2020 Environmental, Social and Governance Report

ZIO® BY iRHYTHM

Mary Sue, Zio Patient

Mike Coyle

A message from our CEO

Dear iRhythm Stakeholders,

We want to thank you for taking the time to read our inaugural Environmental, Social and Governance (ESG) report. As the Company continues to redefine the way cardiac arrhythmias are clinically diagnosed, we also understand the importance of how our corporate culture can play in achieving our goals. In these challenging times for our customers and our employees, building and sustaining a culture of integrity and accountability are foundational pillars by which we stand and ultimately prosper.

Mike Coyle

In our first report, we focus on the foundational work we have already accomplished to facilitate and foster a strong corporate culture. Areas of focus include the overriding importance of patient safety, our customers' access to quality healthcare, established ethics and integrity programs, our commitment to diversity and equal opportunity, and our commitment to being good corporate citizens in the communities we serve.

In conclusion, it's important for our stakeholders to understand that this report is not the end, but rather, the beginning of a long, ongoing journey in our commitment to being a responsible corporate citizen.

I look forward to keeping you updated on our progress.

Sincerely,

Mike Coyle,
CEO, iRhythm Technologies

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Company Overview

01.

Company Overview

We are a digital healthcare company redefining the way cardiac arrhythmias are clinically diagnosed by combining our wearable biosensing technology with cloud-based data analytics and deep-learning capabilities. Our goal is to be the leading provider of ambulatory electrocardiogram (“ECG”) monitoring for patients at risk for arrhythmias.

We have created a full portfolio of ambulatory cardiac monitoring services on a unique platform, called the Zio service, which combines an easy-to-wear and unobtrusive biosensor that can be worn for up to 14 consecutive days with powerful proprietary algorithms that distill data from millions of heartbeats into clinically actionable information. We believe that the Zio service allows physicians to diagnose many arrhythmias more quickly and efficiently than traditional technologies and avoid multiple indeterminate tests. Early detection of heart rhythm disorders, such as atrial fibrillation (“AF”) and other clinically relevant arrhythmias, allows for appropriate medical intervention and helps avoid more serious downstream medical events, including stroke.

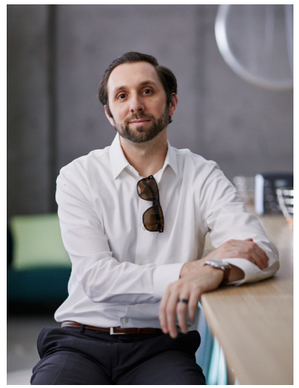
Since receiving clearance from the Food and Drug Administration (“FDA”) in 2009, we have provided the Zio service to over three million patients and have collected over 750 million hours of curated heartbeat data, creating what we believe to be the world’s largest repository of ambulatory ECG patient data. This data provides us with a competitive advantage by informing our proprietary deep-learned algorithms, which may enable operating efficiencies, gross margin improvement and business scalability. We believe the Zio service is well-aligned with the goals of the U.S. healthcare system: improving population health, enhancing the patient care experience, reducing per-capita cost, and improving the clinician experience.

Human and Employee Relations

02.

Human and Employee Relations





At iRhythm, we are committed to maintaining a healthy, safe, and secure work environment that protects our employees and the public from harm. We use a multi-faceted approach to ensure the health and safety of our employees, from our Code of Conduct to our policies governing the way we act within and outside of iRhythm.

To help us meet our mission, we have developed five core values which provide direction in our daily activities. These core values serve as a reminder of the way we will conduct our activities as we strive to transform our mission into reality.

Human and Employee Relations

Our values guide how we accomplish our mission and treat each other and those we serve:

PASSION
We are passionate because we believe in what we are doing and where we are going. Our inspired determination drives our commitment to what we do and how we do it.

BOUNDARYLESS
We are open to accepting and sharing ideas, knowledge, advice, and challenges. We evaluate new ideas and solutions with sincerity and honesty.

BOLD
We encourage thinking outside the box, trying new things, asking questions, and not being afraid to try something, fail, and learn from it.

RESPECT
We hold ourselves, others, and the environment in the highest regard, and will act as such.

BALANCE
We encourage an atmosphere that fosters our team's personal and professional development. We appreciate and respect the importance of all the different layers of people's lives.

Human and Employee Relations

Our commitment to health & safety

iRhythm complies with applicable health, safety, and environmental laws as well as related Company policies and procedures. We have a zero-tolerance policy against aggressive behavior, violence, direct and indirect threats, harassment, intimidation, and weapons. Moreover, we strive to conduct our everyday business activities in an environmentally sustainable way.

Respecting our team

At iRhythm, we are committed to ensuring our team members are treated with fairness and respect. We believe that a cooperative work environment, based in trust and mutual respect, is essential to our success. We embrace the diversity of our workforce and celebrate the creative value added by individuals with differing backgrounds. We expressly prohibit intimidation, hostility, harassment, discrimination, and other inappropriate behavior. Furthermore, we expect associates to conduct themselves in a professional and dignified manner at all times; in doing so, we seek to avoid making associates feel uncomfortable at work.

Our commitment to fair and equal employment

iRhythm is committed to providing a work environment that is free of discrimination and harassment. We are an equal-opportunity employer. We make employment decisions on the basis of a person's qualifications, and our business needs. We believe in the richness and quality of a working environment that is informed by people from all walks of life and strive to create a genuinely inclusive environment. We respect our unique backgrounds and embrace our differences.

Human and Employee Relations

We do not tolerate harassment or discrimination on the basis of race, color, veteran status, religion, gender, sex, sexual orientation, age, mental or physical disability, medical condition, national origin, marital status, or any other characteristics protected under federal or state law or local ordinance.

Employees who engage in acts of harassment, discrimination, or other inappropriate behavior are subject to corrective action that may include termination of employment; likewise, offending contractors and others operating on our behalf may lose our business.

All employees review and attest to our employee handbook and Code of Conduct upon hire and annually thereafter. Additional detail on policies within our employee handbook related to ensuring a healthy and safe iRhythm are included below:

EQUAL EMPLOYMENT OPPORTUNITY POLICY

iRhythm provides equal employment opportunities to all employees and applicants without regard to race (including traits historically associated with race such as hair texture and protected hairstyles), color, religious creed, sex, national origin, ancestry, citizenship status, pregnancy, childbirth, physical disability, mental disability, age, military status or status as a Vietnam-era or special disabled veteran, marital status, registered domestic partner or civil union status, gender (including sex stereotyping and gender identity or expression), medical condition (including, but not limited to, cancer related and HIV/AIDS related), or sexual orientation in accordance with applicable federal, state, and local laws.

In addition, iRhythm complies with applicable state and local laws governing nondiscrimination in employment in every location in which the Company has facilities.

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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, and training.

ANTI-HARASSMENT POLICY

It is the policy of iRhythm to maintain a working environment that encourages mutual respect, promotes collaborative and congenial relationships between employees, and is free from all forms of harassment by anyone, including managers, co-workers, vendors, contractors, and customers. Harassment, even when not unlawful or directed at a protected category, is expressly prohibited, and will not be tolerated by iRhythm.

Accordingly, management is committed to vigorously addressing complaints of harassment and sexual harassment at all levels within iRhythm.

Reported or suspected occurrences of harassment will be promptly and thoroughly investigated. Following an investigation, iRhythm will immediately take any necessary and appropriate disciplinary action.

iRhythm will not permit or condone any acts of retaliation against anyone who files harassment complaints or cooperates in the investigation of same.

iRhythm has an Ethics Line that is available to all employees as a reporting mechanism. The Ethics Line is available 24 hours a day, 365 days a year. A third-party hotline provider, Ethics Point, hosts the Ethics Line. Reports can be communicated to Ethics Point via phone (US: (844) 884-0117; UK: 0-800-89-0011) or a report can be can be filed via the online form at secure.ethicspoint.com/domain/media/en/gui/62109/index.html.

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OSHA numbers

Safety is an important priority at iRhythm as part of our total view on well-being. All employees are encouraged to immediately report any accidents, injuries, potential safety hazards, safety suggestions, and health and safety related issues via their manager, HR or our anonymous ethics reporting line.

OSHA statistics

We are proud of our safety record. In 2020, we had no work-related injuries to report to the Occupational Safety and Health Administration (OSHA). However, we did report 16 events to OSHA, all of which were to report positive COVID-19 cases among our employees. Our internal protocol is to report all positive test results regardless of the evolving guidelines issued by OSHA throughout 2020. We have an internal, cross-functional COVID response team that was assembled in early March 2020, where we have thorough response protocols in place to support the ongoing health and safety of our team.

To ensure the safety of our employees, we conduct routine safety training for each office including fire and disaster drills, AED training and for those whose roles require it, physical lifting techniques.

Workplace accidents policy

All accidents, injuries, potential safety hazards, safety suggestions, and health and safety related issues must be reported immediately to managers and/or Human Resources. If any employee is injured, outside emergency response agencies should be contacted, if needed. All first reports of injury claims should be reported within 24 hours, and ideally as soon as feasible after an injury has happened.

Employees are encouraged to call or email Human Resources to quickly and easily report any work-related injury, 24 hours a day.

