

Bank Millennium Group

Code of Ethics



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Bank Millennium, as an institution of public trust, operates on the basis of valid legal regulations and specific norms, which apply to public companies and banks in particular; also best market practice and this Code of Ethics. The Bank also abides by "Principles of Best Banking Practice" adopted by the Polish Bank Association.

Bank Millennium sees running the business in a sustainable and ethical way as one of its key operating principles, stemming directly from the Bank's mission and the values associated with its brand.

The above principles are applicable accordingly to the entities – members of Bank Millennium S.A. capital group hereinafter referred to as Bank Millennium Group.

The Code of Ethics is a set of rules guiding all the Employees of Bank Millennium Group in performance of their duties.



2. Millennium values

Bank Millennium Group mission it to deliver Customer value by offering top quality financial products and services, at the same time observing elevated standards of conduct and corporate responsibility; and also stable and effective development, to provide continues growth of Shareholder value.

The values, which Millennium represents, are as follows:

- **Trust** – the Bank observes strict ethical norms and is accountable for its actions;
- **Customer focus** – understands and faces Customer expectations and needs;
- **Ethics and Accountability** in operation;
- **Perfection** – delivers high quality of services;
- **Innovation** – seeks new solutions in Customer service and on the financial market;
- **Respects Stakeholders.**



3. Respect for the Law

The entities of Bank Millennium Group, as institutions, which are operating in a democracy with rule of law, see legal compliance in all areas of their activity to be a fundamental principle.

Bank Millennium Group also respects universally accepted ethical and habitual norms.



4. Respect for diversity

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In its activity Bank Millennium Group respects universal human rights and freedoms.

Bank Millennium Group operates with respect for human dignity and observance of the right to equal treatment, regardless of gender, race, ethnic origin, denomination, religion, nationality, sexual orientation, age, disability, political convictions, trade union membership.

Bank Millennium Group respects diversity and opposes manifestations of discriminatory practices.

Bank Millennium Group has anti-discriminatory and anti-lobbying procedures in place.



a/ Employee – company relations

* Procedures

Bank Millennium Group operates on the basis of transparent procedures, which all Employees are required to observe, regardless of the nature of their work and form of employment.

* Protection of the company's assets

The Employees are required to use assets of Bank Millennium Group as they are meant to be used and to protect them. It is inadmissible to destroy assets, to use them for private purposes, to appropriate them or dispose of them without proper authorisation.

* Protection of information

The Bank, as an institution of public trust and its Employees, are particularly required to protect information entrusted to them by Customers and to strictly observe rules of banking secrecy.

* Protection of reputation

The Employees are required to protect the reputation of Bank Millennium Group. It is considered to be against ethical standards to disclose information about Bank Millennium Group and opinions about its operation in unauthorised statements to the media and in Internet forums, blogs and discussions.

The above principles also apply to the transmission of information and opinions about other banks or financial institutions.

* Freedom of association

Bank Millennium Group observes rules, which enable Employees to associate and in keeping with the law it creates conditions for activity of associating organisations.

* Health care

Bank Millennium Group provides its Employees, based on corporate solutions, with access to an effective health care system; it conducts prophylactic activities and promotes a healthy, active lifestyle. Bank Millennium Group takes care to keep an essential balance between work and private and family life of employees.

* **Employment, remuneration and rewarding rules**

Bank Millennium Group pursues a transparent policy for employment, remuneration and rewarding. It provides its Employees with training, education and professional development opportunities as well as promotion opportunities, which are based on a transparent evaluation system.

Rewarding for work is in accordance with attained results, it reflects personal contribution and teamwork as well as commitment, which goes beyond regular professional duties. Special reward and award programmes are in place for this purpose. Bank Millennium Group does not accept slave and forced labour, it does not employ minors in any way and does not tolerate employing them by organisations, with which it cooperates.

* **Work conditions**

Bank Millennium Group creates and maintains a safe and healthy work environment.

By eliminating potential threats, it requires its Employees to comply with OHS regulations and considers it inadmissible to perform professional activities under the influence of narcotics and alcohol; to possess narcotics, firearms and melee weapons or ammunition in the work environment.

