



Digirad Code of Business Ethics & Conduct

Effective: November 15, 2015

D01341 Rev E

Digirad Code of Business Ethics & Conduct

I. APPLICATION

This Digirad Code of Business Ethics & Conduct (“**Digirad Code**”) applies to Digirad Corporation and any of its affiliated companies, boards of directors, officers, employees, contractors, agents and vendors (collectively referred to as “**Digirad**” or “**Employees**”).

II. PURPOSE OF THE DIGIRAD CODE

It is the policy of Digirad to conduct its business in an honest and ethical manner, as well as in compliance with the laws applicable to the jurisdiction in which business is being done. This can only be done through the participation and efforts of the people that make up Digirad and not merely through the issuance of guideline documents. Digirad employees are not only expected to follow the Digirad Code and applicable laws in doing their work, but also to ask questions and raise concerns when they are not sure that something is not in keeping with maintaining a corporate culture of which we can all be proud.

The Digirad Code is a corporate statement memorializing how we conduct business. When you have questions you should seek advice from your supervisor, your manager or executive, from the Digirad Compliance Officer, from Human Resources or call the Compliance Hotline at (888) 734-1770. This code is more than a statement of Company policy on business conduct and ethical behavior, it provides you our cultural standards in a way that will make you feel comfortable reporting any code violations and make you feel proud to be part of the Digirad team.

III. POLICY STATEMENT

We conduct our business in an honest and ethical fashion. This requires the commitment and dedication of every employee to follow Company policies and procedures and applicable federal, state and local laws and regulations, and to maintain the highest standards of conduct not only in our dealings with fellow employees, but with others we contact as part of our respective jobs. Ultimately, this will help foster and preserve a culture of ownership, accountability, integrity and team.

This Digirad Code operates under the **Core Purpose** of Digirad, which is:

To Enhance Life by Dramatically Improving the Diagnosis and Treatment of Disease

Under the Core Purpose we have our **Vision, Mission and Values**, which are the core of how we will think and act. They drive how we interact with the customer and each other. They are as follows:

Vision

- Be our market’s **FIRST THOUGHT** when faced with a challenge or an opportunity.
- A **DESTINATION** workplace! – Be Passionate and Have Fun.

Mission

- Create Value by being the market leader in **DELIVERING** convenient, effective, and efficient healthcare solutions on an **AS** needed, **WHEN** needed, and **WHERE** needed basis.

Values

So what is it that we value as a company? It is quite **BASIC**:

Our Culture and Values

- **We Hire Winners** – we value success. Winners
Believe that they will win and be successful. We cultivate and promote our employees ability to be successful. We make sure that everyone understands the “what” and the “why” of our business and they know what it takes and what it means to win each and every day.
- **We have a Service First Attitude** – we value positive
Attitudes and we promote a service oriented “can-do” mentality that allows us to be a great influence and help to our customers, our employees and our community.
- **We Grow Shareholder Value** - we Value our
Shareholders. This is a cornerstone, it is our stated value that every employee is a good steward of what is put under their responsibility.
- **We Seek Rigorous Evaluation** – we Value constant
Improvement. We know that through evaluation – we will improve our processes and procedures to become a better and more efficient organization.
- **We are Customer Centric** – we Value our
Customers and strive to make each of our customers champions for their company.

Any employee who violates the provisions of this Digirad Code will be subject to disciplinary action, up to and including termination. Willful disregard of criminal statutes underlying this Code may require us to refer such violation for administrative action and/or criminal prosecution.

IV. PEOPLE AND WORKPLACE

We will not unlawfully discriminate against anyone on the basis of race, religion, creed, color, national origin, sex, sexual orientation, disability, marital status, partner status, veteran status or the presence of a disability.

A. Mutual Respect

Employees are expected to treat one another, including our customers, their patients and our vendors, with mutual respect and dignity. We believe this approach, together with an attitude that honors diversity, ultimately enriches the workplace, encourages innovation and creativity, and advances our corporate goals.

