

**From the Desk of Ashish Masih  
Chief Executive Officer  
Encore Capital Group**



Dear Colleagues,

Our company's reputation depends on an ongoing commitment to our core values in all aspects of our business. Consumers, business partners, and investors know that they can rely on Encore to safeguard their interests by delivering accurate information, protecting confidentialities, and using sound judgment. We must continually examine our conduct as individuals and as an organization with the goal of meeting or exceeding the high standards which we have set for ourselves in **Encore's Standards of Business Conduct**.

These Standards embody Encore's core values, provide guidance on specific behaviors, and set the foundation for ethical decision making. By design, these Standards work in parallel with our Consumer Bill of Rights. We commit to the highest standards when working with our consumers as well as our overall operations. As such, every one of us must distinguish from right and wrong and be guided by strong values. When faced with unique circumstances not covered by the Standards, we must rely on our individual integrity, as well as guidance from the business, to choose the right path.

Your individual commitment to understanding and adopting these Standards is essential to maintaining our position as a respected industry leader. I appreciate the contribution that each of you has made toward making Encore the company it is today, and I look forward to our continued success in the future.

Sincerely,

Ashish Masih





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# Standards of Business Conduct

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Effective Date  
August 7, 2018

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## 1 PURPOSE

Our company has established standards for business conduct. These standards of conduct guide the way we work with our consumers, our business partners, and with each other.

This document outlines our expectations on the following:

- The handling of actual or apparent conflicts of interest between personal and professional relationships
- Full, fair, accurate, timely and understandable disclosure in reports and documents that the company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the company
- Compliance with applicable laws, rules and regulations
- Conducting all business and relationships in accordance with Encore's Core Values: Integrity, Respect, Collaboration, Breakthrough Results, and Fairness
- Prompt internal reporting of violations of these policies, and accountability for adherence to these policies

Encore expects you to read and follow this policy and all other Encore policies that apply to your role. If the rules of any one policy document are more restrictive than another, follow the more restrictive rule.

## 2 SCOPE

This policy covers all directors and employees of Encore Capital Group, Inc. and its wholly owned subsidiaries in the U.S. and abroad.

## 3 POLICY

### 3.1 General Accountability

Encore expects you to be professional, ethical, and legally compliant by:

- Following – and helping other employees follow – laws, rules, regulations, and Encore's compliance programs
- Leading by example and serving as a model for others
- Making sure business results don't take priority over compliance
- Focusing on doing the right thing, not just following the technical rules

Depending on your role, Encore may expect you to:

- Implement measures to identify risks or prevent/detect business process violations
- Develop and communicate policies and procedures that address business risks
- Ensure that employees (and where appropriate, third parties) understand this policy's contents and applicable legal requirements

- Promote an effective system that enables employees to raise concerns without fear of retaliation
- Conduct periodic assessment and improvement of business compliance measures

**3.1.1 Using Your Good Judgment**

We must all use good judgment and do our best to avoid even the appearance of wrongdoing. Before taking action, ask yourself:

- Am I doing the right thing?
- Do I have authority to do this?
- Do my actions follow the law or company policy?
- Would my actions reflect badly on me or Encore if reported to the authorities or media?

When in doubt, ask your manager.

**3.1.2 Incident Reporting and Investigation Procedure**

Early reporting and intervention is the best way to resolve actual or perceived incidents of unethical behavior. Notify Management, Human Resources, or Enterprise Risk Management immediately with any questionable or unethical activities that you know of or that have been reported to you.

Examples:

- Misconduct
- Harassment
- Fraudulent or negligent accounting
- False financial reporting
- Insider trading
- Violations of company policy

When an incident is reported, Encore will conduct a timely and full investigation. Confidentiality will be maintained to the fullest extent possible.

Encore does not tolerate retaliation against employees who report a possible violation of this policy or who cooperate in an investigation.

**3.1.3 Employee Compliance Hotline**

To confidentially and anonymously report possible conduct violations, call our Employee Compliance Hotline. The hotline is toll-free and available 24/7.

Country	Compliance Hotline Information
United States	800-283-0515
India	000-800-100-1571
Costa Rica	0-800-011-4114 When you hear a series of tones, dial 855-225-7064

### 3.1.4 Non Compliance

All employees are accountable for following Encore's Standards of Business Conduct. Violations may result in disciplinary action, up to and including the termination of employment. Certain violations may also constitute a violation of law, and could result in civil and criminal penalties for you and Encore.

