



Business Conduct and Ethics Policy



Effective September 2026

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Effective: 09/24/2026

01 Purpose

Each of the Boards of Directors (the “Board”) and management of Happen Bank, National Association (“Happen Bank” or “the Bank”) and Happen, Inc.(the “Company”) are committed to establishing and maintaining a program that promotes a strong, proactive culture of risk management, and safe and sound business practices (the “Purpose”). In this Policy, the term “Happen” refers to either or both the Bank and the Company, and their direct and indirect subsidiaries, as applicable. In furtherance of the Purpose, Happen has adopted this Business Conduct and Ethics Policy to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest;
- Promote full, fair, accurate, timely and clear disclosure in reports and documents that Happen files with, or submits to, regulators or other authorities with jurisdiction over Happen, and in other public communications made by Happen or its affiliates;
- Promote compliance with applicable laws, rules and regulations;
- Promote the protection of Happen assets, including corporate opportunities and confidential information;
- Promote fair dealing practices;
- Deter wrongdoing by Happen or its associates including without limitation any conduct that results in impermissible actual or perceived conflict of interest, directly or indirectly, with those of Happen; and
- Promote adherence to Happen’s Employee Handbook or any other Company policy or standard that supports part or all of this policy.

02 Scope

This policy applies to all Happen directors, officers, and employees (individually, or collectively, “associates”), and authorized third-party representatives of Happen. This policy also covers pre-employment screening, and the tools, systems and assets that associates and authorized third-party representatives may access and utilize in the course and scope of their respective engagement(s).

This policy is intended to supplement but not replace existing company policies and procedures. From time to time, Happen may create, adopt, modify, or update policies and procedures to implement or support this policy as well as other, related or unrelated, policies or procedures.

2.1 Pre-Employment Screening

Happen will not employ individuals whose criminal history does not meet Happen's standards, which includes compliance with applicable legal and financial industry rules. As such, prior to commencing employment (and periodically during employment), associates are subject to background checks appropriate for their level of access, authority, and exposure to sensitive financial or customer information.

Authorized third-party representatives are subject to background screening procedures commensurate with those applied to Happen associates in comparable roles.

Unless prohibited by law, associates are required to promptly inform the People Success department ("People Success") of any criminal arrest, charge, or conviction arising during employment, except for minor traffic violations (e.g., speeding, failure to yield). Failure to disclose may result in disciplinary action up to and including termination. See Happen's Background Check Policy for additional details.

2.2 Tools & Technologies

All persons covered by this policy are responsible for using the tools, technologies and resources available to them in accordance with Happen's policies, procedures, guidelines and values and ensuring the quality and accuracy of outcomes. Misuse can lead to reputational harm, regulatory risk, and erosion of trust. Responsible use helps protect Happen's customers, upholds our values, and drives responsible growth.

03 Policy Statement

Happen is a publicly traded financial institution subject to supervision by federal regulators. Happen operates an online marketplace bank that relies on gaining and keeping the trust of consumer and commercial customers, depositors, investors, borrowers, and other important stakeholders. This policy helps identify common ethical issues and provides a framework to speak up when in doubt. Acting ethically will help us become a better company for our associates and customers, a better commercial partner for other companies, and a better corporate citizen.

Legal and regulatory compliance is the minimum standard of conduct, and our success relies upon Happen associates and authorized third-party representatives performing their duties in compliance with applicable laws and Happen policies, standards, and procedures.

As such, all associates and authorized third-party representatives are expected to: (i) familiarize themselves and adhere to Happen's standards of business conduct and ethics; (ii) understand the legal and regulatory requirements that apply to Happen's business and to their specific area of responsibility; (iii) recognize situations that require them to consult with others to determine the appropriate course of action; and (iv) adhere to the guidance and principles of this policy (and other policies referenced within this policy) in the performance of their job duties and/or when acting on behalf of Happen.

Additionally, directors and officers are responsible and accountable for establishing an appropriate “tone at the top” to foster a culture of compliance and ethical conduct within Happen, and for addressing non-compliance when it arises.

04 Administration

Happen’s employment counsel (the “Responsible Owner”) is responsible for the administration of this Policy. The Responsible Owner must review and update this Policy at least annually, considering process changes, regulatory developments and industry trends. The Policy is reviewed by the Legal Department at least annually (once per calendar year). The Board, or its designated committee, can update this policy as it deems appropriate, and is responsible for final approval.

05 Definitions

Business conduct: The behavior of an associate, as expressed in communications, actions, reactions, or inactions in their capacity as an associate of Happen, or representing Happen in any form to any outside entity or individual(s).

Ethics: The principles that govern the behavior of an associate, above and beyond legal and regulatory minimum standards, when confronted with ambiguity or choices that raise questions of fairness or apparently conflicting interests or values.

Family member: Any spouse, registered domestic partner, child, step-child, parent, step-parent, grandparent, grandchild, brother, sister, half-brother, half-sister, step-brother, step-sister, aunt, uncle, niece, nephew, parent-in-law, daughter-in-law, son-in-law, brother-in-law and sister-in-law, including any of the foregoing due to an adoptive relationship.

