



## CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “*Board*”) of Bank OZK (the “*Company*”) has adopted these Corporate Governance Guidelines (“*Guidelines*”) as a summary of the Board’s philosophy and expectations with respect to the Company’s corporate governance process. The Guidelines should be read in conjunction with the Company’s other corporate governance documents, including, but not limited to, its articles of incorporation and bylaws; the charters of Company Board committees (“*Committees*”); the Company’s Code of Business Conduct and Ethics; and other policies relating to specific governance matters.

The Guidelines are a flexible framework for the conduct of the Board’s business and are not intended as a set of legally binding obligations. The Board may interpret, modify or make exceptions to the Guidelines from time to time in its sole discretion and consistent with its duties and responsibilities to the Company and its shareholders.

### 1. Roles of the Board of Directors and Management

The Board is elected by the Company’s shareholders and is the ultimate decision making body of the Company, except with respect to those matters reserved to the Company’s shareholders. The Company’s business is conducted by its employees and officers under the direction of the Company’s Chief Executive Officer (“*CEO*”) and subject to the oversight of the Board. Both management and the Board seek to enhance the long-term value of the Company for the benefit of its shareholders. In doing so, the Company recognizes that the interests of its shareholders also will be advanced by responsibly taking into account the concerns of its other constituencies, including customers, employees, the communities in which it does business, the public at large and the governmental entities that regulate its business.

### 2. Director Responsibilities

The basic responsibility of each director is to exercise his or her business judgment in good faith and to act in what he or she reasonably believes to be in the best interests of the Company and its shareholders. In discharging this responsibility, the Company requires that each director:

- preserve the confidential nature of material information given or presented to the Board;
- disclose to the other directors any potential conflicts of interest he or she may have with respect to any matter under discussion and, if appropriate, refrain from voting on such a matter; and
- not serve as a director, officer or employee of any entity which is in competition with the Company and not misappropriate any opportunity or asset belonging to the Company for his or her direct or indirect benefit.

The Board has ultimate responsibility for oversight of the Company's risk management activities. The Committees assist the Board in overseeing management's risk assessment and risk management activities within the areas delegated to such committees.

One of the most important responsibilities of the Board is to review, approve, and oversee management's creation and implementation of the Company's significant short and long-term strategic plans and objectives. The Board will review the Company's long-term strategic plans and the principal issues facing the Company during at least one Board meeting each year. Throughout the year, the Board monitors the implementation of the strategic plans through ongoing reports from management.

### **3. Director Expectations**

*Attendance at Meetings.* Directors are expected to attend Board meetings and meetings of Committees on which they serve, and to spend the time needed at meetings and meet as frequently as necessary to properly discharge their responsibilities. In addition to scheduled meetings, directors are expected to be available for consultation with management upon reasonable request.

*Advance Review of Materials.* All information relevant to the understanding of matters to be discussed at an upcoming Board or Committee meeting should be distributed in writing or electronically to all members in advance, whenever feasible and appropriate. It is the responsibility of Board members to spend the time needed to review these materials in advance of meetings. This will help facilitate the efficient use of meeting time. The Board acknowledges that certain items to be discussed at Board and Committee meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to the meetings may not be appropriate. In discharging their obligations, directors are entitled to rely on the honesty and integrity of the Company's officers, outside advisors, and auditors.

*Stock Ownership Requirements.* Each director is expected to own Company stock to further align director and shareholder interests. The Board, through its Governance and Compensation Committee, maintains guidelines for stock ownership of directors. The terms of the stock ownership guidelines for directors are disclosed in the Company's most recently filed proxy statement for the annual meeting of shareholders.

