

# BOSTON PRIVATE

WEALTH ▫ TRUST ▫ PRIVATE BANKING

## SUMMARY OF SELECT POLICIES RELATING TO ENVIRONMENTAL, SOCIAL, AND GOVERNANCE MATTERS

### Anti-Bribery and Anti-Corruption

It is the policy of Boston Private Financial Holdings, Inc. (“Boston Private”), Boston Private Bank & Trust Company and its subsidiaries, in accordance with the federal Bank Bribery Act, that, subject to certain limited exceptions, no Bank officer or employee may either:

- solicit for themselves or for a third party anything of value from any person or organization in return for any Boston Private business, service, or confidential information; or
- accept anything of value (other than bona fide compensation) from any person or organization in connection with Boston Private business, either before or after a transaction is discussed or consummated.

Employees are also prohibited from accepting a series of payments or things of value that by their pattern and/or intent are designed to evade, or have the effect of evading the anti-bribery policy.

Employees are permitted to accept:

- gifts, gratuities, amenities or favors based on obvious family or personal relationships where the circumstances make it clear that those relationships, rather than the business of Boston Private, are the motivating factors;
- gifts of reasonable value that are related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement, holiday or birthday;
- awards of reasonable value in recognition of service and accomplishment from civic, charitable, educational, or religious organizations; and
- meals, refreshment, entertainment, accommodations or travel arrangements, so long as they are of reasonable value and offered in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations; and provided that the expense would be paid for by Boston Private as a reasonable business expense if not paid for by another party.

All employees receive training on Boston Private’s anti-bribery policy in new hire orientation. The anti-bribery policy is part of the company’s Code of Conduct and Ethics, administered by the Compliance Office in the Office of General Counsel, and is approved by its Board of Directors.

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## **Use of Corporate Funds for Political Purposes**

It is the policy of Boston Private that employees may not offer or give anything of substantial value to public officials to influence an official action or influence that public official in the performance of his or her official duties. No proof of corrupt intent is needed to establish a violation of this policy; the mere providing of gratuities (entertainment, lodging, gifts, etc.) of substantial value is construed as seeking the goodwill and/or influence of the public official. Substantial value is defined as a gratuity which exceeds \$50 or a series of gratuities which in the aggregate exceeds \$50.

It is also unlawful for a bank to make any political contributions, and also unlawful for employees to make, consent or promise to make any such contribution on behalf of a bank, directly or indirectly. Also, employees in a policy making function at Boston Private Wealth LLC, along with their spouse and agents, are strictly prohibited from making contributions as individuals. Employees are encouraged to keep themselves well informed concerning political issues and candidates and to take an active interest in such matters, however, in all such cases Boston Private personnel who participate in political activities do so as individuals, and not as representatives of Boston Private. To avoid any appearance of sponsorship or endorsement of political matters by Boston Private, none of the organization's corporate names, trademarks or addresses may be used in mailed material or fund collection, nor may Boston Private be identified in any advertisement or literature.

Any knowledge or reasonable suspicion that Boston Private or any of its directors, officers or employees had made any prohibited political contributions or conducted any prohibited political activities must be brought to the attention of the General Counsel or the General Auditor of the firm.

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## **Anti Money Laundering (AML)**

It is the policy of Boston Private to prevent persons or enterprises from using its financial facilities to launder money, support terrorism or engage in any other illegal activities; further, it is the company's policy not to do business with individuals or organizations suspected of such activities. This policy is a fundamental part of the company's overall enterprise-wide compliance and risk management program and a cornerstone of its commitment to maintaining and enhancing its reputation as a highly ethical and law-abiding financial institution. Boston Private has adopted a Bank Secrecy Act/Anti-Money Laundering Policy and Program to implement its efforts to prevent clients of the bank from using products and services to commit abuses of the financial system. The Program is intended to comply with the letter and the spirit of the Bank Secrecy Act, as amended by the USA PATRIOT Act, the regulations of the Office of Foreign Assets Control of the US Department of the Treasury, and all other applicable laws and regulations relating to combating money laundering and terrorist activities. All employees of the company are responsible for adhering to this policy. Non-compliance, whether through intentional non-compliance, willful blindness or negligence, by employees is subject to disciplinary measures including possible termination.

