



CODE OF BUSINESS CONDUCT AND ETHICS

Policy Owner *Chief Compliance Officer*

Policy Reviewer *Bank Compliance Committee*

Policy Approver *Board of Directors*

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1. Introduction

This Code of Business Conduct and Ethics (“Code”) provides a general statement of the expectations regarding the business conduct and ethical standards that each director, officer, employee, temporary worker, independent contractor and consultant of Financial Institutions, Inc. (“FII”) and FII’s subsidiaries (individually and collectively, the “Company”) including Five Star Bank, Courier Capital, LLC, SDN Insurance Agency, LLC, HNP Capital LLC, and Five Star REIT, Inc., should adhere to while employed and acting on behalf of the Company. This Code is designed to enable you to recognize situations that may require you to consider your approach, refrain from certain actions or activities, or ask for guidance to make the right decision for the Company, for the Company’s employees, for stakeholders, and for yourself. In addition, other persons performing services for the Company may be subject to this Code by contract or agreement. Each director, officer and employee is expected to read and become familiar with this Code and will be required, annually, to affirm his or her agreement to adhere to such standards by signing the Code of Business Conduct and Ethics Acknowledgement. Waivers to the Code will not be granted under any circumstances.

This Code should be read in conjunction with Company policies that are applicable to you and your line of business, as well as the Employee Handbook. Company employees are expected to read, become familiar, and comply with this Code and any supplemental policies and procedures applicable to you and your line of business, and timely and successfully complete all training required for your role with the Company.

At the Company, maintaining a strong ethical culture is a top priority; we must continue to embed the values of integrity, fairness, and accountability in all that we do. We all share a responsibility to build on this and to maintain exceptional relationships with our customers, shareholders, each other, and the neighborhoods and communities in which we operate. We must never underestimate the importance of our conduct, and always take personal responsibility for our actions – it is how we do business. The Code of Conduct is our shared commitment to operate with the highest level of integrity and ethical conduct.

1.1. *Rationale*

At the Company, we are committed to fostering and maintaining a culture based on our core values:

Teamwork

Partner with others across the organization to get things done.
Respect and consider the opinions and ideas of others.

Deliver Excellence Every Day

Support and adapt quickly to change.
Take responsibility and initiative for meeting expectations and goals.

Do the Right Thing

Take action and do what you say you will do.
Take ownership of mistakes and/or issues and see them through to resolution.

Care for our Customers

Give customers and coworkers your full attention when interacting with them.
Follow up to ensure customer needs are met.

Know Your Stuff

Share your knowledge and expertise to empower others to be successful.
Know our products/services and demonstrate pride in talking about them.

Living these values means, above all, conducting ourselves and our business activities in accordance with the letter and spirit of applicable laws and regulations and our policies, and acting with integrity. As directors, officers and employees, we have a shared responsibility to maintain the highest standards of ethical behavior in our dealings with our clients, communities and each other.

1.2. *Scope*

This Policy applies to all employees and contingent¹ workers (collectively “Personnel”) of the Bank and its consolidated subsidiaries (collectively the “Company”).

¹ Note: a contingent worker is any person who is not an employee of the Company, who is providing services to the Company.

2. Policy Statements

Below are the policy statements and standards that collectively form this Code:

1. **Safeguarding Confidential Information.** It is Company policy that all Personnel are responsible for keeping confidential information safe and secure.
2. **Fair and Responsible Banking.** The Company is committed to meeting the needs of the community it serves.
3. **Financial Responsibility.** It is Company policy that financial affairs are handled responsibly.
4. **Diversity and Inclusion.** The Company values diversity and inclusion in all aspects of business.
5. **Avoid Conflicts of Interest.** It is Company policy to work to avoid conflicts of interest in personal and business activities.

