



## Corporate Governance Guidelines

The Board of Directors (the "Board") of Analogic Corporation (the "Company") has adopted the following Corporate Governance Guidelines (the "Guidelines") to assist the Board in the exercise of its duties and responsibilities and to serve the best interests of the Company. The Guidelines should be applied in a manner consistent with all applicable laws and stock exchange rules and the Company's charter and bylaws, each as amended and in effect from time to time. The Guidelines provide a framework for the conduct of the Board's business. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with its duties and responsibilities to the Company and its stockholders.

### A. Director Responsibilities

1. Oversee Management of the Company. The principal responsibility of the directors is to oversee the management of the Company and, in so doing, serve the best interests of the Company and its stockholders. This responsibility includes:
  - Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
  - Evaluating the performance of the Company and its senior executives and taking appropriate action, including removal, when warranted.
  - Evaluating the Company's compensation programs on a regular basis and determining the compensation of its senior executives.
  - Requiring, approving and implementing senior executive succession plans.
  - Determining that corporate resources are used only for appropriate business purposes.
  - Establishing a corporate environment that promotes timely and effective disclosure (including robust disclosure controls, procedures and incentives), fiscal accountability, high ethical standards and compliance with all applicable laws and regulations.
  - Reviewing the Company's policies and practices with respect to risk assessment and risk management.
  - Reviewing and approving material transactions and commitments not entered into in the ordinary course of business.
  - Developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
  - Providing advice and assistance to the Company's senior executives.
  - Evaluating the overall effectiveness of the Board and its committees.
2. Exercise Business Judgment. In discharging their fiduciary duties of care, loyalty and candor, directors are expected to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders.
3. Understand the Company and its Business. Directors have an obligation to become and remain informed about the Company and its business, including the following:
  - The principal operational and financial objectives, strategies and plans of the Company.
  - The results of operations and financial condition of the Company and of significant subsidiaries and business segments.
  - The relative standing of the business segments within the Company and vis-à-vis competitors.
  - The factors that determine the Company's success.
  - The risks and problems that affect the Company's business and prospects.
4. Establish Effective Systems. Directors are responsible for determining that effective systems are in place for the periodic and timely reporting to the Board on important matters concerning the Company, including the following:
  - Current business and financial performance, the degree of achievement of approved objectives and the need to address forward-planning issues.
  - Future business prospects and forecasts, including actions, facilities, personnel and financial resources required to achieve

forecasted results.

- Financial statements, with appropriate segment or divisional breakdowns.
  - Adoption, implementation and monitoring of effective compliance programs to assure the Company's compliance with law and corporate policies.
  - Material litigation and governmental and regulatory matters.
  - Directors should also periodically review the integrity of the Company's internal control and management information systems.
5. Board and Committee Meetings. Directors are responsible for attending Board meetings and meetings of committees on which they serve, and devoting the time needed, and meeting as frequently as necessary, to discharge their responsibilities properly.
6. Reliance on Management and Advisors: Indemnification. The directors are entitled to rely on the Company's senior executives and its outside advisors, auditors and legal counsel, except to the extent that any such person's integrity, honesty or competence is in doubt. The directors are also entitled to Company provided indemnification, statutory exculpation and directors' and officers' liability insurance.

