



The Code

Summary of Inovalon's
Policies on Business Ethics and
Conduct



DEAR COLLEAGUES,

All of us at Inovalon have a commitment to high ethical standards; a commitment that has long been an important part of our history and culture. Preserving these standards has never been more important than in today's competitive and rapidly changing business climate. No less important is the increasingly complex set of statutory and regulatory rules arising from federal and state healthcare reforms. We must pay attention to these constantly changing business and compliance rules in order to remain an industry leader in healthcare data analytics and quality improvement.

As we continue to grow our business, welcome new associates and expand our services, we will face challenging ethical dilemmas. Inovalon's associate workforce is comprised of all employees, contractors, consultants, temporaries and other workers at the company. This Code of Business Conduct and Ethics ("Code") represents our principles and our expectation that associates will act ethically and remain above reproach at all times. We need to ensure our ethical approach to our business remains consistent and is widely understood. Although we can't anticipate every ethical situation or decision we might face, our Code serves as a consistent guideline for how we work with each other, our clients, and our business partners.

Each associate, regardless of position or location, is expected to read the Code thoroughly, adhere to both the intent and the spirit of what it says, and use it as a guide to make the right decisions and initiate the correct actions—for our associates, our clients, and our community. By doing so, we can preserve the high ethical standards that have helped fuel our success and will contribute to our continued success in the future. By these efforts we will improve Inovalon's ability to advance confidently and to pursue our business interests, vision and mission while also protecting our financial interests and reputation in our industry and beyond.

We have countless opportunities to demonstrate our ethical actions through our daily work and activities. Compliance with our Code will help us refrain from any impropriety and allow us to continue to be recognized as an industry leader now and in the future.

I personally wish to thank all of you for your tremendous efforts at Inovalon. Please be certain to utilize the Code to conduct yourself in a manner consistent with Inovalon's core values as outlined in our I.N.S.P.I.R.E. commitment. If you have any questions about this Code and what it means for you in your job, please do not hesitate to contact the Corporate Compliance Department at ComplianceTeam@inovalon.com for assistance in this regard.

Kind regards,



Dr. Keith R. Dunleavy
CEO, Inovalon, Inc.

Performing Ethically and with Integrity

COMPLIANCE IS YOUR RESPONSIBILITY

You are Inovalon: Building Trust and Credibility

Inovalon gains trust and credibility by adhering to its commitments, displaying honesty and integrity, telling the truth and reaching company goals solely through honorable and ethical conduct.

It is easy to say what we must do, but the proof is in our actions. Ultimately, we will be judged on what we do. If your job puts you in contact with clients or potential clients, remember, you are Inovalon to those contacts. You represent not only Inovalon, but all other Inovalon associates as well.

We have provided health care data informatics services for many years and have built up significant goodwill during that time. This goodwill is one of our most valuable assets and you must act to preserve it and to enhance our reputation.

The Code of Conduct is not intended to cover every situation that may be encountered. Associates are expected to comply with all applicable laws and regulations whether they are specifically addressed by the Code or not.



Q&A

Questions & Answers

Q: I am an Inovalon associate. Where can I find Inovalon's corporate policies and procedures?

A: Inovalon associates can access corporate policies and procedures in the Policy Center on MedNet. Affiliated companies can access Inovalon policies on their respective company intranet sites. Inovalon's policies are considered to be "living documents" and are continuously updated. You are expected to read, understand and comply with the policies.

Legend:



Remember!



Q&A



Take Action



Examples

STANDARDS

As an Inovalon associate, you share the privilege and responsibility of upholding Inovalon's reputation by acting ethically and legally.



Remember!

You must strictly observe all laws and regulatory requirements applicable to Inovalon. A single violation by even one associate can cause great harm to Inovalon. This Code provides essential guidance with the basic legal requirements, regulations, and policies that affect our business.

If you have any questions about what laws or regulations apply to your activities, consult with the Legal and Compliance Department. In addition, the Chief Compliance Officer is always available to help work through issues or questions about a specific action that you have been asked to take.

CORE VALUES

Inovalon's corporate ethical code requires more than observing all laws and regulations applicable to Inovalon's business. We choose to conduct our business following not only the letter of the Code, but the spirit of the Code as well by committing to the core values outlined by I.N.S.P.I.R.E.

***I*ntegrity**

We demonstrate honesty and fairness in our conduct and business practices. We keep our word, deliver on our promises, acknowledge our mistakes and work openly and collaboratively to turn challenges into solutions.