3. Safeguarding Confidential Information

As an employee of the Company, you may have access to material, non-public or confidential information² about our Company, our clients, and other companies that conduct business with us. It is our responsibility to safeguard material, non-public or confidential information to ensure we comply not only with the many laws and regulations that prohibit the misuse of such information and our own policies and procedures but meet the privacy expectations of our customers. All confidential information that is developed while working for the Company must be disclosed to the Company and it cannot be used externally or published without express prior written permission of the Company. All Personnel have a responsibility to:

- Immediately report the loss or unauthorized use or disclosure of material, non-public or confidential Information to the Information Security Officer
- Store, retrieve and use material, non-public or confidential information in accordance with the Company's Information Security Program, which includes the Acceptable Use Policy
- Use material, non-public or confidential information only for conducting Company business
- Never use material, non-public or confidential information for personal enrichment, fraudulent purposes or to compete with the Company
- Never disclose material, non-public or confidential information to unauthorized parties (internally or externally); in public, non-secure environments; or in manner inconsistent with the customers instructions
- Maintain and access material, non-public or confidential information in safe and secure manner
Protect user ID's, passwords, and PINs;
- Ensure that business related documents are produced, copied, faxed, delivered, circulated, transported, filed, stored and disposed of by means designed to prevent unauthorized access or disclosure to unauthorized person of such information;
- Ensure that access to work areas and computers is properly secured and safeguarded;
- Not leave anything on your desk that may result in the disclosure of confidential information; and
- Refrain from discussing confidential information in public places (such as elevators, hallways, restrooms, etc.); to avoid unauthorized or unintended disclosure.

In addition, once your employment with the Company ends, you may not divulge or use Company's confidential information, and you must immediately return to us any records which contain confidential information.

3.1 *Protecting the Company's Assets*

As an employee, you are responsible for safeguarding the tangible and intangible assets of the Company and our customers, suppliers and distributors that are under your control. The Company's assets may only be used in accordance with applicable policies. Assets include, but are not limited to:

- Cash
- Securities
- Physical property and services
- Business plans
- Client and Personnel information
- Supplier information
- Distributor information
- Intellectual property
- And all other confidential information

² How do you know if information is "non-public" or "confidential"? The best practice is to consider all information non-public or confidential unless it has been publicly announced or otherwise disseminated in a way that does not breach any confidentiality or fiduciary duty.

Misappropriation or unauthorized disclosure of the Company's assets is a breach of your duty to the Company and may constitute an act of fraud against the Company. Similarly, carelessness, waste or unauthorized use regarding the Company's assets is also a breach of your duty to the Company.

Additionally, you shall not directly or indirectly attempt to hire or solicit any Personnel of the Company on behalf of another employer, encourage or induce any Personnel to leave employment with the Company during employment or for the twelve (12) month period immediately following separation for any reason.

To learn more please refer to the following Company policies:

- Information Security Policy
- Privacy Policy

4. Fair and Responsible Banking

The Company is firmly committed to fair and responsible banking and meeting the credit and banking needs of all segments of the communities we serve, with a focus on complying with both the letter and spirit of federal and state fair lending laws including the Community Reinvestment Act, and federal and state laws that prohibit unfair, deceptive, and abusive acts and practices.

No Personnel or other person acting on behalf of the Company may take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts, or other unfair dealings or practices.

4.1. *Acting as a Fiduciary or Power of Attorney*

Personnel shall not, without the prior written approval of a member of Executive Management, act as an agent on an account maintained at the Company whether as a fiduciary or power of attorney (unless account is beneficially held by a personal family member of such Company Personnel);

4.2. *Tying Arrangements*

Personnel are prohibited from extending credit, leasing, or selling property, furnishing services, or varying prices on the condition that clients:

- Obtain an additional product or service from or provide an additional product or service from the Company; or
- Not obtain an additional product or service from competitors of the Company.

The exceptions to tying include:

- Traditional bank products. A bank holding company, or any bank or nonbank subsidiary may vary the price charged for a traditional bank product on the condition or requirement that a client also obtain a traditional bank product from an affiliate.
- Securities brokerage services. A bank holding company, or any bank or nonbank subsidiary thereof may vary the price charged for securities brokerage services on the condition or requirement that a customer also obtain a traditional bank product from that bank holding company, bank, nonbank subsidiary, or any affiliate of such company or subsidiary.
- Discounts on tie-in arrangements not involving banks. A bank holding company, or any nonbank subsidiary thereof may vary the price for any extension of credit, lease or sale of property of any kind, or service, on the condition or requirement that the customer obtain some additional credit, property, or service from itself or a nonbank affiliate.

If you have questions whether certain transactions or activities are in line with anti-tying requirements, please contact the Chief Compliance Officer.

