe every potential conflict and therefore we rely on you to exercise sound judgment, to seek advice when appropriate, and to adhere to the highest standards of integrity.

Some examples of conflicts of interest that should be avoided are:

- Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business, or competes with FMI
- Holding a second job that interferes with your responsibilities at FMI
- Employing, consulting, or serving on the board of a competitor, customer, supplier or other service provider
- Hiring a supplier, distributor or other agent managed or owned by a relative or close friend
- Soliciting or accepting any cash, gifts, entertainment, or benefits that are more than modest in value from any competitor, supplier, or customer
- Taking personal advantage of corporate opportunities (except as may be permitted under Section 6.04 of the Investor Rights Agreement by and between FMI and Roche Holdings, Inc., dated January 11, 2015)

**Q My spouse works for one of our competitors. Does this constitute a conflict of interest?**

**A** No, not necessarily. However, you should discuss the situation with your manager to make sure you are not given assignments that would create conflicts of interest. Regardless of whether your spouse works for a competitor, you should never disclose FMI's confidential or proprietary information to your spouse or solicit from your spouse confidential or proprietary information about her employer.

**Q What constitutes taking personal advantage of a corporate opportunity?**

**A** Taking personal advantage of a corporate opportunity includes diverting to yourself any opportunities that are discovered through your use of FMI's property or information or as a result of your position with FMI without first presenting the opportunity to FMI and securing FMI's consent.

## Our Community

**Political Activities & Contributions:** You may support the political process through personal contributions or by volunteering your personal time to the candidates or organizations of your choice. These activities, however, must not be conducted on company time or involve the use of any FMI resources such as telephones, computers, or supplies. You may not make or commit to make political contributions on FMI's behalf.

**Charitable Contributions:** We support community development. Team members may contribute to these efforts, or may choose to contribute to organizations of their own choice. As with political activities, you may not use FMI resources to personally support charitable or other non-profit institutions not specifically sanctioned or supported by FMI.

**Environmental Stewardship:** We are committed to conducting business in an environmentally responsible manner and strive to improve our performance to benefit our team members, customers, communities, shareholders, and the environment. We seek to use energy wisely and efficiently and employ technology to minimize any risk of environmental impact. Team members whose work affects environmental compliance must be completely familiar with the permits and laws that apply to their work. All team members are responsible for making sure that our business is conducted in compliance with all applicable laws and in a way that is protective of the environment.