

# Code of Business Conduct

Doing the right thing

The logo consists of the lowercase letters 'mb' in a white, serif font, centered within a solid red square. The 'm' and 'b' are connected at the top and bottom, with a small gap between them in the middle.

mb

“The strength of a man’s virtue should not be measured by his special efforts,  
but by his habitual acts.” – BLAISE PASCAL

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## Doing the right thing

Business owners and individuals have been entrusting their financial aspirations and hard-earned dollars with MB for many, many years. With such deep roots in banking – we were founded in 1911 – we’ve built customer relationships on a tradition of sound business practices defined by integrity and lawful, ethical conduct.

This tradition, however, is only meaningful when every employee – from the mailroom to the CSR to the department manager to employees of subsidiary companies to the CEO and every director – strives to make the right decisions and take the right actions every single day.

As business practices get more complex, and expectations for success grow, I understand the challenges faced with meeting our goals. But in accepting your position with MB, you agreed to live our company values, exemplify our code of business conduct and protect the organization by avoiding – and reporting – situations and instances that violate anything that we stand for, are guided by or believe in. In other words, all MB employees and directors must comply with our values and code of business conduct.

It’s said that integrity is doing the right thing when no one is looking. It’s also doing the right thing simply because it’s right. This book was put together to specifically define our business principles:

- We conduct ourselves honestly and ethically and are mindful of apparent or actual conflicts of interest.
- We keep confidential information used for our work at MB confidential and never use it for monetary or other personal gain.
- We communicate fully, fairly, accurately, timely and clearly with all governmental agencies and with the public.
- We work within applicable governmental laws, rules and regulations.
- We immediately report any code violations to the appropriate parties.
- We know our company values and code of business conduct and understand that these are guides on how to conduct ourselves daily.

This book was also created to give you the tools and resources needed to take action should you discover that actions or practices at MB are not in line with our values or principles.

Today, let us commit to continuing our tradition of building trust in every relationship: Live our values and conduct business consistent with the high ethical standards embodied within MB's code of business conduct.

**Mitchell Feiger**  
President & CEO  
MB Financial, Inc.



“Every employee must strive to make the right decisions and take the right actions every single day.”



## Mission

Our mission is to create value for our customers, employees, stockholders, and community.

We strive to be the best provider of financial services to small and mid-sized businesses in the Chicago Metropolitan area and other selected markets we serve, as well as to individuals living or working near our banking centers.

We are committed to providing personalized, relationship-oriented service that our customers value. Success requires a highly-talented and energized workforce supported by effective and efficient operating systems.

We are partners with our employees. We believe in creating an environment where people want to work, where they can grow and prosper, and where personal success is aligned with company success.

## Company values statement

MB will pursue its mission, goals and strategies through actively demonstrating and living its corporate values. Our values are:

### **Integrity**

We expect firm adherence to ethical conduct. Meeting commitments, honest and trustworthy behavior and practices are not an option, but a requirement. We do the right thing even when no one is looking.

### **High performance**

We value high performance throughout the company and are driven to win. In doing so, of course, we stay true to our values and play by the rules. We take pride in what we do and constantly challenge ourselves and each other to do even better. We measure results, reward high performance, and assume accountability for our activities and outcomes.

### **Customer focus**

We are a customer-driven company. We view every customer contact as an opportunity to add value and enhance our relationship. Impact on customers is a key barometer we use in decision making. We value our customers and the trust they place in us to protect their financial assets.

### **Mutual respect**

We are driven by shared goals and expectations and respect each other in our daily interactions. We work with each other at every level of the organization and recognize the unique value of each individual.

### **Open communication**

We foster open communication throughout the organization. Each person takes individual responsibility to understand the direction of the organization and why we do what we do. We support healthy debate and personal participation.

### **Enthusiasm**

We treat every situation with a positive, “can do” attitude. When challenges arise, we act constructively to bring about a positive solution. Our enthusiasm is contagious.

## How can we live our company values?

Through our **Personal** Culture traits...

### Team player

- Help others succeed
- Actively listen
- Be engaged and engage others
- Adapt to and embrace change

### Innovative spirit

- Be creative
- Find solutions that work
- Maximize your resources
- Seek assistance when needed
- Ask questions, share opinions, give input

### Strong work ethic

- Respect deadlines
- Be passionate
- Work smart, seek efficiency
- Be customer driven
- Go the extra mile

### Accountability

- Do the right thing
- Be responsible
- Take ownership

### Positive attitude

- Be driven by a can-do approach
- Be courteous and approachable
- Be realistic





Through our **Corporate** Culture traits...