4.3. *Antitrust Compliance*

The Company is subject to United States laws designed to preserve competition among enterprises and to protect consumers from unfair business arrangements and practices. As an employee, you are expected to be aware and comply with these laws at all times. United States antitrust laws prohibit agreements among competitors that are deemed collusive or anti-competitive. Examples of situations that could create the potential for unlawful anti-competitive conduct and should be avoided include:

- Proposals from competitors to share price or other competitive marketing information or to allocate markets or clients;
- Reducing or eliminating competition in a competitive bidding process;
- Dividing customers, territories, markets or products;

- Attempts by clients or potential clients to preclude the Company from doing business with, or contracting with another client;
- Discussions at industry trade association meetings on competitively sensitive topics, such as price, pricing policies, costs and marketing strategies.

If you have any questions regarding anti-trust laws or if a competitor or customer tries to discuss subjects with you that raise concerns about anti-competitive conduct, you should refuse to do so and promptly report the matter to the Office of General Counsel.

5. Financial Responsibility

While the Company acknowledges that financial challenges and errors occur, Personnel are expected to handle their accounts in a manner that will serve as an example to our customers. These responsibilities include:

- Maintaining a Five Star Bank banking relationship that is free from late/non-payments and overdrafts;
 - Overdrafts in excess of 6 occurrences in a calendar year will result in the following actions:
 - Pay Advantage privileges will be removed;
 - Financial responsibility training will be assigned;
 - Items presented against a negative account will result in those items being returned;
 - Additional accounts with Pay Advantage will not be allowed;
 - Where there are 4 or more additional occurrences in the same calendar year, the account will be closed;
 - Personnel subject to any adverse action under this Code will not be considered eligible to open a new or additional demand account, including joint accounts, for 12 full calendar months following the most recent occurrence; and
 - Formal disciplinary action may occur up to and including termination.
- Refraining from performing personal transactions of family members or persons sharing the same home (this includes accessing any account for any reason not directly related to bank or customer business).

To learn more please refer to the following Company policies:

- Fair Lending Policy & Program
- Community Reinvestment Act Policy & Program
- Fair Housing Act Policy
- Unfair Deceptive or Abusive Acts or Practices Policy
- Equal Credit Opportunity Act Policy

6. Diversity & Inclusion

The Company is committed to fair employment practices and diversity and believes that diversity in our staff is critical to the Company's success. The Company seeks to recruit, develop and retain the most talented people from a diverse candidate pool. The Company is fully committed to equal employment opportunity and compliance with the letter and spirit of the laws regarding fair employment practices and nondiscrimination.

The Company promotes a work environment where diversity is embraced, and where our differences are valued and respected. The Company prohibits unlawful discrimination, harassment or retaliation against, or committed by a supervisor, co-worker, client, supplier, or visitor. The Company will not tolerate any unlawful discrimination and harassment, whether based on person's race, gender, gender identity or expression, color, creed, religion, national origin, age, disability, genetic information, marital status, sexual orientation, veteran's status, or other legally protected personal characteristics.

6.1 Unlawful Discrimination and Harassment

The Company will not tolerate the use of its systems, including, but not limited to email, internet services, in any manner that violates this Code or Company policies, or creates a hostile, intimidating or coercive work environment. This includes transmitting or exchanging, "jokes", pictures, videos, or other communications and stories that are harassing, demeaning, threatening or that interfere with the job performance of fellow Personnel.

Do not forward any email that runs afoul of this Code or Company policies to any Personnel, other than to report it to Human Resources. Personnel should not forward any email that violates this Code or Company policies to any external address, including your personal email address.

If you believe that you are being subjected to unlawful discrimination or harassment, receive an email that runs afoul of this Code or Company policies, or if you observe or receive a complaint regarding such behavior, you should immediately report it to Chief Human Resources Executive, the Senior HR Business Partner, or to Red Flag Reporting as outlined above.

To learn more please refer to the following Company policies:

- Whistleblower Policy
- Sexual Harassment Prevention Policy

6.2 *Safety Within the Workplace*

A safe and healthy workplace is important to the well-being of all Personnel. We rely on you to comply with applicable laws and Company policies as they relate to the health, safety and security of our workforce, our customers and others who may be present on our premises.