*Code of Business Conduct and Ethics, and Conflicts of Interest.* The Company has a comprehensive Code of Business Conduct and Ethics ("*Code*") that emphasizes the Company's commitment to the highest standards of ethical and professional conduct and clearly addresses the Company's dedication to maintaining a productive and team-oriented work environment where individual contributions are recognized, welcomed, and valued. The Code also addresses compliance with the law; reporting of violations of the Code or of laws or regulations; confidentiality of information; protection and proper use of the Company's assets; conflicts of interest; and personal securities transactions and other financial transactions. Directors are expected to be familiar with and to follow the Code to the extent it is applicable to them. If an actual or potential conflict of interest arises for a director, the director shall promptly inform the Chairman of the Board and the Chairman of the Governance and Compensation Committee. The Governance and Compensation Committee will recommend to the Board the appropriate action to be taken with respect to such actual or potential conflict of interest.

*Trading and Hedging Restrictions.* Under the Company’s Insider Trading Policy, directors: (i) are prohibited from trading in Company securities while aware of material, nonpublic information about the Company; (ii) must obtain permission from a designated compliance officer prior to trading in Company securities; (iii) may only trade during an “open window” period; and (iv) are prohibited from engaging in hedging transactions with respect to any of their Company stock or pledging any of their Company stock.

*Confidentiality.* Nonpublic information about the Company and its subsidiaries and its and their performance is confidential and must not be disclosed, as described in the Code and the Insider Trading Policy. Pursuant to their fiduciary duties of loyalty and care, directors are required to protect and hold confidential all confidential information obtained as a result of their directorship position absent the express permission of the Board to disclose such information. In addition, all Board materials, deliberations, and discussions are confidential, regardless of subject matter. Accordingly, confidential information may not be used by any director for his or her own benefit or for the benefit of others, and no director shall disclose confidential information outside the Company, either during or after his or her service as a director of the Company, except with authorization of the Board or as may be otherwise required by law.

#### **4. Director Qualifications and Selection**

The Governance and Compensation Committee of the Board is responsible for reviewing with the Board, from time to time, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. Nominees for directorship will be selected by the Governance and Compensation Committee in accordance with the qualification standards set forth below and other qualifications as the Governance and Compensation Committee may periodically establish. The Governance and Compensation Committee has approved procedures addressing their process for considering director candidates for election at the Company’s annual meeting of shareholders. These procedures, as amended from time to time, are available on the Company’s investor relations website.

*Qualifications for Director Candidates.* The Company values the benefits that diversity can bring to the Board. While the Board does not have a specific diversity policy, the Governance and Compensation Committee considers diversity on the Board when nominating non-employee directors for election by taking into account geographic diversity to reflect the geographic areas in which the Company operates, as well as diversity of skills, experiences, background, personal characteristics, age, gender, race and ethnicity. As a primary consideration, the Board seeks members with complementary individual backgrounds which maximize perspective and ensure a wealth of experience to enable the Board to make better informed decisions. Board candidates are considered based upon various criteria in the context of an assessment of the perceived needs of the Board at that point in time. The following are important, but not necessarily all, attributes that should be possessed by a director:

- The highest personal and professional ethics, integrity and values, and a commitment to representing the long-term interests of the Company’s shareholders.
- An inquisitive and objective perspective, practical wisdom and mature judgment, and the ability to exercise informed judgment in the performance of his or her duties.
- Commitment of sufficient time and attention to discharge his or her obligations.

- A distinguished record of leadership and success in his or her arena of activity.
- A strong background of relevant experience or education.
- Strong community ties in the Company's banking markets or with the business community that can assist the Company from time to time in its business development efforts.

In addition to the foregoing qualifications, the Board and its Committees will satisfy all applicable requirements of the federal securities laws, the FDIC and the corporate governance requirements for Nasdaq-listed issuers. Specifically, in nominating candidates for election as director, the Governance and Compensation Committee will also assure that:

- at least a majority of the directors serving at any time on the Board are independent, as defined under the Nasdaq listing rules;
- at least three of the directors satisfy the financial literacy requirements required for service on the audit committee under applicable FDIC and Nasdaq listing rules;
- at least one of the directors qualifies as an audit committee financial expert under the rules of the Securities and Exchange Commission ("SEC") and applicable FDIC rules;
- at least some of the independent directors have experience as senior executives of a public or substantial private company; and
- at least some of the independent directors have general familiarity with the banking industry.