## 3.2 Conducting Business

### 3.2.1 Compliance with Laws

Our continued success depends on you. You are required to comply with all applicable laws, regulations, and company policies including, but not limited to:

- The Fair Debt Collection Practices Act, Fair Credit Reporting Act, Telephone Consumer Protection Act, and state law equivalents
- The Gramm-Leach-Bliley Act of 1999 and other state and federal privacy laws
- Securities laws prohibiting anyone, directly or indirectly through their families or others, from purchasing or selling Encore securities while in possession of material nonpublic information concerning the company or sharing such information with others who may trade Encore securities
- State and federal laws prohibiting discrimination or harassment on the basis of race, religion, color, gender, age, national origin, sexual orientation, disability, marital status, or any other protected class
- The prohibition against retaliation against another for making a good faith report of violation of any law, regulation, or company policy
- The Equal Credit Opportunity Act prohibiting discrimination in any credit transaction on the basis of race, color, religion, national origin, sex, marital status, age, receipt of public assistance income, or exercise in good faith of any right under the Consumer Credit Protection Act
- Company policies relating to the above matters, including Encore's Anti-corruption Policy, Insider Trading Policy, compliance policies, and any other policies currently in effect or that become effective after the adoption of this policy

### 3.2.2 Competition and Fair Dealing

Encore does not conduct or tolerate unethical or illegal business practices in order to gain a competitive advantage. Encore expects you to respect the rights of and deal fairly with consumers, suppliers, competitors, and each other.

Prohibited behavior includes:

- Stealing proprietary information, possessing other company's trade secret information or inducing such disclosures by past or present employees of other companies
- Taking unfair advantage through manipulation, concealment, abuse of privileged information, or misrepresentation of material facts
- Making unfair negative comments about Encore's competitors or their products and services

- Making negative public statements about the conduct or performance of former Encore employees

### **3.2.3 Business Dealings Outside of the United States**

Doing business in other countries is a privilege and important to our success. You are expected to follow all of the applicable laws and regulations of the countries and jurisdictions in which Encore conducts business. Encore's Anti-corruption Policy includes information on compliance, issues, and reporting a potential violation.

### **3.2.4 Political Contributions and Activities**

Encore funds or services will not be provided to any political party, or any public office candidate or incumbent. Exceptions will be made only as permitted by law and as approved by Encore's Senior Vice President of Corporate & Government Affairs. This policy should not discourage you from making personal contributions to political candidates, parties, or the Encore PAC.

Personal involvement in political activity is permitted only if the activity does not interfere with or impair the performance of your duties at Encore. If you become involved with a political group, you must make it clear that your activities are not on behalf of or in connection with Encore.

Additional information on acceptable and prohibited political activities is included in Encore's Political Activities Policy.

### **3.2.5 Anti-fraud**

Misusing or unauthorized usage and disclosure of Encore data and assets is considered an act of internal fraud. You may not manipulate records, misappropriate funds or other assets, make misrepresentations or engage in any similar deceptive activities. We have a zero tolerance for internal fraud. Employees are responsible for preventing and detecting acts of fraud.

### **3.2.6 Conduct with Government Employees and Government Contracting**

You must not provide anything of value to a public official or relative of a public official for the purpose of influencing government contracting/subcontracting decisions or other official acts. This includes, but is not limited to: money, drinks, meals, honorariums, or special discounts. No gifts of Company funds or resources may be made to elected or appointed public officials or any government employee, except where allowed by law and authorized in advance by the Senior Vice President of Corporate and Government Affairs.

## **3.3 Conduct in the Workplace**

At Encore, we pride ourselves on our high standards of excellence. We value integrity, respect, collaboration, breakthrough results, and fairness.

### **3.3.1 Harassment and Discrimination**

Harassment and discrimination are defined as unwelcome statements or actions based on an individual's age, religion, gender, race, national origin, disability, veteran status, sexual orientation, or any other legally protected characteristic.

Harassment includes slurs, offensive remarks, jokes, and other verbal, non-verbal, graphic, electronic, or physical conduct that could create an intimidating, hostile, or offensive work environment. Encore maintains a zero tolerance for harassment and discrimination.