Human and Employee Relations

Compensation policy

Our compensation philosophy is rooted in ensuring we can attract top talent, reward and recognize associates for the impact they are making, and align with our shareholders' interests. Below are a few key principles we use to guide our compensation practices:

- Enable iRhythm to attract and retain high-caliber talent: offer compensation competitive to market and peers
- Emphasize merit-based compensation: provide a compensation package that is weighted heavily towards merit-based pay
- Reward achievement of iRhythm's financial objectives: directly link rewards to the achievement of financial objectives that build long-term shareholder value
- Recognize both corporate and individual performance: link rewards to measurable corporate performance with influence of individual performance
- Align the interests of our executives with those of our stockholders: incentivize and reward the creation and preservation of shareholder value

Fair and consistent compensation practices are an important part of our compensation strategy. We use industry standard market data from Radford salary surveys to benchmark and review competitive market data across similar roles, geographies, companies and industries each year. We also partner with outside consultants to help us align our compensation strategy to specific frameworks rooted in data on an annual basis. In this process, we assess salary survey data to understand changes to broader market practices, monitor trends in the market and ensure

Human and Employee Relations

we remain competitive while also maintaining fair, consistent internal practices across levels, roles and geographies.

COMPENSATION AND BENEFITS

iRhythm is proud to offer an attractive mix of compensation and benefit plans to support our employees and their families' physical, mental, and financial well-being. We believe that we employ a fair and merit-based total compensation system for our employees.

Employees are generally eligible for medical, dental, vision and other comprehensive benefits, most of which become effective on their start date. Our medical, dental and vision offerings are available to full-time employees and their same-sex and opposite-sex domestic partners and dependents up to age 26. iRhythm covers a significant majority of the cost of our employee benefits, generally greater than 75% of premium costs, with some plans up to 90%. All full time employees, whether hourly or salaried, have access to the same types of coverage options. Employees who work fewer than 30 hours per week, representing approximately 1% of our workforce, are eligible for a select set of benefits.

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Below are some of the types of health and wellness-related benefits offered to iRhythm employees:

- Medical, dental and vision insurance
- Retirement plan with Company match
- Flexible Spending Accounts for medical expenses, childcare, parking and transit
- Health Savings Account (with iRhythm contribution)
- Life insurance
- Short & long-term disability
- Paid time off and leave of absences
- Employee assistance program

It is important that all employees have an opportunity to have an ownership interest in iRhythm, and there are several programs that provide a chance to own iRhythm stock. Generally, greater than 75% of our team participates in at least one of our stock programs. During their tenure with iRhythm, all employees have an opportunity to receive an equity award, either upon hire and/or during an annual review process to recognize those with significant impact on achieving our goals. Another program offered to all employees, whether part or full time, is the ability to participate in our Employee Stock Purchase Plan.

Participants in the ESPP acquire iRhythm stock at a 15% discount to market price. We believe our discounted stock purchase program helps to build an ownership mentality amongst participating employees.

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Stakeholder engagement

Feedback from our employees is an important contributor to determine where we prioritize internal areas of investment, growth and improvement. As a baseline, all employees have access to anonymously share feedback with us through our ethics line and through most other forms of feedback that we solicit. A few of the methods we use to solicit feedback and share information across iRhythm include surveys, regular company meetings, and our intranet.

We solicit feedback through a variety of surveys across the employee lifecycle, a few of which include annual engagement surveys, during onboarding, and after company meetings. In the fall of 2019, we completed an engagement survey that measured our employee net promoter score plus solicited feedback on a few key areas related to communication effectiveness, access to tools to effectively work, and opportunities for development. Our response rate was 61% of total employees, which we will continue to work to increase, and we shared feedback on outcomes with our employees at the end of the calendar year. Our employee net promoter score was in the average range, and consistently, 78% or more of survey respondents positively responded to the key areas noted above. The results of the engagement survey reinforced the importance of two investment areas in 2020, including an increased frequency of company communications and building more tools to support development opportunities.

During the onboarding experience, we provide all new employees an opportunity to share about their experience, to gauge whether they are on track learning the business, their role and their team, as well as developing goals to guide their work. Survey participants provide greater than 75% positive validation that they are navigating the onboarding process at a high level of engagement, learning and alignment, which we want to consistently deliver.

Human and Employee Relations

In order to connect with employees to share important updates on the business and reinforce our culture, we hold regular company meetings. We ensure there is time to respond to questions that come in from across the company and work to align the content we deliver to suggestions received from employees. After each meeting, we solicit feedback via survey to understand the value of information we have shared, collect suggestions for future content, and during 2020, measure the level of engagement across our team. During 2020, we held more frequent meetings and solicited more frequent feedback to understand employee sentiment, given the ongoing impact of COVID-19, working remotely and the broader challenges employees continue to manage.

Another key tool we have in place to foster communication and engagement is our companywide intranet. In April 2020, we launched an intranet to provide a centralized platform to share important business, culture and development resources with all employees. As we pivoted to the majority of employees working from home in the spring of 2020 due to COVID-19, the intranet has become a useful tool to provide our diverse employee population additional access to business information and resources for development and growth.

Human and Employee Relations

CORPORATE CITIZENSHIP

We are committed to supporting initiatives that improve our communities whether through corporate, team or individual participation. Our Culture Committee, made up of volunteers around iRhythm, organizes events to support and raise funds for a designated organization each year. In addition, iRhythm teams and offices contribute to local activities through volunteer and donations. In 2018, iRhythm employees and the Company donated over $40,000 to a variety of organizations, and in both 2019 and 2020, iRhythm employees and the Company donated over $100,000 each year.

Below are just a few of the organizations we have worked with and/or contributed to financially:

- Make-A-Wish Foundation
- Charity Water
- American Heart Association
- Feed Our Starving Children
- Breast Cancer Awareness
- Lake County Haven (women's & children shelter)
- Northern Illinois Food Bank
- Project C.U.R.E

Human and Employee Relations

Workforce development

The growth and success of our employees is a top priority at iRhythm. We are investing heavily to build in-house tools and resources to support managers and employees on the road to success and ongoing growth.

WORKFORCE TRAINING

iRhythm offers a variety of training opportunities, whether focused on building vocational or management and leadership skills. Our sales and clinical training programs equip team members to perform specialized work to support our patients and customers. Our clinical training program consists of 80 hours of training upon hire, plus ongoing training opportunities to ensure quality and consistency standards in patient care.

Our commercial program provides 40 hours of product training and ongoing field and classroom education to prepare employees to support our customers with high quality service and support.

Our management and leadership skill building in 2020 was focused on coaching and core-manager skills. Despite the challenges of COVID-19 on our work location, we facilitated several online courses around our core competencies and coaching practices, and we rolled out a toolbox on our intranet with tools for employees and managers across the employee lifecycle.

Human and Employee Relations

Diversity & equal opportunity

STRATEGIES & POLICIES

At iRhythm, we have always valued our differences, recognizing that from those differences comes our strengths, and we are committed to continuing to build a culture of diversity, equity, and inclusion. We are deeply committed to our core values and have no tolerance for anything less. And while we are extremely proud of our diversity today, we know there is more to be done. We will continue to strengthen our practices around attracting, developing and engaging our team to reflect that commitment.

In response to the events in 2020 related to ongoing social injustice, iRhythm has heeded the call to action. In the summer of 2020, we spoke directly about the events that transpired after a period of reflection, and we have continued to spend time in Company updates and trainings reinforcing our core values and policies to support a safe environment for all. We also committed to provide a total of $100,000 to support several local organizations providing resources for underrepresented and underserved groups.

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Organization recommendations were brought to us by our employees. By the end of 2020, we made contributions to 11 groups, both local and national

Additionally, in the summer and fall of 2020, we conducted focus groups with 10% of our teams to better understand where we are today and where we need to be going in order to build a more diverse, equitable and inclusive iRhythm.
As of the end of 2020, we have assembled a team of volunteers from within iRhythm to collaborate on action plans in a few key areas based on feedback received.

This group will help us build a roadmap across the employee experience to ensure we continue to build a strong culture of diversity, equity, and inclusion.