Close personal relationship: Romantic relationship, roommate or other co-habitant, or a formal guardianship arrangement not listed under Family member above.

Close business relationship: Business relationship, outside of Happen, in which the associate, a family member and/or close personal relationship is involved, that may result in an actual or perceived conflict of interest, directly or indirectly, with those of Happen.

Senior Financial Employees: All director level or above employees in the finance department or internal audit department, and any VP level or above employee whose roles and responsibilities provide access to financial performance of Happen that would constitute Material Non-Public Information (as defined in the Company’s Insider Trading Policy).

06 Policy Requirements

6.1. International Business Laws; Embargoes; Export Controls and Anti-Boycott Compliance

Your position may require you to travel outside the United States on behalf of Happen. You are expected to comply with all applicable laws wherever you travel on Happen business, including laws prohibiting bribery, corruption, other financial crimes, or the conduct of business with specified individuals, entities, or countries. We also expect you to continue to comply with U.S. laws, rules, and regulations governing the conduct of business by U.S. citizens and corporations outside of the U.S.

- **U.S. embargoes** - restricts or, in some cases, prohibits U.S. persons, corporations and, in some cases, foreign subsidiaries from doing business with certain countries, entities, or individuals.
Export controls (including tariffs) - restricts travel to designated countries or prohibits or restricts the export of goods, services, and technology from the United States to designated countries, identified persons or entities, or the re-export of U.S.-origin goods, including technology, from the country of original destination to such designated countries or identified companies or entities.
- **Anti-boycott compliance** - prohibits U.S. companies from taking any action that has the effect of furthering any unsanctioned boycott of a country friendly to the United States.
- **Financial Crimes** – Happen has specific policies governing financial crimes including but not limited to bribery, corruption, fraud and money laundering.

If you have questions as to whether an activity is restricted or prohibited, contact the Owners of this Policy or Chief Risk Officer or their designees before taking any action.

6.2. Conflicts of Interest

A conflict of interest occurs when an individual's personal interest (or the interest of a member of their family) interferes, or even appears to interfere, with the interests of Happen as a whole. A conflict of interest can arise when you (or a family member, or someone with whom you have a close personal relationship or close business relationship) take actions or have interests that adversely affects or may reasonably be expected to adversely affect your work for Happen. Conflicts of interest also arise when you (or a family member, or someone with whom you have a close personal relationship or close business relationship) receive benefits because of your position with Happen.

You must avoid situations where loyalties may be or appear to be divided between Happen's interests and your own interests. You should also seek to avoid the appearance of a conflict of interest. If you are considering engaging in a transaction or activity that would reasonably present a conflict of interest or the appearance of a conflict of interest, you must disclose the matter to the Responsible Owner, so that, if appropriate, the Responsible Owner has sufficient time to review and approve your engagement in that

transaction or activity. Identifying conflicts of interest is often a matter of applying common sense and judgment—if you have trouble determining whether there is a conflict, disclose the issue.

In evaluating whether an actual or contemplated activity may involve a conflict of interest, consider all of the following:

- Whether the activity would appear improper to an outsider
- Whether the activity does or could appear to interfere with your own job performance or that of another Happen employee
- Whether you have access to confidential company information or influence over significant company resources or decisions
- The potential impact of the activity on Happen's business relationships (or potential relationships), including but not limited to such relationships with borrowers, depositors, customers, investors, partners, vendors, and service providers
- The extent to which the activity could benefit you or your relative, directly or indirectly
- Whether the activity requires a choice between two competing interests, values or principles.

A few examples of activities and entities or individuals that could involve conflicts of interests include (Note: these examples are not meant to be exhaustive; questions should be directed to the Responsible Owner):

- **Aiding Happen's competitors.** Aiding Happen's competitors can include, without limitation, passing confidential company information to a competitor or accepting payments or other benefits from a competitor.
- **Involvement in any company that does business with Happen or seeks to do business with Happen.** Employment by (including consulting or contracting with) or service on the board of a borrower, depositor, customer, investor, vendor, partner, or service provider is generally discouraged, and you must seek approval in advance from the Responsible Owner if you are considering such a relationship.
- **Owning a significant financial interest in a competitor or a company that does business with Happen or seeks to do business with us.** In evaluating whether these interests (directly or indirectly) pose a conflict, Happen will consider:
 - The size and nature of the interest
 - The nature of Happen's relationship with the other entity or individual
 - Whether you have access to confidential information of Happen
 - Whether you have an ability to influence Happen decisions that would affect the other entity or individual

If you have or want to acquire a significant financial interest in a competitor, or if you have direct or indirect business dealings (with approval responsibilities) with a current or prospective (if

known to you) borrower, depositor, customer, investor, vendor, partner, or service provider, you must disclose it to or first consult with the Responsible Owner. Similarly, if you experience a change of position or seniority that results in direct or indirect business dealings with a borrower, depositor, customer, investor, vendor, partner, or service provider in which you already had a significant financial interest, you must disclose it to and consult with the Responsible Owner. In such a situation, it is likely that you will be recused from Happen's discussions, or negotiations with the party, and from any consideration of the merits of any proposed transaction or ongoing management of the relationship with the party.