## **B. Director Qualification Standards**

1. Independence. A majority of the members of the Board shall be independent directors. To be considered independent: (1) a director must be independent as determined under Rule 5605(a)(2) of the rules of the NASDAQ Stock Market and (2) the Board's judgment, the director must not have a material relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.
2. Size of the Board. The Board should periodically consider the appropriate size of the Board. The Board's size should facilitate substantive discussions by the entire Board in which each director can participate meaningfully, as well as the selection of directors having an appropriate range of skills and experience. The Board size may vary depending on circumstances, changes in the Company's business and any limitations set forth in the Company's charter or bylaws.
3. Other Directorships. A director shall limit the number of other company boards on which he or she serves so that he or she is able to devote adequate time to his or her duties to the Company, including preparing for and attending meetings. Directors should advise the Board Chair and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another private or public company board. Service on boards and/or committees of other organizations shall comply with the Company's conflict of interest policies.
4. Tenure. The Board does not believe it should establish term limits. Term limits could result in the loss of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and an institutional memory that benefit the entire membership of the Board as well as management. As an alternative to term limits, the Nominating and Corporate Governance Committee shall periodically review each director's continued service on the Board.
5. Retirement. Any director who reaches the age of 72 while serving as a director will retire from the Board effective at the end of his or her then current term. Exceptions to this policy may be made on a case by case basis, as determined by the Board after the review and recommendation of the Nominating and Corporate Governance Committee.
6. Board Chair. The Board Chair leads the Board. Where the Board Chair is an independent director, he or she serves as a liaison between the Board and the management of the Company. Recognizing that the Chief Executive Officer and the Company's management are primarily responsible for the day-to-day conduct of the Company's business, the Board Chair also acts in an advisory capacity to the Company's CEO and management. Duties of the independent Board Chair include those set out in Attachment A to these Guidelines.
7. Lead Director. In the event that the Board Chair is not an independent director, the Nominating and Corporate Governance Committee shall nominate an independent director to serve as "Lead Director," who shall be approved by a majority of the independent directors. Duties of the Lead Director include those set out in Attachment B to these Guidelines.
8. Separation of the Offices of Board Chair and Chief Executive Officer. The Board does not have a policy on whether the offices of Board Chair and Chief Executive Officer should be separate and, if they are to be separate, whether the Board Chair should be selected from among the independent directors or should be an employee of the Company.
9. Selection of New Director Candidates. Except where the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors, the Nominating and Corporate Governance Committee shall be responsible for identifying individuals qualified to become Board members and recommending to the Board the persons to be nominated by the Board for election as directors at any meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board. Director nominees shall be considered for recommendation by the Nominating and Corporate Governance Committee in accordance with these Guidelines, the policies and principles in its charter and the criteria set forth in Attachment C to these Guidelines. It is expected that the Nominating and Corporate Governance Committee will have direct input from the Board Chair, the Chief Executive Officer and, if one is appointed, the Lead

Director. The Nominating and Corporate Governance Committee shall be responsible for reviewing with the Board, on an annual basis, the requisite skills and criteria for new Board members as well as the composition of the Board as a whole. This review shall include consideration of diversity, age, skills and experience in the context of the needs of the Board.

10. Extending the Invitation to a New Director Candidate to Join the Board. The invitation to join the Board should be extended by the Board Chair, on behalf of the Board, and the Chair of the Nominating and Corporate Governance Committee, on behalf of such Committee. Unauthorized approaches to prospective directors can be premature, embarrassing and harmful.
11. Change of Responsibility of Director. The Board believes that any director who retires from his or her principal current employment, or who materially changes his or her current position, should so advise the Board. The Nominating and Corporate Governance Committee shall then review whether the individual continues to satisfy the Board's membership criteria in light of his or her new status and advise the Board accordingly.
12. Former Chief Executive Officer's Board Membership. The Board believes that the continuation of a former Chief Executive Officer of the Company on the Board is a matter to be decided in each individual instance by the Board, upon recommendation of the Nominating and Corporate Governance Committee. Accordingly, when the Chief Executive Officer ceases to serve in that position, he or she will be expected to resign from the Board if so requested by the Board, upon recommendation of the Nominating and Corporate Governance Committee.

### **C. Board Meetings**

1. Selection of Agenda Items. The Board Chair shall establish the agenda for each Board meeting. At the beginning of the year the Board Chair shall establish a schedule of subjects to be discussed during the year (to the extent practicable). Each Board member is free to suggest the inclusion of agenda items and is free to raise at any Board meeting subjects that are not on the agenda for that meeting. During at least one meeting each year, the Board shall review the Company's long-term strategic plans and the principal issues that the Company expects to confront in the future.
2. Frequency and Length of Meetings. The Board Chair, in consultation with the members of the Board, shall determine the frequency and length of the Board meetings. Special meetings may be called from time to time as determined by the needs of the business.
3. Advance Distribution of Materials. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting. The Board acknowledges that certain items to be discussed at a Board or committee meeting may be of an extremely confidential or time-sensitive nature and that the distribution of materials on these matters prior to meetings may not be appropriate or practicable. Presentations made at Board meetings should do more than summarize previously distributed Board meeting materials.
4. Executive Sessions. The independent directors, as defined by the rules of NASDAQ, shall meet in executive session at least semi-annually to discuss, among other matters, the performance of the Chief Executive Officer. The independent directors will meet in executive session at other times at the request of any independent director. Absent unusual circumstances, these sessions shall be held in conjunction with regular Board meetings. The Board Chair, or if the Board Chair is not an independent director, the Lead Director, will preside over executive sessions.
5. Attendance of Non-Directors at Board Meetings. The Board welcomes regular attendance at each Board meeting of senior executives of the Company. Furthermore, the Board encourages the senior executives of the Company to, from time to time, bring Company personnel into Board meetings who (i) can provide additional insight into the items being discussed because of personal involvement in these areas or (ii) appear to be persons with future potential who should be given exposure to the Board.