### **Standards of excellence**

- Establish high expectations
- Recognize and reward exemplary performance
- Promote continuing education and personal development

### **Customer-driven company**

- Study market trends
- Understand current and anticipate future customer needs
- Create an environment where coworkers are recognized as customers

### **Empowerment**

- Reduce bureaucracy in decision making
- Encourage prudent risk taking
- Trust and believe in decisions
- Encourage opinions

### **A great place to work**

- Promote freedom to ask questions
- Provide superior benefits
- Create a comfortable and respectful environment

### **“Best in class” products and services**

- Monitor competitive offerings
- Encourage innovation and improvements
- Measure customer satisfaction
- Ensure cross-functional goal alignment

## How to use this book

MB's code of business conduct states that all employees – at every level – and board members are to commit to business integrity and protecting MB's reputation. In the end, who we are as a company is a direct reflection of the daily, collective actions of each employee and director. That means that any employee or director who violates our code of business conduct jeopardizes the good standing and possibly the financial well-being of MB.

In actuality, living the code is easy. It simply requires:

1. ***Knowing what's expected.***
2. ***Living it.***

This book is designed to help you do just that. Here's what you need to do:

### Understand MB's Code of Business Conduct

- Read through this book to gain a basic understanding of how we each should conduct ourselves.
- Be clear on the policies that relate specifically to you.
- Recommend any control measures relating to processes that you believe can be improved upon.
- Ask if you have questions about any information in this book. Speak to your manager or contact MB's Legal Department.

### Protect MB: Speak up and be heard

- Know that it's your responsibility to raise concerns over any known or suspected violations of the code, including actions or failures to act.
- Know the channels for reporting potential code violations.
- Understand that when you do raise concerns, your identity and information will be confidential to the extent possible.
- Be assured that through MB's "no retaliation" policy, there are no repercussions for expressing a concern or complaint unless a knowingly false report is filed.

**Q:** I've glanced through the guidebook but most of these topics don't relate to what I do. Why should I take the time to read through this?

**A:** MB's code of business conduct is a company-wide standard that we each must live up to. While some sections may seem more relevant to certain areas of the organization, it's important to be aware of them. In addition, you have to know our code in order to help monitor it.

**Raise a concern and be aware of the steps that follow**

- Call 1.800.241.1337. It's a confidential, toll-free number that's independently operated for MB. In addition to any concerns regarding MB's Code of Business Conduct, you can call this number if you have a complaint or concern regarding accounting, internal accounting controls or auditing matters. You can remain anonymous, if preferred. Be prepared to provide sufficient information to allow a proper investigation of your concerns.
- Or, contact the head of the Human Resources, Legal or Internal Audit Department.
- All issues raised are promptly researched, investigated and appropriate action is taken.
- The Human Resources, Legal or Internal Audit Department documents the results of the investigation in a report submitted to the MB Financial, Inc. Board of Directors to ensure a fair process in determining a violation.
- A record of all concerns, complaints and results is retained for five years.

**Q:** In reading the guide, I understand the policies but how do I know if I'm making the right decisions and working within our code?

**A:** It's up to you to consider the soundness and impact of your decisions and to be able to stand by them. Here are six questions to ask yourself when determining an appropriate course of action:

1. Is the action legal?
2. Does it comply with MB's code of business conduct?
3. Does it reflect the spirit of these standards and policies?
4. What would happen if all employees did this?
5. How would it look in the newspaper? Would it appear to be improper or be embarrassing?
6. Could it harm MB's reputation?

And, of course, if you're unsure, speak to your manager or contact the Human Resources or Legal Department for guidance.

**Know the consequences of code violation**

**FOR EMPLOYEES:** You may be required to return to MB any benefits received and be subject to disciplinary action up to immediate termination of your employment.

**FOR DIRECTORS:** You may be required to return to MB any benefits received and/or asked to resign.

## Code decision tree

A decision tree can be a useful tool to help you determine next steps when faced with a difficult decision.

Ask yourself:

Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



Is it legal?



This may result in serious consequences. Don't do it.



Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



Does this comply with MB policy?



This may result in serious consequences. Don't do it.



Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



Does this reflect MB values/culture?



This may result in serious consequences. Don't do it.



This may result in serious consequences. Don't do it.



Would I feel concerned if this appeared in a news headline?



Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



This may result in serious consequences. Don't do it.



Could this negatively impact MB if all employees did this?



Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



This may result in serious consequences. Don't do it.



Could this harm MB's reputation?



Not sure? Talk to your manager, HR, Legal or Internal Audit Department for guidance.



Taking action appears appropriate and is in line with the MB code.

## MB's code of business conduct principles

- 01 We conduct ourselves honestly and ethically and are mindful of apparent or actual conflicts of interest.
- 02 We keep confidential information used for our work at MB confidential and never use it for our own personal monetary or other gain.
- 03 We communicate fully, fairly, accurately, timely and clearly with all governmental agencies and with the public.
- 04 We work within applicable governmental laws, rules and regulations.
- 05 We promptly report any code violations to the appropriate parties.
- 06 We seek accountability for adherence to our code of business conduct, know our company values and code of business conduct and understand that these are guides on how to conduct ourselves daily.



## 01 Recognizing conflicts of interest

# We conduct ourselves honestly and ethically and are mindful of apparent or actual conflicts of interest.

If your personal interests interfere or could interfere in any way with the interests of MB, there is a conflict of interest. Even the *appearance* of a conflict between your personal interests and those of MB can break down the trust and confidence on which our reputation is built.

There's really no way to describe every possible scenario that might be labeled a conflict, so it's up to you to be mindful of situations you're involved in and how they look. Involved with something outside of work that makes it challenging to do your job at MB objectively and effectively? Received an improper personal benefit as a result of your position at MB? Or did a member of your family? You are expected to identify and avoid all situations that could lead to a real or apparent conflict.

**FOR EMPLOYEES:** Should you find yourself in a situation that could be viewed as a conflict or should you need additional guidance, speak to your supervisor or the head of the Human Resources Department.

**FOR DIRECTORS:** Should you find yourself in a situation that could be viewed as a conflict, it must be reported and approved by the MB Financial, Inc. Board of Directors.

## Gifts and hospitality

Who doesn't like a gift? But, as it relates to business, you have to be careful about what you accept or offer. You also must be mindful of how it looks to those around you. In fact, the Bank Bribery Act makes it illegal for anyone to offer or promise anything of value to you – and for you to accept it – when the intent of it is to influence any business or transaction with MB.

MB has guidelines to help you make the right choices. The following are items that you can accept from customers or suppliers. If you're still unsure, please contact the head of the Human Resources Department for clarification.

- Gifts based on a family relationship or gifts of a reasonable value based on a personal relationship where it's the relationship that's the obvious motivating factor for the gift and not the bank relationship.
- Advertising or promotional material with a value of less than \$100.
- Gifts that celebrate a promotion, religious holiday, wedding or retirement that have a value of less than \$100.
- Hospitality (business luncheons, dinners, golf outings, ball games, etc.) only when

it's directly related to MB activities and would be paid for by MB if it wasn't for the customer, prospective customer, supplier, etc. picking up the tab. Any other entertainment or any hospitality shared more than twice a year by the same party must be pre-authorized by the Human Resources Department.

- Discounts or rebates on merchandise or services that are also extended to other customers of the merchant.
- Awards for recognition of service or accomplishment from civic, charitable, educational or religious organizations.

As far as what gifts and hospitality you offer customers and prospects, you must be mindful that what you share and spend is appropriate – and does not have even the appearance of “buying a relationship.”

Taking the “gift” idea one step further, never borrow personally from customers or suppliers unless their business is the lending business. Even then, you must be confident that they are treating you as they normally do every other customer.





## Personal or related business opportunities

It's important to avoid business opportunities or relationships that conflict with your position at MB. You should also steer clear of those that simply look improper. While these opportunities may seem innocent enough, they may damage MB's reputation and result in criminal violations of federal law – it's that serious.

Confused about what is considered "improper?" The following are examples of business opportunities that conflict with your position at MB. Note that this is not a complete listing:

- Accepting a business opportunity from someone doing business with or interested in doing business with MB that is not available to other individuals on similar terms or is made available to you because of your position with MB.
- Personally accepting a business opportunity that belongs to MB.
- Using corporate property, information or position for personal gain.
- Engaging in a business opportunity that competes with MB, whether directly or indirectly.
- Engaging in a business opportunity with MB through an entity in which the employee has an undisclosed interest.