B. Discriminatory & Retaliatory Behavior

Harassment or employment decisions made based on race, religion, creed, color, national origin, sex, sexual orientation, marital status, veteran status or the presence of a disability, or any other protected status or any other unlawful reason are strictly prohibited. Similarly, no employee, including Company officers, may discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee who in good faith report, provide information, file, testify or otherwise assist in an investigation with respect to any conduct that violates this Digirad Code, any other corporate policy or the law. Everyone engaging in Digirad business is expected to comply with all applicable employment laws.

C. Privacy

Related to the standard of mutual respect is privacy. Each employee and the Company must respect the privacy of others within appropriate boundaries; for example, access to personal files is limited to authorized employees and vendors and only for legitimate business purposes.

D. Safety and Health

The safety of our employees and customers is our highest concern. We are committed to providing each employee a safe and healthy work environment. In turn, each employee is responsible for maintaining a safe and healthy workplace by following safety and health rules, reporting any unsafe conditions, accidents and injuries.

E. Company Assets

Employees and contractors have a responsibility to protect and maintain our equipment and supplies. Equipment and supplies should be used responsibly and carefully and only in furtherance of the purpose for which they are provided – to facilitate the performance of work for Digirad. Similarly, the time for which any employee or consultant seeks compensation from the Company must only be time that was actually spent performing work for Digirad. You must report any damage, vandalism, misuse or theft in a timely and complete manner.

V. GENERAL BUSINESS CONDUCT AND PRACTICES

A. Competitive Business Relationships

Digirad seeks to outperform its competition fairly and honestly. We seek competitive advantages through superior performance, not unethical or illegal business practices. Each employee must endeavor to deal fairly with our customers, vendors and our competitors.

1. Sales of our Products & Services

It is part of the Digirad Code to sell our products and services on their own merits and the strength of our Company. No employee or vendor is authorized to make any warranty or representation about our products and services other than those provided in the most recent Company-released marketing and sales materials and customer contract. Claims with respect to medical or technical capabilities must be in compliance with federal and state law, and therefore, must be approved by the appropriate supervisor, generally an executive level manager.

2. Competitive Products & Services

Employees, including our sales, marketing, billing, and customer service vendors are to avoid making comments about our competitors that are not based on factual data, subject to any obligations of confidentiality that we may have with respect to that data. For example, no claims should be made about a competitor's product that is not contained in the competitor's published materials or in factual materials approved by the Company to be used for the purposes of sales and marketing. Employees should be careful in this regard in commenting upon the character, financial condition, or potential regulatory problems of competitors.

3. Contractual Interference

It is prohibited for anyone representing Digirad to encourage a potential customer or other party (such as a vendor) to breach a contract with a competitor or to provide legal advice with respect to the terms and conditions of that party's contract with a customer.

4. Vendors

While it is our goal to enter into vendor relationships that are beneficial to the business interest of Digirad, we must take extra care not take advantage of vendors or potential vendors through abuse of information that was wrongfully obtained, through misrepresentation of material facts or generally through unfair dealing.

5. Relationships with Competitors

Anti-trust, fair competition, truth-in-advertising and other laws limit what and how Digirad can behave with respect to their competitors. The key focus of all of these laws is to limit harm to consumers. Accordingly, no Digirad employee, contractor or other agent may enter into arrangements, whether domestic or international, with competitors that could unfairly reduce competition or otherwise harm consumers, such as fixing prices, allocating markets or boycotting suppliers or customers. Violation of these laws can result in very severe penalties including imprisonment.

If you are in a meeting and one of these arises, please insist that the discussion immediately cease or dismiss yourself from the meeting. If you encounter a situation where you think there may be a potential issue that breaches Digirad's legal obligation to adhere to anti-trust laws, contact the Compliance Officer or report it to the compliance hot line before any action takes place so the matter can be fully discussed and evaluated.

VI. CONFIDENTIAL AND PROPRIETARY INFORMATION

By virtue of and in aid of your employment with Digirad Corporation you are given access to information that is confidential and proprietary to Digirad and the third parties that Digirad participates with in business. At the inception of your employment you signed an agreement requiring you to prevent this information from reaching unauthorized parties, including fellow employees who do not have a need to know this information. This agreement, policy and applicable law also prohibit you from taking and using this information after the termination of employment. Continually refer to your agreement to refresh your memory.