***N*imbleness**

We challenge ourselves to be thoughtful, creative and responsive to changing demands and new market opportunities by executing in a "speed with purpose" manner.

***S*ervice**

We are driven to exceed expectations through an unwavering focus on doing what is right for our customers, our associates and our community.

***P*assion**

We promote a caring culture in which all associates are empowered to influence and energetically drive the realization of our mission.

***I*nnovation**

We believe that our future growth depends on the rapid development and ongoing enhancement of our technology, products and services. Every associate is encouraged to identify new opportunities and ideas to improve our company and better serve our customers.

***R*espect**

Our people treat our customers, patients and each other with respect and dignity at all times. We recognize that our success depends on the skills, talent and expertise of our associates and our ability to work together as a well-integrated, organized team.

***E*xcellence**

We strive to raise the standard for excellence in everything we do through transparent and open communication, relentless reflection, honest critique and continuous improvement.

ANTI-RETALIATION

Inovalon has a strict non-retaliation policy. Neither Inovalon nor any of its affiliated companies may discharge, demote, suspend, threaten, harass or in any manner discriminate or take retaliatory action against any individual who in good faith:

- Provides any complaint, concern, or information, or otherwise assists any investigation, relating to: Inovalon's accounting practices, internal accounting controls; auditing matters; or matters regarding violations of securities laws or other applicable laws and regulations; or otherwise as specified in the Sarbanes-Oxley Act of 2002, or the Securities Exchange Act of 1934; or this Code.
- Files, testifies, participates or otherwise assists in a proceeding that is filed or about to be filed relating to an alleged violation of any applicable laws.
- Provides truthful information to a law enforcement officer relating to the commission or possible commission of any offense.
- Engages in any other conduct protected by law.



Q&A

Questions & Answers

Q: How is compliance with Inovalon's code enforced?

A: Any Inovalon associate who violates the provisions of this Code will be subject to disciplinary action, up to and including termination. Willful disregard of criminal statutes underlying this Code may require Inovalon to refer such violation for criminal prosecution or civil action. You must fully cooperate with any investigation. Your failure to fully cooperate with such an investigation will be subject to disciplinary action.



Take Action

In the end, it is your duty to help Inovalon investigate potential errors or wrongdoing, and to help Inovalon correct any problems to become a better company and a better place to work.

RAISING COMPLIANCE CONCERNS

Inovalon has established multiple communication channels for associates to present compliance questions, concerns or reports of potential non-compliance. The goal is for associates to know who contact to receive a meaningful response and to do so without fear of retaliation or retribution.

Associates may also utilize Inovalon's Open Door Policy approach that creates clear channels of communications and offers the opportunity to proactively ask questions, make suggestions and present concerns. Associates should feel comfortable approaching their direct supervisor, the Human Resources Department, the Legal and Compliance Department, the Chief Compliance Officer or any member of the Executive Leadership Team, which includes the President and CEO about any concerns or questions regarding compliance matters or otherwise.

REPORTING AVENUES

Inovalon and its affiliated companies' associates have the responsibility to comply with the Code of Conduct. If you suspect, or have knowledge about a violation of the law, regulation or policy of Inovalon, **YOU HAVE A DUTY TO REPORT** that violation or suspicion. Associates may report any possible concerns or issues by:

- **Accessing the Chief Compliance Officer (CCO)** - Access to the CCO is available through scheduled meetings, an anonymous hotline (via telephone or internet) and anonymous e-mail.
- **Contacting the Global Compliance Hotline** – The Hotline (which offers anonymous reporting) is available 24 hours, seven days a week, 365 days a year and can be reached at (800) 876-6021.
- **Filing a report via the Internet** – The internet-based reporting site can be accessed at <https://Inovalon.alertline.com>.
- **Email the Corporate Compliance Department** – Emails may be sent to Compliance@Inovalon.com.

Reports received are treated as confidential to the extent reasonably possible.

Inovalon recognizes that associates may be discouraged from reporting concerns if they believe that retaliation, retribution, or harassment may result. Inovalon will take disciplinary action up to and including termination against anyone who threatens or engages in retaliation or harassment of any person who has reported, or is considering reporting a concern in good faith.



Inovalon does not expect every associate to have the answer to every ethical question, but Inovalon does expect every associate to know when to ask for help and where to go for help.

Remember!



Q&A

Questions & Answers

Q: What should I report?

