

VOLCANO CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors of Volcano Corporation (the “Company”) has adopted this Code of Business Conduct and Ethics (this “Code”) to:

- promote honest and ethical conduct, including fair dealing and the ethical handling of conflicts of interest;
- promote full, fair, accurate, timely and understandable disclosure;
- promote compliance with applicable laws, the rules of the Financial Industry Regulatory Authority (FINRA) and generally accepted accounting principles;
- encourage prompt reporting of violations of this Code; and
- deter wrongdoing and create accountability for the adherence to this Code.

All directors, officers, employees and consultants (as defined in Section V) of the Company are expected to be familiar with this Code and to adhere to those principles and procedures set forth in various other applicable documents. Additional policies and procedures include (i) the Code of Conduct: Promotional Interactions with Health Care Professionals, (ii) the Company’s Whistleblower Policy, and (iii) the Insider Trading Policy. All directors, officers, employees and consultants should be familiar with the policies and procedures set forth in those documents. To evidence familiarity and adherence to the Code, upon commencement of employment or consultancy with the Company, all new employees and new consultants shall be required to execute the certificate of compliance attached to the Code (the “Certificate of Compliance”). All directors and officers shall execute the Certificate of Compliance on an annual basis and shall implement any modifications that the Board of Directors deems to be in the best interest of the Company.

For questions regarding this Code, the initial contact person(s) are the Corporate Governance Committee or the Company’s Corporate Compliance Officer.

I. Honest and Candid Conduct

Each director, officer, employee and consultant owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and candid while still maintaining the confidentiality of information where required or consistent with the Company’s policies. Deceit and subordination of principle are inconsistent with integrity. In addition, acting with integrity requires that directors, officers, employees and consultants observe both the form and spirit of laws and governmental rules and regulations, accounting standards and Company policies and that all such persons adhere to a high standard of business ethics.

II. Conflicts of Interest

No director, officer, employee or consultant of the Company may enter into, or otherwise be involved in, a transaction involving a conflict of interest, unless specifically authorized as described below. A “conflict of interest” occurs when an individual’s private interest interferes with the interests of the Company. A conflict of interest can arise when a director, officer, employee or consultant takes actions or

has interests, either directly or indirectly, that may make it difficult to perform his or her Company work objectively and effectively. To be clear, service to the Company should never be subordinated to personal gain and advantage.

In particular, clear conflict of interest situations involving directors, executive officers and other employees and consultants who occupy supervisory positions or who have discretionary authority in dealing with a third party may include, among others:

- any significant ownership interest in any supplier, customer, development partner or competitor of the Company;
- any consulting or employment relationship with any supplier, customer, development partner or competitor of the Company;
- any outside business activity that detracts from an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company;
- the receipt or solicitation of non-nominal gifts or excessive entertainment from any company with which the Company has current or prospective business dealings;
- the receipt or solicitation of improper personal benefits by a member of his or her family as a result of one's position in the Company; and
- selling anything to the Company or buying anything from the Company, except on the same terms and conditions as a third party.

Any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should be discussed with the Corporate Governance Committee or the Corporate Compliance Officer. Any transaction involving a related party shall be approved by the Audit Committee, or an independent body of the Board of Directors, prior to the Company's entry into the transaction. Anything that would present a conflict for a director, officer, employee or consultant would likely also present a conflict if it is related to a member of his or her family or any entity in which the director, officer, employee or consultant has an interest.

Loans to, or guarantees of obligations of, employees or their family members by the Company could constitute an improper personal benefit to the recipients of these loans or guarantees, depending on the facts and circumstances. Some loans are expressly prohibited by law and applicable law requires that our Board of Directors approve all loans and guarantees to employees. As a result, all loans and guarantees by the Company must be approved in advance by the Board of Directors, the Audit Committee or other independent committee of the Board.

Notwithstanding the foregoing, with respect to our officers and directors, transactions which are in the ordinary course of business for the Company and would not require either: (i) disclosure pursuant to Item 404(a) of Regulation S-K, or (ii) approval of the Board of Directors, Audit Committee or other independent committee of the Board of Directors pursuant to applicable rules of the Nasdaq stock market shall not be deemed to give rise to any potential or actual conflict of interest for purposes of this Code.

III. Improper Influences, Gifts and Entertainment

Directors, officers, employees and consultants must not offer, make, solicit or receive a bribe, kickback, illegal political contribution or other improper payment, and the Company does not condone any such

activity. No director, officer, employee or consultant should accept from any organization or individual that has, or is seeking to have, a business relationship with the Company any gift or gratuity of material value or excessive or extravagant entertainment or other similar gratuities. In applying these guidelines, directors, officers, employees and consultants must use common sense and good judgment to avoid the appearance of impropriety. Note that special rules governing gifts and business courtesies made in connection with the promotion of our products are included in our Code of Conduct: Promotional Interactions with Health Care Professionals.

IV. Accuracy of Records and Public Disclosure

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions and to meet its obligations to make full, fair, timely, accurate and understandable disclosure in the reports that it files with the Securities and Exchange Commission and in other public communications.

