



The United States Foreign Corrupt Practices Act Policy & Other International Bribery Laws

Applies to: All employees worldwide

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1. Introduction

Hologic is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including the U.S. Foreign Corrupt Practices Act (FCPA) and other laws that prohibit improper payments to obtain a business advantage.

This document describes Hologic's policy prohibiting bribery and other improper payments in the conduct of Hologic business operations as well as employee responsibilities for ensuring implementation of the policy. Questions about the policy or its applicability to particular circumstances should be directed to the Legal Department.

Hologic strictly prohibits bribery or other improper payments in any of its business operations. This prohibition applies to all business activities, anywhere in the world, whether they involve government officials or are wholly commercial. A bribe or other improper payment to secure a business advantage is never acceptable and can expose individuals and Hologic to possible criminal

prosecution, reputational harm or other serious consequences.

This policy applies to everyone at Hologic, including all officers, employees and agents or other intermediaries acting on the Hologic's behalf. Each officer and employee of Hologic has a personal responsibility and obligation to conduct Hologic's business activities ethically and in compliance with the law. Failure to do so may result in disciplinary action, up to and including dismissal.

Improper payments prohibited by this policy include bribes, kickbacks, excessive gifts or entertainment, or any other payment made or offered to obtain an undue business advantage. These payments should not be confused with reasonable and limited expenditures for gifts, business entertainment and other legitimate activities directly related to the conduct of Hologic's business.

2. Reporting Suspected Violations

It is each employee's personal responsibility to bring violations or suspected violations of this policy to their supervisor, Human Resources or the Legal Department. The Company encourages employees to report or question any conduct that may violate this policy. Employees will not suffer any retribution in connection with any good faith reporting.

To report a suspected violation of this policy call or email Hologic's Compliance Hotline: 1-888-320-6579 or <https://hologic.alertline.com>.

3. FCPA Overview

The prohibition on bribery and other improper payments applies to all business activities, but is particularly important when dealing with government officials. The FCPA and similar laws in other countries strictly prohibit improper payments to gain a business advantage and impose severe penalties for violations. The following summary is intended to provide personnel engaged in international activities a basic familiarity with applicable rules so that inadvertent violations can be avoided and potential issues recognized in time to be properly addressed.

The FCPA is a criminal statute that prohibits improper payments to government officials to influence performance of their official duties. It makes it unlawful for any U.S. company and its employees or agents to offer, promise, pay or authorize the payment of “anything of value” to any “foreign official” – a term that is very broadly defined – to help the company obtain or keep business or secure some other “improper business advantage.”

The prohibition applies whether the offer or payment is made directly or through another person.

In addition to prohibiting improper payments to foreign officials, the FCPA requires U.S. companies and their controlled affiliates to keep accurate books and records of the transactions in which they engage and to maintain a system of internal controls that, among other things, can prevent “slush funds” and “off-the-books” accounts that might be used to facilitate or conceal questionable foreign payments. FCPA accounting requirements apply to all business activities, not just those involving foreign officials.

The penalties for violating the FCPA are severe. For a company, potential sanctions range from multi-

million dollar fines and “disgorgement” of any business profits from an improper payment to loss of export privileges or eligibility to compete for U.S. government contracts. These sanctions are in addition to potential reputational damage and investigation and defense costs, which may arise even without a formal government prosecution. The penalties for individuals can be even more severe, including substantial fines and imprisonment.

4. What the FCPA Provides

When does it apply? The FCPA prohibition applies to improper payments made by a “U.S. person” anywhere in the world, whether or not there is any other connection to the United States. The term U.S. person includes both U.S. companies and individuals who are citizens or permanent residents of the United States. Foreign nationals also may be prosecuted for causing, directly or through a third person, any act in the U.S. in furtherance of a corrupt payment.

What does it prohibit? The FCPA makes it unlawful to bribe a foreign official to gain an “improper business advantage.” An improper business advantage may involve efforts to obtain or retain business, as in the awarding of a government contract, but also can involve regulatory actions such as licensing or approvals.

Examples of prohibited regulatory bribery include paying a foreign official to ignore an applicable customs requirement or to accelerate a tax refund.

The FCPA bribery prohibition has been interpreted very broadly. A violation can occur even if an improper payment is only offered or promised and not actually made, it is made but fails to achieve the desired result, or the result benefits someone other than the giver (for example, directing business to a third party). Also, it does not matter that the foreign official may have suggested or demanded the bribe, or that a company feels that it is already entitled to

the government action. While certain limited exceptions may apply (described below), these should never be relied upon without first seeking expert guidance.