A: You must report any violation, or potential violation, of the Code. If your concern falls into any of the following areas, you should report via the available compliance reporting channels:

- Violation of local, state, or federal laws or regulations
- Conflict of interest
- Sexual harassment
- Racial discrimination
- Improper disclosure of proprietary or confidential information
- Acceptance/offer of gifts or entertainment from outside sources
- Fraud, waste or abuse
- Accounting, auditing, and internal control irregularities
- Retaliation for reporting a compliance issue
- Falsification of reports, records, or files
- Any other violation of the Code of Conduct

Q: What information should I provide when I report?

A: When reporting a compliance issue or making an inquiry, you should:

- Describe the situation with sufficient details
- Identify dates when events occurred and names of persons involved
- Indicate whether you are a direct observer of the event or someone else told you about it
- Describe any relevant documents and/or where they can be located

Q: What happens after I report?

A: The Legal and Compliance Department's goal is to respond promptly to all questions and reported concerns. If your concern requires investigation, the Legal and Compliance Department will conduct in-depth research and may engage the assistance of other departments such as Human Resources and, Security, Risk and Compliance. The Audit Committee of the Board of Directors will oversee any complaints related to accounting, auditing and internal controls.

BOOKS AND RECORDKEEPING

You are responsible for the accuracy of your records and reports. Accurate information is essential to Inovalon's ability to meet legal and regulatory obligations and to compete effectively. This means that you must check and double check the information you gather and put on paper or enter electronically. Any documents or forms you create or complete, anything you write, and any computer entries you make for work are considered company books and/or records.

The destruction of any records, books of account or any other documents must be done in accordance with Inovalon's Document Retention and Destruction Policy and is prohibited otherwise.



Examples

Examples of company records and reports

- Compliance reports
- Invoice payment requests
- Family leave applications
- Job applications and resumes of applicants
- Time sheets
- Expense reimbursement reports
- Work products
- Benefits applications



Remember!

ALWAYS...

- Demonstrate Inovalon's core values of integrity in all record keeping processes.
- Uphold Inovalon's commitment to meet the highest standards of quality.
- Comply with generally accepted accounting principles and Inovalon's internal controls at all times.



Remember!

NEVER...

- Create false or misleading accounting, financial or electronic documents or records, or direct an associate to do so.
- Create false or misleading entries in Inovalon's books or records.
- Disburse corporate funds or other corporate property without adequate supporting documentation or for any purpose other than as described in the documents.

The creation of misleading or false documentation is strictly prohibited and, in many cases, illegal.

ACCEPTABLE USE OF INOVALON RESOURCES

Inovalon provides various technology resources, including computers, telephones, software, copying machines, Internet access, and voice mail, to you to assist in performing your duties. You have the responsibility to use Inovalon's technology resources in a manner that complies with applicable laws and Inovalon policies.



Prohibited Uses

- Accessing any systems, data, or communications to which you have not been granted access or have no legitimate need for access.
- Network monitoring, network sniffing, port scanning, and similar observations of networks or systems if inappropriate for your normal job responsibilities.
- Breaching Inovalon's security in any way, including interfering with the operation of the Inovalon network, adding wireless routers or access points, forging any network address information, or attempting to deny service to any user or system.
- Taking any Inovalon-owned equipment outside of the U.S. without signed authorization from the Chief Security Officer.
- Using Inovalon's technology resources to conduct personal business or in support of any religious, political or other outside activity unless specifically authorized.
- Creating, accessing, storing, printing, soliciting or sending any materials that are harassing, threatening, abusive, or sexually explicit.
- Loaning, taking or otherwise disposing Inovalon-owned equipment without specific authorization.

Questions & Answers



Q&A

Q: My workstation is in an office with an open floor plan. What do I need to do?

A: Always remember to lock your workstation, even if you will only be away for a moment. Control + Alt + Del then press “Enter”, or Microsoft icon + L locks the workstation. When leaving work at the end of the day, be sure not to leave any sensitive documents at your desk.



Remember!

Expectation of Privacy

You should have no expectation of privacy regarding access to, or use of, Inovalon premises or equipment. Inovalon reserves the right to search and inspect, without notice, your desks, computer files, Inovalon mail, voice mail, email, offices, and cubicles. Additionally, you are expected to promptly return all company property once no longer employed by Inovalon.