- **Having authority on behalf of Happen over a co-worker who is also a family member or a close personal relationship, or transacting business on behalf of Happen with a family member, close personal relationship or close business relationship.** If you are involved in such a situation, you must inform the Responsible Owner to assess the situation and find an appropriate resolution.

You must avoid these situations (and others like them), whenever your loyalty to Happen, or Happen's ability to operate consistently with this policy, could be compromised. If you believe you are involved in a potential conflict of interest, you must inform the Responsible Owner to assess the situation. Additionally, if the Company becomes aware of a situation as described herein, and the Owner contacts you to discuss, you must cooperate with that inquiry.

Directors must also avoid conflicts of interest in carrying out their Board obligations. If you are a director and encounter a conflict, notify the General Counsel, the Chair of the Board, and/or the Chief Executive Officer and take steps to address it, which may include recusing yourself from Board discussions and/or decisions.

To be clear, neither your manager nor a People Success Business Partner are authorized to approve conflict of interest matters or make determinations as to whether a problematic conflict of interest exists. While you may, and are encouraged to seek out their guidance, you can only receive approval from the Responsible Owner.

6.2.1. Gifts and Entertainment

Building strong relationships with borrowers, depositors, customers, investors, vendors, partners, and service providers is essential to Happen's business. Socializing with borrowers, depositors, customers, investors, vendors, partners, and service providers may help build those relationships. However, you should exercise good judgment in providing or accepting business meals and entertainment or inexpensive gifts, so that all such conduct is consistent with customary and prudent business practices and will not impair or be perceived to impair your ability to perform your job obligations impartially.

While individual circumstances differ, the overriding principle concerning gifts and entertainment is not to give or accept anything of value that could be perceived as creating an obligation on the part of the recipient (whether a company director or employee, borrower, depositor, customer, investor, partner, or

service provider) to act other than in the best interests of their employer or otherwise to taint the objectivity of the individual's involvement.

Refer to "Gifts and Gratuities" in the Employee Handbook for information about rules for gifts and entertainment.

These principles apply to transactions everywhere in the world, even if they conflict with local custom. Under some statutes, such as the United States Foreign Corrupt Practices Act (see the Foreign Corrupt Practices Act policy), giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act subject to prosecution and conviction.

The Bank Bribery Act

Consistent with the Bank Bribery Act (18 U.S.C. § 215), no associate, officer, director, agent, or attorney of Happen or any of its affiliates may:

1. **Solicit** for themselves or for any third party (other than Happen itself) anything of value from any person, in return for any business, service, or confidential information of Happen Bank; or
2. **Accept** anything of value (other than bona fide salary, wages, and fees) from any person in connection with the business of Happen Bank, either before or after a transaction is discussed or consummated.

Violations of 18 U.S.C. § 215 constitute a federal felony and may result in criminal prosecution of both the giver and the recipient. These prohibitions apply to all transactions — not only loan transactions — and include dealings with suppliers, professional advisors, and any person with whom Happen conducts business. Associates with questions about whether a specific situation implicates these prohibitions must consult the Responsible Owner or the Legal Department before proceeding.

Relations with Government Employees

The U.S. government has various regulations prohibiting government personnel from accepting entertainment, gifts, gratuities or other business courtesies that may be acceptable in the private commercial sector. You may have to interact with governmental employees, and you must understand and comply with the letter and intent of such regulations. If you want to offer or give anything of value to a government employee, you must consult with the Responsible Owner for guidance prior to doing so.

Accepting Things of Value

Complying with the Bank Bribery Act safeguards Happen from undue influence of bribery and personal favors. Notably, you may not accept a business opportunity unavailable to other persons or that is made available due to your position with Happen by trading on your position with Happen or by accepting it from a person doing business with Happen.

However, the Bank Bribery Act does not prohibit the acceptance of tangible items of value and/or intangible benefits (collectively "Covered Items") under all circumstances. Examples of tangible items of

value include, but are not limited to gifts, meals, services and entertainment (e.g. conference or event passes, tournament entrance fees, and/or concert or sporting event tickets). Examples of intangible benefits include, but are not limited to favors, appointments to positions (i.e. board, government, diplomatic) and preferential treatment.

Specifically, associates may accept Covered Items from non-Happen persons under the following circumstances.