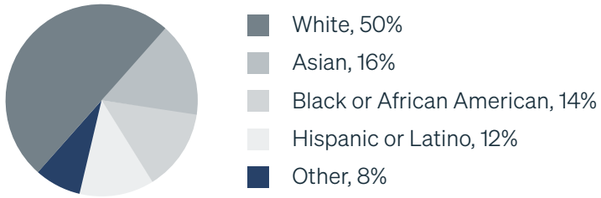
The following page contains a few data points that represent our diversity across gender and ethnicity:

2018

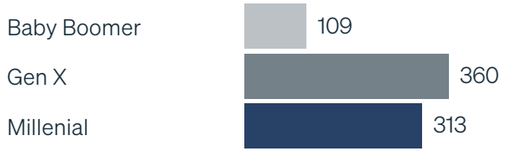
HEADCOUNT BY GENDER

Women	Men
447 (57%)	335 (43%)

HEADCOUNT BY ETHNICITY



HEADCOUNT BY GENERATION

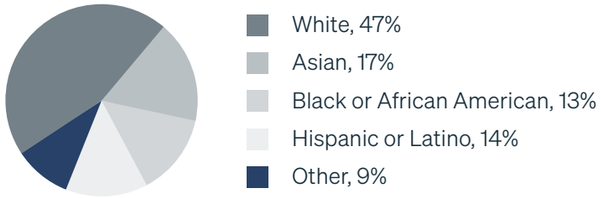


2019

HEADCOUNT BY GENDER

Women	Men
608 (59%)	429 (41%)

HEADCOUNT BY ETHNICITY



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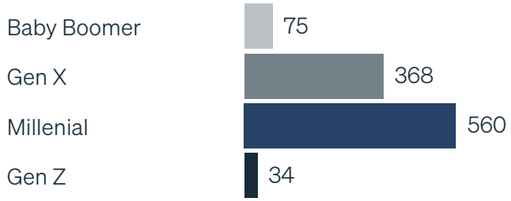
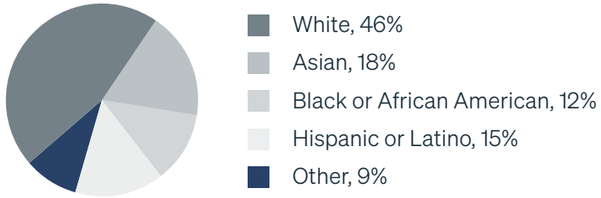


2020

HEADCOUNT BY GENDER

Women	Men
673 (58%)	490 (42%)

HEADCOUNT BY ETHNICITY



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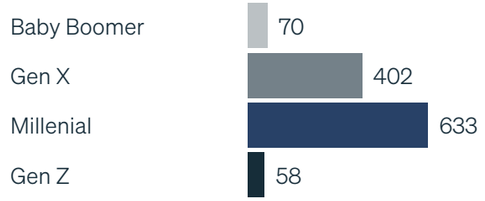


Human and Employee Relations

WORKFORCE HIRING & DEVELOPMENT PRACTICES

As we recruit top talent to join the iRhythm team, we use job boards focused on outreach to underrepresented groups, including ethnic or racial, women, veterans, LGBTQIA, people with disabilities, and indigenous populations.

As new employees come to iRhythm, they learn more about our policies and culture through orientation and onboarding, our Employee Handbook, Code of Conduct, and compliance trainings. These all provide guidance on how we expect to operate in order to foster diversity, equity and inclusion across iRhythm.

iRhythm's Commitment to Ethical Conduct

03.

iRhythm's Commitment to Ethical Conduct

iRhythm is committed to conducting its business with the highest of ethical standards. Our reputation for integrity and fair dealing is of utmost importance. Therefore, we are committed to complying with applicable rules and regulations related to ethical marketing and competitive behavior covering social issues associated with the existence of monopolies, excessive pricing, poor quality of service, and inefficiencies. Our policy is to fully comply with both the letter and spirit of all applicable rules and regulations. The employee Code of Conduct applies to all Company employees around the world as well as the our third-party intermediaries, business partners, and agents.

RESPECTING OUR VALUES

At iRhythm, honest and ethical conduct is critical to our success as a business. All iRhythm employees, directors, agents, and contractors have a responsibility to comply with laws that apply to iRhythm and to be honest and ethical in all Company dealings.

Why we have a Code of Conduct

Our Code of Conduct (the "Code") was developed to provide employees with the guidance and access to resources needed to operate with unquestionable integrity. The Code is designed to deter wrongdoing and to promote:

- Honest and ethical conduct
- Compliance with applicable laws, rules, and regulations
- Prompt internal reporting of violations of the Code
- Accountability for adherence to the Code
- Full, fair, accurate, timely and understandable disclosure in our reports and public communications

iRhythm's Commitment to Ethical Conduct

THE CODE APPLIES TO US ALL

The Code applies to all employees and members of our Board of Directors. iRhythm also engages consultants, contractors, and other third-parties to perform services for iRhythm; these individuals are also expected to read, understand, and abide by the Code. All iRhythm employees are held to the same compliance and ethical standards, regardless of their position at the Company. Individuals in management and leadership positions are expected to go one step further to encourage a strong compliance "tone at the top."

If a consultant or contractor has been added to iRhythm's employee list maintained in UltiPro, iRhythm's human resources application, that individual is required to complete the Code of Conduct training. Following completion of training, the consultant or contractor is expected to complete an attestation as to their comprehension of iRhythm's Code of Conduct policy.

The training completion statistics for these consultants and contractors are monitored and reported on a quarterly basis by the Director of Ethics & Compliance along with statistics for employees. Employees are required to take an annual Code of Conduct policy online training course. Upon completion of the course, each employee is required to sign an attestation that they have read and understand the Code of Conduct.

- Have received Code of Conduct Training and certification: 100%
- Have certified that they have read and understood the Code of Conduct: 100%

iRhythm's Commitment to Ethical Conduct

The Code of Conduct is accessible via Zio Pulse (the Company's intranet) and the Company's external website, irhythmtech.com/company/ethics-compliance.

iRhythm's Ethics and Compliance Services (ECS) oversees compliance within iRhythm to ensure the organization's commitment to the highest ethical standards. ECS is comprised of the iRhythm Compliance Officer and the Director of Ethics and Compliance Services. It is tasked with ensuring the successful implementation of our Code of Conduct.

To ensure iRhythm's commitment to ethics and integrity, employees go through the following trainings:

- General Ethics and Compliance Training
- Sales Ethics and Compliance Training
- iRhythm Code of Conduct Training
- Interactions with Health Care Professionals Training
- Global Anti-Corruption Training
- Annual Conflict of Interest Attestation

Each training provides employees an overview of the applicable rules and regulations and iRhythm's commitment and expectation to ensure compliance. Training completion is tracked and reported by ECS.

iRhythm's Commitment to Ethical Conduct

Monitoring ethics

iRhythm has an Ethics & Compliance Services Department and a Chief Compliance Officer. Consistent with the Company's ethos of strong compliance, there are several channels available to employees to communicate an ethical concern. Appropriate channels available to employees, include a direct manager, the Human Resources group, iRhythm's Ethics and Compliance Officer (available via compliance@irhythmtech.com), or iRhythm's Ethics Line.

iRhythm has an Ethics Line that is available to all employees as a reporting mechanism. The Ethics Line is available 24 hours a day, 365 days a year. A third-party hotline provider, Ethics Point, hosts the Ethics Line. Reports can be communicated to Ethics Point via phone (US: (844) 884-0117; UK: 0-800-89-0011) or a report can be can be filed via the online form at secure.ethicspoint.com/domain/media/en/gui/62109/index.html.

When a credible matter is reported to iRhythm, investigations are conducted using internal company resources. If the circumstances of an investigation require external resources to be utilized, iRhythm has access to independent consultants who would be called upon to help with an investigation.

OUR COMMITMENT TO THE TRUTH

At iRhythm, we take all allegations of misconduct seriously and, where there is sufficient information provided, will investigate every report of potential violations of the Code, Company policy, or the law. Of the cases brought forward in 2019, three led to termination of the individual involved in the concern, two led to advice being provided, and one led to education/training. There were five cases where no action was taken due to unsubstantiated information.

iRhythm's Commitment to Ethical Conduct

OUR COMMITMENT TO NON-RETALIATION

iRhythm strives to maintain an open, accessible, and transparent environment where employees should feel comfortable coming forward with questions, comments, or concerns of noncompliance. All iRhythm employees must honor the Code's non-retaliation policy by maintaining respect for one another. Retaliation of any form against an employee who reports, in good faith, misconduct or wrongdoing is not allowed at iRhythm.

Guidelines of ethical conduct expectations for iRhythm employees are included in the Company's training program and Code of Conduct. A non-exhaustive list of regulations and policies to which our employees are expected to abide by are as follows:

ANTITRUST (SHERMAN ACT 1890)

Antitrust laws forbid unlawful mergers and business practices. The Sherman Act outlaws "unreasonable contract, combination, or conspiracy in restraint of trade" and any "monopolization, attempted monopolization, or conspiracy or combination to monopolize." Violations of the Sherman Act are considered harmful to competition. They include arrangements among competing individuals or businesses to fix prices, divide markets, or rig bids. These acts are "per se" violations of the Sherman Act, meaning that no defense or justification is allowed.

ADDITIONAL COMPETITION LAWS

Antitrust laws and fair competition laws are technical and vary by country. iRhythm employees may contact iRhythm Legal at legal@irhythmtech.com with questions regarding competition laws in their specific jurisdiction.

iRhythm's Commitment to Ethical Conduct

iRhythm's commitment to ethical business standards

iRhythm is committed to ensuring it conducts its business ethically and with integrity. iRhythm employees shall not engage in situations that violate the principles of fair competition. iRhythm's employees should not discuss the following with competitors related to iRhythm products and services:

- Pricing or pricing policies
- Terms or conditions of sale (past, present or future)
- Royalties
- Warranties
- Bids and contracts
- Customer information
- Discounts
- Teritorial markets
- Promotions
- Inventories
- Costs
- Production capacities or plans
- Profits
- Distribution or selling strategies
- Research and development activities
- Strategic plans and strategies
- Initiation, continuation or discontinuation of product offerings
- Non-public confidential business information

iRhythm's Commitment to Ethical Conduct

If an iRhythm employee becomes aware of a violation of the above, they should contact Ethics and Compliance Services at compliance@irhythmtech.com. Employees are requested to refer to iRhythm's Code of Conduct for reporting potential violations and/or concerns.

