

PERFORMANT		Whistleblower Policy	
DOCUMENT ID: PFMT-CMPL-PO-004	EFFECTIVE DATE: NOVEMBER 9, 2019	EXECUTIVE AUTHORITY: BOARD OF DIRECTORS	

A. PURPOSE

The purpose of this Policy is to facilitate the disclosure and investigation of matter in or relating to Performant business activities that an employee, contingent worker, contractor/subcontractor, agent, or outside third party person (herein “individual”) believes may be in violation of Company policy, regulation or law; and protect any Individual who makes a good faith disclosure of suspected wrongful conduct.

B. SCOPE

This Policy applies to Performant Financial Corporation, its officers and employees, including those of its subsidiaries (“Performant” or “Company”), as well as Performant contractors and contingent workers (all collectively referred to as “Performant Team Members”). It also applies to third parties who may make reports under this Policy, such as external auditors, law enforcement, regulatory agencies, clients/customers, vendors, or other outside third parties (a Performant Team Member and/or third party within the scope of this Policy may be referred to as an “individual”).

C. RESPONSIBILITIES

1. Performant Team Members are responsible for reporting, in good faith, all known (actual, potential or perceived) misconduct. Note, however, an individual who makes a report and/or assists with an investigation pursuant to this Policy is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.
2. The Chief Compliance Officer is responsible for maintaining this Policy and effectuating any changes, as necessary.
3. The Chief Compliance Officer and/or his/her designee (collectively referred to as “Compliance Officer”) is responsible for establishing, instituting and following procedures to receive, review, investigate, and respond to any reports made pursuant to this Policy.
4. All Performant Team Members, especially any Performant Team Member in a supervisory role, must be aware of and alert to either oral or written, formal or informal communications that may constitute a report of misconduct. Performant Team Members, who are in supervisory roles, shall promptly report to the Compliance Officer any allegations of misconduct – whether received as a protected disclosure or reported by their Performant Team Members in the ordinary course of performing their own duties.
5. Performant Team Members who are interviewed, asked to provide information or otherwise participate in an investigation have a duty to fully cooperate with the Compliance Officer, or designee. Participants are to refrain from discussing or disclosing the investigation or their testimony with anyone not connected to the investigation. In no case should the participant discuss with anyone the investigation, the nature of evidence requested or provided, or testimony given to the Compliance Officer unless pre-agreed to in writing by the Compliance Officer or otherwise authorized by law.
6. Whistleblowers have a responsibility to be candid with the Compliance Officer, or other appropriate person to whom they make a report of misconduct to and shall set forth all known information regarding any reported allegations. Whistleblowers should be prepared to be interviewed by the Compliance Officer.

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- The Audit Committee is responsible for investigating and responding to all Accounting and Auditing Matters (in accordance with Annex A).

D. DEFINITIONS

- Misconduct** means suspected unethical or improper behavior by the Company and/or a Performant Team Member, such as violations of federal, state, or local laws or regulations; engaging in unethical conduct in connection with Performant activities or operations (e.g., improper financial reporting, self-dealing, unauthorized alteration of documents, misappropriation or misuse of Company funds, supplies or other resources, submitting false expense reports, undisclosed conflicts of interest, etc.); and/or activities or practices incompatible with Company's policies, including but not limited to the *Conflict of Interest and Ethics Policy* and Performant's *Code of Business Ethics and Conduct*.
- Report** means any tip, complaint or referral of misconduct.
- Retaliation** means a negative job action, such as adverse treatment, demotion, firing, salary reduction, or job or shift reassignment, because an employee engaged in legally protected activity.
- Whistleblower** means an individual who makes a report of misconduct under this Policy.

E. POLICY

The Company requires all Performant Team Members to observe the highest standard of professionalism and ethics when performing their duties and responsibilities. All such individuals must comply with all of Performant's policies (including but not limited to: *Conflict of Interest/Ethics Policy*, *Insider Trading and Communications Policy*, and *Confidentiality Policy*) and *Code of Business Ethics and Conduct*, to fulfill their duties and responsibilities with honesty and integrity, and comply with the letter and spirit of all applicable laws and regulations.

The Company's internal controls and operating procedures are intended to detect, prevent or deter improper activities. However, even the best systems of control cannot provide absolute safeguards against irregularities. Intentional and unintentional violations of laws, regulations, policies and procedures, and/or improper activities may still occur. Accordingly, Performant Team Members and others are encouraged to report suspected misconduct by the Company, its leadership, or by others acting on the Company's behalf.