- *Family or personal relationships.* Acceptance of gifts, meals, gratuities, amenities, or favors based on an obvious family or personal relationship. The circumstances should make it clear that the relationship, rather than associate's affiliation or business with Happen, is the motivating factor. A simple rule of thumb on this point is to ask whether the item would have been offered to the associate in the same amount and under the same circumstances if the associate were not affiliated with Happen or any other financial institution.
- *Business-related entertainment subject to conditions and value limit.* Acceptance of meals, refreshments, travel arrangements, accommodations, or entertainment (e.g. conference attendance, event passes, tournament entrance fees, and/or tickets) of reasonable value in the course of a meeting or other occasion provided that: (1) the meeting or occasion is for a bona fide business discussion or part of an effort to foster better business relations; (2) the expense is of a nature and amount that Happen itself would have paid as a reasonable business expense if it were not being paid by the other party; and (3) the fair market value of items received by the associate from a particular person or organization under this exception is consistent with what is set forth in the Employee Handbook.
- *Common event-related gifts subject to value limit.* Acceptance of gifts of reasonable value related to commonly recognized events or occasions, such as (for example): a promotion, new job, wedding, retirement, Christmas or Bar Mitzvah, provided that the fair market value of items received by the associate from a particular person or organization under this exception is consistent with what is set forth in the Employee Handbook.
- *Promotional items of de minimis value.* Acceptance of advertising or promotional material of reasonable and de minimis value, such as pens, pencils, note pads, key chains, calendars and similar items.
- *Civic awards.* Acceptance of non-monetary civic, charitable, educational, or religious organizational awards for recognition of the associate's service and accomplishment.

Notwithstanding anything to the contrary in this policy, the receipt or acceptance of any Covered Items are otherwise subject to all terms or restrictions in the Employee Handbook.

If you have any questions regarding accepting anything of value, including whether the item(s) exceeds Happen's thresholds, you must contact the Responsible Owner. In addition to providing a written decision and/or guidance regarding accepting anything of value, the Owners of this policy may review requests that exceed acceptance thresholds and approve an exception, case-by-case basis.

6.2.2. Corporate Opportunities

You cannot compete with Happen or take personal advantage of business opportunities that Happen might want to pursue. You are prohibited from taking opportunities that personally benefit you (or your friends or family members or close personal relationships) using Happen resources (e.g. Happen property, information or position).

If you are interested in using Happen's resources or in pursuing an opportunity that you discovered through your position with Happen, consult with the Responsible Owner to determine the appropriate course of action. Even opportunities that are acquired through independent sources may be questionable if they are related to our existing or proposed lines of business.

If you are making plans to work on a "side project" that could be related to Happen's business, you must contact the Responsible Owner to determine what types of work could be considered Happen intellectual property under your Proprietary Information and Intellectual Property Agreement with Happen. For example, a Happen engineer may need to get approval before working on a financial services application. In any instance, including approved "side projects," your performance expectations (including attendance and working hours) with Happen shall not be altered or lessened.

6.2.3. Employee Loans

Loans to you or your family members or those with whom you have a close personal relationship or a close business relationship by or through Happen, or guarantees of your loan obligations, could constitute an improper personal benefit to the recipients. Accordingly, Happen will not make loans to or facilitate loans for, or provide guarantees for employees, officers and directors.

If applicants for employment have borrowed through the platform, they must disclose that information as soon as possible, but no later than their first day of employment to the People Success Team (which could include a recruiter), which is responsible for consulting with the Responsible Owner, as appropriate. Happen employees are not allowed to perform servicing transactions on their own account including, but not limited to, inquiries, adjustments, credits, waivers, etc. Doing so may result in disciplinary action, up to and including termination. Further information on employee participation and use of Happen's product offerings is provided in the Employee Handbook.

6.2.4. Related-Party Transactions

A related-party transaction is a transaction, arrangement, or relationship (or any series of transactions, arrangements, or relationships): (i) between Happen, or any of its affiliates, and a related party, in which the aggregate amount of direct or indirect interest will or may be expected to exceed \$120,000 in any fiscal year, or (ii) between an executive officer or director of Happen and an ecosystem partner or Happen vendor, in which the aggregate amount of direct or indirect interest will or may be expected to exceed \$120,000 in any fiscal year.

Happen has adopted certain procedures and limitations with respect to related-party transactions. For more information, see the Related Party Transactions Policy.

6.3. Insider Trading

As an associate, you are prohibited from using “inside” or material nonpublic information about Happen, Inc. (Happen’s publicly traded parent company) when buying, selling or gifting Happen Inc.’s securities, including “tipping” others who might make an investment decision on the basis of this information. Further, if in the context of your service to Happen, you come into possession of inside information about a Happen business partner, then you are prohibited from engaging in transactions in such business partner’s securities or “tipping” another person with respect to such securities.

You must exercise the utmost care when in possession of material nonpublic information. Trading or tipping while in possession of material nonpublic information is illegal and may result in severe civil penalties and/or criminal prosecution; and it is a violation of this policy and other company policies (see Insider Trading Policy).

Happen, Inc.’s Insider Trading Policy provides additional guidance.

6.4. Competition and Fair Dealing

Happen strives to compete vigorously and to gain advantages over its competitors through superior business performance, not through unethical or illegal business practices. Likewise, you must deal fairly and ethically with our borrowers, depositors, customers, shareholders, partners, service providers, vendors, competitors, employees, and anyone else with whom you have contact in the course of performing your job. You cannot take unfair advantage of anyone by manipulating, concealing, or abusing privileged information, misrepresenting information, omitting facts that might be important to the decision at hand, or any other unfair dealing.