Penalties

Penalties for violating the Sherman Act can be severe. Although most enforcement actions are civil, the Sherman Act is also a criminal law, and individuals and businesses that violate it may be prosecuted by the Department of Justice. Criminal prosecutions are typically limited to intentional and clear violations such as when competitors fix prices or rig bids. Penalties include:

- Criminal penalties of up to $100 million for a corporation
- Criminal penalties of up to $1 million for an individual
- Up to 10 years in prison

Under federal law, the maximum fine may be increased to twice the amount the conspirators gained from the illegal acts or twice the money lost by the victims of the crime, if either of those amounts is over $100 million.[1]

iRhythm has not been the subject of, nor has it been accused of violations related to competition laws. In the event iRhythm is accused of violating any competition laws, we will engage outside counsel to assist with the investigation process.

1. Guide to Antitrust Laws, ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/antitrust-laws

iRhythm's Commitment to Ethical Conduct

False marketing claims

False marketing can lead to potential violations including monetary loss. iRhythm has no proceedings, and has had no proceedings, associated with false marketing at this time. As a result, there has been no monetary loss associated with false marketing.

Reporting non-compliance

iRhythm requires all employees to report any suspected non-compliance with any law or ethical standard. There will be no retaliation for reporting suspected non-compliance in good faith. iRhythm offers confidential, anonymous, and non-retaliatory methods of reporting including:

- iRhythm Ethics Line:
  US (844) 884-0117
  UK 0800 89 0011
- iRhythm Ethics Line Website:
  irhythmethics.ethicspoint.com

iRhythm employees can also report concerns directly to Ethics and Compliance Services at compliance@irhythmtech.com, as well as via chain of command to their manager or director.

iRhythm has a strong culture of ethical conduct and compliance. Our employees receive regular training that covers aspects of employee conduct, including conduct with individuals, corporations, and governments. We have a zero-tolerance policy for illegal activity and our employees are aware of our policies, which include:

iRhythm's Commitment to Ethical Conduct

Anti-corruption and anti-bribery laws

IRHYTHM'S GLOBAL ANTI-CORRUPTION POLICY

iRhythm complies with applicable anti-corruption and anti-bribery laws such as the United States Foreign Corrupt Practices Act of 1977 (the "FCPA"), the United Kingdom Bribery Act of 2010 (the "UKBA"), U.S. Travel Act, 18 U.S.C. Section 201, and the OECD Anti-Bribery Convention (collectively referred to as the "Anti-Corruption Laws"). iRhythm's policy is to fully comply with both the letter and spirit of the Anti-Corruption Laws, and iRhythm's Global Anti-Corruption Policy applies to all Company employees around the world as well as third-party intermediaries, business partners, and agents. No one working for or with iRhythm may pay or receive a bribe or receive or provide anything of value, including government officials, in order to improperly influence such person.

Bribery and/or corruption will not be tolerated. Accordingly, iRhythm's Global Executive Team, UK Office, and staff involved in international business are required to confirm compliance with iRhythm's Global Anti-Corruption Policy annually. Confirmation is mandatory and tracked by Ethics and Compliance Services.

Upon completion of the annual Global Anti-Corruption Training, iRhythm employees attest to understanding the requirements and laws of the Global Anti-Corruption Policy. Employees also acknowledge that they understand their responsibility to comply with all Anti-Corruption laws and internal guidelines and that they have no knowledge of inappropriate payments authorized or offered to induce corruption. Attestations are sent to all iRhythm employees who complete the Global Anti-Corruption Training are tracked for completion.

iRhythm's Commitment to Ethical Conduct

FOREIGN CORRUPT PRACTICES ACT (FCPA)

The FCPA's anti-bribery provisions generally prohibit U.S. citizens or firms, as well as their officers, directors, employees, agents, or controlling shareholders, from offering, paying, promising, or authorizing the payment of money or "anything of value" to a "foreign official" in order to "obtain or retain business" or to secure an improper advantage.

iRhythm's Ethics and Compliance Services has a newly developed FCPA process to help identify potential red flags related to the Company's relationships with external agents. The FCPA process includes the following:

- iRhythm's FCPA Questionnaire
- iRhythm's FCPA Certification Letter
- iRhythm's FCPA due diligence process

When contemplating doing business with OUS Contractors/Business Partners/Agents, or when U.S. employees or agents will be working overseas, iRhythm ensures the appropriate FCPA documentation is completed and reviewed. The Business Owner is required to return the FCPA Questionnaire and Anti-Corruption Certification a minimum of 21 business days prior to the effective date of the Contractors/Business Partners/Agents contract. Ethics and Compliance Services anticipates third-party due diligence review to be completed within 15 business days after receiving required FCPA documentation; notwithstanding, extenuating circumstances may affect this time frame.

iRhythm's Commitment to Ethical Conduct

iRhythm will work towards resolution of any FCPA red flags prior to engaging in a business relationship with Contractors/Business Partners/Agents. Unresolved red flags will prevent iRhythm from contracting with the Contractors/Business Partners/Agents. ECS will ensure documentation is completed accurately and fully.

After completion of the Annual Global Anti-Corruption Training, employees attest to having reviewed and completed the information related to iRhythm's policy. Currently, anti-corruption training is provided to the global executive team, the UK office and the staff involved in international business.

Accessible and Affordable Healthcare for Patients and Clinicians

04.

Accessible and Affordable Healthcare for Patients and Clinicians

iRhythm is redefining how cardiac arrhythmias are clinically diagnosed by combining wearable biosensing technology with cloud-based data analytics and machine-learning capabilities to bring dependable and easy remote monitoring to the wider population. The Zio service allows healthcare providers to diagnose arrhythmias more efficiently than traditional technologies, avoid repeat testing, prescribe a treatment plan, and potentially prevent serious medical events. Patients access and receive care in a timely fashion, without the need to repeat tests. Further, the Zio service enables patient monitoring with technology that requires little to no manipulation, which allows patients to go about their daily lives uninterrupted.

Communication to health care providers and patients combines a myriad of platforms, including:

COMPANY WEBSITE

irhythmtech.com

COMPANY SOCIAL MEDIA CHANNELS

- LinkedIn
- Facebook
- Twitter

CLINICAL RESEARCH AND PUBLICATIONS IN PEER-REVIEWED JOURNALS

Download a complete summary of our clinical studies at irhythmtech.com/professionals/evidence

Accessible and Affordable Healthcare for Patients and Clinicians

PEER-TO-PEER EDUCATIONAL WEBINAR SERIES
irhythmtech.com/providers/webinars

- Scripps Health (Dr. John Rogers)
- Montefiore Health System (Dr. Kevin Ferrick)
- Spectrum Health (Dr. Andre Gauri)
- Cone Health (Dr. Dan Bensimhon)

PARTICIPATION IN ANNUAL GLOBAL INDUSTRY SCIENTIFIC SESSIONS, CONFERENCES
i.e., American College of Cardiology, Heart Rhythm Society

PATIENT TESTIMONIALS AND CASE STUDIES

- irhythmtech.com/patients/myzio
- irhythmtech.com/professionals/case-studies
- Advertising in industry publications (e.g., peer-reviewed journals, trade publications)

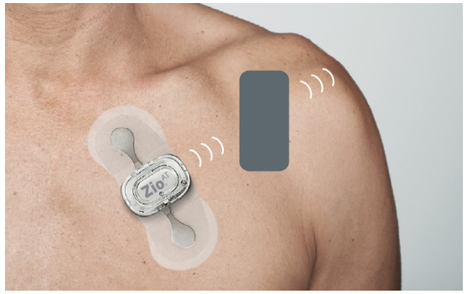
Availability and use of the Zio service

Diagnostics solutions have advanced rapidly in the last 20 years, but cardiac monitoring was left behind. While patients complete multiple rounds of non-diagnostic testing, their care is delayed because of antiquated and uncomfortable technology from the 1960s.

With the Zio service, we aim to create a new standard of cardiac care that replaces the traditional heart health technology known as the Holter monitor. There are numerous Holter monitor device manufacturers on the market. Zio has been demonstrated in dozens of peer-reviewed studies to have a much higher diagnostic yield than Holter, with demonstrated lower levels of repeat testing that Holters often require. iRhythm's Zio service is a proven and complete ambulatory cardiac monitoring (ACM) solution designed to meet clinician and patient needs across the patient risk spectrum.

Accessible and Affordable Healthcare for Patients and Clinicians

Zio XT



Zio AT

The Zio monitor is a small, light, and inconspicuous remote ambulatory cardiac monitor. Zio is a prescribed monitor that can be applied in-clinic or at-home by the patient with Home Enrollment. If applied at home, the monitoring patch is shipped to the patient with directions, and accompanying comprehensive video tutorials are available online, to ensure correct application and accurate recording of symptoms.

iRhythm is committed to enabling better patient outcomes while providing an easy monitoring experience for patients. Within the Zio service, there are two main product offerings:

- Zio XT for lower-risk patients
- Zio AT for higher-risk patients

More specifically, Zio XT delivers a report to the prescribing physician after the end of the patient's wear period, while Zio AT will transmit ECG data near real-time for symptomatic or arrhythmic events during the patient's wear period. iRhythm has committed to investing in research that will continue to improve the lives of patients through technology.