We are committed to a non-violent working environment, free of threats, intimidation and physical harm. Any acts or threats of violence towards another person or Company property should be reported immediately. Employees should:

- Practice good physical security habits, and be alert to ensure the safety of co-workers and customers;
- Don't allow unauthorized individuals into secure areas. Anyone asking to make a delivery or provide a service should be able to show valid identification, which should indicate, where appropriate, their affiliation with the organization they represent; and
- We rely on you to promptly report any criminal activity or situations that could pose a threat to you or to others.

If you become aware of any actual or potential health or safety hazard, report it immediately to your supervisor, the Senior HR Business Partner, or Physical Security Officer, as appropriate.

6.3 *Drug-Free Workplace*

The Company must maintain a healthy and productive work environment. Misusing controlled substances or selling, manufacturing, distributing, possessing, using, or being under the influence of illegal drugs while performing work-related duties is strictly prohibited. You are strictly prohibited from manufacturing, distributing, possessing, selling or attempting to sell, receive or use illegal drugs, including drug paraphernalia, or be under the influence of illegal drugs (or abuse controlled substances) on Company property or while conducting Company business.

Bringing alcohol for consumption in the workplace, drinking or being under the influence of alcoholic beverages in the workplace or while conducting Company business is also prohibited, except for moderate and reasonable consumption of alcoholic beverages in appropriate social situations where alcohol is served during a Company-sanctioned event.

Personnel who suspect that they have an alcohol or drug dependency should seek advice from a medical professional immediately. Personnel of the Company may be required to submit for a drug test at any time with result to be sent to the Chief Human Resources Officer.

In accordance with New York State laws, smoking is prohibited in any office, department or facility within the Company. Personnel should refrain from smoking near any building entrance.

7. Avoid Conflicts of Interest

It is critical to the Company's reputation that we exercise appropriate judgement and common sense in every action we take, and that we consider all aspects of the potential impact of transactions in which we engage. All Personnel have the responsibility to raise any concerns regarding potential reputational risk to your manager, the Office of General Counsel, Chief Compliance Officer, or Chief Risk Officer.

You are required to cooperate fully with any investigations conducted by or at the direction of the Company, including, but not limited to, those involving ethical issues or complaints of discrimination or harassment. You should never withhold, tamper with or fail to communicate relevant information.

7.1 *Off-Duty Conduct-Obligation to Report*

The Company respects the rights of its Personnel to pursue lawful activities when not at work and does not wish to regulate Personnel conduct during non-working hours. The Company must concern itself however when off-duty conduct interferes with the employee's ability to perform effectively in his or her position, interferes with the Company's ability to fulfill its commitments to its customers, or presents reputation or other risk to the Company. The Company is also prohibited by law from employing individuals in certain positions who are convicted of particular offenses, such as those involving dishonesty and breach of trust.

For the Company to properly ensure that the Company's legitimate interests and reputation are protected, all Personnel are required to immediately report any instance of off-duty conduct that may harm the Company's reputation or an employee's ability to perform his or her duties or interfere with the ability of other Personnel to perform their duties to a HR representative. Off-duty conduct that must be reported include, but are not limited to:

- Arrests and convictions that occur post-hire.
- Being named a defendant in a civil lawsuit or other proceeding that alleges dishonesty or unethical conduct.
- Breach of trust, fraud or the like, and any other circumstances involving Personnel that will likely result in negative or unfavorable media coverage.

A report of the conduct must be made to the Company's HR Department on or before the next business day after the issue occurs. Each report that is submitted under this Code will be reviewed on a case-by-case basis, in light of legitimate, business-related factors, such as:

- Did the incident have a direct relationship between the employee and the employee's employment; or
- Would continued employment create an unreasonable risk of harm to the Company, specific individuals or the general public?

7.2 *Accepting Gifts and Entertainment and Third Party/Vendor Relationships*

The Company is committed to promoting the values of honesty, integrity, and fairness in the conduct of its business and sustaining a work environment that fosters mutual respect, openness and individual integrity.

All Personnel are expected to deal honestly, fairly and respectfully with the Company's clients, suppliers, competitors and other third parties.

Personnel shall not:

- Make false or misleading statements to clients, suppliers, or other third parties;
- Make false or misleading statements about competitors;
- Solicit or accept from any person that does business with the Company, or offer to extend to any such person:
 - Cash of any amount; or
 - Gifts, gratuities, meals, entertainment that could influence or reasonably give the appearance in influencing the Company's business relationship with that person, or go beyond common courtesies usually associated with accepted business practices unless one of three (3) requirements outlined below apply;
- Solicit or accept any fee, commission, or other compensation for referring customers to third-party vendors; or
- Otherwise take unfair advantage of the Company's clients or suppliers, or other third parties, through manipulation, concealment, abuse of privileged information or any other unfair-dealing practices.