### **3.3.2 Fraternization**

Intimate relationships in the workplace have the potential to interfere with company business. These relationships can cause discomfort or lead to unfair treatment. You may not have a dating or sexual relationship with any other employee with whom you:

- Manage or assign work
- Evaluate performance
- Have influence over employment or compensation decisions

You are required to promptly advise your next level manager and Human Resources of such a relationship so that appropriate arrangements can be made to assure no adverse impact on the workplace. You are required to inform Human Resources of both the existence and end of a mutually agreeable relationship with any other employee. Failure to do so is considered a violation of this policy.

### **3.3.3 Equal Employment Opportunity**

Encore is an Equal Opportunity Employer. This is identified in advertising, recruitment brochures, company communications, manuals, policies, and day-to-day practices. We comply with all federal employee and posting requirements.

Employment and advancement opportunities are offered to the most qualified candidates without regard to race, religion, color, ancestry, sex, age, national origin, medical condition, disability, veteran status, marital status, or sexual orientation.

To the degree that your role includes influence over new employment and employee advancement, Encore expects you to base decisions and input on job-related qualifications such as educational background, previous experience, proven skills, job-related competencies, and growth potential.

### **3.3.4 Workplace Safety and Security**

#### **Substance Abuse**

We are committed to providing a healthy and safe work environment. We comply with the Drug-Free Workplace Act of 1988. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, we have zero tolerance for drug and/or alcohol use and abuse in the workplace. The presence of any detectable amount of any illegal drug, illegal controlled substance, or alcohol in an individual's body, while performing company business or while in a company facility, is prohibited.

#### **Smoking and Tobacco Use**

We support a smoke free and tobacco free environment. Smoking and tobacco use is generally prohibited in all locations, except in designated areas.



#### Threats

All written or verbal threats must be considered real until investigated to ensure the safety of the building occupants. If you are witness to a threat, notify your manager or Human Resources immediately. Additional information is available in Encore's Safety and Security Policy.

### **3.4 Avoiding Conflict of Interest**

You are free to use your personal time as you wish. Outside employment, investments, or other activities, however, must not interfere with your responsibilities to Encore.

If you choose to participate in civic, charitable or professional activities, outside of your Encore role, you must not use Encore's name (or the name of any Encore subsidiary) in any capacity. Any use of Encore's name to lend weight or prestige to the activity must be pre-approved by Encore's Chief Executive Officer. Be sensitive to any situation that could reflect poorly on Encore.

To protect Encore's name and reputation, Encore expects you to:

- Exercise good judgment in all dealings outside Encore
- Avoid actions or relationships that might conflict or appear to conflict with your, or any individual's, job responsibilities or the interests of Encore
- Use Encore resources, intellectual property, time, or facilities only for your job at Encore
- Obtain Encore's approval before accepting any position as an officer or director of an outside business when there may be a conflict of interest, business relationship between Encore and the entity, or an expectation of financial or other support from Encore
- Obtain Encore approval when accepting a board position with a not-for-profit entity when there may be a business relationship with the entity or an expectation of financial or other support from Encore

You must disclose outside activities, financial interests, or relationships that may present a possible conflict of interest or the appearance of a conflict of interest to Encore's General Counsel. The Audit Committee of Encore's Board of Directors (Audit Committee) must review and pre-approve any related party and conflict of interest transactions.

#### **3.4.1 Insider Trading**

In accordance with federal and state securities laws, you may not purchase or sell securities of Encore or any other company if you know material nonpublic information about the company, and you may not share material nonpublic information with others who may trade. You and the members of your immediate family and household must comply with Encore's Insider Trading Policy to ensure compliance with laws and avoid even the appearance of questionable or improper conduct.

#### **3.4.2 Gifts**

Other than courtesies usually associated with accepted business practices (such as meals or immaterial promotional items for business purposes), you should not

accept any gifts or favors. This includes gifts or favors from any person or organization that works with Encore, seeks work with Encore, or competes with Encore. Gifts could include payments, fees, services, special favors, vacations, pleasure trips, use of recreational facilities or vacation homes, loans, or other favors. Accepting any gift creates a conflict of interest and could result in actual or perceived preferential treatment of vendors or consumers.

You may not provide anything of value to influence government contracting decisions or other official acts. Additionally, no gift of corporate funds may be given to a government employee in any context, except as provided in Section 3.2.6 of this policy.

Further information is available in Encore's Global Business Travel and Expense Policy.

