



Financial and Ethics Concerns Policy

Owner(s): Internal Audit

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**WEBSTER FINANCIAL CORPORATION
WEBSTER BANK, N.A.
AND
THEIR SUBSIDIARIES AND AFFILIATES
(Collectively Webster)**

I. Policy Governance

Policy Statement

Webster Financial Corporation (together with Webster Bank and its subsidiaries and affiliates, hereafter collectively referred as the “Bank”) is committed to achieving compliance with all applicable securities laws and regulations, accounting standards and audit practices. The Audit Committee of the Board of Directors has established the Financial and Ethics Concerns Policy to encourage and enable prompt reporting good faith complaints or concerns regarding potential or actual violations of applicable laws, regulations or Bank policy, including without limitation, the Bank’s Code of Ethics/Business Conduct.

Purpose

The purpose of this policy is to enable any Bank officer, employee, or any of its vendors, contractors, customers, shareholders or any other person with direct knowledge about the Bank to report in good faith, without fear of retaliation, a suspected violation of any state, federal law or regulation regarding financial statement disclosures, accounting, auditing matters, fraud or violations of Webster’s Code of Business Conduct & Ethics.

Scope

Reportable concerns and complaints about Bank’s accounting, internal accounting controls, or auditing matters, including without limitation, the following (collectively “Complaints”):

- Fraud or error in the preparation, evaluation, review or audit of any financial statement;
- Fraud or error in the recordkeeping and maintaining of financial records;
- Deficiencies in or noncompliance with internal accounting controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports, or audit reports;
- Any deviation from full and fair reporting of financial condition and/or results of operations;
- Money laundering or terrorist financing;
- Market abuse;
- Breach of client confidentiality or privacy;
- Theft;
- Bribery or corruption;
- Improper sales practices.

Responsibility

This policy is drafted by Internal Audit and Legal and reviewed and approved annually by the Audit Committee and the Board of Directors. All Webster lines of business are subject to this policy.

Internal Audit is responsible for creating, maintaining, and training staff on procedures needed to implement this policy. Internal Audit will review the workflow, policy and procedures annually or as needed. In addition, an annual policy notification is provided to employees through corporate communication.

Policy Exceptions

Not Applicable

Controls

Internal Audit is responsible for contracting with Navex, the third-party service provider and the oversight related to reporting Navex's Alert Line complaints, their escalation, investigation, and reporting to the Audit Committee.

Related Documents

Complaints relating to harassment or discrimination should be submitted in accordance with the Bank's Policy against Unlawful Harassment. These policies are set forth in the Bank's Human Resources Policy Manual provided to each employee.

Revision History

Author	Revision Driver	Changes made	Date
Debra Dunne	Transition policy to corporate template	Integrated policy into corporate template	12/15/19
Kara Williams	Annual review of policy	Minor clarification of CAE title and reference to appendices	2/22/21

II. Content

Any Bank officer, employee, or any of its vendors, contractors, customers, shareholders or any other person with direct knowledge about the Bank who have concerns outlined by these procedures may contact the Chair of the Audit Committee or the Committee's designated alternative director through a third party vendor supported Financial and Ethics Concerns Alert Line available 24/7 by telephone and on the Web predicated on confidentiality and anonymity. The Bank will be responsible for at least annually publishing the telephone number and Website in its regular communications to all employees, and will have such information posted on its internal and external websites.

All reported concerns are thoroughly and promptly investigated and documented under the direction and oversight of the Audit Committee. See Appendix A for the Financial and Ethics Concerns Reporting Process and Appendix B for the Financial and Ethics Concerns Workflow. Appropriate corrective action will be taken as warranted in the judgment of the Audit Committee. In performing its duties and responsibilities, the Committee and/or its Chair may rely on the Bank's Chief Audit Executive (also known as General Auditor), General Counsel, independent accountants, independent counsel, or such other persons whom the Committee reasonably believes to be reliable and competent in the matters presented. As determined by the Committee, the Corporation shall provide appropriate funding for payment of compensation to any outside advisor.

A complete and periodic report will be made to the Audit Committee at its regularly scheduled meeting by the Chair or a designee of the Chair listing any complaints received and the results of any investigation conducted to resolve such complaints.

As determined by the Committee, and/or at the direction of the Chief Audit Executive, General Counsel, or such other persons whom the Committee reasonably believes competent, a report will be made to

the company's external auditor and appropriate regulatory agencies documenting any known or suspected fraud upon completion of the investigation.

The Policy, which is reviewed and approved at least annually by the Audit Committee, has been developed to satisfy the Sarbanes-Oxley Act and the NYSE rules. The Chair of the Committee has responsibility to ensure that the Policy is properly administered specifically with regard to the receipt, retention, and treatment of complaints received and the proper resolution of such complaints.