Personnel may not accept gifts or the conveyance of anything of value (including entertainment) from current or prospective clients or suppliers of the Company unless one of the three (3) requirements outlined below apply. If one of the three (3) requirements below are satisfied, you may accept the gift or the conveyance of anything of value. Personnel may never accept a gift when it could appear to others that your business judgement may be compromised. Similarly, you may not accept or allow a close family member to accept gifts, services, loans, or preferential treatment from anyone – clients, suppliers, or other – in exchange for a past, current or future business relationship with the Company.

Cash gifts or their equivalent (e.g., gift cards or vouchers) may not be accepted under any circumstance. Noncash gifts may be accepted when permitted under applicable law if any of the three (3) requirements are met:

- (1) nominal in value (i.e., less than or equal to US \$100);
- (2) appropriate, customary and reasonable meals and entertainment at which the giver is present, such as an occasional business meal or sporting event;
- (3) appropriate, customary and reasonable gifts based on family personal relationships, and clearly not meant to influence Company business.

Suppliers or clients occasionally sponsor events where raffles or prizes are awarded to attendees. The criteria for selecting winners and the value of the prizes can vary greatly and could raise the appearance of impropriety. If you have any questions about the appropriateness of accepting a gift, innovation, raffle, or other prize, you should discuss the matter with a HR representative.

In some situations, it may be appropriate to accept a gift and place it on display at the Company, or to donate the item to a charity in the name of the Company. Consult with the Senior HR Business Partner for further guidance.

7.3 *Giving Gifts and Providing Entertainment*

In certain circumstances, the giving of gifts and entertainment may be seen by others as a conflict of interest or, in extreme cases, bribery. If giving any gift or entertainment could be seen as consideration for corporate, labor union or government business for any governmental favor, you must not give the gift or provide the entertainment. Appropriate gifts and entertainment may be offered to clients by persons authorized to do so. This authorization must be provided by a member of Executive Management Committee in consultation with the Chief Compliance Officer and Chief Risk Officer.

Personnel may not distribute literature or printed materials of any kind, solicit for financial contributions, or solicit for any other cause in working areas during the working time.

7.4 *Information and Records Creation and Management*

Information and records (collectively, "business records") that are owned, collected, used and managed by the Company should be accurate and complete. You are responsible for the integrity of the Company's business records, including reports and documents, under your control.

- Business records must be maintained in sufficient detail to accurately reflect Company transactions and in accordance with appropriate accounting standards and internal financial controls
- Personnel should use "common sense" and observe expected professional standards regarding the content and language when creating business records and other documents, including email, SMS messages and instant messaging that may be viewed, used or retained by the Company or a third-party, including regulatory agencies
- Personnel should keep in mind that at a future date, the Company or a third-party may rely on or interpret the document solely as it appears, without the benefit of other recollections or context
- Personnel are prohibited from destroying or altering any records that are potentially relevant to a violation of law, legal claim or any litigation, or to any pending, threatened or foreseeable government investigation, proceeding, or to any regulatory examination. Questions / concerns regarding retention or disposal of business records should be directed to the Company's Office of General Counsel or Information Security Officer. This should be read in conjunction with the Destruction Disposal of Customer and Consumer Information.

7.5 *Insider Trading*

Insider lending laws and this Code prohibit trading securities while in possession of material, nonpublic information (also known as "insider information") regarding the Company and sharing material non-public information to third parties.

Personnel who fail to follow this Code or violate laws relating to insider trading could be subject to extensive ramifications including termination of employment, criminal liability (including imprisonment), civil liability, monetary damages, fines and penalties.

If you believe you have come into possession of insider information, you may not execute any trade in the securities of the subject company. If you have questions whether you have come into possession with insider information, contact a member of the Office of General Counsel.

It is illegal to provide confidential information to any person if you know or suspect that that individual will misuse the information by trading in securities or passing the information on to someone else who could benefit from the confidential information.

Trading on or conveying material nonpublic information may also breach contractual obligations assumed by the Company to or on behalf of clients. This should be read in conjunction with the Insider Trading Policy.

