

WHISTLEBLOWER POLICY

Last Revision Date: March 23, 2018 Reviewed: 3/27/2018
Board Approval: April 26, 2018 Control # 2018 Whistle

I. Purpose

Meridian Bank is committed to high standards of ethical, moral and legal business conduct. Employees and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities, and comply with all applicable laws and regulations. In line with this commitment, and the Bank's commitment to open communication, this policy aims to provide an avenue for employees to raise concerns and reassurance that they will be protected from retaliation for whistleblowing.

II. Definition

1. A **"Whistleblower"** as defined by this policy is an employee of Meridian Bank who reports an activity that he/she considers illegal or dishonest (hereafter, whether one or more act(s), an "Alleged Act") to one or more of the parties specified in this policy.
2. A **"Receiving Supervisor"** is the supervisor to whom a report of an Alleged Act is initially made, if applicable

III. Policy

- A. This policy is intended to protect any employee who engages in a good faith disclosure of an Alleged Act to a designated officer. More specifically it:
 1. encourages employees to disclose an Alleged Act to the appropriate officer so that prompt, corrective action can be taken by the Bank;
 2. informs employees how allegations of an Alleged Act can be disclosed;
 3. protects employees from adverse employment action or other retaliation as a result of having disclosed an Alleged Act. (employees who self-report their own misconduct are not afforded protection by this policy);
 4. provides employees who believe they have been subject to retaliation for reporting an Alleged Act, or employees subject to false allegations, a fair process to seek relief .

Any communication of an Alleged Act that proves to have been both unsubstantiated and made with malice or with knowledge of its falsity is not protected by this policy.

B. Acting in Good Faith.

Any employee making a disclosure concerning an Alleged Act must be acting in good faith and have reasonable grounds for believing the information disclosed constitutes a violation of the policy in order to be protected by this policy.

C. False Allegation

Any employee who knowingly or with reckless disregard for the truth gives false information or knowingly makes a false report of wrongful conduct or a subsequent false report of retaliation is subject to disciplinary action, up to and including termination. Allegations that are not substantiated yet are made in good faith are not will not subject the whistleblower to corrective action.

D. Retaliation.

No employee who makes a protected disclosure of an Alleged Act will suffer retaliation due to such reporting.. Any person who retaliates against any employee who makes a protected disclosure is subject to discipline up to and including termination. This Policy is intended to encourage employees to raise applicable concerns within the Bank prior to seeking resolution outside the Bank. The EVP, Human Resources or the Audit Committee Chair (identified below) will be promptly notified by the Receiving Supervisor following the presentment of an allegation by a whistleblower to such supervisor and/or use of the Ethics Hotline

E. Confidentiality

The Bank has established a means, as stipulated in the “Reporting Violations” section below, for employees to report issues on a confidential basis when appropriate.

Protected disclosures may be made on a confidential basis by the whistleblower. Protected disclosures and investigatory records will be confidential to the extent possible, consistent with the need to conduct an adequate investigation, to comply with the law and to provide any accused person(s) their right of defense. *However*, disclosure by the whistleblower of reports of concerns to individuals *not* involved in the investigation will be viewed as a serious disciplinary offense and may result in disciplinary action up to and including termination of employment .

F. Reporting Violations.

Good faith reports of an Alleged Act shall be made to the persons identified in this Policy, namely, your supervisor, the EVP, Human Resources or the Hotline as indicated below.

Ethics Hotline. To further our commitment to integrity and an ethical culture, Meridian Bank maintains an Ethics and Compliance Hotline that allows both phone and Web reports to be made through an independent third-party provider by calling the toll-free number, 1-844-703-1093, or by submitting a report via the Web at www.meridianbanker.ethicspoint.com. The Bank encourages use of the hotline when Meridian Bank employees feel uncomfortable reporting concerns about possible illegal, unethical, or improper conduct through normal channels or when the reporter desires to remain anonymous. This information is also located on our Bank’s intranet. Reports filed through the hotline are directed to Human Resources for review and, if necessary, for assignment of appropriate Bank resources for investigation and resolution. If an employee does not feel comfortable stating his or her name, notifications and information to the Ethics Hotline may be made anonymously.

Responsibility to Report an Alleged Act. Any employee is *expected* to promptly report any Alleged Act as outlined in this policy.

Confidentiality and Investigation. The Bank will treat the information set forth in a report of an

Alleged Act in a confidential manner, subject to those limitations described at Section E above, and will conduct a prompt and appropriate evaluation/ investigation of any matter reported. Identified employees are expected to cooperate in such efforts.

Protection of Employees. It is a violation of this Policy to retaliate against anyone who has reported a good faith Alleged Act in accordance with this policy, including retaliation in the form of an adverse employment action (such as termination, compensation decreases, or poor work assignments) and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Director immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated. It is also a violation of this Policy to retaliate against an employee who has communicated with any Government Agency. An employee may not be retaliated against on account of his/her having made a good faith report of an Alleged Act or assisted the Bank in any investigation into an Alleged Act.. Equally, an employee may not be retaliated against because the employee communicated with a Government Agency regarding an Alleged Act.

If an employee does not feel comfortable using the Ethics Hotline (see above), he or she may report in writing directly to the Audit Committee Chair as follows:

Mr. Ken Slack – Confidential
9 Old Lincoln Highway
Malvern, PA 19355

Employment-related concerns should continue to be reported through your normal channels as stated in the Employee Handbook under Problem Review Procedure.

G. Handling of Reported Violations.

The investigation into reported Alleged Acts—and the parties who will conduct the same—will be determined by the Bank and may depend upon factors including the nature of the complaint and who receives the initial complaint.

The Receiving Supervisor/EVP, Human Resources/Audit Committee Chair will notify in writing the sender and acknowledge receipt of the reported violation or suspected violation within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken, if warranted, following the investigation.

H. Action Taken

The action taken by Meridian Bank in response to a report of concern under this policy will depend on the nature of the concern. The Audit Committee of Meridian Bank shall receive information on every report of concern and will follow-up on actions taken.

1. Initial Inquiries – Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.
2. Further Information – The amount of contact between the whistleblower and the person(s) investigating the Alleged Act will depend on the nature of the issue and the clarity of

information provided. Further information may be sought from, or provided to, the person reporting the concern.

I. Relation to Other Policies

1. The Whistleblower Policy is incorporated by reference into the Bank's Ethics Policy;
2. Should an Alleged Act be found, after appropriate investigation, to be an actual violation, if applicable, the matter will be referred to the Bank's BSA Officer for the possible filing of a SAR.

IV. Annual Renewal

Each employee will be required to review the Whistleblower Policy annually. As evidence that this review was performed, each employee will be required to acknowledge the Policy via a means designated by the Bank.

**Appendix A
Policy Revision History**

Revision History Description	Date Revised
This is a new Policy	04/23/13
Revised the means by which reporting is to take place. Noted that the Policy is to be incorporated into the employee handbook.	8/14/2014
Changed contact in "Retaliation" Section to SVP, Human Resources. Revised methodology for contacting the Chair of the Audit Committee	August 2015
Changed contact in "Retaliation" Section to EVP, Human Resources.	12/15/2016
2018 Update Defined issues, concerns, etc... to "Alleged Acts" throughout document for consistency Changed "individual" to employee throughout document for consistency Updated to add Ethics Hotline and Web intake information Aligned policy with Ethics/Conflicts of Interest and Code of Conduct policy Removed redundancies Various format changes	April 2018