Our Company

CONFIDENTIAL INFORMATION

Inovalon and its affiliated companies utilize a significant amount of confidential information as part of daily operations and must not be disclosed. Confidential information within Inovalon's possession falls into three general categories:

1. Confidential proprietary information about Inovalon's business including, but not limited to, trade secrets, proprietary know-how, ideas, designs, databases, marketing and service plans, financial data, and information which may be patentable ("Proprietary Information");
2. Confidential information entrusted to Inovalon by third parties such as customers, suppliers or other third parties ("Third Party Information"); and
3. Personally identifiable information received from associates, customers, suppliers, or other third parties (including names, addresses, Social Security Numbers, background information, credit card or bank information, telephone or facsimile numbers, e-mail addresses, and health information) ("Personal Information"), which if misused could result in identity theft, credit card fraud, or other serious harm.

You are responsible for guarding and keeping confidential the information entrusted to you by Inovalon or its clients, customers, suppliers other persons except, when disclosure is authorized or legally mandated. It is also everyone's responsibility to ensure they do not inadvertently reveal confidential information to competitors, vendors, suppliers, friends and/or family members. If you are unsure about whether certain information is confidential, you should assume that it is.

Inovalon is also committed to the responsible management of protected health information (PHI) as defined and regulated by Health Insurance Portability and Accountability Act of 1996 (HIPAA). Inovalon has an extensive Information Security Program designed to protect PHI, proprietary, third-party, and personal information, which you are required to comply with while performing your daily duties.

Please note that you are not prohibited from reporting possible violations of U.S. federal law or regulation to any U.S. governmental agency or entity, including the U.S. Securities and Exchange Commission, or making other disclosures that are protected under the whistleblower provisions of U.S. federal law or regulation.

For additional guidance, refer to the Policy Center on MedNet or your company designated intranet site.

CONFIDENTIAL AND PROPRIETARY INFORMATION

Protecting Confidential Information

Disclosure of any Confidential Information to any person outside Inovalon, including to any competitor of Inovalon, is strictly prohibited. Disclosure of Confidential Information to any person employed by Inovalon is also prohibited, unless the disclosure is made to an Inovalon associate with a legitimate “need to know” the particular information.

Help protect confidential and proprietary information by following these principles:

- Unless it is part of your business responsibilities, do not share Inovalon’s confidential information.
- Do not use company confidential information for personal benefit or for the benefit of friends or relatives.
- Treat confidential information given to you by third parties (clients and customers) with the same seriousness that you would treat Inovalon’s confidential information.
- Do not discuss confidential information in public places where others may overhear.
- Be careful when using electronic means of storing and sending information.



Take Action

All Inovalon associates are required to enter into an Associate Confidentiality and Proprietary Works Agreement (“Confidentiality Agreement”). If you violate the terms of the Confidentiality Agreement, you may be subject to disciplinary action, up to and including termination of employment, and possible legal action against the individual under applicable laws prohibiting unfair and deceptive trade practices.

HANDLING PROTECTED HEALTH INFORMATION (PHI)

HIPAA Privacy

You must keep the protected health information (“PHI”) of our client members private and confidential in accordance with HIPAA and other privacy laws.

PHI is any information in the medical record or designated record set that can be used to identify an individual and was created, used, or disclosed in the course of providing a health care service. PHI must be kept in the strictest of confidence. We receive this information from our clients in trust and are expected to keep it confidential and private, just as if it were our own information. The following basic rules apply:

- Use and access only the minimum necessary amount of information needed to carry out your responsibilities.
- Disclose only to those who have a legitimate business need to know.



Remember!

If you fail to follow these rules, you have violated Inovalon’s HIPAA policies. In such instances, you may be subject to disciplinary action, and possibly federal or state prosecution.

HIPAA Security

To maintain the confidentiality of PHI, Inovalon has security safeguards in place as specified by HIPAA. Our security policies educate you on how you can ensure its confidentiality, integrity, and availability, and prevent unauthorized or inappropriate access, use, or disclosure. For additional guidance, refer to the Policy Center on MedNet or your company’s designated intranet site.



Remember!

As an Inovalon associate, you have a continuing obligation to safeguard PHI and attend periodic and mandatory training sessions to keep current on all Inovalon policies regarding PHI.

File Transfer Security

If you have a valid business need to share documents containing PHI or with Inovalon clients or business partners, please contact the Data Transmission Group (DTG) and the Privacy and Security team. Privacy and Security and the DTG can assist you with a solution for sharing these documents in a secure manner.



Take Action



Q&A

Questions & Answers

Q: If I become aware of an unauthorized disclosure of PHI, what should I do?

A: Immediately call the Privacy and Security Hotline at 1-855-MED-SECI (1-855-633-7321) or (301) 809-4000 x4462 OR email the Privacy and Security Team at SecurityIncidents@inovalon.com

Q: How do I send PHI securely?