**Q:** I've become personal friends with one of our clients. She's asked me to do some consulting work on the side for a new business that she's starting. It's in an area that MB is not interested in. Would it be ok if I worked with her?

**A:** Given your employment with MB, this could be considered a conflict of interest. Even though your customer's business endeavors may not coincide with our target markets, you still have come to know this customer as a result of your role with MB. You would need to get prior approval to pursue this from the Chief Executive Officer of MB Financial, Inc. See page 15.

On an annual basis, directors and executive officers prepare and sign the Statement of Related Interests of Directors and Executive Officers (including directorship of other corporations), which are retained by the company for two years.

## Personal investments and financial affairs

Whether it's you, someone in your immediate family (relatives by blood, marriage or adoption) or anyone else whose personal investments and other financial transactions are under your control, all personal investments must be made without using information you have gained from your position or duties at MB.

To help avoid conflicts, written approval to invest directly or indirectly in a business of any current or prospective customer, supplier or competitor of MB is required beforehand. It's also required should any of these businesses later become a customer, supplier or competitor of MB.

**FOR EMPLOYEES:** Approval must come from MB Financial, Inc.'s Chief Executive Officer.

**FOR DIRECTORS:** Approval must come from MB Financial, Inc.'s Board of Directors or the Nominating and Corporate Governance Committee of the Board.

No prior approval is needed if the securities are publicly traded on a securities exchange or in the "over the counter" markets and represent less than 1% of the issuer's outstanding voting securities or those found in a portfolio of securities such as mutual funds.

## Personal fees and commissions

It's clear-cut: As an MB employee, you can't accept personal fees or commissions from any customer, supplier or others in connection with any transaction associated with MB.

This does not mean that you cannot be paid if you are providing personal consulting or other services not related to MB to customers, prospects or suppliers of MB. But, you must get prior written approval from the Chief Executive Officer of MB Financial, Inc. This is intended to ensure that, among all parties involved, there is a clear and common understanding of the situation.

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## Preferential treatment in providing services

Every customer and employee is entitled to respect, courtesy and equality. You must consistently provide the highest level of professionalism and service to every customer – no matter their position or place in life. We depend on you to live up to this standard in everything you do.

The following are guidelines on how to avoid preferential treatment. You must avoid:

- Favoring the interests of certain customers, suppliers or other employees. MB's standard practices, policies and procedures apply to all similarly-situated individuals and the general public.
- Giving preferential treatment to a director, employee, customer, supplier or others because of a personal relationship.
- The appearance of or actual preferential treatment for yourself, relatives or business associates. You can't act as an MB employee regarding your own business or the business of your relatives or business associates. This includes being involved in the approval of loans to these parties. In these situations, you should have an unrelated and uninvolved employee handle the matter.

## Purchase and sale of assets, loans to, and other business with “insiders” of MB

**Purchase and sale of assets:** Whether buying or selling, any material transactions by MB of an interest in real or personal property with any “insider” of MB requires prior approval by either the Nominating and Corporate Governance Committee of the MB Financial, Inc. Board of Directors (whether related to the Related Party Transactions Policy, if applicable, or otherwise, see page 26) or by a disinterested and independent majority of the MB Financial, Inc. Board of Directors. Approval will follow a full and fair presentation of the transaction. What's a material transaction? It's any transaction with an independently determined value of more than \$10,000 or all transactions with a single affiliated person during a calendar year with an aggregate value in excess of \$10,000. Any non-material transaction involving the purchase from or sale to an affiliated person of an interest in real or personal property requires the prior approval of the MB Financial, Inc. Chief Executive Officer.

**Loans to affiliated persons:** All loans to affiliated persons must be made using the same terms – including interest rate and collateral – as comparable loans made to the general public, and must be in compliance with all



regulations. Of course, all insiders (as defined in MB's Regulation O Policy) will abstain from voting on the loan and the abstention will be noted in corporate minutes. This doesn't relate to MB's employee loan discount policy, which is available to all employees and has been authorized by the Board.

**Q:** One of my favorite customers wants to add me to her account. I'm so flattered by her kindness – but my co-worker says that this is a conflict of interest. Is he right?