Each director, officer, employee or consultant involved in the Company's disclosure process, including the Chief Executive Officer, President and Chief Financial Officer, is required to be familiar with and comply with the Company's internal reporting practices. This includes the Company's disclosure controls and procedures and internal controls over financial reporting, to the extent relevant to his or her area of responsibility. Additionally, such persons must ensure that the Company's public reports and documents comply in all material respects with the applicable federal securities laws. Supervisory personnel, including consultants, should, to the extent appropriate within his or her area of responsibility, consult with other Company officers, employees and, as applicable and permitted by the Company's executive officers, consultants and take other appropriate steps regarding these disclosures with the goal of making full, fair, accurate, timely and understandable disclosure.

Each director, officer, employee or consultant who is involved in the Company's disclosure process must:

- be familiar with the disclosure requirements applicable to the Company as well as the business and financial operations of the Company;
- not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators and self-regulatory organizations; and
- properly review and critically analyze proposed disclosure for accuracy and completeness (or, where appropriate, delegate this task to others).

V. Confidential and Proprietary Information

Directors, officers, employees and consultants must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, licensees, collaborators or other parties with whom it does business unless disclosure is authorized and approved by an applicable executive officer of the Company. Confidential information includes all non-public information that might be useful to competitors or harmful to the Company or its customers if disclosed. It may also include certain information that third parties such as suppliers, customers, licensees and collaborators have provided to the Company. The obligation to preserve confidentiality continues even after employment by the Company or period of consultancy ends.

Directors, officers, employees and consultants must also protect the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and

copyrights, as well as confidential business and scientific information. In addition, directors, officers, employees and consultants must respect the trade secrets and proprietary information of others, including the Company's licensees and collaborators. While information obtained from the public domain is a legitimate source of competitive information, a trade secret or other proprietary information obtained through improper means is not and no individual should obtain such information improperly or use any such information that was obtained improperly.

For purposes of this Code, "consultants" shall include all individuals and/or entities providing services to the Company who occupy supervisory positions or who have discretionary authority in dealing with a third party on behalf of the Company and any other consultants identified by the Corporate Compliance Officer, any executive officer or the Board of Directors. All such consultants shall be provided with a copy of this Code. The Company shall cause all other third party independent contractors who are not "consultants" under this Code and are not subject to this Code to enter into agreements with appropriate confidentiality provisions to ensure the protection of the Company's proprietary information and other non-public information.

VI. Compliance

It is the Company's policy to comply with all applicable laws, rules and regulations, including all countries to which they travel, in which they operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries. It is the personal responsibility of each employee, officer, director and consultant to adhere to the standards and restrictions imposed by those laws, rules and regulations. As mentioned above, for example, the Company has policies to assist personnel in dealing with insider trading and interactions with health care professionals. Any director, officer, employee or consultant who is unfamiliar or uncertain about the legal rules involving Company business conducted by him or her should consult with the Corporate Governance Committee or the Corporate Compliance Officer before taking any actions that may jeopardize the Company or that individual.

The Company is committed to the ideals of free, open and competitive enterprise. There should be no artificial restraints in the marketplace such as price-fixing, illegal monopolies, boycotts or tie-ins. All directors, officers, employees and consultants should avoid situations that could violate the principles of fair competition, and therefore should not discuss the following with competitors: prices or pricing policies (past, present and future), bids, discounts, promotions, costs, profits, customers, territorial markets, production capacities or plans, distribution or selling strategies, pending research, and the like. Directors, officers, employees and consultants must not use unfair or deceptive acts or practices, including false or misleading advertising, or any other form of misrepresentation.

VII. Reporting and Accountability

The Board of Directors is ultimately responsible for applying and interpreting this Code in any particular situation. Any director, officer, employee or consultant who becomes aware of an existing or potential violation of this Code is required to notify the Corporate Governance Committee or the Corporate Compliance Officer promptly. Failure to report an existing or potential violation is itself a violation of this Code. In the event a director, officer, employee or consultant believes that the Corporate Compliance Officer is involved in a violation of this Code, the Chief Executive Officer or the President should be notified as soon as possible.

Any questions relating to how this Code should be interpreted or applied should first be addressed to the Corporate Governance Committee or the Corporate Compliance Officer. A person who is unsure of

whether a situation violates this Code should discuss the situation with the Corporate Governance Committee or the Corporate Compliance Officer as soon as possible.

The Board of Directors, the Corporate Governance Committee and/or the Corporate Compliance Officer shall take all appropriate action to investigate any reported violations. If a violation has occurred, the Company will take such appropriate disciplinary or preventive action, after consultation by the Board of Directors, in the case of a director or executive officer, or the Audit Committee, or another committee of the Board of Directors, in the case of any other employee. In accordance with the Whistleblower Policy, a person may not retaliate against any other person for reports of potential violations that are made in good faith.

VIII. Waiver

From time to time, the Company may in limited circumstances waive some provisions of this Code to address equitable concerns raised to the Board of Directors. Such waivers will not be granted unless truly necessary and warranted, and will only be done in a limited and qualified manner. Any waiver of this Code for executive officers or directors of the Company may be made only by the Board of Directors, or to the extent permitted by the rules of Nasdaq, a committee of the Board comprised solely of independent directors, and must be promptly disclosed as required by Securities and Exchange Commission and the rules of the Nasdaq Stock Market. Any waiver for other employees and consultants may be made only by the Board of Directors or a committee of the Board of Directors comprised solely of independent directors.