A: If you are sending an email that contains sensitive information or PHI, you **MUST** encrypt it. The Service Desk can install this software upon request and approval. Sending an email containing more than 300 instances of PHI is strictly prohibited. Sending a password-protected zip file is not the same as encrypting the email and does not offer the same level of protection. You must always double and triple check all recipients before hitting send.

INSIDER TRADING

You may not use “inside information” gained through your Inovalon employment, before this information is made public, to trade securities of Inovalon or of any other company with which Inovalon has or may be considering a business relationship, including a customer, supplier, partner, or potential acquisition candidate.

Key Terms

Inside information is material information about a publicly traded company that is not known by the public. Information is material if: (1) there is a substantial likelihood that a reasonable investor would consider the information important in determining whether to trade in a security; OR (2) the information, if made public, likely would affect the market price of a company’s securities. Information is considered to be nonpublic if it has not been adequately disclosed to the public.

Trading or helping others trade while aware of inside information has serious legal consequences, even if you do not receive any personal financial benefit. You may also have an obligation to take appropriate steps to prevent insider trading by others.



Take Action

Refer to Inovalon’s Insider Trading Policy for more detail on your obligations with respect to avoiding insider trading.



Examples

Examples of Inside Information

- Information relating to financial condition, such as progress toward achieving revenue and earnings targets or projections of future earnings or losses.
- Changes in strategy, a proposed merger, acquisition or tender offer, property acquisitions or dispositions, contract awards and other similar information.



Q&A

Questions & Answers

Q: As part of my interaction with a client, I learned the client is preparing for a merger. I understand that I cannot buy their stock due to insider trading and conflict of interest concerns. However, may I share this information with my friends or relatives in casual conversation?

A: No. The client has not made any public announcements about the merger. You must keep that information confidential. Otherwise, you may violate our non-disclosure agreement with the client or Securities and Exchange Commission rules regarding insider trading.

CONFLICTS OF INTEREST

A conflict of interest arises when your personal interest in a decision or action effects or appears to influence your objective ability to perform your duties or responsibilities. Even the appearance of a conflict can damage your reputation or that of Inovalon.

The following are examples of potential conflicts of interest:



Examples

Conflicts relating to Corporate Opportunities and Resources

- Take for yourself personal opportunities that are discovered through the use of Inovalon property, information, or position.
- Use Inovalon property, information, or position for personal gain.
- Compete with Inovalon, directly or indirectly.
- Theft, carelessness, and waste of Inovalon's assets and inefficient use.
- Unreasonable personal uses of Inovalon resources.



Examples

Conflicts Relating to Competitor Relationships

You should avoid even the appearance of a conflict of interest in your relationships with competitors. Without approval you may not:

- Make or maintain a financial investment in a competitor, except for investments in a publicly traded corporation not exceeding 1% of the outstanding common stock.
- Provide compensated or uncompensated services to a competitor, except for services rendered under a valid Inovalon contract with the competitor.
- Disclose any Inovalon proprietary information, unless under the terms of an executed nondisclosure agreement in place.
- Use for any unauthorized purposes or disclose to a third-party any proprietary data that has been entrusted to Inovalon by a customer or supplier.

Conflicts Relating to Indirect Interests and Relationships

A conflict of interest can also arise because of the business activities of your close relations. For example, your close relative has a significant financial interest in a supplier, customer or competitor of Inovalon. In such situations, you may not make, or attempt to influence, any decision that could benefit your close relative. To protect yourself and Inovalon from the appearance of a conflict of interest, you should make disclosure of the interest to the Chief Compliance Officer and excuse yourself from any decisions involving your close relative. If you realize only after engaging in an activity that a conflict of interest may exist, you must disclose the matter and its related facts to the Chief Compliance Officer as soon as possible.

Executive Officers and non-employee directors must seek Audit Committee approval of transactions in which they or their immediate family members have a direct or indirect material interest in accordance with our Related Party Transactions Policies and Procedures.



Examples

Conflicts Relating to Activities Outside Inovalon

You must make sure that your outside activities during non-working hours do not conflict or interfere with your responsibilities to Inovalon. For example, without approval by Inovalon, you generally may not:

- Engage in self-employment or perform paid or unpaid work for others in a field of interest similar to Inovalon.
- Take an ownership or investment interest in any entity with which Inovalon has a current business relationship or is negotiating a transaction.
- Use Inovalon assets or labor for personal use, except for incidental use permitted under Inovalon's policies.
- Acquire any interest in property or assets of any kind for the purpose of selling or leasing it to Inovalon.
- Appear to represent Inovalon as the participant in an outside activity unless Inovalon has authorized you to represent Inovalon.