1. Filing a Report

Any individual may report misconduct pursuant to this Policy. Such reports may be made anonymously and are encouraged to be made in writing to ensure a clear understanding of the issues raised, but they can also be made orally. Such reports should be factual rather than conclusory (i.e., should provide evidence, support, and/or examples that support the employee's conclusions) and contain as much specific information as possible to allow for proper assessment of the nature, extent, and urgency of preliminary investigative procedures.

A Performant Team Member may report misconduct to their supervisor or other appropriate manager within their department, the Human Resources Department, the CFO, or to the Compliance Officer. However, if a Performant Team Member is not comfortable talking with

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such individuals, when there is a potential conflict of interest or for other reasons, such reports may be made directly to the Compliance Officer by:

- Calling the Company’s secure hotline and leaving a message at (844) 375-8321;
- Completing a secure web form: <https://www.whistleblowerservices.com/pfmt>
- Sending a letter to:

Performant Financial Corporation
 Attn: Chief Compliance Officer
 333 North Canyons Parkway, Suite 100
 Livermore, CA 94551

The Company recommends that any report by persons who are not Company Performant Team Members be made directly to the Compliance Officer. Such reports may be made through the Company’s secure hotline, web form, or be sent by mail (as detailed above).

Whistleblowers provide initial information related to a reasonable belief that misconduct has occurred. The motivation of a whistleblower is irrelevant to the consideration of the validity of the allegations. However, the intentional filing of a false report, whether orally or in writing, is itself considered misconduct which the Company has the right to act upon. Whistleblowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered misconduct as well. Whistleblowers are “reporting parties,” not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than when requested by the Compliance Officer.

Anonymous whistleblowers should provide as much corroborating evidence as possible to help support the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations will not be undertaken without credible evidentiary support. Because the Compliance Officer is unable to interview anonymous whistleblowers, it may be more difficult to evaluate the credibility of the allegations and therefore, making it less likely that an investigation will be initiated.

2. Investigation

In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation and in conformity with this Policy and applicable laws and regulations, the appropriate process for the Compliance Officer, or designee, to use. The decision to investigate is not an accusation; it is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support a conclusion that misconduct occurred and, if so, by whom.

Any disciplinary or corrective action initiated against a Performant Team Member as a result of an investigation pursuant to this Policy shall adhere to Performant’s established disciplinary policies and procedures. Consistent with applicable personnel policies, an employee may be placed on an administrative leave when it is determined by the Company that such a leave would serve the best interests of the employee, the Company, or both. Such a leave is not to

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be interpreted as an accusation or a conclusion of guilt or innocence of any individual, including the person on leave.

3. Confidentiality

Protection of a whistleblower’s identity will be maintained to the extent possible within the legitimate needs of the law and the investigation. Should the whistleblower self-disclose their identity, the Company will no longer be obligated to maintain such confidence. Whistleblowers should be cautioned that their identity may become known for legal reasons outside the control of the investigators or Compliance Officer, and that the whistleblowers identity may have to be disclosed to conduct a thorough investigation of the alleged misconduct (including permitting any accused persons to respond fully to the allegations).

Whistleblowers that have identified themselves have the right to be informed of the outcome of any potential investigation that occurred as a result of their disclosure, absent overriding legal or public interest reasons.

4. No Retaliation

This Policy is intended to encourage and enable individuals to report retaliation, or in the case of an employee, to prevent suffering any adverse employment consequences. Any Performant Team Member who retaliates against an individual for reporting misconduct in good faith is subject to discipline, including dismissal from their position with Performant. No individual who reports a violation in good faith shall suffer any adverse consequences.

A whistleblower’s right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the allegations or an ensuing investigation.

5. Accounting and Auditing Matters

Pursuant to the Sarbanes-Oxley Act of 2002, the Audit Committee of the Company’s Board of Directors has adopted Employee Complaint Procedures for Accounting and Auditing Matters, which are attached as Annex A to this Policy. Annex A applies exclusively to reports by employees regarding questionable accounting or auditing matters (“Accounting and Auditing Matters”) and supersedes all other provisions of this Policy with respect to reports concerning Accounting and Auditing Matters. Any Individual that desires to submit a complaint regarding Accounting and Auditing Matters of Performant (the “Company”) should refer exclusively to Annex A.