6.4.1. Antitrust Laws

Antitrust laws are designed to protect borrowers, depositors, customers, investors, and the competitive process. These laws generally prohibit us from establishing:

- Price-fixing arrangements with competitors
- Arrangements to share pricing information or other competitive marketing information, or to allocate markets, borrowers, depositors, customers, or investors, with competitors
- Agreements with competitors, borrowers, depositors, customers, or investors to boycott particular service providers, borrowers, depositors, customers, investors or competitors
- Monopoly or attempted monopoly through anti-competitive conduct.

Certain kinds of information, such as interest rate pricing, default rates, risk management procedures, and internal processes, should never be exchanged with competitors, regardless of how innocent or casual the exchange may be (e.g., at a social or industry event), because even where no formal arrangement exists, merely exchanging this information can create the appearance of an improper arrangement.

Noncompliance with antitrust laws can have extremely negative consequences for Happen, including long and costly investigations and lawsuits, substantial fines or other damages, and negative publicity. Understanding the requirements of antitrust and unfair competition laws of the jurisdictions where Happen does business can be difficult and complex, so you are strongly encouraged to seek assistance and/or guidance from the General Counsel or Responsible Owner if you have a question relating to these laws.

6.5. Maintaining Corporate Books, Records, and Accounts; Financial Integrity; Public Reporting

Happen strives to maintain complete integrity of its records and public disclosure. Our corporate and business records, including all supporting entries to its books of account, must be completed honestly, accurately, and intelligibly. Our records serve as a basis for managing Happen's business and are important in meeting our obligations to borrowers, depositors, customers, investors, suppliers, employees, and others with whom we do business.

To help ensure the integrity of our records and public disclosure, Happen requires that Senior Financial Employees must:

- Not make or alter an entry in Happen's books and records that is intentionally false or misleading
- Support transactions with appropriate documentation
- Reflect the terms of loans and other commercial transactions accurately in the documentation for those transactions and reflect all such documentation accurately in Happen's books and records
- Comply with Happen's system of internal controls and be held accountable for your entries
- Clearly and appropriately disclose Happen's off-balance sheet arrangements, if any, as required under applicable United States Securities and Exchange Commission ("SEC") rules and regulations
- Not maintain any cash or other assets for any purpose in any unrecorded or "off-the books" fund or account
- Manage records according to the company's Data Handling, Retention, and Disposal Policy (see *also*, section 6.6, below)

Happen's disclosure controls and procedures are designed to help ensure that our public disclosures are full, fair, and accurate; that they fairly present our financial condition and results of operations; and that they are timely and understandable. If you collect, provide, or analyze information for these reports, or otherwise contribute to preparing or verifying these reports, you must adhere to all disclosure controls and procedures and generally assist Happen in producing financial disclosures that contain all company information that is required by law and that enables investors to understand Happen's business and its attendant risks.

Per this requirement all associates – not only Senior Financial Employees:

- May not take or authorize any action that would cause Happen's financial records or financial disclosures to fail to comply with the rules and regulations of the SEC or other applicable laws, rules and regulations
- Must cooperate fully with Happen's Finance department, and their respective independent public accountants and counsel, respond to their questions with candor, and provide them with complete and accurate information in a timely manner to help ensure that such books and records, as well as reports filed with the SEC, are accurate and complete
- Must not knowingly make (or cause or encourage any other person to make) any false or misleading statement in any of Happen reports filed with the SEC or any third party, or knowingly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of such reports accurate in all material respects
- Must respond honestly and candidly in all dealings with Happen's regulators and examiners, including without limitation the SEC, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve, and the Consumer Financial Protection Bureau (CFPB), as applicable

If you receive, or become aware of, any examiner or regulatory inquiry, request for information, or notice of examination that is not part of a routine examination process, you must promptly notify the General Counsel and Responsible Owner.

If you become aware that Happen's public disclosures are not full, fair, and accurate, or if you become aware of a transaction or development that you believe may require disclosure, or may render an existing disclosure misleading, you must report the matter immediately to the Accountable or Responsible Owner of this policy. See Employee and Director Reporting section of this policy for more information.

You may be asked for information about Happen by the media, trade groups, consultants and others collecting information for various purposes. You should not make public statements on behalf of Happen or provide confidential information in response to external inquiries unless you have been properly authorized to do so.

Some associates must disclose confidential Happen information as a part of their job responsibilities. This policy on confidential information is not intended to prohibit such authorized disclosures.

A few examples of situations in which confidential information might properly be disclosed are:

- Disclosure of operational data to vendors or consultants in connection with providing services to Happen;
- Participation in legitimate and authorized industry surveys;
- Providing data to governmental agencies as part of required filings or supervisory activities and correspondence; or

- An authorized employee responding to media or financial analyst inquiries

You should be certain that you understand what you have been authorized to disclose, and to whom, prior to disclosing any confidential information.