Conflicts Relating to Service on Outside Boards of Directors

Serving as a director of another corporation may create a conflict of interest. You must disclose such service to the Chief Compliance Officer and obtain prior approval before serving on the board of another company, whether or not such company is a competitor of Inovalon.

Conflicts Relating to Community Activities

Inovalon encourages you to be actively involved in your community through volunteer service to charitable, civic and public service organizations, and through participation in the political process and trade associations. You must make sure, however, that your service is consistent with your employment with Inovalon and does not pose a conflict of interest. This is particularly important before accepting any leadership position before seeking or accepting political office and before soliciting a charitable contribution. You also must ensure that any such participation, including your actions, words, opinions expressed, while bound by the policies of this document, are your own, and not those of Inovalon.



Examples

Gifts, Loans, Meals and Entertainment

The purpose of business entertainment and gifts are to create goodwill and to foster sound working relationships, not to gain personal advantage with customers or suppliers. Inovalon associates must never solicit gifts or hospitality, nor may Inovalon associates provide or accept gifts which violate the law or the policies of the giver or recipient.

Receiving Gifts:

- Do not accept business related gifts that you know or suspect are given with the intention of influencing business judgment or conduct.
- Cash or cash equivalents may never be accepted.
- The value of a gift received from a customer or supplier may not exceed \$50.00.
- You may accept gifts provided to all participants at a conference or similar event, but the Legal and Compliance Department must approve any such gifts with a value exceeding \$50.00.
- No Inovalon associate may accept a customer, vendor or supplier discount for themselves unless it is generally available to all Inovalon associates.
- Please be advised that stricter guidelines than those set forth below apply when working with government officials and other employees.

Giving Gifts:

- Any gifts provided to a client or supplier must be approved by a Senior Vice President or above and/or Inovalon's marketing department.
- If a client or supplier has a policy against accepting gifts that policy must be respected. Any questions related to client or supplier gift policies should be directed to the Legal and Compliance Department.
- Giving gifts to federal, state, local, and/or foreign government officials or agencies is prohibited. More information about interactions with government officials will be provided later in this training.
- Never give a gift of cash or a cash equivalent.

Loans:

- No Inovalon associate may accept loans from any person or entities having or seeking business with Inovalon.

Meals & Entertainment:

- Associates may provide or accept meals and entertainment (including attendance at sporting or cultural events) from clients and suppliers as long as it is reasonable in nature and associated with an occasion at which business is discussed and provided.



Take Action

For additional guidance, refer to the “Travel and Expense Reimbursement Policy”.



Working with Federal, State, and Local Government Officials

Inovalon is committed to complying with all anti-corruption laws, and as such, all Inovalon associates are subject to the below requirements.

Examples

- **Entertaining Government Officials:** As a general matter, all Inovalon associates are prohibited from providing meals and entertainment to federal, state, and local office-holders as well as other government agents and their workforce members in the course of conducting business on behalf of Inovalon. Any deviation must be specifically approved in writing by the Legal Department, even if the meal and/or entertainment would otherwise be permitted by Inovalon policy.

Giving Gifts to Government Officials: Do not provide gifts or anything of value to elected officials and other government agents/employees without express written approval from the Legal and Compliance Department. Even small gifts or other expenditures allowed in circumstances not involving a government official could violate the law of the jurisdiction.

- **Political Contributions:** Inovalon's rules related to political campaigns and contributions are described later in the Code of Conduct.



Remember!

If you have any questions about who is a government official or become aware of a gift or other transaction involving a government official, please contact the Legal and Compliance Department.

Our Colleagues

RESPECT FOR THE INDIVIDUAL AND EXPECTATION OF PROFESSIONALISM

We all deserve to work in an environment where we are treated with dignity and respect.

Remember that you are responsible for helping to protect the workplace environment through your personal action, and through the prompt reporting of conditions that disrupt a respectful workplace. At no time is it acceptable to be hostile, aggressive, argumentative, abusive, violent or condescending to co-workers or clients. In addition, the use of profanity, sexual or explicit language, and/or inappropriate gestures is strictly prohibited.



At Inovalon, everyone should feel comfortable to respectfully communicate concerns or issues and to share opinions, particularly with regard to ethics concerns.