* **Social assistance**

Bank Millennium Group has a corporate social assistance system and strives to make it transparent and operating on the basis of decisions, arrived at jointly with Employees' representatives.

* **Employee satisfaction surveys**

Bank Millennium Group wants to be a good employer, hence it regularly surveys work satisfaction of its Employees. An analysis of the results of these surveys is used to implement programmes to improve work organisation.

* **Communication channels**

Bank Millennium Group continues to expand its internal information system, which permits providing Employees in real time with current information and providing them with access to information essential for performance of professional duties and exercising employees' rights. Bank Millennium Group also enables its Employees to present their own information and opinions in its internal publications.

b/ Employee – Employee relations

* **Rules governing relations within the Bank**

The Employees' Community is committed to building an atmosphere of cooperation, supporting attainment of business targets, by building a climate of trust, openness, honest communication and respect. The Employees are aware that being successful involves building a partnership with associates, subordinates and superiors.

In the process of attaining targets Bank Millennium Group considers teamwork to be one of the key success factors. It also supports creativity and innovation, supporting the development of these traits among Employees.

* **Commercial secrets and confidentiality**

Bank Millennium Group sees the observance of rules of commercial secrets as well as protection of confidential information and personal data, and the Bank sees also the observance of bank secret, as the pillars supporting activity of an institution of public trust. These rules apply to Employees and also cover information on internal procedures, activities or processes, which is deemed not to be in the public domain.

Bank Millennium Group processes Customers personal data in compliance with law and in good faith. Bank Millennium Group with due diligence inform about the processing of personal data and provides Customers with access to the content of the data, with the possibility of correcting and completing.

Bank Millennium Group is guided by the principles of legality, appropriateness, technical correctness, relevance and the time limit for processing of personal data.

The Employees have an obligation to protect personal data, in particular not to disclose them to unauthorized persons and to prevent their misuse.

In Bank Millennium Group there are restrictions in force for performing personal transactions due to the ban on the use of confidential information.

* **Conflict of interests**

Employees should avoid all and any actions or relationships, which stand in conflict or appear to stand in conflict with Bank Millennium Group's interest best understood.

Employees are required to promptly report to their superiors all and any conflicts of interest, which cause or may cause potential actions to Bank Millennium Group's detriment, in keeping with relevant internal regulations or legal norms.

Bank Millennium Group has specified the circumstances, in which it identifies potential conflicts of interest, as well as rules, which are to prevent their occurrence.

* **Personal relationships**

While accepting that links of various types may develop between Employees, Bank Millennium Group adopts a principle whereby such relations cannot result in conflict of interest, have a negative impact on work performance, supervision capabilities or internal control environment. Bank Millennium Group considers prohibited the practices that are inconsistent with the best understood interest of the Group and concern favouring or taking business decisions on the basis of feelings, family relations or friendships. Employees of Bank Millennium Group should advise the HR Department about possible circumstances that may thus create conflict of interest.

* **Accepting and offering benefits**

Bank Millennium Group allows giving or accepting presents only of reasonable personal character, when such presents are appropriate and customarily accepted.

* **Quality of services**

Bank Millennium Group is building long-term and mutually beneficial relationships with Customers, based on the principles of respect for human dignity and equal treatment. Regardless of any characteristics or beliefs of Customers undertakes actions to offer highest standard products and services.

Bank Millennium Group identifies Customer needs and in line with them offers products and services corresponding to his profile, consciously not exposing the Customer to excessive risk or offering products or services, which are inadequate given the needs.

Bank Millennium Group provides complete and accurate information about their own and offered as a distributor products, including their issuers and conditions of the complaint process.

Bank Millennium Group respects the principles of accurate, clear and transparent way of communicating with Customers. Information on the services provided as well as agreements, documents and letters sent to Customers, the Group formulates a in a precise, clear and transparent way.