6.6. Managing and Preserving Records

The Risk Organization is responsible for developing, administering, and coordinating the record management program, and issuing retention guidelines for specific types of documents through the Data Handling, Retention, and Disposal Policy. These records must be maintained to comply with applicable statutory, regulatory, or contractual requirements, as well as those pursuant to prudent business practices. Employees can refer to Happen's Data Handling, Retention, and Disposal Policy for more information.

Regardless of the foregoing, records that are known to be the subject of, or relevant to, any anticipated, threatened or pending lawsuit, governmental or regulatory investigation, or bankruptcy proceeding shall not be removed, concealed or destroyed.

6.7. Political Activities

Happen reserves the right to communicate its position on important issues to elected representatives and other government officials, which may include, but not be limited to, working on its own, with industry associations or through a political action committee. Additionally, individual executives or directors may decide to make personal contributions to political representatives, candidates or groups. Under all circumstances, it is our policy to comply fully with all local, state, federal, foreign and other applicable laws, rules, and regulations regarding political contributions.

Happen respects the right of its associates to engage in political activities and social activism in ways that are legal, and that do not involve Happen time or resources (including, but not limited to, communication methods including email, client lists, stationery, facilities or supplies). In engaging in such activities on your own time, you must ensure you represent yourself as an individual and not as a representative of Happen. It is important that you also comply with any special guidance or laws that may apply to your line of business or your position with Happen.

Prior approval by the Responsible Owner must be obtained before an appointment or nomination to any public office is accepted by an employee, or before an employee becomes a formal candidate for public office. The Responsible Owner will consider a variety of factors, including the level of interference with Happen job responsibilities, compliance requirements and potential conflicts of interest (including alienation of customers). The Responsible Owner will not base a decision on the party affiliations of the potential candidate.

6.7.1 Political Contributions and Activities

No Happen funds or assets, including the work time of any associate, may be contributed, loaned or made available, directly or indirectly, to any political party or to the campaign of any candidate for a

local, state or federal office. You are, of course, free to work or contribute to any campaign on your own time and with your own funds. For additional information, please also consult the FCPA Compliance Policy, see Related Documents, below.

6.8. Confidentiality

Confidential Information includes all non-public information, regardless of its source, that might be of use to competitors or harmful to Happen or its borrowers, depositors, customers, and investors, if disclosed. This includes any proprietary information shared with Happen by its borrowers, depositors, customers, investors, and business partners or potential business partners, or information that has been acquired by an associate during the course of membership on another board of directors or working for a former employer. As a Happen associate, you are obligated to protect against the unauthorized disclosure or misuse of such third-party confidential information. Anyone who has had access to confidential company information must always keep it confidential, both while working for Happen and after employment ends, including board membership, regardless of how your affiliation ends.

What is Confidential Information?

What follows is not a complete list of what is Confidential Information, but it illustrates what is typically confidential unless it has been disclosed by Happen in a press release, public SEC disclosure or other authorized formal or official public communication:

- Financial performance, such as quarterly and year-end earnings or losses, and significant changes in financial performance;
- Projections of future financial performance that are believed to be reasonably accurate;
- Significant new product launches or the introduction of significant new business strategies;
- Acquisitions or dispositions of business units or significant assets;
- Public or private securities or debt offerings;
- Implementation of or changes to a dividend or stock repurchase program;
- Significant changes in senior management;
- Significant developments regarding loan performance, technology or business operations;
- Significant cybersecurity risks and incidents, such as vulnerabilities, breaches and data privacy failures; or
- Initiation, progress or settlement of a significant lawsuit or regulatory inquiry.

In general, if information about Happen has not been made public by the company, it should be treated as confidential.

6.8.1. Prohibition on Sharing Information with Third Parties

As an associate, you must not share Happen's Confidential information, or any Confidential Information of a borrower, depositor, customer, investor, service provider, or business partner or potential business partner, with anyone who has not been authorized to receive it, except when disclosure is a uthorized or legally mandated. Unauthorized use or distribution of confidential information is serious; it violates the confidentiality agreement you entered into with Happen and could be illegal or result in civil liability or criminal penalties.

Happen is entrusted with important information about individuals and businesses. It is essential that you respect the confidential nature of this information. Happen is legally obliged to protect the privacy of a consumer's personal financial information. Happen's privacy practices are set out in a privacy policy that is circulated to our customers and made available to the public. All Associates are expected to adhere to Happen's privacy policy.

Your obligations not to disclose Happen's confidential information and not to use it for unauthorized purposes continue after your affiliation with Happen ends.

6.8.2. Protecting Confidential Information

You must take precautions to prevent unauthorized disclosure of Confidential Information. Accordingly, you must take steps to ensure that, except when required for legitimate business purposes (e.g. personal device use), Happen business and business-related communication, paperwork and documents are produced, copied, scanned, faxed, filed, stored, and discarded within Happen systems in order to minimize the risk that unauthorized persons may access that information. Additionally, you must not discuss Happen's business in any internet chat room, blog, social media site, or other online forum, regardless of whether you use your own name or a pseudonym, or otherwise post Happen's information on the internet, without prior approval in accordance with our Corporate Communications Policy. All company emails, voicemails, and other communications are presumed confidential and belong to Happen and must not be forwarded or otherwise disseminated outside of Happen, except when required for legitimate business purposes.

