

**FULTON FINANCIAL CORPORATION**  
**Corporate Governance Guidelines**  
**(Amended as of October 1, 2019)**

The Board of Directors of Fulton Financial Corporation (“FFC”), acting on the recommendation of the FFC Nominating and Corporate Governance Committee (“NCG Committee”), has developed and adopted these Corporate Governance Guidelines (“Guidelines”). In addition to promoting effective corporate governance practices, these Guidelines are intended to facilitate and guide management in the achievement of our mission to increase shareholder value, enrich the communities we serve by creating financial success together with our customers and career success together with our employees, and to conduct all of our business with honesty and integrity.

**1. Board Size**

The size of the FFC Board of Directors (“Board”) is to provide for sufficient diversity in business experience, community service and other qualifications among non-employee directors in order to facilitate substantive discussions in which each director can participate meaningfully. The Board size shall be set by the affirmative vote of the majority of the Board, and within the limits prescribed in the FFC by-laws.

**2. Director Qualifications and Board Development**

A majority of the Board’s directors shall be comprised of independent directors as defined by and in accordance with the NASDAQ listing standards, as amended. No individual may be nominated as a director of FFC who will attain the age of seventy-two (72) years on or before the date of the Annual Meeting of Shareholders at which he or she is to be elected. FFC does not have a separate written policy regarding how diversity is to be considered in the director nominating process. Generally, however, FFC takes into account diversity in business experience, community service, skills, professional background and other qualifications, as well as diversity in race, national origin and gender, in considering individual candidates.

Each director is encouraged to attend outside educational programs of relevance to their board service as part of its corporate governance and general board education process. These outside programs are in addition to the education and development opportunities that are provided during FFC Board meetings and seminars. FFC will reimburse directors the reasonable costs and expenses for attending these outside educational programs. It is recommended that each FFC director attend at least one outside educational program equivalent to one full day of training per calendar year.

**3. Majority Vote Standard**

In an uncontested election at a FFC Annual Meeting, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall promptly tender his or her resignation following certification of the shareholder vote. The NCG Committee shall consider the resignation offer and recommend to the Board whether to accept it. The Board will act on the NCG Committee’s recommendation within 90

days following certification of the shareholder vote. Thereafter, the Board will promptly disclose its decision whether to accept the director's resignation offer (and the reasons for rejecting the resignation offer, if applicable) in a press release or on a Form 8-K filed with the Securities and Exchange Commission. Any director who tenders his or her resignation pursuant to this majority vote standard shall not participate in the NCG Committee recommendation or Board action regarding whether to accept the resignation offer. However, if each member of the NCG Committee received a Majority Withheld Vote at the same election, then the independent directors who did not receive a Majority Withheld Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them. If the only directors who did not receive a Majority Withheld Vote in the same election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the resignation offers.

#### **4. Service on Other Boards and Director Change in Status**

Recognizing the substantial time commitment required of directors, it is expected that a director will serve on the board of no more than two (2) other public companies and that a director will serve on the boards of other public, private and not-for-profit entities only to the extent that, in the judgment of the NCG Committee, such services do not detract from the directors' ability to devote the necessary time and attention to FFC. The NCG Committee will periodically review, as needed, all directors' service on the boards of other public, private and not-for-profit entities.

Directors are to provide prompt notice to the FFC Corporate Secretary and the NCG Committee Chairman of all changed or new business activities, related party relationships and board directorships as they arise. To avoid a potential conflict of interest or other corporate governance concern, directors are asked not to accept a seat on any additional public company board, significant private company board, major not-for-profit board or any governmental position without first reviewing the matter with the FFC Corporate Secretary and the NCG Committee Chairman. In addition, in the event that there is a substantial change in the nature of an individual director's outside employment or other significant change in his or her outside responsibilities, the NCG Committee shall review the continued appropriateness of that director's Board membership and make a recommendation to the Board if necessary.