* **Claims handling**

Bank Millennium Group sees Customers' opinions, comments and complaints as an important source of information, allowing it to continue improving quality of work. The Employees are required by an internal procedure to submit comments and complaints from Customers, while Bank Millennium Group observes the rule to deliver to Customers, in the shortest time possible, a reply relating in substance to the raised issue. The manner of handling claims is Customer-friendly and takes into account their due rights.

a/ Fair competition

Bank Millennium Group observes the principles of fair competition in its business activity.

Bank Millennium Group is guided by the principles of integrity, loyalty, corporate culture and mutual trust.

Bank Millennium Group supports the development of the Polish banking system by taking part, along with other banks in the activities and programs implemented for the development of banks, infrastructure improving the quality of their activities and educational programs targeted at Customers.

b/ Reliable communication

Bank Millennium Group regularly and in an organised manner pursues an information policy, delivering up to date information based on facts, through public (addressed to all interested parties) and internal (addressed to Employees) communication channels available. The Bank also makes sure that all groups of its recipients have equal access to information.

* Media relations and communication channels

Bank Millennium Group carries out open information cooperation with the media, providing them with information and opinions as well as replying to questions asked.

* Relations with the capital market

Bank Millennium Group keeps active relations with participants and institutions of the capital market, based on relevant legal regulations and market best practice: the principle of openness and equal treatment of all investors by equal access to information.

The Bank observes rules inscribed in "Best Practices of companies quoted on the Warsaw Stock Exchange" and publicly informs about fulfilling these rules.

c/ Reliable advertising and promotion

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Bank Millennium Group conducts advertising and promotional activities in keeping with valid legal regulations, codes of ethics and market best practices. The goal of marketing campaigns is to provide information about bank products and their features in a reliable and comprehensible way, which is adjusted to the perception of the average recipient. Conducting these activities, Bank Millennium Group respects the interests of current and future Customers and observes the principles of fair competition, not creating a negative image of its competitors, does not undermine their reliability and does not evaluate their business.

d/ Ethical lobbying

Lobbying activity conducted by Bank Millennium Group is based on legal regulations applicable to this type of activity, it is professional in nature and is based on transparent and reasonable argumentation. Its purpose is advocacy of the interests of Bank Millennium Group and the banking community with respect to decision makers.

e/ Counteracting money laundering

Bank Millennium Group, based on applicable laws and market best practices, is implementing an institutional programme of counteracting money laundering and financing of terrorism. In this respect the Bank cooperates with specialised government institutions, regularly improves its own procedures and conducts training actions in this respect, targeted at Employees.

f/ Independent Auditing

Bank Millennium Group, as a company of public trust, considers it to be one of the most important principles of its activity to deliver to its Stakeholders timely, transparent and adequate information about its activity. The information is regularly reviewed and verified by an independent External Auditor to the extent stipulated by the law. Cooperating with him is one of the fundamental principles of activity of Bank Millennium Group.

a/ Rules of relations with suppliers of goods and services

Bank Millennium Group follows fair, uniform and consistent rules when selecting suppliers. Their selection is made on the basis of objective criteria, such as quality, price, reliability and observance of ethical business rules.

Bank Millennium Group provides suppliers with the necessary support in the implementation of assigned tasks. During and after the termination of cooperation, Bank Millennium Group respects the intellectual property of parties.

b/ Drafting agreements

Bank Millennium Group prepares transparent and comprehensible agreements, with consideration of legal requirements. In agreements with suppliers of products and services to Bank Millennium Group – wherever such provisions may be applicable – Bank Millennium Group applies provisions about using ethical and/or environmental clauses, protection of information, including personal data and commercial and banking secrecy.

c/ Organisation of tenders

Bank Millennium Group conducts tenders in a transparent way, based on valid internal regulations. The Bank observes commercial secrets, confidentiality clauses and protects information, which it obtained in the process of negotiating and executing agreements with suppliers.

a/ Contacts with public institutions

The rules defining obligations connected with representing Bank Millennium Group are contained in the Organisational Bylaws. Bank Millennium Group and its Employees comply with the law and ethical principles in contacts on its behalf with persons in public functions, and contact them if such contacts are essential for performance of their professional duties.

b/ Contacts with political parties

Bank Millennium Group observes the principle of political neutrality; it does not support, finance or facilitate any political activity in the space under its administration. This principle applies both to the institution as well as its Employees during performance of their professional duties.

c/ Contacts with local communities

Bank Millennium Group maintains open relations with local communities, engaging with them in dialogue, contributing to their life by actions in the realm of corporate social responsibility; it makes efforts to keep these relations on a partnership basis and in the process of business activity it strives to observe the principles of sustainable development.

