

*Corporate Governance Policy*



**Glacier** Bancorp



# Corporate Governance Policy

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## 1 Purpose

Glacier Bancorp (“Bancorp”) and Glacier Bank (the “Bank” and, together with Bancorp, “the Company”) each have a Board of Directors that together are responsible for overseeing the management of the business of the Company. Bancorp’s Board of Directors and the Bank’s Board of Directors are together referred to in this Corporate Governance Policy (the “Policy”) as “the Board.”

The Company’s business is managed under the direction and oversight of the Board. The Board delegates the conduct of business to the Company’s executive team. The Board has adopted this Policy to facilitate the effective oversight of the Company’s management and strategic objectives for the benefit of Bancorp’s shareholders. The Board reviews the Policy annually and approves any updates that it deems necessary or appropriate in its discretion.

## 2 Qualification Standards for Directors

- A. Independence – A significant majority of the Directors must meet the independence tests specified in Section 303A.02 of the Listed Company Manual of the New York Stock Exchange (the “NYSE Manual”) for service as a Director and as a member of each Board Committee on which the Director serves. Except in unusual circumstances, such as during a transition in leadership, not more than two employees of the Company, including the Chief Executive Officer (CEO), should be Directors. The Board annually determines, upon the recommendation of the Nominating/Corporate Governance Committee, the independence status of each Director. In considering the facts and circumstances relevant to an independence determination, the Board deems the following relationships to be immaterial, such that they will not, by themselves, affect an independence determination:
- A relationship between the Company (including any subsidiary) and an organization of which the Director or an immediate family member (as defined in the NYSE Manual) of the Director

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is an executive officer, as long as that role does not constitute the Director's principal occupation;

- Ordinary banking relationships (such as depository, lending, transfer agency, registrar, trust and custodial, private banking, investment management, securities brokerage, cash management and other services readily available from other large financial institutions);
- Employment by the Company (or any subsidiary) of an immediate family member of a Director if the annual compensation paid to that person does not exceed \$120,000; and
- A relationship between the Company (or any subsidiary) and an organization with which the Director or an immediate family member of the Director is affiliated if (a) the relationship arises in the ordinary course of both parties' operations and (b) the aggregate annual amount paid by either party to the other does not exceed \$120,000.

A Director must inform Bancorp's Corporate Secretary in advance of any contemplated transaction or relationship between that Director (or his or her family members or related interests) and the Company (or any subsidiary) that arises between the annual independence determinations, other than those specified above as immaterial.

- B. Tenure – There are no term limits or mandatory retirement age for Directors.
- C. Residence – There is no residence requirement for Directors.
- D. Diversity – The Company is committed to a Board that reflects a range of viewpoints, backgrounds, skills, and experience to enhance the decision-making process for the benefit of the Company's shareholders. The Nominating/Corporate Governance Committee seeks to maintain a diverse Board across several dimensions, including but not limited to career experience, skills, professional qualifications, expertise, age, gender, race, ethnicity, geography, and other factors beneficial to the Company in the context of the needs of the Board. The Nominating/Corporate Governance Committee is responsible for regularly reviewing Board composition, including aspects of Board diversity. In its recruitment process for new Directors, the Nominating/Corporate Governance Committee is committed to actively seeking highly qualified candidates who have diverse backgrounds.
- E. Majority Voting Policy – Directors will comply with the requirements of Bancorp's Majority Voting Policy.
- F. Financial Responsibility – All Directors are expected to adhere to the highest financial standards in their dealings with Bancorp and the Bank, as well as within the community or communities in which the Director resides or is active, and to comply with the Director Code of Ethics Policy.
- G. Criminal Acts – Directors will be held accountable for personal compliance with all applicable laws and regulations. If a Director is charged with having committed a felony, the Director will be required to take a leave of absence until such time that the matter is resolved and the Director is cleared of any wrongdoing.
- H. Share Ownership – All Directors are required to own shares of Bancorp common stock in accordance with the requirements of Bancorp's Director and Executive Officer Stock Ownership and Retention Guidelines Policy. All Directors will comply with Bancorp's Anti-Hedging Policy and

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Anti-Pledging and Margin Account Policy. Reference is also made to the section on insider trading in the Director Code of Ethics Policy.