**A:** Your coworker is correct. The Bank Bribery Act makes it illegal for an employee, officer, director or agent of the bank to accept anything of value from a customer. In addition, MB has a company policy about receiving gifts and hospitality. See page 13 for guidelines on the types of items you can accept.

**Other business dealings with affiliated persons:** While there's no expectation that MB will enter into business relationships other than depository services and loans with affiliated persons, there's a possibility that it may happen. In these cases, if they are not specifically prohibited by this code, these business dealings will only be entered into if a written description of the proposed business transaction is submitted to the Chief Executive Officer of MB Financial, Inc. for consideration and review. In addition, all associated fees and costs will be analyzed and must be consistent with prevailing rates in the marketplace for similar transactions and will not exceed \$10,000 without prior approval of the Nominating and Corporate Governance Committee of the MB Financial, Inc. Board of Directors (whether related to the Related Party Transactions Policy, if applicable, or otherwise, see page 26) or by a disinterested and independent majority of the MB Financial, Inc. Board.





## Outside activities

You often think that your life outside the “9 to 5” work day is yours. But while you are no longer on the MB time clock, you continue to represent the organization. If you’re involved in any of the following outside activities, you’re required to have prior written approval from the Chief Executive Officer of MB Financial, Inc. as these may conflict with or interfere with your job performance:

- Full-time outside employment.
- Rendering of investment, legal or accounting services.
- Membership on corporate boards of directors.
- Seeking an elective political position.
- Appointment to government bodies.

This doesn’t mean that you shouldn’t be involved in your life and community – service clubs, community organizations, and social memberships. But we want to make sure that it’s not an activity that takes away from your daily responsibilities at MB and that we’re maintaining a proper image of our organization in the communities we serve.

This also means that while you can solicit donations at work for your community activities, it is only allowed in common employee areas such as the lunch room, kitchen, etc. Soliciting donations using bank resources – bank-owned email or computer, for example – is not allowed.

**Q:** Times are tough and I need to make some extra money so I took on a second job. Do I need to share that with anyone at MB?

**A:** If you intend to apply for or accept employment outside of your responsibilities with MB, you should speak to the Human Resources Department. Ultimately, the circumstances must be reviewed and approved by the Chief Executive Officer of MB Financial, Inc. HR will be able to facilitate this process with you. Should your outside employment be approved, it is important to remember that your primary focus must be your responsibilities with MB. Your additional employment must complement your current work schedule and duties.

## Political activities

We are fortunate to live in a country governed by a democratic political system. However, as a business, we maintain a neutral line by prohibiting:

- The use of our premises, equipment, machinery, suppliers or other property by any political party, candidate or political committee (other than an MB-sponsored political action committee).
- The loaning, temporarily assigning or otherwise making available any employees to or for use by any political party, candidate or political committee (other than any MB-sponsored political action committee).

This does not mean that we don't do business with candidates of a political office or with a political committee. We are pleased to provide qualified clients with loans or other bank products and services as long as the loans follow our usual credit criteria and the placement of other bank products and services are in accordance with applicable laws and regulations.

You are, of course, encouraged to participate in political activities but you must do so as an individual and not as a representative of MB. Please be mindful then that:

- MB stationery is not used.
- Your title or place of employment is not advertised.





## 02 Protecting confidential information

**We keep confidential information used for our work at MB confidential and never use it for our own personal monetary or other gain.**

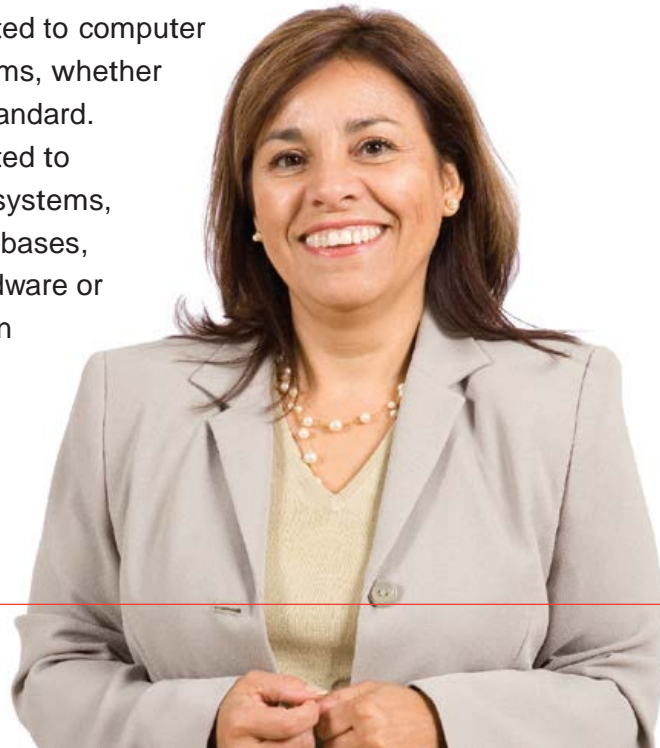
It's the nature of our business: We are professionals who have access to sensitive and confidential information every day. That's why it's particularly important that we take care in how and where we discuss, document and store confidential information about MB and our customers.

