HEALTHSTREAM CONSTITUTION

A set of documents embodying the fundamental guidance, principles, and values according to which the Company is governed

HealthStream™

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HEALTHSTREAM VISION

A vision statement articulates the aspirations and dreams of a company. It is future-oriented; it reminds us of what we are endeavoring to contribute as an organization to a larger community. A vision statement captures the passion of a company and its employees, and it should inspire a compelling future—one that generates enthusiasm and a sense of honor in striving toward its achievement.

" To improve the quality of healthcare by developing the people who deliver care. "

HEALTHSTREAM VALUES

A company's core values underscore its highest-level qualities apprized and revered; they provide the foundation for how people should behave in the organization. Employees demonstrate, enact, and model company values in action in their personal work behaviors, decision-making, and communication. Rewards and recognition within a company are structured to recognize those people whose work and organizational behavior embody the company's values.

- Behaving with Integrity
- Delighting Customers
- Driving Innovation
- Continuously Improving
- Delivering Meaningful Outcomes
- Streaming Good

BEHAVING WITH INTEGRITY

We value each individual at HealthStream upholding the highest degree of integrity and accountability toward each other, customers, partners, and shareholders. Honesty, trustworthiness, and mutual respect are the guiding principles for our behavior and every interaction at HealthStream. When delivering any type of information—however positive or negative—we strive to communicate openly, accurately, and straightforwardly. We consider ourselves accountable for commitments made to customers, shareholders, partners, and each other. We prioritize team goals, company objectives, and other shared outcomes over individual outcomes. Each person's adherence to integrity accumulates into a unified corporate integrity, creating an environment where employees thrive while the company's goals are achieved.

We support this value by asking:
◆ Am I behaving with integrity?

We assess our performance by asking:
◆ What actions have demonstrated my integrity, thus contributing to the overall integrity of the company?

◆ DELIGHTING CUSTOMERS

We value the voice of our customer in communicating their needs. Our culture is customer-centric, where we strive to provide strong, positive experiences for our customers, often exceeding their expectations. To do this, we listen closely to our customers both through systematic, ongoing investigation and in everyday interactions through our customer-facing channels. We support, respect, and appreciate healthcare professionals who provide patient care. By remaining close to our customers, we never lose sight of what it means to improve the quality of healthcare by empowering the healthcare workforce. Achieving this vision begins with listening to our customers and then using their wisdom, knowledge, and requests to better support and delight healthcare organizations with our products, services, and our partnership.

We support this value by asking:
◆ Have I asked the customer for input and then acted on their feedback in a manner that resulted in their delight?

We assess our performance by asking:
◆ What examples in my own behavior demonstrate that I listen to customers and then act on their feedback to produce customer delight?

DRIVING INNOVATION

We value innovation as an engine of growth and process improvement as measured against benchmarks and competitors. We value ingenuity, creativity, freshness, originality, and entrepreneurship at every level of our work, from major initiatives to everyday tasks. Employees are inspired to think about what they do on a daily basis and suggest ways to do it better, faster, and more economically. Teams are supported in their efforts to creatively work together to achieve company objectives. A spirit of innovation drives performance at HealthStream, creating an environment that is open to new ideas, concepts, and recommendations.

We support this value by asking:
◆ Can I do this better, faster, and more economically?

We assess our performance by asking:
◆ How have my ideas and innovations improved our ability to serve our customers?

◆ CONTINUOUSLY IMPROVING

We value continuous improvement at HealthStream—in ourselves, our work, and our products and solutions. We encourage and support one another as we develop valuable new skills, grow intellectually, and excel professionally. Our culture values productive inquiry where we may speak openly and engage in constructive debate. We freely share our knowledge with others and serve both formally and informally as teachers, students, coaches, and mentors. We strive to constantly improve the quality of our products and solutions as our commitment to learn and improve extends to our customer relationships. Our respect for one another creates an environment where it is safe to make mistakes and learn from one's mistakes. By continuously working to improve our products and solutions, our company, and ourselves, we stay focused on the continuous improvement of healthcare delivery.

We assess our performance by asking:
◆ Do I work continuously to improve HealthStream's products and solutions, myself, and our company, overall?

We assess our performance by asking:
◆ How have my actions supported the continuous improvement of HealthStream's products and solutions, myself, and others?