Today, there are approximately 6,000 locations that utilize the Zio service. To date there have been over 750 million curated hours of heartbeat data, and over 3 million patients served.

With both Zio monitors, patients can shower, exercise, and sleep comfortably without disrupting their lives or their data. Zio has demonstrated clinically superior outcomes relative to competitors and is preferred by patients and physicians, as documented:

Accessible and Affordable Healthcare for Patients and Clinicians

- In a peer-reviewed study, 81% of patients preferred Zio over Holter monitoring, which contributed to a longer wear time and improved arrhythmia detection. amjmed.com/article/S0002-9343(13)00870-X/fulltext
- In a head-to-head comparison with Holter monitors, Zio monitors enabled doctors to make a meaningful change in clinical management for 28.4% of patients with atrial fibrillation; onlinelibrary.wiley.com/doi/full/10.1111/pace.12053
- Unlike Holter monitors—which are typically worn for 24-48 hours—the Zio XT monitor can be comfortably worn for up to 14 days, capturing significantly larger amounts of data for analysis than Holter monitors. Investigator-led research found that the Zio XT monitor demonstrates that 51% of patients have their first symptom-triggered arrhythmia after the first 48 hours. (ajconline.org/article/S0002-9149(13)00991-0/fulltext) Zio helps capture these arrhythmias that would have otherwise been missed by Holter monitors.
- Unlike other Mobile Cardiac Telemetry monitors, the Zio AT monitor does not require battery charging, lead wire maintenance, or patch changes. (irhythmtech.com/products-services/zio-at) Without the need to charge a battery or otherwise maintain the equipment, patients are afforded more freedom and flexibility to conduct their lives while having their heart monitored.

iRhythm's Approach to Affordability and Pricing

05.

iRhythm's Approach to Affordability and Pricing

iRhythm's strategy throughout its history has been to deliver a safe and repeatable platform, which will help save the lives of patients. iRhythm is a CMS-certified Medicare Independent Diagnostic Testing Facility, where data captured by the Zio monitor is analyzed. iRhythm offers uniform retail pricing (i.e., billed charges) for its services across the U.S. iRhythm's pricing recognizes the clinical value of the service provided to patients, physicians, and the overall healthcare system. And iRhythm's pricing policy is designed to support innovation and delivery of industry-leading arrhythmia diagnostics.

Additionally, the Zio service was designed to help physicians be more effective in treatment of their patients. From the Healthcare Practitioner perspective, benefits from using the Zio service include:

- Health systems across the country have been able to improve clinical outcomes, improve diagnostic accuracy, reduce operating costs and expenses, and achieve financial growth by retiring wired monitors (Holter monitors) and switching to Zio.
- Physician-office and hospital-patient throughput is significantly improved, which can reduce or eliminate patient backlogs. Zio enables practices to improve diagnostic yield, reduce staff workflow time, and reduce cost per monitored patient.
- The Zio service utilizes one identical patch design for both monitors (Zio XT and Zio AT). This means that the application process is identical for both monitors, which leads to optimized workflow, requires less training and learning, and creates less confusion among office and hospital staff.

iRhythm's Approach to Affordability and Pricing

- The Zio Patient Report is accurate, concise, succinct, and easy to read. Compared to other monitoring reports, clinicians share that it takes less time to interpret and is more reliable.
- Zio monitors are single-use devices. This eliminates the need for cleaning or re-using returned monitors that may have been exposed to pathogens. This is especially important during COVID-19.
- Zio monitors can be prescribed and worn up to 14 days, whereas Holter monitors are typically worn for only 1-2 days. The additional days of monitoring capture arrhythmias that Holter monitors would miss. Numerous peer-reviewed publications show that arrhythmias often present after 48 hours.

Patient accessibility and benefits from the Zio service include:

- Easy-to-wear experience with minimal interruptions to their daily lives. Patients can shower and exercise while wearing the Zio device. Zio is discreet and has no wires or leads and requires no patient manipulations. In a head-to-head clinical study of Zio vs. Holter monitors, 94% of patients found Zio comfortable vs. 52% with Holter monitors, and 81% of patients preferred Zio over Holter monitors. amjmed.com/article/S0002-9343(13)00870-X/fulltext
- Zio monitors provide high diagnostic yield for physicians, which translates to getting answers more quickly for patients and physicians. With Holter monitors, the diagnostic yield is low and often requires repeat testing, which is frustrating for patients and wasteful of resources. Physicians were able to reach a

iRhythm's Approach to Affordability and Pricing

diagnosis 90% of the time with the Zio system. amjmed.com/article/S0002-9343(13)00870-X/fulltext.

- Zio offers home application in which a physician orders a monitor that is sent to a patient's home to be self-applied. This eliminates the need for clinic visits — which is particularly important during COVID-19.
- iRhythm continually engages with government, MACs (as defined below), and private payers regarding the clinical value of the Zio service. Zio is covered by all major commercial insurance providers in the U.S. and Medicare. Further information can be found at irhythmtech.com/insurance. As with any new technology, we have embarked upon a comprehensive education and training program for physicians and payers. Through education and training, the value proposition of the Zio service is evident to patients, physicians and payers. Currently 93% of covered lives in the U.S. have access to the Zio service through government or commercial payers.
- In instances where health insurance payment sources are unavailable or only partial coverage is present, iRhythm offers patients alternative payment options (e.g., interest-free payment plans). For patients who are experiencing a financial hardship, additional resources are available to manage their payment responsibility (e.g., payment assistance programs).

Patient accessibility and affordability are important to iRhythm

Prior to 2021, in the United States, the Zio service was generally reimbursed under temporary CPT Codes, 0295T – 0298T. Following a formal U.S. review process involving the American Medical Association, the American College of Cardiology, the Heart Rhythm Society and the Center for Medicare

iRhythm's Approach to Affordability and Pricing

and Medicaid Services (CMS), effective January 1, 2021 eight new permanent CPT codes were established, which are relevant to the use of the Zio service.

In December 2020 CMS published its Final Rule and accompanying Addenda to establish the calendar year 2021 Medicare Physician Fee Schedule payment rates for pre-existing and new Current Procedural Terminology (CPT) codes, including two new Category I CPT code sets related to long-term continuous electrocardiogram (ECG) application and instruction, recording, scanning, analysis, reporting and interpretation. Category I CPT codes 93241 – 93248 will replace Category III temporary CPT codes 0295T – 0298T as the primary codes that iRhythm used to seek reimbursement for its Zio XT service prior to calendar year 2021. The eight new Category I CPT codes were split between two sets of four defined by heart rhythm data collected over a period of greater than 48 hours and up to 7 days, and for greater than 7 days up to 15 days. These additional codes were established to define the associated time and work to record, analyze, detect and identify cardiac arrhythmias over longer periods of time which has been shown to lead to higher detection rates.

In the Final Rule CMS established national Relative Value Units (RVUs) and payment rates for 93242 and 93246, the biosensor application and patient instruction codes, and 93244 and 93248, the physician report interpretation codes. CMS did not establish national RVUs for 93243 and 93247, the scanning, analysis and reporting codes, which represent the primary codes iRhythm uses to seek reimbursement for its Zio XT service. These codes were designated by CMS to be "contractor priced." As a result, 93241 and 93245 also were not assigned national RVUs, as they are

iRhythm's Approach to Affordability and Pricing

termed global codes whose RVUs are the sum of the RVUs from the other three associated codes.

Contractor priced CPT codes will not have associated national RVUs in calendar year 2021. iRhythm is working with the regional Medicare Administrative Contractors (or MACs) to establish calendar year 2021 pricing for 93243 and 93247, which will also, by default, price 93241 and 93245.

The CMS decision to "contractor price" certain Category I CPT codes does not obviate the use of such CPT codes for reporting services to U.S. payors. At this time, iRhythm expects that the new CPT codes will be adopted by all U.S. payors for reporting purposes beginning January 1, 2021 when the new codes became effective.

iRhythm has a dedicated Patient Financial Navigation Team, consisting of 15 members. The Patient Financial Navigation Team helps patients learn more about their insurance benefits and any potential out-of-pocket costs associated with the Zio service. The team is available to help patients, and payers, from 7am – 7pm CST via our toll-free customer care line, (888) 693-2401.

OUR PATIENT FINANCIAL NAVIGATION TEAM CAN ASSIST PATIENTS BY:

- Reviewing specific plan benefits
- Providing an estimated out-of-pocket cost for the Zio service
- Discussing available payment programs to ensure patients can afford the Zio service

iRhythm's Approach to Affordability and Pricing

IRHYTHM OFFERS SEVERAL PAYMENT OPTIONS FOR PATIENTS, INCLUDING:

- Financial Assistance Program: Income-based Tiered Program (available up to 400% of the Federal Poverty Level)
- Flexible pricing for those without insurance
- Monthly Installment Plan (up to 12 months interest-free)
- Prompt Pay Discount

The Patient Financial Navigation Team has access to multiple programs to aid patients in navigating coverage and payment options, including Company financial assistance. In 2017, 2018, 2019, and 2020 iRhythm provided direct financial assistance in the amount of approximately $83,000, $265,000, $400,000 and $284,000, respectively. We are dedicated to helping patients get the care they need and have demonstrated commitment to financial support for those patients who need it.

iRhythm is Dedicated to Developing Safe Products for Patients

06.

iRhythm is Dedicated to Developing Safe Products for Patients

The Zio monitor is a small, discreet, and comfortable patch, which can be worn during normal day-to-day activity, including sleeping, showering, and exercising. The Zio monitor records every single heartbeat for analysis. During the monitoring process, patients are encouraged to document any symptoms and unexpected experiences which will help provide context for the recorded data.