What exactly is confidential information? It's information obtained through business or personal contact with customers, prospective customers, suppliers or other employees that should be used only when doing our jobs at MB. In other words, it should not be used for our own personal monetary or other gain or idle gossip with other employees or outside of MB. Information about customers can only be shared as outlined in the MB Financial Privacy Policy.

All this being said, there may be instances when you are authorized by the Legal Department, Privacy Officer or Information Security Officer to share certain confidential information.

## Examples of confidential information

- The identity of customers and potential customers and their personal, business and financial information.
- MB's non-public business and financial information or personal information regarding any MB employee.
- Personal or non-public business information regarding any MB supplier, vendor or agent.
- Information related to, including the identity of, potential candidates for mergers and acquisitions.
- Information regarding MB's marketing and business development strategies, plans or proposals.
- Information regarding specific lending, investment or trading decisions.
- Information related to computer software programs, whether proprietary or standard.
- Information related to documentation systems, information databases, customized hardware or other information systems and technological developments.
- Manuals, processes, policies, procedures, compositions, opinion letters, ideas, innovations, inventions, formulas and other proprietary information belonging to MB or related to MB's activities.
- Security information, including without limitation, policies and procedures, passwords, personal identification numbers (PINs) and electronic access keys.
- Communications by, to and from regulatory agencies.
- Certain communications with or from MB's attorneys, whether internal or external.







## Working with Asset Management and Trust clients

It's important to point out that the relationship among MB's Asset Management and Trust Department and its clients and beneficiaries is defined by a moral and legal relationship that goes beyond the usual business standard.

That's why any communication about Trust clients and their accounts outside of the Asset Management and Trust Department is limited. Unless authorized and directed by the Trust client themselves, this cross-departmental communication requires prior approval of the Bank Chairman, President, or Chief Financial Officer or Chief Executive Officer of MB Financial, Inc.

In addition, all loans made by the Commercial Department to Trust clients must use the same terms as other loans made to similarly-qualified applicants (including collateral requirements).

## Insider Trading

You sometimes have access to information about MB that hasn't been publicly disclosed – and it would be of interest to anyone who's deciding whether to buy, sell or hold MB securities. This is what the federal and state securities laws call "material non-public information." As explained in MB's Insider Trading Policy, if you trade MB securities while you are aware of this situation or share it with others who, in turn, trade on it, all involved could face substantial civil and criminal penalties.

*See MB's Insider Trading Policy for complete details and the restrictions that apply to your ability to trade in MB securities.*

**Q:** I'm a new employee at MB and before I left my old company, I downloaded a bunch of information that I think might be useful in my new position. Is that ok to use?

**A:** In short, no. While we understand your view that it may possibly work in our favor to have it, we want you to continue your responsibility to protect the information of your former employer just as we expect that you'll protect the information you gain at MB.

**Q:** When I go home each night, my husband asks me how my day is. Sometimes I tell him about some of the gossip flying around the office – about customers, that we might be acquiring a new bank... In reading this book, I'm wondering if I might be violating a code?

**A:** We're not saying that you shouldn't talk about your day with your family... But we do ask that you be mindful of the information and details that you share. Because our work with customers is personal in nature – their money – and because we are a publicly-traded company, we are obligated to keep things at the office and/or to ourselves, as outlined on page 21.

## Previous employment

There's an expectation that when you work for a company, you are loyal to its values, beliefs and principles. MB respects that and, as a company, we do not allow you to use confidential or proprietary information from previous employers. The same is true should you leave us: You must continue to protect confidential and proprietary information associated with your job at MB.