DELIVERING MEANINGFUL OUTCOMES

We value setting clear, measurable objectives to drive performance that results in meaningful outcomes. We take care to align individual and team objectives with overall company goals to provide clarity in our targets. To ensure that our outcomes are meaningful, we track performance with metrics and evaluate progress made on all goals. We are focused on producing meaningful outcomes through our individual, everyday work responsibilities and, on a broader level, through our products and solutions provided to the healthcare industry. We are driven by our commitment to have a strong, positive impact on the healthcare workforce and its ability to deliver meaningful outcomes to patients.

We support this value by asking:
◆ Do I use measurable objectives to achieve meaningful outcomes for the company and our customers?

We assess our performance by asking:
◆ How can my team and I set measurable objectives to improve performance and produce meaningful outcomes?

◆ STREAMING GOOD

We believe in "streaming good." As good corporate citizens, we strive to create a positive social impact on the communities we serve, including our own workplace environment. We believe every employee has the responsibility to enact good works for others, starting from their individual team participation and office and then extending to the communities where they work and the healthcare industry at large. Being outstanding stewards of our communities—at all levels—is expected of employees as we recognize the value of "giving back" to others. The highest levels of ethical leadership, community stewardship, social responsibility, and sustainability are the pillars of good corporate citizenship—and we are committed to living them out every day.

We support this value by asking:
◆ Have my behaviors demonstrated good corporate citizenship to others?

We assess our performance by asking:
◆ How can my team and I better support the multiple communities in which we work?

HEALTHSTREAM BUSINESS PRINCIPLES

A company's core business principles provide direction and focus in how its business is accomplished. Following business principles ensures that employees' actions are aligned with corporate goals, supporting greater coordination of efforts, companywide. As a company innovates, its core business principles should guide employees' thinking. They provide the business guidelines that will enable a company to most efficiently and effectively achieve its vision.

- Solve Big Problems
- Deliver Effective Product-Based Solutions
- Provide Recurring Value
- Build an Ecosystem
- Create a Network Effect

SOLVE BIG PROBLEMS

We should seek opportunities to apply our resources to help our customers solve their biggest, most critical, and consequential problems, particularly those where a solution involves its workforce. Healthcare providers today operate in an increasingly challenging environment with downward price pressure, increasing costs, growing liability exposure, and resource constraints. Successful healthcare industry executives often navigate this environment to deliver optimal business and clinical outcomes by focusing first on their biggest, most critical problems. By applying our resources to deliver solutions to our customers' biggest, most critical problems, we become more visible to key executives and increase the value of our customer relationships.

◆ DELIVER EFFECTIVE PRODUCT-BASED SOLUTIONS

We should apply our resources to develop and deliver effective, product-based solutions. Healthcare providers deliver critical services to their customers in a highly competitive and challenging environment and require vendors who deliver highly effective, high-value solutions. Product-based solutions are inherently more consistent and scalable than solutions primarily driven by custom, people-intensive services. We focus on delivering highly effective solutions that achieve measurable outcomes in healthcare providers' organizations. By applying our resources to develop and deliver effective product-based solutions, we become a trusted vendor of high-value solutions, while growing our ecosystem that delivers increased value to customers, partners, and shareholders.

PROVIDE RECURRING VALUE

We should apply our resources to develop and deliver solutions that provide recurring value to customers. Solutions are provided to healthcare providers to respond to needs that are ongoing and continuous. The value, therefore, of our solutions delivered to customers is recurring and ongoing—as reflected in services provided and our contractual agreements. By applying our resources to develop and deliver solutions that generate recurring value to customers, we build confidence with customers, employees, and investors, while, concurrently, increasing opportunities for growth.

◆ BUILD AN ECOSYSTEM

We should apply our resources to build an ecosystem that generates increasing value to the healthcare industry and its workforce. An ecosystem-based platform furthers an open marketplace approach by enabling us to integrate a variety of third-party products into our platform and to integrate elements of our platform into third-party products. By applying our resources to build an ecosystem, we create value for our customers in the form of customized, product-based solutions, integrated with their other solutions and connected to others in the healthcare community. This creates additional value for our shareholders in the form of greater return on existing assets and deeper market penetration.

CREATE A NETWORK EFFECT

We should apply our resources to leverage the network effect that is derived from our growing ecosystem of customers, partners, and distributors across our platform. The breadth and scope of our ecosystem enables us to offer the healthcare industry a robust marketplace of solutions, providing healthcare providers with options to maintain a qualified, competent, and developed workforce. Our market leadership enables greater value in our ecosystem and, in turn, provides increasingly broader opportunities to leverage the corresponding network effect. By applying our resources to leverage the network effect, we create further value for our customers, while creating additional value for our shareholders in the form of greater return on existing assets and enhanced differentiation from our competitors.