### **3 Director Responsibilities**

- A. Attendance – Directors are expected to attend all meetings of the Board and Board Committees on which they serve, and to spend sufficient time to properly discharge their responsibilities to the Company and its shareholders. Board members also are expected to attend all annual meetings of shareholders. Absent mitigating circumstances, any Director who attends fewer than 75% of the total number of meetings of the Board and the Board Committees on which the Director serves (counting only meetings held during the period in which the Director has served on such Committee) in each of two consecutive calendar years will not be considered for nomination for election as a Director at the annual meeting of shareholders held in the following calendar year.
- B. Each Director is expected to:
  - 1. Review all meeting materials thoroughly in advance of each Board or Board Committee meeting, including any reports of examination or other supervisory activity and any other correspondence from Bancorp's and the Bank's regulatory agencies, as well as all required communications provided by the Company's independent registered public accounting firm, and discuss issues of concern with executive management, regulators, auditors, or other third parties as appropriate.
  - 2. Exercise sound, independent judgment in carrying out the Director's oversight responsibilities, including asking questions and requesting explanations as the Director deems appropriate and, when necessary, challenging or opposing recommendations and decisions made by management.
  - 3. Act in good faith, in a manner the Director reasonably believes to be in the best interests of the Company, and with the care that a person in a like position would reasonably believe to be appropriate under similar circumstances.
  - 4. Stay informed regarding general industry trends and regulatory developments pertinent to the Company.
  - 5. Attend functions sponsored by Bancorp or the Bank to which Directors are invited.
- C. Each Director is encouraged to use the services of the Bank in a meaningful way consistent with maintaining the Director's independence.
- D. Each Director should endeavor to establish a general atmosphere of trust, confidence, enthusiasm, and understanding consistent with maintaining the Company's positive image in the eyes of the public.
- E. Each Director shall maintain the confidentiality of all confidential materials received in the course of fulfilling the Director's responsibilities as a director. All Board materials, deliberations and discussions are confidential, regardless of subject matter. In addition, Directors are discouraged from retaining personal notes made at, or in preparation for, Board meetings once the minutes of those meetings have been approved. Each Director is

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responsible for ensuring that confidential materials are not accessible to any individual not authorized to read or view confidential materials of the Company. Directors remain subject to this duty of confidentiality even after they have completed their service on the Board. Upon termination of the Director's service as a director of the Company or the Bank, the Director shall return all copies of all documents obtained in the Director's capacity as a director upon request. Reference is also made to the section on preserving confidentiality in the Director Code of Ethics Policy.

- F. If the Board will be discussing or taking action on a matter in which the Director has any personal or business interest or which creates any other conflict of interest, the Director shall fully disclose such interest in advance. After such disclosure and such discussion as the Board may desire, the Director will be temporarily excused from the meeting, and the Board shall have the opportunity to discuss the matter in the absence of the Director. The Director shall not be permitted to vote on the matter in question. All Directors will also comply with applicable provisions of the Company's Related Person Transactions Policy. Reference is also made to the section on conflicts of interest in the Director Code of Ethics Policy.
- G. Each Director should be familiar with and actively encourage executive management to monitor and take appropriate steps to improve employee productivity and satisfaction.
- H. Each Director is expected to take an active role in assuring that the Bank's services and priorities are regularly communicated to businesses and residents of the communities in which the Bank operates.

### **4 Board Oversight**

The Board's oversight responsibilities include the following:

- Approving major goals and objectives and financial budgets for Bancorp and the Bank in consultation with executive management;
- Establishing corporate policies to achieve the Company's goals and objectives;
- Monitoring the effectiveness of management, including its ability to plan and execute business strategies; and
- Holding management accountable for results and appropriately rewarding management for its achievements.