To learn more please refer to the following Company policy:

- Insider Trading Policy

7.6 *Conflicts of Interest*

Directors, officers and Personnel should not be involved in any activity that creates or gives the appearance of a conflict of interest between their personal interests and the Company's interests. Directors, officers and applicable Personnel complete questionnaires annually to notify the Chief Human Resources Executive of the existence of any actual or potential conflict of interest. You must timely and accurately complete the questionnaire as outlined by the Chief Human Resources Executive. If you have any questions relating to this questionnaire, please contact a HR representative immediately.

In particular, no director, officer or Personnel shall:

- Be a consultant to, or a director, officer or Personnel of, or otherwise operate an outside business: 1) that markets products or services in competition with the Company's current or potential products and services; 2) that supplies products or services to the Company, provided outside the normal course of business; or 3) that purchases products or services from the Company, provided outside the normal course of business.
- Solicit or accept for themselves or for a third party (other than the Company) anything of value from anyone in return for any business, service or confidential information of the Company;
- Have any financial interest, including stock ownership, except where such interest consists of securities of a publicly-owned corporation and such securities are regularly traded on the open market, in any such outside business that might create or give the appearance of a conflict of interest;

- Process or perform personal transactions or transactions of family members or persons sharing the same home, whether they are relatives;
- Approve an extension of credit to himself or herself, a family member, or persons sharing the same home, or to a business interest of either the employee or any of his or her family members.

The topics below are only some of the areas in which real or perceived conflicts of interest may arise. If you have any questions regarding conflicts of interest, please contact the Senior HR Business Partner or the Chief Compliance Officer.

- **Outside Business Activities:** You may not engage in other outside business activities, such as holding a political office or accepting secondary employment with another organization, if real or perceived conflict of interest exists or could exist. You are responsible for identifying and raising any such activity or relationship that may pose an apparent or potential conflict of interest, and to evaluate with your supervisor and Chief Risk Officer the possible conflicts that could result while the Company is deeply committed to the communications in which we are located, and encourages volunteer activities to support not-for-profit educational and charitable organizations, Personnel should be mindful of any service to not-for-profit organization that may pose an apparent of potential conflict of interest and discuss any concerns with their supervisors or the Chief Compliance Officer.
- **Related Party Business Dealings:** You must notify your supervisor of any business relationship or proposed business transactions that the Company may have with any company in which you or a related party has a direct or indirect, or from which you or a related party derive a benefit, or where a related party is employed, if such a relationship or transaction might give rise to the appearance of a conflict of interest.
- **Personal Business Dealings:** The Company's Personnel and their families are encouraged to use the Company for their personal financial service's needs. Such services, however, are to be provided on the same terms that they are provided to all other similarly situated persons. Any nonstandard business arrangements between the Company's Personnel and the Company must be pre-approved by your department head and the Chief Compliance Officer. Similarly, you should not receive preferential treatment from suppliers or clients without pre-approval from your department head and the Chief Compliance Officer, unless such preferential treatment is available on the same terms to all similarly situated persons.

7.7 *Media Interaction and Public Relations*

Personnel must refer all inquiries from the media relating to the Company to the Director of Investor and External Relations. It is imperative that one person speaks for the Company to deliver an appropriate message, comply with applicable laws regarding disclosure and non-disclosure, and avoid giving misinformation to the media. Accordingly, only individuals officially designated by the Director of Investor and External Relations may speak for the Company to provide comments to the media, either on or off the record, or materials for publication. If a member of the media contacts you, you must advise them that you are not authorized to speak on behalf of the Company and refer them to the Director of Investor and External Relations.

Personnel may not consent to or engage in any public relations activity relating to the Company's business activities with clients, suppliers or others without prior approval from the Director of Investor and External Relations.

Before publishing or posting any material in written or electronic format, making speeches, giving interviews or making public appearances regarding the Company, our operations, clients, or services, review our Social Media Policy and consult with the Digital Marketing Specialist and the Director of Investor and External Relations. This section should be read in conjunction with the Company's Disclosure and External Communications Policy.

