



**Employee Complaint and Whistleblower
Policy & Procedures
For Accounting and Auditing Matters**

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Heritage Commerce Corp

Employee Complaint and Whistleblower Policy & Procedures

Introduction

Heritage Commerce Corp and its subsidiaries, (collectively, the “Company”) are committed to high standards of ethical, honest, and legal business conduct. In line with this principle and our commitment to open communication, this policy provides an avenue for employees to bring to the attention of the Audit Committee of Heritage Commerce Corp and Heritage Bank of Commerce (collectively, the “Audit Committee”) good faith complaints regarding accounting, internal accounting controls or auditing matters. In accordance with Section 301 of the Sarbanes-Oxley Act of 2002, the Audit Committee has established procedures to (1) receive, retain, and treat complaints received by the Company regarding accounting, internal accounting controls, or auditing; and (2) receive confidential, anonymous submissions by employees of the Company regarding questionable accounting or auditing matters. To report suspected violations, employees should follow the reporting guidance outlined below.

Scope of Matters Covered by these Procedures

The procedures in this policy relate to good faith complaints relating to any questionable accounting or auditing matters or any potential violation of securities laws, including, without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement of the Company;
- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Weaknesses and deficiencies in or non-compliance with the Company’s internal controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports, or audit reports of the Company;
- Manipulation, falsification, or alteration of accounting records or supporting documentation or reports;
- Misrepresentation in, or intentional omission from, the financial statements of events, transactions, or other significant information;
- Deliberate deviation from full and fair reporting of the Company’s financial condition; or
- Suspected violations of securities laws and regulations that govern the Company’s actions.

All Company employees should report any known or suspected violations that fall within the scope of this policy.

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Good Faith Communication Procedures – Anonymous Reporting

Complaints or concerns regarding any accounting, internal accounting controls, fraud or auditing or other matters covered by this policy may be reported on a confidential, anonymous basis, as follows:

- **Website:** <https://report.syntrio.com/herbank>
- **Anonymous Reporting App: Keyword: herbank**
 - Download the App (Anonymous Reporting) from the App Store if you have an iPhone or Google Play if you do not have an iPhone.
 - Enter the keyword – herbank
 - You will be given a case number and/or PIN that can be used to track your report.
- **Toll-Free Telephone:** 855-222-0659
- **E-mail:** standard-reports@mitratech.com (must include company name with report)
- **Fax:** (215) 689-3885 (must include company name with report)

In addition, a report may also be made to the Chair of the Audit Committee. Reports of suspected violations, and the identities of persons participating in an investigation, will be kept confidential to the fullest extent possible.

Handling of Confidential, Anonymous Tips

Upon receipt of a complaint covered by this policy, the Chair of the Audit Committee shall make a determination on the level of inquiry, method of investigation or disposal of the complaint. All complaints shall be discussed with the Company's senior management and monitored for handling, investigation, and final disposition. The Chair of the Audit Committee shall report the status and resolutions of all complaints to the Board of Directors.

The Audit Committee, through the Internal Audit Executive, or equivalent, or other designated executive, or Audit Committee Chair appointee, shall investigate all material fraud related tips. In case of a material fraud, a Suspicious Activity Report, (SAR), and a Criminal Referral Form (CRF) shall be completed and reported to the Company's primary regulator and other law enforcement agencies. Please refer to the company's Fraud Policy for further guidance.

Internal Reporting: Company Awards

The Board of Directors and senior management encourages you to utilize the internal reporting systems prior to any external referral. The Company may reward individuals with material complaints that involve intentional and material misrepresentation of financial statement records. The rewards offered by the Company will be determined on a case-by-case basis, by senior management.

Notwithstanding the above, nothing in this policy is intended to prevent you from reporting conduct you believe to be in violation of the law to any governmental or regulatory authority. You do not need prior permission of the Company to engage in such communications, nor do you need to inform the

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Company about such communications.

Retention of Material Complaints

All material complaints shall be retained by the Company's Corporate Secretary for a period of 5 years or as determined by the Audit Committee Chair.

No Retaliation

Neither Heritage Commerce Corp nor Heritage Bank of Commerce will discharge, suspend, threaten, harass or in any manner discriminate or take retaliatory action against any employee based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding matters covered by this policy or otherwise of which you have a reasonable belief as specified in Section 806 of the Sarbanes-Oxley Act of 2002 and Section 21F of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder ("Exchange Act"), or against any employee who participates in any investigation by the Company, or any investigation, judicial or administrative action of the SEC or any other applicable government agency, based upon or related to a suspected violation that is covered by this policy.

Furthermore, neither Heritage Commerce Corp nor Heritage Bank of Commerce will take any action to discriminate, intimidate, or retaliate, in any form, against anyone for participating in, assisting with an investigation, or reporting a concern in good faith. Any person who has concerns about or is aware of possible retaliatory action taken against themselves or any other employee should report it in accordance with one or more of the procedures described in Part III above.

The Securities and Exchange Commission Whistleblower Incentives and Protection

Nothing in this policy is intended to prohibit or discourage an employee from reporting matters of concern to the Securities and Exchange Commission ("Commission"), to the Company's bank regulatory authorities, or to law enforcement personnel. Section 21F of the Exchange Act requires the Commission to pay awards, subject to certain limitations and conditions, to whistleblowers who provide the Commission in writing with original information about violations of the federal securities laws. Under section 21F(b)(1) of the Exchange Act, whistleblowers are eligible for awards only when they voluntarily provide original information about securities violations that lead to a successful enforcement action yielding monetary sanctions of over \$1 million. The award amount is required to be between 10 percent and 30 percent of the total monetary sanctions collected in the Commission's action or any related action such as in a criminal case. You are a whistleblower if, alone or jointly with others, you provide the Commission with information pursuant to the procedures set forth in section 240.21F-9(a) of the Exchange Act regulations.

Although internal reporting is not required to be considered for an award, you may be eligible for an award from the Commission for information you reported internally if you also report the information to Commission within 120 days of reporting it internally.

To be eligible for an award, you must submit original information to the Commission in accordance with the procedures and the conditions described in Section 240.21F-4, 8 and 9 of the Exchange Act regulations. The determination of the amount of the award and the criteria for determining the amount of the award is at the discretion of the Commission.

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Confidentiality of Submissions: The law requires that the Commission not disclose information that could reasonably be expected to reveal the identity of a whistleblower, except in certain circumstances detailed under Section 240.21F-7 of the Exchange Act regulations.

Procedures for submitting original information: You must submit your information about a possible securities law violation by either, online, through the Commission's website located on www.sec.gov or by mailing or faxing a Form TCR (Tip, Complaint or Referral) to:

SEC Office of the Whistleblower (c/o ENF-CPU)
14420 Albemarle Point Place, Suite 102
Chantilly, VA 20151-1750
Fax (703) 813-9322

Additional Information

Questions regarding the application and scope of policy should be directed to the Chair of the Audit Committee.