At the end of the prescribed period, the Zio XT monitor is returned to iRhythm for analysis. During the analysis process, the patient's information is assessed for abnormalities and documented. This information is used by a physician to assess the cardiac performance of the patient throughout the wear period.

The result of the analysis is communicated to the patient's physician who then discusses the result with the patient. Further information on the Zio device and patient experience can be found here, irhythmtech.com/patients/myzio/help?zio-xt.html. The Zio patch is a single patient use device. After the prescribed duration of wear, the patch is returned to one of iRhythm's intake centers where the ECG data is uploaded. Components of the patch and the packaging are then re-used, recycled, or scrapped.

The Zio patch and the associated packaging and labeling material do not incorporate hazardous chemicals. The bio-compatibility of patient contacting materials of the Zio patch have been assessed per ISO 10993 requirements and were deemed to be acceptable.

iRhythm is Dedicated to Developing Safe Products for Patients

Our commitment to quality

- We continuously work to improve our quality management system
- We comply with all applicable regulatory requirements
- We deliver excellence to customers through our products, processes, service and data

We have processes in place to assess potential device or compliance issues in the field. If a situation were to arise, iRhythm has the capability to successfully execute a field correction and removal action (i.e. a product recall, including the ability to issue customer advisory notices, perform recalls, or execute field corrections). Should we become aware that there is an issue with counterfeit product, or any quality control issue, then this process may be used to notify customers, physicians, regulators, and/or partners. Additionally, this process is compliant with the FDA's 21 CFR Part 806 regulations for performing field actions including field notifications of issues.

Each Zio patch is associated with a unique serial number which is helpful, should any product recall process be required. iRhythm utilizes QAD ERP system in manufacturing and Salesforce.com for customer service purposes to track medical devices. Through the use of these tools, serialization, and well established, best practices, we maintain traceability of medical device throughout our supply and distribution chains. Further, by the very nature of the Zio service, iRhythm is well informed about where and when individual patches are used by patients as well as when they are finished and returned.

iRhythm is Dedicated to Developing Safe Products for Patients

iRhythm performs active surveillance and complaint handling with respect to device performance and safety. We review scientific and clinical literature to ensure there is consistent understanding of the Zio service throughout the prescribing community as well as to monitor real world experience with the Zio service. Further, on a regular basis, in an effort to ensure that iRhythm is aware of clinical experience with the Zio service, we conduct searches of FDA MAUDE and MHRA database for any field reports that were not directly reported to iRhythm. Conducting market and regulator surveillance is an important part of our processes to ensure patient safety. We are not aware of any counterfeit product at this time. iRhythm has had no raids, seizures, arrest, and/or filing of criminal charges related to counterfeit products.

Recalls are reported to the FDA per 21 CFR part 806 and are publicly available. iRhythm has had no recalls. accessdata.fda.gov/scripts/cdrh/cfdocs/cfRES/res.cfm. We have had no FDA enforcement actions such as FDA warning letters or consent decrees. The results of the last FDA inspections for the two sites with scopes that apply to FDA inspections are listed below:

- San Francisco: FDA inspection ended on June 29, 2016 – No 483s observations
- Cypress: FDA inspection ended on 30 Oct, 2018 – No 483s observations

iRhythm is Dedicated to Developing Safe Products for Patients

IN ADDITION:

- iRhythm's Quality Management System is certified to ISO 13485:2016 international standard for medical device Quality Management System.
- iRhythm earned the Joint Commission's Gold Seal of Approval for Ambulatory Health Care Accreditation.
- iRhythm has a quality policy that is published and reviewed annually by executive management for any updates. iRhythm's quality procedures and culture revolves around the policy of putting the patient and quality first.

More information can be found on the website: irhythmtech.com/company/quality-security

iRhythm's Primary Focus has Always Been on Patient Safety

07.

iRhythm's Primary Focus has Always Been on Patient Safety

Our goal is to be the leading provider of first-line ambulatory electrocardiogram, or ECG, monitoring for patients at risk for arrhythmias. When a patient has already been diagnosed with an arrhythmia, the treating physician may use Zio to measure the effectiveness of the patient's treatment plan. Understanding a patient's heart health is important to us. iRhythm actively engages with physicians to find answers and guide the best decision for patient care.

The safe and effective treatment of patients is crucial to the success of the Company. We continue to invest and innovate for the benefit of patients. Some examples of how patients have experienced the Zio service can be found in patient testimonials at irhythmtech.com/providers/zio-service/zio-monitors.

As part of iRhythm's commitment to patient safety, any serious injury or death would be reported to the FDA per 21 CFR part 803. We strictly follow this regulation and report injuries related to the Zio devices to the FDA in a timely manner in compliance with the MedWatch reporting guidelines. There have been no deaths associated with Zio devices. The majority of the MedWatch incident reports on the Zio service are associated with contact dermatitis, or inflammation of the skin, which is highlighted for patients as a potential side effect in using the Zio patch, in the materials provided. Contact dermatitis is a well-known potential side effect of medical adhesives for a small percentage of individuals with skin sensitivities.

In the United States, Medical Device Reports (MDRs) for the Zio service are publicly available via the FDA website accessdata.fda.gov/scripts/cdrh/cfdocs/cfMAUDE/search.cfm.

iRhythm's Primary Focus has Always Been on Patient Safety

There is a comparable medical device reporting system in the EU/UK market, Medical Device Vigilance (MDV) reporting is assessed on each UK complaint and performed as required per the EU Medical Device Directives and MEDDEV guidance. This information will be available via the EUDAMED database, which is the IT system developed by the European Commission. There were no MDVs in 2019 and no MDVs in 2020.

Further, iRhythm is unaware of any fatalities associated with the use of the Zio device or service.

Clinical trials

All iRhythm clinical trials are conducted by contract and with a study protocol in place in order to reinforce appropriate compliance, governance and patient protections. More specifically, clinical trial contracts ensure key provisions for patient safety, including requirements for Informed Consent, protections for patient privacy, and quality provisions.

Clinical Study protocols ensure appropriate organization and management of all clinical studies. Typically, Institutional Review Boards (IRBs) are utilized to provide the additional level of scrutiny of external oversight to ensure highest level compliance and patient safety.

iRhythm's conscientious process around clinical study execution begins with an internal review of proposed research. Key requirements of this process step are to ensure the protocol displays a scientifically rigorous design, and that the lead investigators have well established track records based on publications in reputable journals. Examples of our completed studies — objective evidence of the high-quality approach of our clinical research initiatives — are available on our website (irhythmtech.com/professionals/evidence).

iRhythm's Primary Focus has Always Been on Patient Safety

iRhythm is periodically audited by research partners and no observations have resulted. More specifically, iRhythm has not had any audits by FDA of its clinical research operations and, as such, has never received either VAI or OAI observations. iRhythm has not been involved in any legal proceedings associated with clinical trials in developing countries.

Commitment to protecting patient information

PROTECTING PATIENT INFORMATION

iRhythm collects personal and health information about its patients during the course of providing services. This information is protected under HIPAA as well as numerous state laws and regulations. iRhythm is fully committed to maintaining the privacy and security of patient information. We use industry leading practices that ensure the confidentiality, integrity, availability, and privacy of iRhythm digital assets (patient data, iRhythm data, employee data).

iRhythm develops, manages, and maintains software, systems and associated security based on documented frameworks and regulations including the NIST Cyber Security Framework, SOC 2, the HIPAA Security and Privacy Rules, and the General Data Protection Regulation (GDPR). Our environments are continually assessed to these requirements by external auditors. We employ an approach of security, continuous improvement, and work collaboratively across the organization to ensure patient and employee information remains safe.

Ethical Interactions with healthcare professionals (HCPs)

As a leading digital cardiac healthcare company, many of our employees have regular contact with customers, patients, and persons responsible for purchasing our products. We have specific compliance guidelines which outline expected conduct of iRhythm employees.

iRhythm's Primary Focus has Always Been on Patient Safety

IRHYTHM HEALTH CARE PRACTITIONER (HCP) GUIDELINES

iRhythm interacts with HCPs every day. HCPs are individuals and institutions involved in the decision-making process to purchase, use, prescribe, or recommend iRhythm services. This includes doctors, nurses, hospitals, health plan administrators, and anyone else involved in the decision to buy, use, or recommend iRhythm health care services.

iRhythm's Ethics and Compliance Services created guidelines for interacting with HCPs. Fundamentally, the guidelines state that when interacting with HCPs, it is critical that promotion of health care services be based solely upon the need of the patient. Collaboration with HCPs must be transparent and ethical. Patient need is the driver in use or recommendation of health care services.

On occasion, iRhythm may provide "modest" meals and/or travel to HCPs. It is important that all "Transfers of Value" to HCPs are appropriate per iRhythm's HCP Guidelines. iRhythm's Sales Team attests annually to receiving and reviewing the HCP Guidelines.

iRhythm is not aware of any violations related to iRhythm associates nor inappropriate payments or "Transfer of Values" to HCPs.