The Financial and Ethics Concerns Policy will be communicated to employees on an annual basis and posted to Webster @ Work SharePoint site.

Employees who have concerns regarding ethical or other serious matters may also contact the Lead Director of the Board of Directors directly by sending a letter to a secure post office box, obtained specifically for that purpose. Contact may be made on an anonymous basis.

Contact Information

General Ethical Questions

Contact: Your Supervisor or Manager, Human Resources, General Counsel or Chief Audit Executive

Complaints/Concerns on Accounting and Audit Matters or Fraud

Contact: Webster Bank Financial and Ethics Concerns Matters Alert Line
Website: <https://websterbank.alertline.com>
Telephone Number: 866-654-7901

Serious Ethical Concerns

Contact: Lead Director of the Board of Directors
Webster Financial Corporation
P.O. Box 1986
Waterbury, CT 06722

Anonymous Access

While employees are encouraged to disclose their identity when reporting a concern, an employee may choose to report the concern anonymously.

Confidentiality

All concerns are submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Reporting of Issues

Employees are expected to report a concern in good faith. Any employee who has not acted in good faith by reporting an alleged concern under this policy, or who does not respect the confidentiality provisions of this policy may lose the rights and protections provided under this policy and may be subject to disciplinary action.

Protection from Retaliation

No board member, officer or employee shall be subjected to retaliation, intimidation, harassment, or other adverse action for reporting information in accordance with this Policy. Any person entitled to protection who believes that he or she is the subject of any form of retaliation should immediately report the violation to the Chief Human Resources Officer, General Counsel, or Chief Audit Executive or through the channels listed in the Contact Information. This protection does not extend to self-reported violations.

An employee who retaliates against an individual who filed a report in good faith is subject to discipline up to and including termination of employment.

Appendix A - Financial and Ethics Concerns Reporting Process

Navex Global utilizes Webster's decentralized Financial and Ethics Concerns reporting workflow to better differentiate between financial non-financial allegations. Based on instructions provided by Webster, Navex Global has implemented a multi-tiered priority, reporting and distribution process.

Reporting Process:

Navex Global is responsible for gathering data through either a live phone call or website submission. When a call is received via the Alert Line, a live agent will gather and assess the content, determine the reporting category and assign a priority. When a website allegation is submitted, the reporter will determine the reporting category and assign a priority. Distributions for both live phone calls and website submissions are as follows:

- A Financial Priority A (Urgent Risk) will result in four simultaneous phone calls and an email report sent to the Chief Audit Executive, the Internal Audit backup, Audit Committee Chair and the Audit Committee assigned backup.
- A Financial Priority B (Moderate Risk), a Financial Priority C (Low Risk) and website submissions will result in a detailed report being sent to the same four individuals via an email.
- An HR Priority A (Urgent Risk) will result in simultaneous phone calls to the Chief Audit Executive, the Internal Audit backup and the HR Executive.
- An HR Priority B (Moderate Risk), C (Low Risk) and website submissions will result in a detailed report being sent via an email to the same three individuals.

Handling Process:

Upon receipt of any Financial and Ethics Concerns Report, Internal Audit (IA) will complete an STM (Suspicious Transaction Memo) and send to the Financial Investigation Unit (FIU) for tracking purposes.

Financial Matters – Immediately upon receipt of a report regarding financial matters, the Chief Audit Executive will notify the General Counsel and the Chief Risk Officer. Based on the nature and complexity of the concern, additional contacts may be brought into the discussion, i.e., FIU, HR.

The Chief Audit Executive, General Counsel and any contacts will meet to discuss the best method to address the reported concerns and develop an action plan. Based on the complexity and severity of the allegation, this could result in one of the following:

- Multi-department investigation where individuals with the appropriate skill set are assigned to conduct the investigation which could involve interviews and data analysis.
- An Audit Department Special Project where individuals with the appropriate skill set are assigned to conduct the investigation.

As needed, status meetings are held with the Chief Audit Executive, General Counsel, FIU and a final resolution of the issue is reported to the Audit Committee. Once the investigation has been concluded, the case will be documented and closed in Navex Global's Case Management System.

Human Resources Matters –

Webster Bank – Immediately upon receipt of a report regarding HR matters, the HR Executive will review the report and, based on the complexity and severity of the allegation, assign individuals with the appropriate skill set to conduct an investigation. This usually involves a representative from HR and a representative from FIU. Once the case has been resolved, the designated HR Manager will note the conclusion and close the issue in Navex Global's Case Management System.

HSA Bank – Immediately upon receipt of a report regarding HSA HR matters, the HSA HR Manager will review the report and, based on the complexity and severity of the allegation, assign individuals with the appropriate skill set to conduct an investigation. Once the case has been resolved, the HR Manager will note the conclusion and close the issue in Navex Global's Case Management System.