Take Action

EQUAL EMPLOYMENT OPPORTUNITY

Inovalon provides equal employment opportunity to all associates and applicants. This policy applies to all terms and conditions of employment including, but not limited to hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, benefits and training. All decisions regarding conditions of employment are based on your overall qualifications and your ability to meet the requirements of the position.

WORKPLACE BEHAVIOR: PROTECTED CLASSES

Inovalon maintains a zero-tolerance policy for discrimination and harassment. Everyone is protected by anti-discrimination laws. Legally protected classes are listed below:

- National origin
- Sexual orientation
- Veteran status
- Marital/Family status
- Handicap or disability
- Race
- Color
- Religion
- Gender
- Age
- Pregnancy
- Genetic status

DISCRIMINATION

Inovalon maintains a zero-tolerance policy for discrimination and harassment. Discrimination is any policy or action taken related to any term or condition of employment that result in unfair treatment or denial of employment to either an individual or a group of individuals who are considered part of a legally protected class. Terms or conditions of employment include, but are not limited to:

- Recruiting, hiring, promotion and compensation
- Training opportunities and assignment selections
- Termination discussions

Questions & Answers



Q&A

Q: My colleague makes inappropriate racial comments about certain group of people in passing conversations with me at work. What should I do?

A: If you witness or experience any acts of discrimination, you must promptly report it via any compliance reporting channels so that we may investigate and take corrective action, as appropriate.

Q: I have heard my manager make a few mocking comments about my co-worker's religious dietary restrictions. I want him to stop, but I don't want to jeopardize my job.

A: Your job will not be in jeopardy if you report noncompliant behavior in good faith, even if it turns out that no actual noncompliant behavior took place. If you feel that you are being retaliated against because of a report you made, report it immediately.

HARASSMENT

Inovalon is committed to a workplace that is free of intimidating or threatening remarks or behavior, stalking, violence or the threat of violence.

Prohibited conduct includes, but is not limited to, the following:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments.
- Visual displays such as derogatory and/or sexually oriented posters, photographs, cartoons, drawings or gestures.
- Threats of harm, intimidating behavior or remarks, violence or threat of violence or stalking.
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race, or any other protected basis.
- Threats and demands to submit to a sexual request as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.



Remember!

Here are some basics to remember:

- Treat fellow co-workers, customers and the public with professionalism, respect and dignity at all times.
- Report and constructively confront all incidents of harassment.
- Retaliation against associates for reporting harassment, or assisting in an investigation, will not be tolerated and may result in disciplinary action up to and including termination.
- Harassment needs to be reported immediately through any of the reporting avenues contained in this document.
- Persons found to have engaged in harassment will be subjected to disciplinary action, up to and including termination.

ABUSE OF DRUGS AND ALCOHOL

We maintain a drug-free workplace. Alcohol or drug abuse and its physiological effects represent a threat to our commitment to promote high standards of health, safety, and efficient service. Our goal is to maintain a work environment free from the effects of substance abuse.



Q&A

Questions & Answers

Q: I suspect my co-worker has a drinking problem. I'm not sure how much anyone knows, but since I'm the next cubicle over I can certainly tell, especially after lunch. Should I do or say anything? What if I am wrong?

A: If you genuinely suspect that your co-worker is drinking while at work, you need to report so that Inovalon may investigate and take corrective action, as appropriate. If it turns out that you are wrong after our investigation, as long as you raised your concern in good faith, you will be protected.

Q: I think I might be addicted to drugs. Can Inovalon help me?

A: Treatment and counseling is available through our medical plan's assistance programs whether you are a plan member or not.

Human Resources can also assist you in a confidential manner by providing you with information for counseling and/or treatment and a pathway for using these benefits. You will not be subject to disciplinary action for admitting a personal substance abuse problem. However, you are responsible for following any prescribed treatment plan and to perform work and assignments in a satisfactory manner. Participation in a treatment program will not relieve you of the responsibility to perform assigned duties safely and efficiently and in compliance with the Code.

The Marketplace

FAIR COMPETITION

Inovalon achieves competitive advantage in the marketplace through superior performance and excellent customer service, not by engaging in unethical or illegal business practices.

Fair competition laws, including the U.S. antitrust rules, limit what Inovalon can do with another company and what Inovalon can do on its own. Generally, the laws are designed to prohibit agreements or actions that reduce competition and harm customers. We abide by all laws that apply to our business activities. It is illegal to use unfair methods of competition, such as:



Examples

- Making deals with our competitors that violate the law by fixing or controlling prices.
- Entering arrangements with our competitors that violate the law by dividing up the markets or territories.
- Reaching understandings with our competitors that violate the law by choosing who will win which customers.
- Joining together in actions, either formally or informally with our competitors that violate the law by boycotting certain suppliers or customers.
- Taking advantage of Inovalon's clients, suppliers, competitors, and associates through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.