### **D. Board Committees**

1. Key Committees. The Board shall have an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee, and a Technology Committee. Each such committee shall have a charter that has been approved by the Board. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.
2. Assignment and Rotation of Committee Members. The Nominating and Corporate Governance Committee shall be responsible for recommending to the Board the directors to be appointed to each committee of the Board. Except as otherwise permitted by the applicable rules of NASDAQ, each member of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall be "independent" as defined by such rules.
3. Committee Charters. In accordance with the applicable rules of NASDAQ, the charters of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The Board shall, from time to time as it deems appropriate, review and reassess the adequacy of each charter and make appropriate changes.
4. Selection of Agenda Items. The chair of each committee, in consultation with the committee members, shall develop the committee's

agenda. At the beginning of the year each committee shall establish a schedule of subjects to be discussed during the year (to the extent practicable). The schedule for each committee meeting shall be furnished to all directors.

5. Frequency and Length of Committee Meetings. The chair of each committee, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. Special meetings may be called from time to time as determined by the needs of the business and the responsibilities of the committees.

## **E. Director Access to Management and Independent Advisors**

1. Access to Officers and Employees. Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and shall, to the extent appropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.
2. Access to Independent Advisors. The Board and each committee have the power to hire and consult with independent legal, financial or other advisors for the benefit of the Board or such committee, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. Such independent advisors may be the regular advisors to the Company. The Board or any such committee is empowered, without further action by the Company, to cause the Company to pay the compensation of such advisors as established by the Board or any such committee.

## **F. Director Compensation**

1. Role of Board and Compensation Committee. The form and amount of director compensation shall be determined by the Board in accordance with the policies and principles set forth below. The Compensation Committee shall conduct an annual review of director compensation. The Compensation Committee shall consider that questions as to directors' independence may be raised if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated or if the Company enters into consulting contracts or business arrangements with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.
2. Form of Compensation. The Board believes that directors should be incentivized to focus on long-term stockholder value. Including equity as part of director compensation helps align the interest of directors with those of the Company's stockholders.
3. Amount of Consideration. The Company seeks to attract exceptional talent to its Board. Therefore, the Company's policy is to compensate directors at least competitively relative to comparable companies. The Board believes that it is appropriate for the Chairman of the Board and the chairmen and members of the committees to receive additional compensation for their services in those positions.
4. Employee Directors. Directors who are also employees of the Company shall receive no additional compensation for Board or committee service.

## **G. Director Orientation and Continuing Education**

1. Director Orientation. The Board, with oversight and guidance from the Nominating and Corporate Governance Committee, and the Company's management shall provide orientation opportunities for new directors which shall include, but not be limited to, presentations by management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its code of business conduct and ethics, its principal officers, its internal and independent auditors and its General Counsel and outside legal advisors. In addition, the orientation information shall include a review of the Company's expectations of its directors in terms of time and effort, a review of the directors' fiduciary duties and visits to Company headquarters and, to the extent practical, certain of the Company's significant facilities.
2. Continuing Education. Each director is expected to be involved in continuing director education on an ongoing basis to enable him or her to better perform his or her duties and to recognize and deal appropriately with issues that arise. The Company shall pay all reasonable expenses related to continuing director education.

## **H. Management Evaluation and Succession**

1. Selection of Chief Executive Officer. The Board selects the Company's Chief Executive Officer in the manner that it determines to be in the best interests of the Company's stockholders.
2. Evaluation of Senior Executives. The Compensation Committee shall be responsible for overseeing the evaluation of the Company's senior executives. In conjunction with the Audit Committee, in the case of the evaluation of the senior financial executives, the Compensation Committee shall determine the nature and frequency of the evaluation and the persons subject to the evaluation, supervise the conduct of the evaluation and prepare assessments of the performance of the Company's senior executives, to be discussed with the Board periodically. The Board shall review the assessments to ensure that the senior executives are providing the best leadership for the Company over both the long- and short-term.

3. Succession of Senior Executives. The Nominating and Corporate Governance Committee shall present an annual report to the Board on succession planning, which shall include transitional Board leadership in the event of an unplanned vacancy. The entire Board shall assist the Nominating and Corporate Governance Committee in finding and evaluating potential successors to the Chief Executive Officer and the Chief Financial Officer. The Chief Executive Officer and the Chief Financial Officer should at all times make available their respective recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals. The Nominating and Corporate Governance Committee shall identify and periodically review and reassess, the qualities and characteristics necessary for an effective Chief Executive Officer and Chief Financial Officer. With these principles in mind, the Nominating and Corporate Governance Committee should periodically monitor and review the development and progression of potential internal candidates against these standards.