Employees of Bank Millennium Group comply with legal regulations and ethical principles in contacts with representatives of local administration.



a/ Legal principles

Bank Millennium Group complies with regulations concerning environmental protection, as appropriate given its size and the nature of its activity.

b/ Protection of the natural environment

Bank Millennium Group's activity has limited environmental impact. Bank Millennium Group monitors this impact and undertakes actions to mitigate the negative environmental impact as appropriate given the nature and scale of the operation.



II. Instruments of controlling unethical behaviour and violations of the Code

a/ Procedure for reporting violations of the Code

Every Employee who reasonably suspects that a violation of the Code of Ethics has occurred, shall report this fact promptly to his superior or Head of the Compliance Department, without fear of negative consequences.

Bank Millennium Group guarantees anonymity and undertakes no actions whatsoever against someone who bona fide reports information concerning potential violations of regulations or who takes part in any investigation or procedure instituted, unless it transpires that such information was deliberately false.

b/ Whistleblowing policy

Bank Millennium Group encourages contacting the Compliance Department with the purpose of asking questions and reporting any suspicions (whistleblowing) of violation of the Code of Ethics. Questions and issues should be sent to the e-mail address:

* **ZGLOS NIEPRAWIDLOWOSC.** All reported violations shall be examined promptly.

c/ Help Line

Bank Millennium Group has a special help line, which can be called to report violations of ethical principles in the Bank. Every such report is analysed and an inquiry into it is undertaken. Following identification of the problem remedial actions are undertaken, in order for the event not to occur in the future. Disciplinary measures may be applied if a violation of principles of business ethics is proved.

To report by phone a violation of ethical principles it is necessary to call the Head of the Compliance Department.

d/ Responsibility of the functional cell

Compliance with the Code of Ethics as well as all regulations and bylaws as well as more detailed recommendations, contained in Bank Millennium Group's instructions, is monitored by the Compliance Department. The Compliance Department reports directly to the Chairman of the Management Board of the Bank as regards establishing, implementing and enforcing the Code of Ethics and similar programmes.

12. Method of dissemination of the Code and of ethical behaviour

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The Code of Ethics is available in the Internet at: www.bankmillennium.pl and in the Intranet, in the Milleteka service. The “Code of Ethics” e-learning training is meant for all Employees of Bank Millennium Group.



13. Rules of acceptance of the Code

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Newly recruited Employees are required to read the Code and sign a statement of familiarity with its principles and their use.

Each of the Employees being recruited is moreover required, by completing the "Code of Ethics" e-learning training, to read the Code, to confirm familiarity with it and to follow the rules contained in the Code in daily work.



Ethical lobbying – having an effect on decisions, taken by public authorities, based on the law and ethical standards, such as i.a.: maximising good and minimising damage (detriment), allowing others to make their own choices, ensuring a fair distribution of benefits and charges, observing human rights.

Business ethics – a manner of conducting business activity by a company in an honest way, responsible for each action and expressing respect in every business situation. It also involves consistency in observing ethics and norms binding in the company as well as involving all employees in ethical activities.

Conflict of interests – circumstances, which may lead to a state of contradiction between the interests of the company, a person associated with the company and the obligation of the company to act with integrity and in consideration of the Customer's interests best understood, as well as circumstances, which may lead to a contradiction between the interests of several Customers of the company.

Whistleblowing – a system whereby employees inform their superiors or persons responsible for compliance with rules of ethical conduct in a company about irregularities, dishonest conduct or violating of the law within the organisation.