#### **5. Meeting Attendance and Review of Meeting Materials**

Each director is expected to make every effort to attend meetings. Attendance in person is expected at the Annual Meeting of Shareholders, all regularly scheduled Board meetings and committee meetings unless excused by the Chairman of the Board or the Committee Chair. Attendance in person is preferred for each Board or Committee meeting, but attendance by teleconference is permitted if necessary under the circumstances subject to the consent of the Chairman of the Board or Committee Chair. Each director should be familiar with the agenda for each meeting, should have carefully reviewed all other materials distributed in advance of the meeting, and should be prepared to participate meaningfully in the meeting and to discuss all scheduled items of business. The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director of FFC.

## **6. Director Access to Management and Independent Advisors**

Directors shall have access to members of FFC senior management, legal counsel, audit, financial and accounting staff. Where necessary and appropriate, directors shall be entitled to consult with independent legal, audit, financial and accounting advisors to assist them in carrying out their duties and responsibilities to FFC and its shareholders. FFC will pay the fees and expenses of any such advisors retained for the Board or a committee will be paid by FFC.

## **7. Designation of Lead Director**

The Board shall designate by resolution for a term of at least a year and publicly disclose in the FFC proxy statement the independent non-management director who will lead the non-employee directors' executive sessions and preside at all meetings of the Board at which the Chairman is not present. The Lead Director shall, as appropriate: serve as a liaison between the Chairman and the independent directors; approve information sent to the Board; approve meeting schedules to assure that there is sufficient time for discussion of all agenda items; and, have the authority to call meetings of the independent directors.

## **8. Executive Sessions**

Directors shall have regularly scheduled meetings at which only independent directors are present. The lead director may invite others to attend such sessions to present information and/or answer questions, but only independent directors may be present for director deliberations and voting. These executive sessions will occur at least twice a year, and perhaps more frequently, recognizing effective corporate governance practices are essential to achieving and maintaining public trust.

## **9. CEO Evaluation and Succession Planning**

At least annually, the non-employee independent directors will, in conjunction with the Human Resources Committee, review the performance of the CEO, and the other members of FFC senior management, in light of FFC's actual performance and its strategic goals and objectives.

At least annually, the Board, or a committee of the Board, will review and approve succession plans for the CEO and other senior executives. Succession planning will address both succession in the ordinary course of business and contingency planning in case of unforeseen events.

## **10. Board and Committee Evaluations**

On an annual basis, the Board and certain committees will evaluate their performance, via a process approved by the Board or the NCG Committee to help guide FFC in the best interest of its shareholders and foster business practices that conform to the highest standards of integrity.

## **11. Stock Ownership Guidelines**

The Board believes that directors and senior executive officers of FFC should be shareholders and

have a financial interest in the company to more closely align the interests of directors and senior executive officers with those of shareholders. The Board has adopted stock ownership guidelines summarized in the Ownership Guideline Table below that require the FFC non-employee directors and certain senior executive officers to acquire and continue to own a minimum amount of eligible FFC stock based on an individual's position with FFC.

| <b>Ownership Guideline Table</b>           |                                       |
|--|---------------------------------------|
| <b>Position</b>                            | <b>Required Eligible Share Amount</b> |
| Non-Employee Director of FFC               | \$300,000                             |
| Non-Employee Director of Fulton Bank, N.A. | \$150,000                             |
| CEO  | 3.0 times Annual Base Salary          |
| President                                  | 1.5 times Annual Base Salary          |
| Chief Financial Officer                    | 1.5 times Annual Base Salary          |
| Other Senior Executive Officers*           | 1.0 times Annual Base Salary          |

\* Other named executive officers listed in the FFC proxy statement plus other officers the Board or the NCG Committee may designate from time to time.