## **I. Board Interaction with Institutional Investors, the Press, Customers, Etc.**

The Board believes that the Chief Executive Officer and his or her designees speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is, however, expected that Board members would do so with the knowledge of and, absent unusual circumstances or as contemplated by the committee charters, only at the request of the Company's senior executives. The Board will give appropriate attention to written communications that are submitted by stockholders and other interested parties, and will respond if and as appropriate.

## **J. Periodic Review of the Corporate Governance Guidelines**

The Nominating and Corporate Governance Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval.

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## **Attachment A to Corporate Governance Guidelines**

### **Duties of the Board Chair**

The duties of the independent Board Chair include the following:

#### *Board Meetings*

1. Preside over meetings of the Board in a manner which utilizes the time of the Board effectively and which takes full advantage of the expertise and experience that each director has to offer.
2. In consultation with the CEO, establish an agenda for each Board meeting which covers all matters which should come before the Board in the proper exercise of its duties.
3. Preside over executive sessions of the Board.
4. Call meetings of both the full Board and independent directors when necessary.

#### *Corporate Governance*

1. In conjunction with the Chair of the Nominating and Corporate Governance Committee, facilitate discussion of corporate governance matters that require consideration by the Board.
2. Provide input to the Nominating and Corporate Governance Committee on selection of committee chairs and membership on Board committees.
3. Preside over the Board's annual performance evaluation, in conjunction with the Nominating and Corporate Governance Committee.

#### *Communication*

1. Facilitate the preparation and timely delivery of materials and other information that is useful to the Board in carrying out its duties, including information on the Company's performance, issues and challenges facing the Company, and matters that are reserved for the decisions of the Board.
2. Facilitate and encourage constructive and useful communication between the Board and management.
3. Facilitate and encourage constructive and useful communications between the various Board Committees.
4. Act as a liaison between the Board and management.
5. Communicate to the CEO the decisions of the Board, as appropriate.
6. Where required in appropriate circumstances, communicate with external stakeholders.

#### *Leadership*

1. Provide counsel to other directors in the performance of their duties.

2. Provide independent advice and counsel to the CEO.
3. In conjunction with the Board and its committees, promote the ongoing development of the Board and its members.
4. Promote the highest standards of integrity, independence, and probity throughout the Company, and particularly the Board.

## **Attachment B to Corporate Governance Guidelines**

### **Duties of the Lead Director**

The duties of the Lead Director include the following:

- Chair any meeting of the independent directors in executive session.
- Provide counsel to other directors in the performance of their duties.
- Facilitate communications between other members of the Board and the Board Chair and/or the Chief Executive Officer; however, each director is free to communicate directly with the Board Chair and with the Chief Executive Officer.
- Work with the Board Chair in the preparation of the agenda for each Board meeting and in determining the need for special meetings of the Board.
- Otherwise consult with the Board Chair and/or the Chief Executive Officer on matters relating to corporate governance and Board performance.

## **Attachment C to Corporate Governance Guidelines**

### **CRITERIA FOR NOMINATION AS A DIRECTOR**

#### **General Criteria**

1. Nominees should have a reputation for integrity, honesty and adherence to high ethical standards.
2. Nominees should have demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company.
3. Nominees should have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its committees.
4. Nominees should have the interest and ability to understand the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, governmental units, creditors and the general public, and to act in the interests of the Company.
5. Nominees should not have, nor appear to have, a conflict of interest that would impair the nominee's ability to represent the interests of the Company and to fulfill the responsibilities of a director.
6. Nominees shall not be discriminated against on the basis of race, religion, national origin, gender, gender identity, sexual orientation, disability or any other basis proscribed by law. The value of diversity on the Board must be considered when appointing new directors.
7. Nominees should normally be able to serve for at least 5 years before reaching the age of 72.

#### **Application of Criteria to Existing Directors**

The renomination of existing directors should not be viewed as automatic, but should be based on continuing qualification under the criteria set forth above. In addition, the Nominating and Corporate Governance Committee shall consider the existing directors' performance on the Board and any committee, which shall include consideration of the extent to which the directors undertook continuing director education.

#### **Criteria for Composition of the Board**

The backgrounds and qualifications of the directors considered as a group should provide a significant breadth of experience, knowledge, diversity, and abilities that shall assist the Board in fulfilling its responsibilities.