DISCLOSURE VIA OPEN PAYMENTS

iRhythm employees follow HCP Guidelines to ensure interactions with HCPs are appropriate and all "Transfers of Value" are permitted by iRhythm's legally compliant rules and regulations.

We disclose to the Centers for Medicare and Medicaid Services (CMS) annually all "Transfers of Value" provided to physicians and some other health care providers. Information can be found on CMS'

iRhythm's Primary Focus has Always Been on Patient Safety

Open Payments database. iRhythm employees are required to register all "Transfers of Value" in Concur, the Company's internal compliance tracking system.

The Ethics and Compliance Services team conducts annual auditing and monitoring on "Transfers of Value" provided to HCPs to ensure appropriateness. This includes reviewing samples to ensure all information registered within Concur is relayed and uploaded accurately to CMS' Open Payments database.

MEDICAL DEVICE LAWS

iRhythm devices are regulated by governmental agencies, health ministries, and other regulatory authorities around the world. Regulatory requirements include, but are not limited to, marketing approvals, product registrations, clinical study parameters, good manufacturing practices, design controls and labeling and advertising controls.

iRhythm is a member of the Medical Device Manufacturer's Association and part of the Association of British Healthtech Industries (in the UK). We aim to follow the compliance guidelines of the Advanced Medical Technology Association (ADVAMED), but are not a member of ADVAMED.

OUR REGULATORS

iRhythm interacts with a broad assortment of regulators, some of which include:

- U.S. Food & Drug Administration
- National competent authority and notified body
- The Department of Justice
- The U.S. Securities and Exchange Commission
- The Department of Health and Human Services Office of the Inspector General

iRhythm's Primary Focus has Always Been on Patient Safety

We are committed to always showing the utmost respect for the regulatory agencies with which we interact. Successful interactions with our regulators begin with following the laws and regulatory requirements applicable to our business.

As of February 2021, iRhythm is unaware of any ongoing investigation with any regulatory body regarding the Company.

No promotion of off-label use

OFF LABEL-USE

Off-label usage refers to usage of a device that deviates from its regulatory cleared/approved labeling. It is legal for licensed physicians to use/prescribe medical devices for off-label usage if they believe that it is medically appropriate for their patient.

PROHIBITIONS OF OFF-LABEL USAGE

While physicians are free to determine when off-label use may be appropriate for a patient, iRhythm and its representatives are strictly prohibited from promoting off-label usage. Non-compliance with off-label promotion can lead to FDA warning letters and fines.

OFF-LABEL REQUESTS FROM PHYSICIANS

iRhythm's Clinical Operations, Regulatory Affairs, and Ethics and Compliance Services have developed a new process to review "Off-Label" requests from prescribing physicians. All requests will be reviewed upon submission to ensure appropriateness prior to approval.

iRhythm's Primary Focus has Always Been on Patient Safety

CONFLICTS OF INTEREST

We require employees to recognize and avoid conflicts of interest whether that be outside activities, financial interests, or corporate opportunities. Loans from iRhythm to directors and executive officers are prohibited.

Annually, all Section 16 officers and BOD members complete an annual questionnaire, which asks about conflicts of interest/related parties. The results of the questionnaires are reviewed by the Sr. SEC Manager to assess whether any 10-K disclosures are required. We are aware that a family member of one board member is employed by the Company, further details related to this matter are available in our proxy statement. We are not aware of any supplier conflicts of interest. iRhythm has policies and procedures in place to ensure an appropriate balance is maintained between iRhythm and key suppliers. None of our suppliers are dependent on iRhythm for a majority of their revenue.

Supply chain

When iRhythm considers doing business with a third party, several steps are taken. First, if sensitive, confidential, or proprietary information will be discussed, a non-disclosure agreement is entered into. iRhythm also reviews the contract, if there is one, and negotiates it with the third party. If protected health information (PHI) will be accessed, we require a Business Associate Agreement. If the third party will have access to any of iRhythm's systems, PHI, or sensitive data, the Information Security Department performs a review of the third party based on the sensitivity of the data being accessed. Any connections to iRhythm systems are also evaluated by Information Security. If the third party is OUS, it is run through our FCPA process.

iRhythm's Primary Focus has Always Been on Patient Safety

All of our production suppliers are based in North America. iRhythm honorably upholds our policy of avoiding use of conflict minerals to the best of our ability. We work with well-established vendors for printed circuit boards who, in turn, have stated policies to prevent the purchase of electronic components that may contain conflict minerals. We do not direct source materials that could come from conflict areas—all minerals are converted into electronic components by our vendors. As a further complement to this approach, we continue to invest in supply chain management resources to bring better clarity and control to the supply chain of components. Our component selection is based on tier 1 manufacturers that have a good record with respect to conflict mineral compliance. To the best of our knowledge, none of our products contain conflict minerals.

In our contract manufacturer selection process and, annually, via one of our QBRs, iRhythm actively confirms corporate policies that disallow the usage of conflict mineral usage. Enforcement is done through policy alignment and tier 1 vendor selection, which includes confirming a good record of conflict mineral compliance. iRhythm has one production facility and approximately 10 production vendors that support our manufacturing operations. All of our tier 1 suppliers are ISO or MDSAP certified.

iRhythm is setting a new standard for how cardiac arrhythmias are diagnosed and aspires to be the world leader in the management of cardiac arrhythmia information. At iRhythm, we value creativity, innovation, and we strive to make a positive impact for the patients, communities, and industries we support. As an aspiring world leader, our supply chain reflects our leadership values and our

iRhythm's Primary Focus has Always Been on Patient Safety

core values including the responsible sourcing of materials for our products.

As an ISO 13485 certified company, our Quality Management System governs our approved supplier base and traceability throughout our value chain. All of iRhythm's manufacturing supply base has been qualified using ISO 13485 compliant procedures within our certified Quality Management System.

Global human rights and labor standards policy

iRhythm aspires to be a positive influence and presence every community where we work. We are an advocate of basic human rights by following applicable municipal labor laws. We do not condone nor allow child or forced labor by any of our vendors or partners. iRhythm and its supplier base follow all applicable wage and hour laws, including minimum wages, overtime, and maximum hour rules.

Global supplier standards

iRhythm's supplier selection is based on business fit along an expectation that each supplier has adopted and operates to lawful and fair business practices. We expect our suppliers to:

- Operate with the highest degree of business ethics including compliance with applicable laws and regulatory requirements in the municipalities in which they operate
- Operate with safe and healthy working environments

iRhythm reserves the right to discontinue business relationships with suppliers that fail to conduct business in a legal, responsible, and ethical manner. iRhythm will review each supplier on a semi-annual basis.

iRhythm's Primary Focus has Always Been on Patient Safety

Conflict Minerals Policy

INTRODUCTION

On August 22, 2012, the U.S. Securities and Exchange Commission ("SEC") issued the final conflict minerals rule under Section 1502 the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Conflict Minerals Rule," hereinafter referred to as "CMR"). The CMR requires publicly traded companies to report annually the presence of "conflict minerals" originating from the Democratic Republic of the Congo or adjoining countries ("Covered Countries") in such companies' product manufacturing practices. Under Section 1502, the term "conflict minerals" includes tantalum, tin, gold, or tungsten; this group of conflict minerals is commonly known as "3TG."

The CMR directs the SEC to issue rules requiring publicly traded companies to disclose their use of conflict minerals if those minerals are "necessary to the functionality or production of a product" manufactured by those companies or contracted by those companies for manufacture. Congress enacted the CMR because of concerns that the exploitation and trade of conflict minerals by armed groups is helping to finance conflict in Covered Countries and is contributing to an emergency humanitarian crisis.

GENERAL

iRhythm Technologies, Inc. ("iRhythm") supports the goal of ending violence, human rights violations and environmental devastation in the Covered Countries. iRhythm is committed to complying with any requirements applicable to iRhythm under the CMR.

iRhythm will assist our vendors in implementing and auditing their conflict minerals programs. iRhythm strives to work cooperatively with its supply chain partners in implementing conflict minerals compliance programs.

iRhythm's Primary Focus has Always Been on Patient Safety

iRhythm is committed to helping its customers comply with their reporting requirements. iRhythm requires its suppliers abide by iRhythm's Supplier Code of Conduct, which prohibits human rights abuses and unethical practices. Further, iRhythm requires its suppliers comply with applicable legal standards and requirements.

REFERENCE PUBLICATION

IPC-1081 Conflict Minerals Due Diligence Guidance: PDF available upon request

SEC CONFLICT MINERAL DISCLOSURE:

sec.gov/info/smallbus/secg/conflict-minerals-disclosure-small-entity-compliance-guide.htm#:~:text=Section%201502%20of%20the%20Dodd%2DFrank%20Act%20amends%20the%20Securities,a%20product%E2%80%9D%20manufactured%20by%20those

DEFINITIONS

CONFLICT MINERALS: Tin, tantalum, tungsten and gold, the derivatives of cassiterite, columbite-tantalite, and wolframite

COVERED COUNTRIES: Democratic Republic of Congo, Angola, Burundi, Central African Republic, The Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia

iRhythm's Primary Focus has Always Been on Patient Safety

IRHYTHM TECHNOLOGIES CONFLICT MINERALS COMPLIANCE STATEMENT AS OF JANUARY 20, 2021

iRhythm is committed to complying with the CMR and its reporting requirements.