Remember!

All discussions with a competitor —whether with the CEO or with a fellow salesperson — have the potential to run afoul of the law. Remember: If you are unsure about how to proceed, you should contact the Legal and Compliance Department for assistance.

BUSINESS RELATIONSHIPS

Client Relationships

Our clients are of the utmost importance to Inovalon. You must always treat clients and potential clients according to the highest standards of business conduct.

You may be entrusted with property or valuable information belonging to clients. Without approval, you may not use for personal gain any property or valuable information provided to Inovalon by clients, suppliers, Inovalon's associates, or other persons.

You must use the same care to protect any property or valuable information entrusted to you which belongs to clients.

Suppliers

Inovalon's suppliers are important to our business.

Suppliers must be selected on the basis of objective criteria, such as value (quality for price), price, technical excellence, service reputation and production/service capacity.

If you work with suppliers, you must never intentionally interfere with a supplier's contracts or business relations with a competitor of Inovalon. If you have procurement responsibility, review the sections of this Code concerning fair competition and conflicts of interest and be familiar with applicable laws and Inovalon policies.

Contracts and Commitments

You may not enter into any agreement binding Inovalon without authorization. Inovalon has instituted contract and signature approval policies which identify those individuals who have the authority to approve and sign certain contracts binding Inovalon.

If you are involved in proposals, bid preparations or contract negotiations, strive to ensure that all statements, communications, and representations to prospective customers are truthful and accurate.

MEDIA COMMUNICATION

As we continue to grow by increasing exposure at conferences, in media, and through expanding our client base, it is important to remain mindful of the types of inquiries we receive on a regular basis. In addition, as a public company, we are subject to SEC rules that impact how we communicate important information to investors. For additional information, refer to the Communications and Fair Disclosure Policy which governs the disclosure of material non-public information to investors and analysts.

We communicate with the press and others making inquiries through official channels only. All inquiries received from the media concerning Inovalon should be directed to the Corporate Communications Officer. All legal inquiries concerning Inovalon should be referred to the Legal and Compliance Department..

POLITICAL CONTRIBUTION AND LOBBYING

You may not make any political contributions using Inovalon funds or assets to any political party, political campaign, political candidate or public official in the United States or any foreign country, unless the contribution is lawful and expressly authorized in writing.

A contribution is any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, services, or anything of value in connection with an election or to an organization or group formed to support or defend a referendum or ballot issue. This includes payments used for direct or indirect lobbying, payments made to trade associations, or payments to any tax-exempt organization that writes or endorses model legislation.

You are free to donate your own funds or personal time to a political campaign. However, you will not be compensated or reimbursed by Inovalon for doing so. You may not make a political contribution on behalf of Inovalon or with the appearance that such contribution is being made on behalf of Inovalon unless expressly authorized, nor should donations be made to foreign political campaigns or candidates in violation of the Foreign Corrupt Practices Act.

GOVERNMENT INVESTIGATIONS

As a matter of policy, we will cooperate with all government authorities in connection with requests for information or facility visits.

You must promptly notify the Legal and Compliance Department of any investigation or inquiries from government agencies concerning Inovalon. The Legal and Compliance Department will provide all necessary legal representation of Inovalon in such situations and determine what information needs to be provided to the relevant government authorities in each case.



Examples

In general, you may not:

- Destroy any record, books of account, or other documents;
- Obstruct the collection of information, data or records relating to Inovalon;
- Lie to government investigators or make misleading statements in any investigation relating to Inovalon; or
- Attempt to cause any associate to fail to provide accurate information to government investigators.



Remember!

You have the right to consult your own legal counsel at your own expense.

CODE OF CONDUCT APPROVALS AND WAIVERS

Approvals required under the Code, or waivers sought for any provision of the Code, should be addressed in writing to the Chief Compliance Officer. Only the Board of Directors or an authorized committee of the Board may provide a waiver of the Code for an executive officer or a non-employee director, in which case the Chief Compliance Officer will forward the request to the Board or said committee. All other approvals and waivers may be granted by the Chief Compliance Officer, or such his/her designee.

CODE OF CONDUCT REVIEW

The Code of Conduct is reviewed annually and updated as needed under the direction of the Board of Directors.

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