*Limits on Board Memberships.* Directors are encouraged to limit the number of boards on which they serve, given their time commitment to the Board and its Committees. Directors should advise the Chairman of the Board and the Governance and Compensation Committee prior to accepting an invitation to serve on the board of another public company or another financial institution.

*Term and Age Limits.* The Board does not believe it should establish term or age limits. While such limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term or age limits, the Governance and Compensation Committee will review each director's continuation on the Board every year. This review will include determination of whether the director is independent and whether the director has had a significant change in his or her business or professional circumstances during the past year. This will allow each director the opportunity to conveniently confirm his or her desire or ability to continue as a member of the Board.

*Changes in Principal Occupation.* The Board asks that each non-employee director who materially changes his or her principal occupation (or ceases to be engaged in the principal professional activity in which he or she was engaged at the time of joining the Board) notify the Governance and Compensation Committee of such change within a reasonable amount of time. While it is not the sense of the Board that such change should necessarily result in a director's departure from the Board, the Governance and Compensation Committee will consider the impact of any reported change and make any recommendations to the Board that it deems

appropriate.

## 5. Role of Independent Directors

The Board will have at all times a majority of independent directors who meet the criteria for independence required by applicable SEC and FDIC rules and regulations and the corporate governance requirements for Nasdaq-listed issuers. The Board will make an affirmative determination annually as to the directors that are deemed to qualify as “independent” within the meaning of Nasdaq rules.

The independent directors will meet, without management, in executive session at least semi-annually. The director who presides at these meetings will be chosen by the independent directors (“*Presiding Independent Director*”), and his or her name will be disclosed in the Company’s annual proxy statement. In selecting the Presiding Independent Director, the Board should consider all relevant factors, including the director’s (i) independence of management, (ii) experience with corporate governance matters and board procedures, (iii) knowledge of the Company and its operations and business, and (iv) willingness and availability to serve effectively as Presiding Independent Director.

The Presiding Independent Director will have the following principal responsibilities and authority:

- Serve as Vice-Chairman of the Board;
- Preside at meetings of the Board and meetings of shareholders in the absence of the Chairman and preside at any Committee meetings in the absence of the Chairman;
- Provide input to the Chairman on the frequency and schedule of Board meetings to ensure there is sufficient time for discussion of all agenda items;
- Provide input to the Chairman on agendas for Board meetings, while seeking agenda input from independent directors;
- Provide input to the Chairman on the quality, quantity, and timeliness of information submitted by management that is necessary or appropriate for the independent directors to effectively and responsibly perform their duties;
- Function as a mentor to the CEO on Board issues and other matters affecting the Company;
- Suggest calling full Board meetings to the Chairman when appropriate and have the authority to call meetings of the independent directors when appropriate;
- Organize, develop the agenda for, and lead meetings of the Board’s independent directors;
- Act as the principal liaison between the independent directors and the Chairman on: (i) issues arising in meetings of the Board’s independent directors and the outcomes, subject to any limitations specified by the independent directors, (ii) matters relating to Board performance evaluations, and (iii) on issues relating to Board culture;
- Act as a liaison to the CEO on the views, concerns, and issues of the independent directors;
- Facilitate discussion among independent directors on key issues and concerns outside of Board meetings;
- Evaluate, along with the Governance and Compensation Committee, the CEO’s

- performance and meet with the CEO to discuss the Board's evaluation;
- Consult with the Chairman on the membership and leadership of Board Committees;
- Ensure availability for consultation and direct communication if requested by major shareholders; and
- Provide leadership in times of emergency and crisis.

## **6. Agenda for Board Meetings**

The Chairman will have primary responsibility for establishing the agenda for each Board meeting. Each Committee, and each individual director, is encouraged to suggest items for inclusion on the agenda. Additionally, each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

## **7. Board Committees**

The Board will have at all times an Audit Committee and a Governance and Compensation Committee. All of the members of these Committees will be independent directors under the applicable criteria established by the SEC, the FDIC, the Nasdaq listing rules and other applicable rules and regulations. Committee members will be appointed by the Board upon recommendation of the Governance and Compensation Committee with consideration of the desires and experiences of individual directors. It is the sense of the Board that consideration should be given to rotating Committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each Committee will have its own charter. The charters will set forth the purposes, goals, and responsibilities of the Committees as well as qualifications for Committee membership.