Who is a foreign official? A “foreign official” under the FCPA can be essentially anyone who exercises governmental authority. This includes any officer or employee of a foreign government department or agency, whether in the executive, legislative or judicial branch of government, and whether at the national, state or local level. Officials and employees of government-owned or controlled enterprises also are covered, as are private citizens who act in an official governmental capacity. The FCPA prohibition also applies to political parties and candidates, and to officials of public international organizations such as the United Nations.

A physician or other employee of a government-owned or operated hospital or health agency may be considered a “foreign official” under the FCPA.

Foreign official status often will be apparent, but not always. In some instances, individuals may not consider themselves officials or be treated as such by their own governments but nevertheless exercise authority that would make them a “foreign official” for purposes of the FCPA. Personnel engaged in international activities are responsible under this policy for inquiring whether a proposed activity could involve a foreign official or an entity owned or controlled by a foreign government, and should consult with the Legal Department when questions about status arise.

What types of payments are prohibited? The FCPA prohibits offering, promising or giving “anything of value” to a foreign official to gain an improper business advantage. In addition to cash payments, “anything of value” may include:

- Gifts, entertainment or other business promotional activities;

- Covering or reimbursing an official’s expenses;
- Offers of employment or other benefits to a family member or friend of a foreign official;
- Political party and candidate contributions;
- Charitable contributions and sponsorships.

Other less obvious items provided to a foreign official can also violate the FCPA. Examples include in-kind contributions, investment opportunities, stock options or positions in joint ventures, and favorable or steered subcontracts. The prohibition applies whether an item would benefit the official directly or another person, such as a family member, friend or business associate.

Are there any exceptions? The FCPA does not prohibit reasonable promotional or other business activities, including legitimate charitable contributions or sponsorships. Special care is required, however, when foreign officials may be involved to avoid any appearance that benefits are being offered to improperly influence the performance of official duties. The FCPA contains a limited exception for payments expressly authorized under the host country’s written law. These is a very narrow exception, however, requiring prior approval by the Legal Department.

5. Working with Third Parties

Hologic from time to time may engage the services of an agent, consultant or other intermediary to support its business activities, or may participate with business partners in a joint venture or other business structure. These relationships are important to Hologic and provide valuable contributions in many areas of business, but can also pose compliance challenges and thus require appropriate measures to prevent bribery.

This policy applies in all material respects to business conducted with or through an agent, consultant, joint venture or other business partner. Employees who manage, supervise and/or oversee the activities of third parties working with Hologic are responsible for ensuring that such persons or entities understand and fully comply with this policy, through appropriate measures.

Personnel working with agents and other third parties should pay particular attention to unusual or suspicious circumstances that may indicate possible legal or ethics concerns, commonly referred to as “red flags.” The presence of red flags in a relationship or transaction requires greater scrutiny and implementation of safeguards to prevent and detect improper conduct. Appointment of an agent or other third party ordinarily requires prior approval by an appropriate senior manager, description of the nature and scope of services provided in a written contract, and appropriate contractual safeguards against potential violations of law or Hologic policy.

international business activities include those of the country in which the activities occur, as well as others that (like the U.S. FCPA) govern the international operations of national companies and citizens. Employees involved in international operations should consult with the policies applicable to their jurisdiction to ensure that they are aware of, and are complying with, applicable laws.

6. Recordkeeping Requirements

Under the FCPA, Hologic and its affiliates must keep accurate books and records that reflect transactions and asset dispositions in reasonable detail, supported by a proper system of internal accounting controls. These requirements are implemented through Hologic’s standard accounting rules and procedures, which all personnel are required to follow without exception.

Special care must be exercised when transactions may involve payments to foreign officials. Off-the-books accounts should never be used. Requests for false invoices or payment of expenses that are unusual, excessive or inadequately described must be rejected and promptly reported. Misleading, incomplete or false entries in Hologic’s books and records are never acceptable.

7. Other Anti-bribery Laws

Many countries now have laws similar to the U.S. FCPA that prohibit bribery of foreign officials by their citizens and companies, which can include local subsidiaries and affiliates of a foreign-based company. These laws are comparable to the FCPA, but can differ in important respects. In addition, virtually all countries have domestic laws that prohibit bribery of their public officials.

Hologic requires all employees and agents to comply in all respects with applicable foreign laws and regulations. The laws that apply to particular