Sales Practices Matters – Upon receipt of a financial and ethics concern or complaint, the concern/complaint will be assessed to determine whether it involves sales practices misconduct or excessive misuse of sales pressure. If deemed to be a sales practices matter, relevant information will be reported to the Banking Center Administration (BCA) for aggregation, analysis and reporting to the Sales Integrity Council in accordance with the Consumer Deposits Sales Practices Risk Management Policy. To preserve confidentiality, the level of detail reported to the BCA will be determined by Chief Audit Executive in consultation with the General Counsel.

Special Reviews:

Based on the complexity and severity of an allegation, IA may be requested by the Audit Committee Chair or Executive Management to perform a more in-depth review relating to a Financial and Ethics Concerns complaint. A summary of IA's detailed procedures, results, conclusions and recommendations are documented and reported to the Audit Committee, with a limited distribution to management, as appropriate.

Report Tracking:

The Financial and Ethics Concerns Excel file is maintained for analysis and tracking of all reports received directly (Alert Line) or indirect channel (PO Box).

Alert Line Channel:

All Alert Line or website report submissions received through Navex Global are permanently stored in the case management database provided by Navex and reports can be generated as needed. The following data is stored in the file: Case #, Date Report Initiated, STM Filed, Year, Location Name, Classification, Category, Priority, Issue Summary and Disposition.

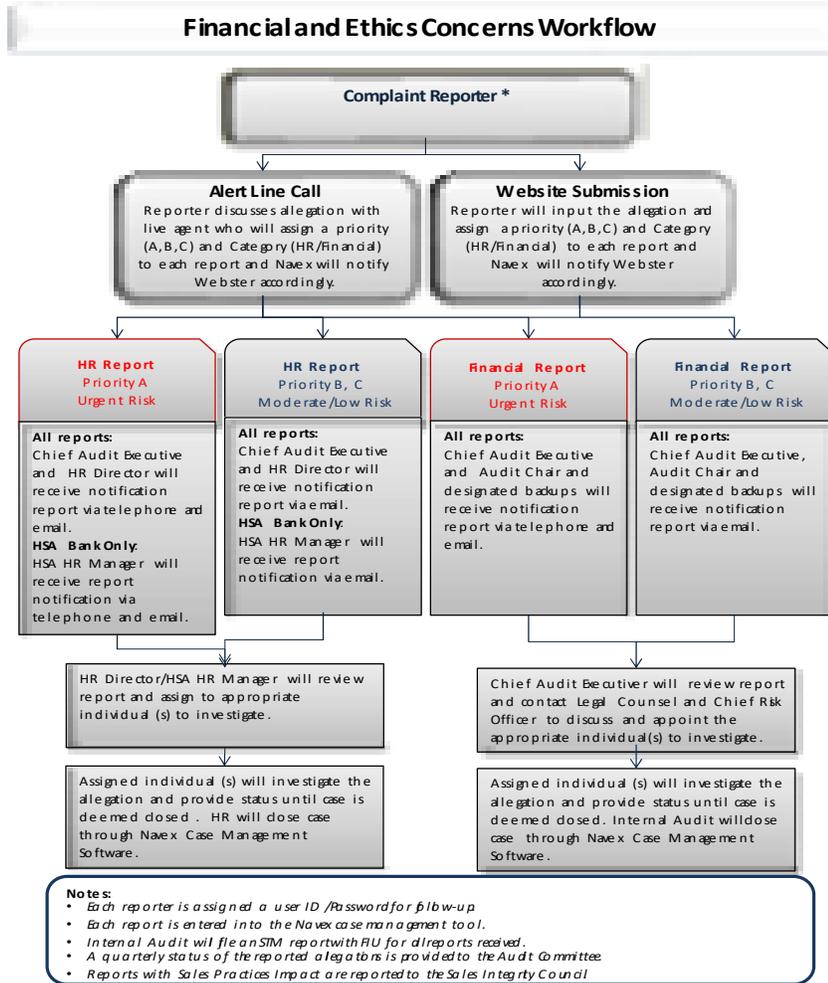
Indirect Channel:

As new reports are received from other channels (anonymous letters, Lead Director P.O. Box, etc.) the details are added to an Excel based database. The following information is maintained in the file: Date Report Initiated, Source, Topic, Issue Summary, and Disposition. Indirect channel reports will follow the reporting process noted above, including communication to the Audit Committee for Financial concerns.

Reporting to the Audit Committee:

Reports received and statuses of any ongoing investigations are reported by the Chief Audit Executive to the Audit Committee on a quarterly basis. Annually, an aggregate report is prepared and reviewed by the Audit Committee as part of the annual review and approval of the Financial and Ethics Concerns Policy.

Appendix B



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