Many associates have access to Happen Confidential Information in the course of their jobs and use it to perform important functions. It is vitally important that you handle Confidential Information properly to prevent the release of unauthorized or inappropriate information that might adversely affect Happen or its business. Happen will regularly test employees anonymously with various attack, phishing, and other schemes to assess compliance with computer and systems security, authentication, compliance with privacy and identity theft procedures, and security of non-public personal information.

You are required to observe the provisions of any other specific policy regarding privacy and confidential information that Happen may adopt from time to time.

6.9. Protecting and Properly Using Happen Assets

You are expected to protect Happen's assets and to ensure their use for legitimate business purposes. Theft, carelessness, and waste have a direct impact on Happen's profitability and reputation. You must use Happen's property, such as computer equipment, tools, technology, buildings, furniture and furnishings, office supplies and inventories, only for business purposes, although incidental personal use is permitted. Keep in mind that Happen retains the right to access, review, monitor and disclose any information transmitted, received or stored using Happen's electronic equipment and systems, with or without an employee's or third party's knowledge, consent, or approval. You must immediately report any misuse or suspected misuse of Happen's assets to their supervisor, Information Security, or People Success Business Partner. See the company's Physical Security Policy and Bring Your Own Device policies for more information.

Happen computer networks, applications, e-mail, internal messaging, video systems, voice mail systems and Internet access generally must be used only for Happen business activities. Incidental personal use is permitted if it doesn't preempt or interfere with any Happen business activity or with employee productivity and consumes only a trivial amount of Happen resources. Incidental personal use is subject to the same policies as business use – including review by authorized Happen personnel.

In addition to any other prohibitions set forth in this policy or Related Documents, under no circumstances should company equipment, computer and telephone networks, messaging systems (e.g. Slack, e-mail, video and voice mail systems) or Internet access be used:

- For any illegal activity;
- To communicate offensive sexual, racial or other remarks, jokes, slurs and obscenities;
- For private business, commercial or solicitation activities;
- For chain-letter communications of any kind;
- For charitable endeavors that are not Happen-sponsored or authorized, including any fundraising;
- For gambling; or
- For pornography.

6.10. Media Contacts and Public Communications

It is Happen's policy to disclose material information concerning Happen to the public only in accordance with its communications and disclosure guidelines and policies. It is essential for avoiding inappropriate publicity and for ensuring that information is disclosed in a manner that results in simultaneous, widespread dissemination to the public. For more information, please consult the Corporate Communications Policy and the Social Media guidelines.

6.11. Compliance Standards, Procedures and Reporting

6.11.1. Compliance Resources

As an associate or representative of Happen, you have an obligation to promote ethical behavior. You are encouraged to talk to the Responsible Owner if you have questions regarding the application or meaning of any provision of this policy, or the concerns about a specific situation. You may also ask any manager or People Success Business partner for guidance, reporting concerns under this policy, or assistance in connecting with the Responsible Owner.

In addition to fielding questions with respect to interpretation or potential violations of this policy, the Legal Department, in conjunction with other applicable departments (e.g. People Success, Compliance, Enterprise Risk, Learning & Development, Audit, etc.), is responsible for:

- Investigating possible violations of this policy
- Developing and maintaining the training on this policy for all associates
- Otherwise promoting an atmosphere of responsible and ethical conduct.

Training on this policy is provided upon an associate's start date and on an annual basis through Happen's training portal. As set forth in the Employee Handbook, and consistent with Happen's Enterprise Risk & Compliance Training Program, associates will receive notice of training through the company's training portal and via email regarding upcoming trainings, due dates, and reminders. Prompt and satisfactory completion of the training on this policy is an essential function of every associate's job. Failure to timely and satisfactorily complete the training could result in discipline, up to and including termination of employment.

6.11.2. Employee and Director Reporting

Even the appearance of impropriety could be very damaging to Happen. If you are or become aware of a suspected or actual violation of business conduct and ethics standards by others, you have a responsibility to report it. Reports can be made using any of the following channels:

- Directly reported to: any attorney in the Legal Department, any People Success Business Partner, any member of the Audit Department, the Chair of the Operational Risk Committee of the Board, and/or the full board of directors, if necessary.
- Confidentially or anonymously reported via the following ways:
 - By submitting a confidential and/or anonymous report electronically through the Happen Whistleblower Hotline. Your report will automatically be directed to the reviewing designee as described in the Whistleblower Policy.
 - By calling the Whistleblower hotline at 1-855-409-0188.
 - By sending a letter addressed to Happen's corporate headquarters marked "Attention: Chief Audit Executive."
 - Contacting the Chief Audit Executive, Justin Gibson, via email (jgibson@happen.com)

See the Whistleblower Policy for more information.