One of the most effective ways of deterring and identifying criminal activity is by taking reasonable steps to "Know Your Customer" ("KYC") when a relationship is established. Boston Private takes affirmative steps to know its clients and the kinds of activities in which Boston Private would reasonably expect them to engage, in order to understand and recognize unusual, suspicious and possibly illegal activity. Boston Private is responsible for ensuring procedures are in place to ensure that appropriate KYC information for each client and account is captured. A cornerstone of Boston Private's KYC program is its Customer Identification Program ("CIP"), which requires it to obtain identification and supporting information in order to establish and verify clients' identities. This program has been designed to comply with requirements of the USA PATRIOT Act, and applies to every formal banking relationship where Boston Private provides financial products or services. It applies to both individuals and entities such as corporations, partnerships, and associations and enables the firm to demonstrate that it reasonably believes it knows the identities of the persons and organizations with which it conducts business.

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## Data Security Risks

Boston Private's Information Security Program ("ISP") is comprised of a mix of administrative, technical, operational and physical safeguards that manage the full life cycle of all information assets including client information. The program is designed in accordance with industry best practice and regulatory and state requirements. Boston Private's ISP is designed to reduce strategic, operational, financial, reputational and cyber risks to the enterprise. The program incorporates the principles of least privilege and separation of duties across people, process and technology where available, applicable and appropriate, and operates on the core Information Security objectives of:

- **AVAILABILITY** – Protects against intentional or accidental attempts to deny legitimate users access to information or systems.
- **INTEGRITY OF DATA OR SYSTEMS** – Focuses on the unauthorized altering or manipulation of information or systems that will compromise accuracy, completeness, and reliability.
- **CONFIDENTIALITY OF DATA OR SYSTEMS** – Protects the information of customers and the enterprise against unauthorized access or use.
- **ACCOUNTABILITY** – Traces actions to their source and supports non-repudiation, deterrence, intrusion prevention, security monitoring, recovery, and legal admissibility of records.
- **ASSURANCE** – Addresses the processes, policies, and controls used to develop confidence that technical and operational security measures work as intended. Assurance levels are part of the system design and include availability, integrity, confidentiality, and accountability. Assurance highlights the notion that secure systems provide the intended functionality while preventing undesired actions.

### INFORMATION SECURITY, RISK MANAGEMENT & GOVERNANCE

Boston Private's ISP is governed by a set of structures, policies, procedures, processes and controls that manage information assets at the enterprise level. The Risk Management Committee of the Board of Directors provides oversight of the ISP and approves the Program on an annual basis. Enhancements or adjustments are made to the ISP as deemed necessary due to changes in the business, technology, or threat landscape as well as the results of ongoing security risk assessments or security audits / examinations.

### INFORMATION SECURITY CONTROLS

Boston Private's ISP employs administrative, operational, technical and physical controls appropriate to the size, scope and complexity of an asset to protect the enterprise's information, users, systems, applications, networks, user interactions, communications, and technical interactions.

Technical controls (also known as logical controls) use software, processes, and technical tools to protect, detect, respond, and control access to information and information system assets. Physical controls monitor and control the environment of the work place and computing facilities. They also monitor and control access to and from such facilities. Some administrative controls are administrative actions, such as policies and procedures, which are designed to manage the selection, development, implementation, and maintenance of security measures to protect information assets.

Operational controls are active processes and programs that integrate administrative and technical components to secure the information systems and assets within the environment. The ISP's controls strategy integrates people, technology and operational capabilities to provide multiple layers and dimensions across the enterprise known as defense in depth.

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## **Freedom from Harassment and Discrimination**

Boston Private is committed to treating its employees with dignity and respect, which includes a commitment to provide a working environment that is free from harassment and discrimination on account of race, ethnicity, creed, ancestry, color, national origin, religion, age, sex, gender, gender identity, gender expression, marital status, sexual orientation, military or veteran status, application for military status, pregnancy, family and medical leave status, genetic information, the pursuit of workers' compensation benefits, medical condition, mental or physical disability, or any other category protected by federal or state law will not be tolerated.

To reinforce this commitment to a harassment and discrimination-free working environment, the company has adopted, and its Board of Directors has approved, a policy against harassment and discrimination and a reporting procedure for employees who have been subjected to or witnessed such behaviors. This policy applies to all work-related settings and activities, whether inside or outside the workplace, and includes business trips and business-related social events. Company property and covers other individuals who have a relationship with the company that enables the company to exercise control over the individual's conduct in places and activities that relate to the company's work (e.g., directors, officers, contractors, vendors, customers, etc.).

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