

TANDEM DIABETES CARE, INC. CALIFORNIA COMPREHENSIVE COMPLIANCE PROGRAM

Introduction

Tandem Diabetes Care, Inc. (“Tandem”) has established and maintains a compliance program designed to ensure Tandem conducts its business ethically, responsibly and in material compliance with federal and state laws and industry standards relating to the promotion and marketing of medical devices (“Program”). The Program is designed to prevent and detect violations of law and company policies.

The Program was designed in accordance with the Compliance Program Guidance published by the United States Department of Health and Human Services Office of the Inspector General (“HHS-OIG Guidance”). While California Health and Safety Code §§119400-119402 (the “Statute”) refers to compliance with the Pharmaceutical Research and Manufacturers of America’s Code on Interactions with Health Care Professionals (“PhRMA Code”), since we manufacture medical devices rather than pharmaceutical products, we instead adhere to the AdvaMed Code of Ethics on Interactions with Health Care Professionals (the “AdvaMed Code”), which, although substantially similar to the PhRMA Code, is specific to the medical device industry.

Description

This document provides an overview of the fundamental elements of the Program. Tandem periodically reviews and enhances the Program to address evolving compliance needs, changes to federal or state laws and guidance, or other factors unique to Tandem’s business.

OVERVIEW OF COMPLIANCE PROGRAM

1. Written Policies and Procedures

- The Board of Directors of Tandem established a Code of Business Conduct and Ethics (“Code”) that describes generally the fundamental principles, values, and framework of our organization. The Code articulates that Tandem expects each director, executive, and employee to act in accordance with the law and company policies.
- HHS-OIG Guidance identifies specific risk areas, which, as relevant to a medical device manufacturer include: (1) integrity of data used by state and federal governments to establish payment amounts; and (2) kickbacks and other illegal remuneration. To address these specific risk areas, in addition to the Code, Tandem has adopted a written policy on interactions with Health Care Professionals (the “HCP Policy”) that complies with the AdvaMed Code. Furthermore, to comply with the Statute, Tandem has established an annual, per individual limit of \$2,500 for gifts, promotional materials, or items or activities provided by Tandem to a covered recipient in California, unless exempt under the Statute.

2. Compliance Officer and Compliance Program Administration

Tandem’s Executive Vice President and General Counsel currently serves as Tandem’s Compliance Officer. In that capacity, Tandem’s Compliance Officer has direct access to Tandem’s Chief Executive Officer, Board of Directors (the “Board”) and to the Board’s Nominating and Corporate Governance

Committee. Tandem's Compliance Officer is the focal point for compliance activities. Tandem is committed to ensuring the Compliance Officer has access to sufficient resources and staff to perform his responsibilities fully, the ability to effectuate change within the company as necessary, and to exercise independent judgment.

3. Training and Education

Training and education are critical elements of the Program. Employees who interact directly or indirectly with Health Care Professionals or are otherwise engaged in federal healthcare program activities receive training on Tandem's HCP Policy, the anti-kickback statute, and the prevention and detection of fraud, waste and abuse, as well as other topics. Additional ethics and compliance education and training programs are provided on an ongoing basis as required by an individual's job responsibilities and by changes in the laws and Tandem policies and procedures. Training records are maintained in accordance with company policy.

4. Effective Lines of Communication

Tandem is committed to an environment where open, honest communications are the expectation, not the exception. We encourage employees to address compliance concerns with their supervisors or the Compliance Officer by adhering to our written policies regarding confidentiality and non-retaliation. In addition, Tandem maintains a confidential reporting system hosted by a third party, including online reporting or a toll-free, 24-7 telephone service which allows employees, customers, suppliers and others to ask questions in a confidential manner about ethics or compliance issues or to report possible violations of applicable law or Tandem policies or procedures, without fear of retaliation, and anonymously if so desired.

5. Auditing and Monitoring

The Program includes efforts to monitor, audit and evaluate compliance with the company's compliance policies and procedures. Consistent with HHS-OIG Guidance, the nature of our reviews, as well as the extent and frequency of our compliance auditing and monitoring vary according to several factors including new regulatory requirements, changes in business practices, and other considerations.

6. Responding to Past and Potential Violations

The Program is designed to prevent, detect, and deter conduct that may be inconsistent with the requirements of applicable law or regulations or the Program. If improper conduct is substantiated, Tandem will address it promptly and responsibly with appropriate disciplinary measures. Although each instance is considered individually taking into account all relevant circumstances, the disciplinary action applied will be based on a framework of principles applied consistently throughout all levels of the organization.

7. Investigations and Corrective Action Initiatives

The Program is intended to increase the likelihood of preventing, or at a minimum identifying unlawful or unethical behavior, but HHS-OIG recognizes that a compliance program may not eliminate all improper conduct. Accordingly, the Program requires prompt investigation into allegations to determine whether a material violation of law or company policy has occurred and, if it has, then

Tandem will take appropriate steps to correct the problem. The nature and scope of investigations will vary dependent upon the circumstances, but will identify the root cause, and if appropriate, may include a corrective action to address individual acts or gaps in policies, practices, training, or internal controls in order to prevent future violations

COPIES OF COMPLIANCE PROGRAM AND ANNUAL DECLARATION

As described in this document, Tandem has developed and continually implements the Program, which is founded on the seven basic elements from the HHS-OIG Guidance and which complies with the principals of the AdvaMed Code, which is the medical device industry's equivalent to the PhRMA Code. As of the date of this compliance disclosure, to the best of our knowledge, Tandem is in compliance with the requirements of the Statute and the Program, which for purposes of the Statute, constitutes Tandem's Comprehensive Compliance Program.

In conjunction with this declaration, please note that, from time to time, we may identify potential or actual violations of provisions of our compliance program. In those instances, we promptly investigate and respond appropriately to any alleged noncompliance or misconduct in a timely manner.

Copies of this document, which constitutes Tandem's Comprehensive Compliance Program and written declaration of compliance, may be obtained by calling our toll free number at 1-855-868-2472 or by accessing this document at <http://investor.tandemdiabetes.com/governance.cfm>.

Dated: July 1, 2018