New FFC senior executive officers have five (5) years after first being appointed to or hired by FFC into such position requiring an ownership amount. New FFC and Fulton Bank, N.A. directors have five (5) years after first being appointed or elected to the FFC or Fulton Bank, N.A. Board of Directors. Compliance with the FFC Stock Ownership Guidelines in the Ownership Guideline Table above will be determined by the NCG Committee as of December 31st of the individual's fifth year of service. The FFC senior executive officers and FFC directors who were in office when these stock ownership guidelines were amended as of January 1, 2019 and impacted by the changes, are to comply with the increased ownership requirements by December 31, 2023, or other such date as determined by the NCG Committee. FFC directors who are on the Fulton Bank, N.A. Board of Directors are only required to comply with FFC ownership amount, The individual directors who served on only the Fulton Bank, N.A. Board of Directors when these stock ownership guidelines were amended as of October 1, 2019 and impacted by the changes, are to comply with the increased ownership requirements by December 31, 2024, or other such date as determined by the NCG Committee.

The Board has delegated to the NCG Committee the primary responsibility for overseeing and interpreting these FFC stock ownership guidelines. Compliance with the stock ownership guidelines will be reviewed annually based on eligible shares owned and the FFC closing stock price on the last trading day of the calendar year. Generally, FFC stock options and unvested equity awards are not considered by the NCG Committee as eligible shares owned. However, all FFC common stock beneficially owned by non-employee directors and certain senior executive officers that is eligible to be included on an individual's Form 3, 4 or 5 filed with the SEC (which includes common stock individually owned, retirement account shares, joint accounts, indirect stock ownership and director awards that have been deferred until retirement after their scheduled vesting date) shall be considered toward the ownership guidelines when reviewed by the NCG Committee.

The Required Eligible Share Amount for an officer is calculated on their annual base salary as of the calendar year-end of the first full year after the officer was first designated to their senior executive officer position. Once a senior executive officer or director has satisfied their ownership requirement for a particular position in the Ownership Guideline Table above, he or she shall remain in compliance with the ownership guidelines regardless of changes in future annual base salary or stock price, as long as the individual retains the same number of shares or a higher amount. For example, a senior executive officer who meets his or her 1.0 times base salary ownership as of December 31, 2019 will remain compliant in 2020 and future years if they retain the same number of shares and do not change position even if their annual base salary and the FFC stock price were to change. However, once a senior executive officer is promoted to CEO, President, CFO or new Senior Executive Officer position with a salary increase, he or she has, five (5) years after the promotion to satisfy the new stock ownership requirement for the new position and base salary. Compliance with the new stock ownership requirement will be determined by the NCG Committee as of December 31<sup>st</sup> of the individual's fifth year in each position.

## **12. Communications by Interested Parties**

FFC will maintain procedures for interested parties to communicate directly with the non-employee directors. The Board believes that it is management's role to speak for FFC and not individual directors. The Board also believes that any communications between Board members and interested parties should only be done so with the Chief Executive Officer's knowledge of such communications. The procedures for interested parties to communicate directly with the non-employee directors will be published in the proxy statement for each Annual Meeting of Shareholders and posted on FFC's website.

## **13. Board and Committee Minutes**

Minutes of each Board meeting and all committee meetings will be compiled by the FFC Corporate Secretary who shall act as Secretary at meetings of the Board and such committees, or in the absence of the FFC Corporate Secretary, by an Assistant Corporate Secretary of FFC who is also a member of FFC's internal legal staff or any other person designated by the Board or such Committees.

## **14. Codes of Conduct**

FFC shall at all times maintain a Code of Conduct for its directors, officers and employees. The Code of Conduct is posted and available on FFC's website at [www.fult.com](http://www.fult.com).

## **15. Disclosure and Update of these Guidelines**

The current version of these Guidelines is to be posted on the FFC website and any FFC shareholder may obtain a copy of the Guidelines by sending a written request to the FFC Corporate Secretary. The Board will review and consider revising these Guidelines as appropriate from time to time based upon its own recommendation, the recommendation of the NCG Committee, or the recommendation of management.