

# *Glacier Bancorp, Inc. and Glacier Bank*

## *Board of Directors Policy*

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### **1 Board Member Criteria**

- A. **Age** – There is no mandatory retirement age for Directors.
- B. **Residence** – There is no residence requirement for the Board of Directors.
- C. **Attendance** – Any member who attends less than seventy-five percent, unless with mitigating circumstances, of Board and committee meetings for two consecutive calendar years is not eligible to serve past the next annual meeting.
- D. **Investment** – All members are required to own company stock as required by the Director and Executive Officer Stock Ownership and Retention Guidelines Policy.
- E. **Financial Responsibility** – Members are expected to adhere to the highest financial standards in his/her dealings with the Company, the Bank and within the community.
- F. **Evaluation** – Each member is to do an annual self-evaluation of his/her contribution to the Company prior to each annual meeting.
- G. **Criminal Acts** – All members will be held accountable for personal compliance with the law. If a member is charged with a felony violation of a law, he/she will take a leave of absence until such time that the matter is resolved and the member is cleared of any wrongdoing.
- H. **Confidentiality** – The identity of the Company and the Bank’s vendors and customers, the financial records of the Company and the Bank, and all official operations information including customer or office electronic files, documents or communications (“confidential materials”) must be kept strictly confidential at all times. Each director of the Company and/or the Bank shall insure that confidential materials shall not be viewed or read by any individual not authorized to read or view confidential material.

### **2 Guidelines and Responsibilities for Directors**

- A. The Director must be diligent in performing his/her job as a director by:
  - 1. Requesting and reviewing closely all meeting materials, auditor’s findings, and

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supervisory communications.

2. Asking questions and requesting explanations.
  3. Being familiar with general industry trends and regulatory developments pertinent to the institution.
  4. Attending other functions sponsored by the Company or the Bank to which Board members are invited.
- B. The Director must exercise independent judgment and must be loyal to the Company and the Bank's interests. All Directors are encouraged to utilize the services of the Bank in some meaningful way.
- C. The Director should endeavor to establish a general atmosphere of trust, confidence, enthusiasm, and understanding commensurate with the Company and the Bank's image of providing security to the public.
- D. The Director shall maintain the confidentiality of all confidential materials. The Director shall not use any such confidential materials to further the personal or business interests of the Director or any party affiliated with the Director. Upon termination of the Director's service as a director of the Company and/or the Bank, the Director shall return all copies of all documents obtained in the Director's capacity as director, if requested to do so.
- E. If the Board is to discuss or take 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 shall 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 vote on the matter in question.
- F. Directors should establish and maintain the Board's independence and ensure that the quality of the Company's and the Bank's management is competent and well qualified.
- G. Directors should establish with management the operating policies and levels of risk under which the Company and the Bank will operate in order to attain the institution's long and short-term business objectives.
- H. Directors are responsible for ensuring that Company and Bank management has incorporated a sound system of internal controls into the day-to-day operations and procedures.
- I. Directors should provide for independent third-party reviews and testing of compliance with Board policies and procedures, applicable laws, and accuracy of the information provided by management.

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- J. Directors should personally review any reports of examination or other supervisory activity and any other correspondence from the Company's and/or Bank's supervisors and discuss issues of concern with examiners.
- K. Directors should avoid all preferential transactions involving insiders or his/her related interest which may expose the institution to a greater than ordinary risk of loss.
- L. Directors should be familiar with and actively encourage the Company's and Bank's management to monitor and consistently improve employee productivity.
- M. Directors should be involved in ensuring that the Company's and Bank's services and priorities are regularly marketed and brought to the attention of the community.

### **3 Statement of Board Governance Principles**

- Set Company goals and objectives in consultation with executive management;
- Establish policies to achieve Company goals and objectives;
- Monitor the effectiveness of management, including its ability to plan and execute corporate strategies; and
- Hold management accountable for results and appropriately reward management for its achievements.

In carrying out its oversight role, the Board will perform the following principle functions:

- In consultation with executive management, establish a corporate strategy and culture;
- Ensure that internal controls are in place for maintaining the integrity of the Company, the integrity of its financial statements, its compliance with law and ethics, the integrity of its relationships with employees, customers, suppliers and other stakeholders;
- Ensure appropriate management succession for the senior executive officers of the Company and Glacier Bank;
- In consultation with the Compensation Committee of the Board, review and approve the compensation of the CEO and establish procedures for setting and reviewing director compensation;
- Monitor the fundamental financial and business strategies and major corporate actions taken by the Company and Glacier Bank; 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.

### **4 Board Member Self Evaluation**

- A. Have I attended at least seventy-five percent of all Board and appointed committee meetings?

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- B. Have I fulfilled my duties to monitor the safety and soundness of the Company and the Bank by active participation during Board meetings?
- C. Have I provided visible leadership to my community through civic, economic development and other channels? Have I participated in CRA activities?
- D. Have I participated publicly in marketing the Company and the Bank (ambassador at bank sponsored/supported functions – public support through appropriate centers of influence, i.e., Chamber, Rotary, etc.)?
- E. Have I regularly referred business opportunities to the Company and Bank? Approximately how many new clients have I referred in the previous twelve months?
- F. Have I made a personal financial contribution to the organization (do I maintain a financial relationship with the bank)?