A necessary part of our business involves interactions with government and media representatives. Such communications may only be made by authorized executives and employees who are responsible for such relationships. Employees should not contact any of these entities on behalf of Digirad or its customers.

1. Media Communications

Digirad provides accurate information about its business to investors, the media, and the general public through official channels only. All inquiries received from the media concerning Digirad should be directed to the Chief Financial Officer or designee, or in his/her absence, the Chief Executive Officer.

2. Government Inquiries & Investigations

If you are contacted directly by a governmental representative or indirectly learn of an investigation or inquiry you must notify the Digirad Compliance Officer before providing any information. If the request is from the appropriate agency and relates to your radioactive materials or other license you may provide a copy of that license and then contact Digirad. This directive applies with respect to any subpoena or document request of any kind.

When contacted, always obtain the person's name, title, agency and contact information and tell them that you will contact the officer who handles such matters and s/he will get back to them as soon as possible. You may also give them the contact information for the responsible Digirad department to contact directly, including the main corporate telephone number of (800) 947-6134. All documents should be forwarded to the Compliance Officer and legal counsel.

This directive is intended to ensure that the inquiry is actually being made by the agency purported to make the inquiry. It also ensures that we provide Digirad with the best possible protection for its confidential and proprietary information; as well as fulfill our fiduciary obligations to protect Digirad's interests.

3. Political Activities & Contributions

Digirad, as a corporate citizen, may take specific positions on issues affecting our customers, owners, employees or other Company interests. Support for Company positions may include the distribution of information or support for politicians or political issues beneficial to the Company's views. When expressing a public position on political issues, we are committed to obeying all laws regarding contributions to and participation in the political process.

Certain laws prohibit or restrict the use of corporate funds in connection with political issues. Consequently, any corporate donations to support a politician, proposition, referendum, organization or political issue must first be approved in writing by the Company's Compliance Officer or Chief Financial Officer.

Employees must obtain prior approval to hire outside counsel or a public affairs firm to contact government officials regarding legislation, regulatory policy, or rule making. This includes grassroots lobbying contacts.

4. Personal Social & Political Activities

While Digirad respects the diversity of opinion held by the people who make up Digirad, no individual at any level is authorized to voice their personal or political opinions in a way that suggests they are speaking for or making a personal contribution that is attributable to their relationship with Digirad or any of its customers. For example, any political donations that you make should not be made, recorded or reported in connection with your title and employment with any Digirad entity or product unless required by law. Such activities must be undertaken on your personal time and at your personal expense. Employees will not be reimbursed for political contributions or expenditures.

5. Financial Communications

Digirad provides accurate information about its business to investors, the media, and the general public through official channels only. All inquiries received from financial analysts or the media concerning Digirad should be directed to the Chief Financial Officer or designee or, in his/her absence, the Chief Executive Officer.

VII. CONFLICTS OF INTEREST

Employees and board members must avoid any conflict of interest with Digirad and must perform their responsibilities on the basis of what is in the best interest of Digirad. A conflict of interest arises when a personal interest or relationship interferes with the best interest of the Company. There are many types and situations in which conflicts can arise.

A. Outside Employment and Other Activities

You should not engage in outside business interests or other activities that result in a conflict of interest or even the appearance of a conflict of interest. Again, refer to your Employee Handbook for guidance.

B. Inside Information

In the course of performing job responsibilities, you may become aware of Confidential Information. You may not profit from this information by passing the information to others to enable them to profit from the information.

C. Loans

You may not accept loans from any person or entities having or seeking business with Digirad. Designated Executives and directors may not receive loans from the Company, nor may the Company arrange for any loan.

D. 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 Compliance Officer and obtain prior approval from Digirad before serving on the board of another company, whether or not such company is a competitor of Digirad.