In carrying out its oversight role, the Board will:

- Oversee the Company's fundamental financial and business strategies, major corporate actions taken by Bancorp and the Bank, and the Company's corporate culture in consultation with executive management;
- Assure that adequate resources are devoted to and monitor the effectiveness of the Company's internal controls in maintaining the integrity of its financial statements, its

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compliance with applicable laws and regulations, and the ethical handling of its relationships with employees, customers, suppliers and other stakeholders; and

- Identify the major risks facing the Company and how to address and mitigate those risks, including the approval of the Company's operating policies.

The non-management Directors will meet in executive session at each regular meeting of the Board without the CEO or any other member of management present. If this group includes Directors who are not "independent", the independent directors will meet alone in executive session at least twice per year. Each Board Committee is encouraged to meet in executive session as it deems appropriate.

The Bancorp and Bank Boards and certain Board Committees may meet simultaneously as appropriate, but should hold separate sessions if necessary to address issues that are relevant to one entity but not the other or to consider transactions between the two entities or other matters where Bancorp and the Bank may have different interests. In addition, any such committee should consult with counsel if, in the opinion of the committee, any matter under consideration has the potential for a conflict between the interests of Bancorp and those of the Bank to ensure that appropriate procedures are established for addressing any such potential conflict and for ensuring compliance with Bancorp's policies regarding Sections 23A and 23B of the Federal Reserve Act.

### **5 Board Access to Management**

Directors have complete access to the Company's executive management and management information. Management will be responsive to requests for information from Directors. The Board encourages the CEO, as appropriate, to invite other senior managers to Board meetings who can provide additional insight into the items being discussed. Any other meetings or contacts with officers or employees that a Director wishes to initiate may be arranged through the CEO or directly by the Director. Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications between a Director and another officer or employee of the Company.

### **6 Board Access to Independent Advisors**

The Board and Board Committees have complete access to outside or independent counsel and other outside advisors of their choice with respect to any issues relating to their activities, which will be engaged at the Company's expense.

### **7 Director Compensation**

Director compensation reflects Bancorp's goal of attracting and retaining outstanding individuals to serve on the Board. Such compensation includes annual cash retainers for service as non-employee Directors, as Chairman of the Board, and as Board Committee chairpersons, as well as equity-based awards. The Board believes it is desirable that a significant portion of overall director compensation be in the form of grants of Company common stock in order to align Directors' interests with the long-term interests of shareholders. In addition, some of the Company's non-employee Directors receive cash fees for service

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as directors of divisions of the Bank located in certain geographic regions. Directors who are employees of the Company will not receive any additional compensation for their service as Directors.

### **8 Management Succession**

The Board is responsible for planning for succession to the position of CEO, as well as overseeing management succession for other executive management positions. The Board works with the Nominating/Corporate Governance Committee to identify and evaluate potential successors to the CEO and other executive officer positions. The CEO is responsible for keeping the Board informed of the CEO's recommendations and evaluations of potential successors, along with a description of any development plans recommended for such individuals. The Board shall also conduct an annual review of the Company's policies governing succession in the event of an emergency affecting, or retirement of, the CEO and update them as it deems appropriate.

### **9 Annual Performance Evaluation of Board**

The Board will conduct a self-evaluation at least annually under the oversight of the Nominating/Corporate Governance Committee to determine whether the Board and each of the committees of the Bancorp Board and the Bank Board are functioning effectively. The Nominating/Corporate Governance Committee will evaluate the independence and qualifications of Directors each year, as well as overall Board performance, composition, characteristics, and size. The annual evaluation will also consider Board diversity, as defined in Section 1D. Within its annual Board evaluation process, the Nominating/Corporate Governance Committee will oversee each Director's self-evaluation, the results of which will inform its recommendations for Board candidates. The Nominating/Corporate Governance Committee will make recommendations to the Board based on the annual evaluation outcomes.

### **10 Communication with the Board by Shareholders**

The Board welcomes communications from shareholders and other interested parties. Communications may be made by writing to the Chairman of the Board, c/o the Corporate Secretary, Glacier Bancorp, Inc., 49 Commons Loop, Kalispell, Montana 59901. A copy of such written communication will also be sent to the Company's CEO. If the Chairman of the Board and the CEO determine that such communications are relevant to and consistent with the Company's operations and policies, such communications will be forwarded to the entire Board for review and consideration.