## **3.5 Managing Information**

### **3.5.1 Business and Financial Data**

We are committed to full, fair, accurate, timely, and understandable disclosures in reports and documents filed with regulators, including the Securities and Exchange Commission, and in public communications. Our financial statements must be prepared in accordance with generally accepted accounting principles and fairly represent, in all material aspects, the financial condition and results of our operations. As an employee or director, you are required to:

- Safeguard all company assets, including physical, financial, and intellectual property
- Provide timely, candid forecasts, assessments, and disclosures
- Submit accurate business records, including time cards, expense reports, and other reports requested by the company
- Comply with applicable laws, rules, and regulations and adhere to company policies, processes, and controls

### **3.5.2 Confidentiality and Data Security**

Ensuring the confidentiality of sensitive data is essential to our business success. Employees, Consumers, and companies with whom we do business trust us to be good stewards of their confidential information, whether related to financial, personal, or business matters.

All data will be protected from unauthorized disclosure. The release and sharing of data is only allowed for properly authorized individuals and entities with an authorized business need. You may only share and discuss this type of information outside of Encore if permitted or required by law or regulation, court subpoena or order, or requested by a judicial, administrative, or legislative body.

Steps for safeguarding confidential information include:

- Ensure that business-related documents are generated, reproduced, transferred, safeguarded, retained, and destroyed in a manner that prevents unauthorized access (additional guidance is available in Encore's Information Security Policy and Records and Data Management Policy)

- Ensure that access to work space and computers is controlled in accordance with Encore's Information Security Policy and Clean Desk Policy
- Do not discuss proprietary or confidential information in public spaces in the work place (e.g., bathrooms or halls), outside the workplace (e.g., parties, restaurants, or airplanes), or on the Internet or any other electronic media (including blogs and social networking sites)
- Take precautions to protect your conversation and privacy when using mobile phones or other communication devices
- Do not discuss proprietary or confidential information on social networking sites, blogs, file sharing sites, etc., or engage in online activities that disparage or discredit the company

### **3.5.3 Your Responsibilities Before and After Employment**

You may not share or use proprietary or confidential information from a former employer to aid Encore, without the prior consent of your former employer, unless legally permissible.

Once your employment or association with Encore ends, you must return copies of Encore information to the company. You must also return access to all Encore information and property, including ID cards, keys, credit cards, laptops, cellular, and smart phones, etc.

## **3.6 Governance**

The Board of Directors has ultimate responsibility and authority with regard to the content of this policy and is responsible for granting any waivers of this policy to any director or executive officer. Any amendment (other than a technical, administrative, or non-substantive amendment) to this policy or any waiver granted by the Board of Directors to an executive officer must be publicly reported on a Form 8-K filed with the Securities and Exchange Commission or otherwise disclosed as permitted by law or regulation.

Our General Counsel is responsible for interpretation of, administration of, and adherence to this policy, with the support of Human Resources and the business, as appropriate.

The Audit Committee is responsible for reviewing and pre-approving any related party and conflict of interest transactions.

## 4 GLOSSARY

Term	Definition
<b>Confidential Information</b>	<p>Confidential information is written, oral, or electronic information generated in the course of business that is not otherwise publicly available.</p> <p>Examples are</p> <ul style="list-style-type: none"> <li>- Information relating to individuals (including consumers), technology, systems, information, or processes that gives Encore an opportunity to obtain an advantage over competitors.</li> <li>- Non-public information about Encore's operations, results, strategies and projections, business plans and processes, workforce, vendors, and consumer relationships.</li> <li>- Information subject to regulatory or contractual restrictions.</li> </ul>
<b>Conflict of Interest</b>	<p>When an individual or organization is involved in multiple interests, one of which could possibly compromise the integrity of another's actions/inactions.</p>
<b>Insider Trading</b>	<p>The trading of a public company's stock or other securities (such as bonds or stock options) by individuals while aware of material nonpublic information about the company.</p>
<b>Material Information</b>	<p>Information that a reasonable investor would consider important in making an investment decision. Any information that is likely to change the value of Encore's stock if it is disclosed to the public is almost certainly material.</p> <p>Examples are projections of future earnings, unpublished financial results, a pending or proposed merger, acquisition or joint venture, large portfolio purchases, significant changes in company objectives, stock or debt issuances or repurchases, changes in dividend policies, significant litigation developments, a change in the board of directors, corporate officers, or public accounting firm, and revisions to financial statements.</p>
<b>Personally Identifiable Information (PII)</b>	<p>PII includes consumer name, date of birth, address, phone numbers, social security number, account number, credit card information, and medical information.</p>