To determine if its manufactured products contain Conflict Minerals, iRhythm surveys its key suppliers on a semi-annual basis to ascertain such suppliers' use of Conflict Minerals in the materials supplied to iRhythm.

iRhythm will continue to work with its key suppliers to identify the use of Conflict Minerals in its supply chain and comply the CMR as required.

iRhythm reserves the right to amend this statement at any time based on subsequent, related developments or information.

Environmental Impact and Sustainability

We will continue to aspire to focus on environmental sustainability. All of iRhythm's recycling is done through our publicly traded recycling partner Sims (ticker: SMSMY). Electronics and batteries are recycled and precious metals are removed for reuse. Due to the bio-burden of used materials, our non-electrical mechanical pieces are destroyed and recycled where possible. 100% of our paper products are recycled through local recycling efforts.

iRhythm expects similar efforts from its supplier base and reserves the right to discontinue the business relationship if remediation is not achieved within 180 days.

iRhythm's Primary Focus has Always Been on Patient Safety

POLICY ON GIFTS

To avoid conflicts of interest and appearances of improprieties, iRhythm employees may not accept gifts from any suppliers, their representatives, or other entities that are more than modest in value.

POLICY ON PAYMENTS

iRhythm employees may not provide payments to any suppliers (including sub-contractors) or their representatives that do not follow standard payment procedures including the requirement of valid W8, W9, or tax ID numbers. Payments to individuals is restricted to the aforementioned tax ID requirements and payment must be made via corporate ACH, EFT, or check. Cash and cash-like (example: gift cards) transactions are not permitted.

iRhythm Has an Environmentally Friendly Business Model

08.

iRhythm Has an Environmentally Friendly Business Model

iRhythm has, from its founding, held a commitment to being a responsible steward to the environment. As the leading provider of single-use cardiac diagnostic devices, this principally takes the form of maximizing the amount of material recycled from our devices. Our responsibility also includes efforts to minimize environmental impact through innovative design that enables the safe and effective reuse of printed circuit boards, by far the most environmentally impactful component of our devices. These two environmental approaches—reuse and recycling—are efficiently enabled through our business model. The Zio service requires the patient monitoring device to be returned to iRhythm after use. The information collected by the device is used to generate a diagnostic report, which is the highest value-add component of the Zio service. Thus, we see a very high rate of return compliance with our distributed products which, in turn, enables the effectiveness of our reuse and recycling practices.

As a digital health company, the remainder of our environmental impact is modest. Indeed, the end product that we provide to patients is a diagnostic report that we distribute as a digital PDF through our clinical website and mobile apps. These reports can be digitally integrated directly into provider electronic health records. Our manufacturing process features a snap-together assembly process that involves no hazardous materials, no water consumption and minimal solid waste. Our remaining environmental footprint is limited to five office locations in the US and UK, the largest of which is our San Francisco, CA headquarters which is in a LEED-Gold certified building. All employee offices offer recycling, while our San Francisco office includes a robust compost option.

iRhythm Has an Environmentally Friendly Business Model

iRhythm is a small and growing digital health company with a small environmental footprint. Our business model is oriented around the reuse and recycling of the Zio Patch to collect and gather patient information. We have several active recycling programs and look to minimize our environmental footprint as efficiently as possible. An internal analysis of the Zio service product shows that a significant amount of material is recycled or reused:

OUTPUT DISPOSITION (BY WEIGHT)	REPORTED
Reuse	5%
Recycle	85%
Waste	10%

As a healthcare company we require no significant energy consumption to support its business operations. Our most concerted focus is on the responsible management of materials from our devices, i.e., recycling and reuse. iRhythm's overall environmental impact is mainly driven by manufacturing, with the most relevant metric being electricity usage, which is estimated to be about 200K Kwh per year, or the rough equivalent of 20 residential households.
A representative example of our Cypress, CA manufacturing facility maximum use of electricity was ~16K kwh, during the month of July 2020. To put this usage in context, the 16Kwh peak usage is comparable to ~15 residential households during peak periods. According to our utility bills for our manufacturing facility, approximately 35% of our electrical supply comes from renewable resources.

iRhythm Has an Environmentally Friendly Business Model

There is no water used in our manufacturing operations. The water which is consumed by the Company is limited to the average water use by office employees.

There is no chemical or hazardous waste produced by our manufacturing or office facilities.

We can only provide an estimate of waste produced and recycled (at current volumes) based on shipped product volumes, which annually total approximately 175 tons of materials, the majority of which is recycled (~150 tons), while the remainder goes to local landfill. With comprehensive programs in place, we already reuse and responsibly recycle all materials possible. The main avenue to future reductions is through the development of new devices that, through miniaturization, will require less material consumption.

As a regulated medical device manufacturer, we can only employ medical grade plastics in our devices which unfortunately cannot be recycled content in our product, but we do recycle the plastic following return from patient use. The Zio family of devices uses approximately 15 tons of medical-grade plastic at current run rates. Nearly all of this plastic is returned to iRhythm and responsibly recycled. We measure consumption and recycling of medical grade plastic by weight, and it is tracked monthly by shipment of products to and from patients. Over time, we expect future generations our devices to be miniaturized, and thus to contain less plastic content.

Our distributed Zio products involve approximately 120 tons of paper material yearly (at current volumes), the vast majority of which is returned to iRhythm and recycled. Our office environments consume additional paper at typical office volumes. We use recycled material when possible.

iRhythm Has an Environmentally Friendly Business Model

Regulatory performance requirements for product shipping prevent the use of recycled material in our packaging, but almost all packaging materials are recyclable.

At current rates, approximately 20 tons of waste (by weight) is expected to be non-hazardous landfill (e.g., vapor bags).

We work with Genesis Electronics Recycling, Inc. of Buffalo Grove, Illinois—a zero landfill recycler—to responsibly recycle all batteries and printed circuit boards (those that failed reuse), and have them recycle our dermal adhesive assemblies. For office-based waste, we recycle through municipal services associated with each of our office locations.

We also have Iron Mountain, Inc. shred and recycle any printed material with Protected Health Information (PHI) or company confidential data, and recycle other paper materials and dispose of landfill waste by utilizing local & municipal services close our intake facilities. Some local services, San Francisco for example, also include compost.

iRhythm Medical SASB Index

09.

iRhythm Medical SASB Index

This marks the first time iRhthym has reported against the Sustainability Accounting Standards Board (SASB) standards. As an emerging growth healthcare company, we have included disclosures related to the SASB industry standards for Medical Equipment and Supplies industry. Our reporting against the SASB standards is a voluntary disclosure to support the evolving information needs of our investors. As such, we are committed to providing investors with useful, relevant, and meaningful sustainability information.

The determination of the topics covered below is based on two factors: (i) sector-specific guidance provided by SASB and (ii) periodic assessments of sustainability issues that matter most to our stakeholders and our business. We will continue to evaluate these topics in the future and, accordingly, our disclosure may evolve over time.

iRhythm Medical SASB Index

SASB RULE	SUSTAINABILITY ACCOUNTING STANDARDS (SASB) FRAMEWORK	RESPONSE/LOCATION OF RELEVANT INFORMATION
	Affordability and Pricing	
HC-MS-240a.1	Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	iRhythm's Approach to Affordability and Pricing
HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	iRhythm's Approach to Affordability and Pricing
	Product Safety	
HC-MS-250a.1	Number of recalls issued, total units recalled	iRhythm is Dedicated to Developing Safe Products for Patients
HC-MS-250a.2	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	fda.gov/safety/medwatch-fda-safety-information-and-adverse-event-reporting-program

iRhythm Medical SASB Index

SASB RULE	SUSTAINABILITY ACCOUNTING STANDARDS (SASB) FRAMEWORK	RESPONSE/LOCATION OF RELEVANT INFORMATION
HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	accessdata.fda.gov/scripts/cdrh/cfdocs/cfmaude/search.cfm
HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	iRhythm is Dedicated to Developing Safe Products for Patients
	Ethical Marketing	
HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	iRhythm's Commitment to Ethical Conduct
HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	IRhythm's Code of Conduct

iRhythm Medical SASB Index

SASB RULE	SUSTAINABILITY ACCOUNTING STANDARDS (SASB) FRAMEWORK	RESPONSE/LOCATION OF RELEVANT INFORMATION
	Product Design & Lifecycle Management	
HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	iRhythm Has an Environmentally Friendly Business Model
HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	iRhythm Has an Environmentally Friendly Business Model
	Supply Chain Management	
HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	iRhythm's Primary Focus has Always Been on Patient Safety

iRhythm Medical SASB Index

SASB RULE	SUSTAINABILITY ACCOUNTING STANDARDS (SASB) FRAMEWORK	RESPONSE/LOCATION OF RELEVANT INFORMATION
HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	iRhythm's Primary Focus has Always Been on Patient Safety
HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	iRhythm's Primary Focus has Always Been on Patient Safety
	Business Ethics	
HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	iRhythm's Commitment to Ethical Conduct
HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	iRhythm's Code of Conduct, iRhythm's Primary Focus has Always Been on Patient Safety