F. EXCEPTIONS

None.

G. POLICY ENFORCEMENT & MANAGEMENT RIGHTS

Anyone who fails to comply with this Policy may be subject to disciplinary action up to and including termination.

Management reserves the right to use its discretion in applying this Policy under special circumstances and the right to amend this Policy at any time with or without notice.

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Annex A

PERFORMANT FINANCIAL CORPORATION

Performant Team Member Complaint Procedures for Accounting and Auditing Matters

The Company is committed to maintaining compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. We believe it is the obligation of our Performant Team Members to help maintain the integrity of our Company by reporting any misconduct or suspected misconduct. To assist in these efforts, any Performant Team Member may submit a complaint regarding questionable accounting or auditing matters (“Accounting and Auditing Matters”) to the Company’s Audit Committee, through the procedure described below. The Company’s Audit Committee will oversee treatment of employee concerns in this area.

The Company’s Audit Committee has established the following procedures for (1) the confidential, anonymous submission by employees of concerns regarding Accounting and Auditing Matters and (2) the receipt, retention and treatment of complaints regarding Accounting and Auditing Matters.

1. Submission of Complaints

- Performant Team Members may report evidence of wrongdoing, complaints, or concerns relating to Accounting and Auditing Matters to the Chairman of the Audit Committee at any time. This report may be made in person or in writing, and may be anonymous, at the employee’s discretion, through the following:
 - Contact the Chairman of the Audit Committee by email at auditcommittee@performantcorp.com
 - Contact the Chairman of the Audit Committee by mail:
Performant Financial Corporation
Attn: Audit Committee Chairman
333 North Canyons Parkway, Suite 100
Livermore, California 94551
 - Calling the Company’s secure hotline and leaving a message at (844) 375-8321
 - Completing a secure web form: <https://www.whistleblowerservices.com/pfmt>
- Performant Team Members submitting a report on an anonymous basis are strongly encouraged to keep a copy of the report (if made in writing) and a record of the time and date of their submission, as well as a description of the matter as reported if the report was not in writing.
- Performant Team Members are encouraged to provide as much specific information as possible, including names, dates, places, events that took place, and the Performant Team Member’s perception of why the incident(s) may constitute misconduct.

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2. Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any Accounting and Auditing Matter, including but not limited to, for example:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Deficiencies in, or noncompliance with, the Company's internal accounting controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- Deviation from full and fair reporting of the Company's financial condition.

3. Treatment of Complaints

- Upon receipt of a complaint, the Chairman of the Audit Committee will (i) determine whether the complaint actually pertains to Accounting and Auditing Matters and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting and Auditing Matters will be reviewed, under Audit Committee direction and oversight, by such persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- The Company will not allow retaliation against a Performant Team Member for reporting a possible violation unless it can be shown that the report was knowingly false. Retaliation for reporting a federal offense is illegal under federal law and prohibited under these procedures. Such retaliation will result in discipline up to and including termination of employment/work assignment and may also result in criminal prosecution. The Performant Team Member is protected from retaliation even if the investigator does not agree that there has been a violation. However, if the Performant Team Member making the report was involved in improper activity, the fact that the Performant Team Member reported it will not necessarily prevent the Performant Team Member from being disciplined or held accountable for their participation in the violation. In these circumstances, the Company may consider the Performant Team Member's conduct in promptly reporting the information as a mitigating factor in any disciplinary decision. In addition, if a Performant Team Member files a report that s/he knows to be false or should know to be false, they will be disciplined/held accountable for the his/her participation in making the false report.

4. Reporting and Retention of Complaints and Investigations

The Audit Committee will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary thereof for the Audit Committee.

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H. APPROVERS

BOARD APPROVAL	
Todd Ford Committee Chair Audit Committee	
DocuSigned by:  Signature	11/9/2019 11:00 AM PST Date

POLICY/CONTENT OWNER	
Hal Leach Chief Compliance Officer	
DocuSigned by:  Signature	11/8/2019 3:49 PM PST Date

I. REVISION HISTORY

Version #	Description	Reviewed By	Approved By	Date
1.0	Migrated existing policy (CORP002) "Whistle Blower Policy" to the new Document Management System format, assigned new Document ID and updated content throughout.	D. Christie H. Wetzel A. Sorbelli H. Leach	Audit Committee	11/04/19

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