To learn more please refer to the following Company policy:

- Social Media Policy

7.8 *Commitment to Our Investors*

The Company is committed to providing investors with full, fair, accurate, timely and understandable disclosure in the periodic reports that it is required to file. To this end, all directors, officers and Personnel shall strive to enable the Company to:

- Comply with generally accepted accounting principles at all times;
- Maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded;
- Maintain books and records that accurately and fairly reflect the Company's transactions;
- Prohibit the establishment of any undisclosed or unrecorded funds or assets;
- Maintain a system of internal controls that will provide reasonable assurances to management that material information about the Company is made known to management, particularly during the periods in which the Company's periodic reports are being prepared; and
- Present information in a clear and orderly manner and avoid the use of legal and financial jargon in the Company's periodic reports.

All directors, officers, and Personnel shall respond honestly and candidly when dealing with the Company's independent and internal auditors, regulators and attorneys.

8. Policy Assurance Methods

a. *Awareness and Training Methods*

- This Code and related procedures will be accessible through StarNet.
- Personnel will be required to read and attest to this Code annually through the Company's third-party vendor for Compliance training.

b. *Policy Adherence Methods - Raising Legal and Ethical Concerns and Reporting Misconduct*

Our reputation for integrity depends upon you. You are our first line of defense against unethical business practices and civil or criminal liability. If you believe you or others (for example, an employee, a supervisor, client, supplier or other third party) may have violated laws, regulations or our policies, you must promptly notify your supervisor, a member of the Compliance team or your Human Resources (HR) representative.

Failure to observe this Code or Company policies may result in disciplinary action, up to and including immediate termination of your relationship with the Company. Furthermore, violations of this Code or Company policies may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and the Company.

c. *Update Requirements*

This Code will be reviewed and updated at least annually or updated as required by the Chief Compliance Officer.

d. *Consequences of Violating the Code*

Failure to comply with the Code may subject Personnel to a range of disciplinary actions, up to and including termination of employment. Furthermore, violations of the Code may also be violations of the law and result in monetary and other damages and civil or criminal penalties for you, your supervisors and the Company.

e. *Exceptions and Exemptions*

Requests for exceptions or exemptions to the Code must be made in writing to and approved by the Chief Compliance Officer.

9. Governance

Roles and responsibilities for key governance committees and personnel, including (as applicable):

9.1 *Compliance Department*

- Administrators of the Code;
- Coordinate the various inputs and support mechanisms that guide Personnel behavior;
- Chief Compliance Officer
 - Point of contact for any officer, director, or Personnel regarding any item in the Code

9.2 *Governance Committee*

- Responsible for consulting and providing oversight in the development and implementation of the Code.

9.3 *Company Risk Committee*

- Assesses the quality of the Bank's risk management to ensure compliance with the Code and all applicable laws and regulations.

9.4 *Board of Directors*

- Provides guidance to deal with ethical issues and helps foster a culture of honesty and accountability;
- Reviews and approves the Code annually.

10. Reference Information

a. Glossary

Define terms used in connection with the Code

Term	Definition
Beneficial Ownership	when a person, directly or indirectly, has or shares voting or investment power.
Conflict of Interest	a circumstance that presents an actual, potential, perceived, or implicit interference with an employee's ability to effectively carry out the duties of his/her position. It is important to remember that conflicts of interest can arise within a variety of different contexts, ranging from an employee's own individual actions/activities or his/her personal relationships with fellow employee, vendors, etc. <ul style="list-style-type: none"> • Any information that isn't readily available from a public source or is shared between parties in confidence should be treated as confidential. Examples of confidential information include: trade secrets (trade secrets include any useful formula, plan, pattern, process, program, tool, technique, mechanism, compound, or device that is not generally known or readily ascertainable by the public), security and other business practices or processes; internal and external audit reports; consumer data; customer or supplier lists; cost, pricing or financial information; passwords; compensation information provided for business purposes, health or personnel records; and business or marketing plans and research. • Consumer Information, which is defined as (i) any record about an individual, whether in paper, electronic, or other form, (ii) that is a consumer report as such term is defined in the Fair Credit Reporting Act (15 USC 1681 et seq.), or (iii) is derived from a consumer report and that is maintained or otherwise possessed by or on behalf of the Company, including any compilation of such records.
Material, non-public or confidential information	
Occurrence	one (1) day with one or more items presenting against the account resulting in a negative balance

11. Version History

Version #	Sections Updated	Description of Changes	Date of Last Review/Update
1.0	All	Implementation of new Policy format	