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## 03 Communicating fully with all governmental agencies and the public

**We communicate fully, fairly, accurately, timely and clearly with all governmental agencies and with the public.**

There are responsibilities associated with being a regulated business and also one whose stock is publicly-traded. That's why MB has policies and procedures in place to ensure compliance with all that is required of us.

Even if you don't work in the areas of the bank that focus on the practices and transactions described in this section, please take the time to be informed and aware of them.

## Accounting practices

Corporate books and records must be kept in a manner that accurately reflects MB's financial condition and results of operations and that promotes full, fair, accurate, timely and understandable disclosures in documents filed with or submitted to the Securities Exchange Commission (SEC) and in MB's other public statements.

In connection with work on or the preparation of accounting reports, records, documents and public statements, you may not knowingly:

- Include false, misleading or artificial entries.
- Establish undisclosed or unrecorded corporate funds or assets.
- Approve payments from corporate funds or other assets that, in part, will be used for any purpose other than for what has been intended.
- Approve payments that are not supported by purchase orders, invoices or receipts, expense reports or other acceptable documents.

**Q:** I don't work on accounting reports but I do most of the accounting for my department. Do the Accounting practices apply to me?

**A:** While the Accounting practices speak more directly to someone at the corporate level whose job it is to ensure that all numbers for the entire company are correct and have the proper documentation, it is up to you – and every employee – to provide the correct numbers and appropriate backup material as it relates to your area of the organization.

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## Related Party Transaction Policy

Our business is about strong partnerships. In our daily dealings, we may come across situations when it is in the best interest of our organization to partner with those who know us well. These “related parties,” include:

- Executive officers, directors or director nominees.
- Those who have a greater than 5% beneficial ownership of any class of voting securities of MB Financial, Inc.
- Any child, stepchild, parent, step-parent, spouse, sibling, in-law (including mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law) of the above or anyone sharing their household and/or any other family member who might control or influence, or be controlled or influenced by, the principal owner, director or executive officer because of the family relationship. The persons described in this bullet point are referred to as “immediate family members.”
- Any firm, corporation or other entity in which any of the foregoing persons is employed, or is a general partner or principal or in a similar position, or in which such person, together with all other related parties, have in the aggregate a 10% or greater equity or limited partnership interest.

When these personal relationships become business relationships where the amount involved exceeds \$100,000 in a calendar year, these transactions must be first approved by the Nominating and Corporate

Governance Committee of MB Financial, Inc.’s Board of Directors. Of course, directors who have an interest in any transactions with a related party will recuse themselves from the decision making process.

How will the committee determine whether or not to approve the transaction? Where appropriate, the committee is to consider:

- The extent of the related party’s interest in the transaction.
- If applicable, the availability of other sources of comparable products or services.
- Whether the terms of the transaction are no less favorable than terms generally available in unaffiliated transactions under similar circumstances.
- The fairness and expected benefits of the transaction to MB.
- The aggregate value of the transaction.
- And, in the case of a related party transaction involving a director of MB Financial, Inc., whether the transaction would impair the independence of the director.

If advance approval isn’t possible, the Nominating and Corporate Governance Committee will consider it at its next regularly-scheduled meeting.



Please note that there are some transactions that are generally exempt from this policy and they include:

- Any compensation or benefits paid or provided to a director for service as a director that is required to be disclosed, and is disclosed, as director compensation in our annual proxy statement or Annual Report on Form 10-K.
- Any compensation or benefits paid or provided to an executive officer for service as an executive officer that is either (1) required to be disclosed, and is disclosed, as executive compensation in our annual proxy statement or Annual Report on Form 10-K or (2) if not required to be so disclosed as executive compensation, is approved, or recommended to the MB Financial, Inc. Board of Directors for approval, by the Compensation Committee of the MB Financial, Inc. Board of Directors. The exception in (2) does not apply in the case of an executive officer who is an immediate family member of a director, an executive officer or a greater than 5% beneficial owner of any class of voting securities of MB Financial, Inc.
- Any transaction with a firm, corporation or other entity with which a related party's only relationship is as a director and/or a direct or indirect owner (together with the ownership interests of all other related parties) of a less than 10% equity interest in the entity, or as a limited partner with a limited partnership interest in the entity (together with the limited partnership interests of all other related parties) of less than 10% and no role as a general partner or other position in the partnership.
- Transactions where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- Services such as bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services.
- Any transaction where the related party's interest is solely from the ownership of any class of equity securities of MB Financial, Inc. and all holders of that class of securities receive the same benefit on a pro rata basis.
- Any loans made to or other business with a related party in compliance with our Loans to Affiliated Persons policy (page 16).