E. Handling Conflicts

You must disclose any potential conflicts of interest to the Compliance Officer or such Officer's designees, who can then advise you as to whether or not the Company believes a conflict of interest exists. You must also disclose potential conflicts of interest involving the employee's spouse, siblings, parents, in-laws, children and members of the employee's household. Non-employee directors may discuss any concerns with the Chair of the Audit Committee.

VIII. COMPLIANCE

Digirad is committed to being a good corporate citizen and complying with the laws and rules that apply to Digirad's business operations. In this vein Digirad has developed many policies addressing issues of proper compliance. Each of you needs to read, understand and comply with them in your daily activities.

- Use of Company Electronic Communication Resources Policy
- Fleet Safety Program Manual
- Digirad Export Management System
- Insider Trading Policy
- Travel Expense Policy
- Record Retention Policy

IX. REPORTING

Any violations of this Digirad Code should be reported to your supervisor, and/or the Compliance Officer, which is the Chief Financial Officer. If you do not feel comfortable about discussing the alleged violation with the Compliance Officer, you may call the chairman of the audit committee of the board of directors or report the issue confidentially, and if you desire anonymously, to the Compliance Hotline at (888) 734-1770. The Compliance Hotline may be used to report any alleged violation, especially any concerns relating to Digirad's accounting, internal controls or auditing matters.

When submitting concerns, please provide as much detailed information as possible to assist us in effectively investigating the complaint. This is particularly important when you submit a complaint on an anonymous basis, since we will be unable to contact you with requests for additional information or clarification.

We are providing these anonymous reporting procedures so that you may disclose genuine concerns without feeling threatened. Employees who choose to identify themselves when submitting a report may be contacted in order to gain additional information. All conversations, calls and reports made under this policy in good faith will be taken seriously. Any allegations that are knowingly false or without a reasonable belief in the truth and accuracy of such information will be viewed as a serious disciplinary offense.

If you believe an exception to the Digirad Code's requirements is warranted, you must contact your supervisor. If your supervisor agrees, the Compliance Officer must be consulted for appropriate investigation and approval. If the request involves an officer or director, then the Audit Committee of the board of directors must approve. If the request for an exception is ultimately approved, it must be made in writing and the program manager will also maintain a log of the exception and the circumstances justifying it. Waivers relating to an officer and director may be required to be promptly disclosed to shareholders.

Any suggestions or proposals concerning this Digirad Code should be referred to your supervisor or the Compliance Officer or designee. Your recommendations and feedback are always welcomed and encouraged.

IX. EMPLOYEE RESPONSIBILITY STATEMENT

This Digirad Code ends where it began. Each employee has the responsibility to follow this code, and the codes can be summarized with the simple statement: "Do what is right." While it establishes certain standards of conduct, the Digirad Code also provides a resource to help uphold the standards. Have you seen something that troubles you? Is someone pressuring you to do something that you believe is not right? If so, this code can provide you the tools and opportunity to address your situation, as well as the security and protection to act on your concerns.

All Company employees are required to read and abide by the Digirad Code. In fact, abiding by its standards is a condition of your employment with the Company. Any actions that violate this code may also violate various laws and could subject the Company and even individual employees to serious legal consequences. Consequently, any employee who does not adhere to the standards of the Company's corporate ethics and compliance program or who fails to abide by applicable laws or regulations will be subject to appropriate discipline, including but not limited to immediate dismissal. Discipline also may be imposed for any supervisor who encourages or ignores violations or fails to detect a violation he or she should have detected, or for any employee who is aware of a violation of this code or the law and fails to report it in a timely fashion.

Failure to read the standards in this Digirad Code does not exempt an employee from his or her responsibility to comply with the code and the laws. Digirad has the right to amend, interpret, modify or withdraw any of the provisions of this Digirad Code at any time in its sole discretion, with or without advance notice. Such changes will be promptly made to the Digirad Policy Manual and notice will be sent via email to affected employees. Employees are expected to advise any Company agents, consultants, resellers, distributors and resellers with respect to such updates.

Nothing in this Digirad Code is intended to alter the "at-will" nature of your relationship with Digirad.

Thank you for taking the time to carefully review this code. With your assistance, we will continue to maintain the type of Company and work environment in which we all would enjoy.