6.11.3. Investigation of Complaints, Responses to Violations

All information regarding suspected ethical violations or unlawful activity, as well as any resulting investigation or discipline, if necessary, will be received and kept as confidentially as possible. Reports are investigated promptly and with the highest degree of confidentiality that is possible under the specific circumstances and may include input from additional departments, the Board and Board committees, and outside legal counsel, as needed and necessary.

Happen will not tolerate adverse actions, or any retaliation taken against you for reporting violations of the law or of Happen's policies, or for participating in internal investigations. Happen prohibits any form of discipline, reprisal, intimidation or retaliation for reporting a potential conflict of interest or violation of this policy, or for cooperating in related investigations. Associate cooperation is expected in an investigation, and those whose cooperation is being requested shall provide complete and accurate information in response to any such inquiries.

If an investigation indicates that a violation of this policy occurred, Happen will take any actions it deems appropriate under the circumstances, including disciplinary action up to and including termination for cause and, in appropriate cases, civil action or referral for criminal prosecution. You may also be subject to “clawback” of certain compensation paid to you that is eligible for Happen to recover in response to certain situations. Appropriate action may also be taken to deter any future policy violations.

6.11.4. Internal Audit Monitoring of Ethics Policy Compliance

Happen Bank's Internal Audit function provides independent, risk-based assurance over compliance with this Policy and related ethics and conduct standards. Through its risk assessment, approved audit plan, and established audit cycle, Internal Audit may periodically evaluate areas including:

- Governance and oversight of the ethics and conduct program;
- Reporting, escalation, and investigation processes;
- Training and associate acknowledgment processes;
- Operational weaknesses, control gaps, or patterns of non-compliance; and
- Management's remediation of identified issues.

The nature, scope, and frequency of Internal Audit's coverage will be determined based on risk, regulatory expectations, changes in the business or control environment, and other relevant considerations. Internal Audit will report relevant observations and issues to Management and, as appropriate, the Audit Committee of the Board of Directors, and will monitor Management's remediation of audit-identified issues in accordance with Internal Audit's methodology.

6.12. Exceptions

The Board or a committee thereof (in the case of a violation by a director or an executive officer) and the Legal Department, working with the Chief People Officer (in the case of a violation by any other person) may, in its discretion, waive or grant a reasonable exception to any violation of this policy. In any instance involving a director or an executive officer, any waiver or grant of a reasonable exception will be reported to the Board or applicable committee thereof, as appropriate.

6.13. No Rights Created

This policy is a statement of fundamental principles, policies, and procedures that govern Happen's employees, officers, and directors in the conduct of Happen's business. It is not intended to and does not create any legal rights for any borrower, depositor, customer, investor, partner, service provider, vendor, competitor, stockholder, or any other person or entity.

07 Communication

The most current version of this policy is accessible to all Happen employees and officers on the Happen's Company Policies page on its intranet site or through other electronic means that Happen may make available from time to time. It is also provided to directors periodically, and published publicly on the Happen website.

Upon onboarding and/or when a new version of this policy is published, Happen associates are expected to provide written (which includes electronic means) acknowledgment that they have received and reviewed this policy. Completion of the acknowledgement is an express condition of continued employment.

08 Exceptions and Escalations

This Policy will be strictly enforced. Violations of this policy — or of any law, regulation, or other policy referenced herein — will be addressed promptly and may result in one or more of the following actions, depending on the nature, severity, and circumstances of the violation(s):

- **Disciplinary action**, up to and including termination of employment or removal from the Board of Directors for cause;
- **Civil action** by Happen to recover damages or enforce obligations;
- **Referral for criminal prosecution**, where the conduct in question constitutes or may constitute a criminal offense under applicable law;
- **Compensation clawback**, to the extent permitted by applicable law and Happen's Incentive Compensation Policy, for violations involving misconduct or willful non-compliance that results in financial harm to Happen or its customers; and

- **Regulatory reporting**, where Happen is obligated under applicable law or regulation to report the violation to a supervisory agency.

Compliance with this policy shall be monitored through internal controls, internal audit reviews, management oversight, and the reporting mechanisms described in Section 6.11. The purpose of enforcement is not only to address individual violations, but to deter future misconduct, protect Happen's customers and stakeholders, and promote a culture of accountability and ethical conduct throughout the organization.

Exceptions to this Policy will be granted only as provided in Section 6.12, and no exception will be implied by the failure to enforce a specific provision on any particular occasion.

09 Related Documents

- Employee Handbook
- [FCPA Compliance Policy](#)
- [BSA/AML/OFAC Policy and Program](#)
- Insider Trading Policy
- Data Handling, Retention, and Disposal Policy
- Physical Security Policy
- Whistleblower and Complaint Policy
- Corporate Communications Policy
- Bring Your Own Device Policy
- Related Party Transactions Policy
- Incentive Compensation Policy

10 Applicable Regulatory Guidance

See regulations cited in the applicable portion of the Related Documents.