## 04 Working within laws, rules and regulations

# We work within applicable governmental laws, rules and regulations.

It's this simple: We are each required to make a good faith effort to work within MB's company policies and procedures. These are in place to help ensure that we operate in strict compliance with all laws and regulations that apply to our business.

Failure to live up to these standards may result in the following:

**FOR EMPLOYEES:** It may result in disciplinary action up to immediate termination of employment.

**FOR DIRECTORS:** It may result in a request for resignation.





**Q:** I was called out for a violation of one of our procedures. But, no one ever told me before that it was wrong... Is it still my fault?

**A:** One of our core values is “open communication.” Within its description it says, “Each person takes individual responsibility to understand the direction of the organization and why we do what we do.” That includes knowing what you’re responsible for and what’s expected of you. It’s important to take the time to read through this book and keep up with company information shared during the Monday Conference Call and on MB.net.

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**Q:** I’m a long-standing employee, have had very good performance reviews throughout my career with MB and am very loyal to the bank. What if I did something wrong unintentionally?

**A:** Our business reputation is everything and the reason we have published this book is so you build a good understanding of what are acceptable and unacceptable practices. That being said, we require that all employees – no matter their title or years of employment – comply with our values and code of business conduct.



## 05 Reporting any code violations

# We promptly report any code violations to the appropriate parties.

If you have a concern or note a violation, it is your responsibility to report it.

You can call 1.800.241.1337. It's a confidential, toll-free number that's independently operated from MB so you can remain anonymous, if preferred. In addition to any concerns regarding the Code, you can call this number if you have a complaint or concern regarding accounting, internal accounting controls or auditing matters.

Or, you can contact the head of the Human Resources, Internal Audit or Legal Department.

Whichever option makes you feel most comfortable, you will be guided through the established process of reporting code violations.

**Q:** What if someone questions something that I'm doing? Do I have an opportunity to defend my actions, which, I believe, are in compliance with MB's values and code?

**A:** Absolutely yes. Investigations are confidential fact-finding missions and all parties involved are asked to share their version of what occurred so a complete picture can be drawn before any next steps are taken.

**Q:** I believe that there is an issue in my area that someone should look into further. However, I'm afraid that my manager will find out that I've spoken to someone and that I'll be fired. What should I do?

**A:** MB operates under a "no retaliation" policy. That means that when you raise concerns, your identity is confidential to the extent possible. Be assured that means that there are no repercussions for raising flags unless, of course, the claim is knowingly false. The employee hotline, 1.800.241.1337, which is run independently of MB, is an option should you want to remain anonymous.

**Q:** If I raise a concern and provide my name, will I be told of the outcome?

**A:** No. While the Human Resources Department always gets back to the employee who raised an issue, due to confidentiality and privacy policies, they will only share that the issue has been resolved. However, you will be asked to reach out again should any further related issues continue causing the need to reopen the investigation.

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## 06 Knowing our company values and code of business conduct

**We seek accountability for adherence to our code of business conduct, know our company values and code of business conduct and understand that these are guides as to how we conduct ourselves daily.**

To live our company values and code of business conduct, you have to know them. All employees are required to complete an online acknowledgement form to verify that you have read and understand MB's Business Code of Conduct. Go to [MB.net](http://MB.net) to complete the form.

## Waivers

Having read through MB's code of business conduct book, if you believe that you need to be exempt from (a certain aspect of) the code, you must take the following steps:

For employees:

1. Speak to your supervisor about the area of exemption.
2. Your supervisor will then direct your request to the Human Resources Department.

For directors and executive officers (including principal accounting officer):

1. Speak to MB Financial, Inc.'s corporate secretary.
2. The corporate secretary will then direct your request to the Nominating and Corporate Governance Committee of the MB Financial, Inc. Board of Directors. If the Nominating and Corporate Governance Committee determines the requested waiver to be appropriate, it will recommend that the waiver be presented to the Board of Directors for its approval.

Any waivers given to directors or executive officers, including the reason for them – and any changes in the code that apply to them – are promptly disclosed to the public.







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