The chairperson of each Committee, in consultation with the Committee members, will determine the frequency and length of the Committee meetings consistent with any requirements set forth in the Committee's charter. The chairperson of each Committee, in consultation with the appropriate members of the Committee and management, will develop the Committee's agenda. The meeting schedule for each Committee will be furnished to all directors.

The Board and each Committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

The Board may, from time to time, establish or maintain additional Committees as necessary or appropriate.

## **8. Director Access to Officers and Employees**

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or his or her Executive Assistant or directly by the director. The 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 appropriate, copy the CEO on any written communications between a director and an officer or employee of the Company.

The Board welcomes regular attendance at each Board meeting of senior officers or other members of management of the Company who (i) can provide additional insight into the items being discussed because of personal involvement or expertise in these areas and/or (ii) are individuals who the senior officers believe have future potential and who should be given exposure to the Board. Board meetings may also be attended from time to time by outside advisors, to the extent such advisors' participation is deemed necessary and appropriate by the senior officers of the Company to assist the Board in understanding the material being presented to the Board.

## **9. Director Compensation**

The Governance and Compensation Committee, using outside advisors, makes periodic recommendations to the Board regarding non-employee director compensation based on comparisons with relevant peer groups. The Governance and Compensation Committee and Board believe it is desirable that a portion of overall director compensation be linked to Company common stock in order to align directors' interests with the long-term interests of shareholders, and for that reason, the Board's total compensation will be structured to include an element of stock-based compensation. Employee directors receive no separate compensation for their Board service. The Director Compensation Program is described in the Company's most recently filed proxy statement for the annual meeting of shareholders.

## **10. Director Orientation and Continuing Education**

The Company will provide appropriate orientation for new directors, including a comprehensive set of materials addressing the Company's key policies and practices, and shall provide new directors with the opportunity to meet informally with members of senior management. Further education about the Company is provided by management throughout the year.

All directors will attend continuing education sessions as may be required by the Company's banking regulatory agencies, other applicable rules and regulations, or on an as needed basis to be determined by the Board. All directors will be supported in their endeavors to receive ongoing education in subjects relevant to their duties as a director and the business of the Company.

## **11. Selection of Chairman and CEO**

The Board has no policy with respect to the separation of the offices of Chairman and CEO, to preserve the Board's freedom to make that determination in the manner that seems best for the Company and its shareholders at a given point in time. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company and its shareholders for the Board to make a determination about separation of these offices when the Board elects the CEO.

## **12. CEO Evaluation and Management Succession**

The Governance and Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board of Directors will review the Governance and Compensation Committee's minutes reflecting such performance review in order to ensure that the CEO is providing the best leadership for the Company.

The Governance and Compensation Committee should make an annual report to the Board on succession planning. The Company's succession planning should include policies and principles for CEO selection as well as policies regarding succession in the event of an emergency or the retirement of the CEO. The entire Board will work with the Governance and Compensation Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **13. Annual Performance Evaluation**

The Board will conduct an annual self-evaluation to determine whether it and its Committees are functioning effectively. The Governance and Compensation Committee shall lead the evaluations and will report the results of the evaluations to the Board.

## **14. Board Interaction with Investors, the Press, Customers, etc.**

It is important for the Company to speak to stakeholders and outside constituencies with a unified voice. It is the policy of the Board that management speaks for the Company. Directors may only communicate with the press and other third parties at the request of the CEO or his designee.

**15. Communications with the Board**

Shareholders may communicate with the Board, individual directors, the Presiding Independent Director or any Board Committee by sending correspondence to:

Bank OZK  
Attention: (Board member)  
c/o General Counsel and Corporate Secretary  
P.O. Box 8811  
Little Rock, AR 72231-8811

All appropriate communications received will be forwarded to the Board, the Presiding Independent Director, the chairperson of the appropriate Board Committee or the individual director as addressed.