

BankDirector®

Strong Board. Strong Bank.

2017 Compensation Survey

JUNE 2017 | RESEARCH

Sponsored by:

 **Compensation
Advisors**

A Member of Meyer-Chatfield Group

TABLE OF CONTENTS

Executive Summary	3
Attracting Executive Talent	4
CEO Compensation & Succession	8
Board Compensation	15
Board Talent & Skills	24
About the Survey	32



Emily McCormick is the director of research for Bank Director, an information resource for directors and officers of financial companies. You can follow her on Twitter or get connected on LinkedIn.

EXECUTIVE SUMMARY

Forty-eight percent of bank directors and executives—including chief executives, human resources officers and chief financial officers—say their bank does not have a successor to replace the CEO when the top executive retires or leaves, according to Bank Director’s 2017 Compensation Survey, sponsored by Compensation Advisors, a member of Meyer-Chatfield Group. Yet, just 17 percent say that developing a CEO succession plan is a top compensation challenge.

Twenty-nine percent of respondents expect their bank’s CEO to retire within the next five years. The median age for bank CEOs is 57 years, with 58 percent between the ages of 50 and 61, 26 percent between 62 and 73 years old, and 2 percent aged 74 to 86 years. Thirty-eight percent of respondents whose CEO is aged 62 or older have not identified a successor.

The 2017 Compensation Survey was conducted in March and April of 2017, and surveyed 286 independent directors and senior executives of U.S. banks. Compensation data was also collected from the proxy statements of 108 publicly traded banks. The survey provides detailed information on CEO and board compensation packages.

Banks below \$5 billion in assets are less likely to have designated a successor or identified potential successors. Eighteen percent of respondents whose banks haven’t identified a successor—all from institutions below \$5 billion in assets—say they lack the internal talent to take the place of the CEO.

Just 12 percent are willing to consider a candidate from outside the banking industry to replace the CEO. Respondents from publicly traded banks above \$5 billion in assets are more likely to consider this type of candidate.

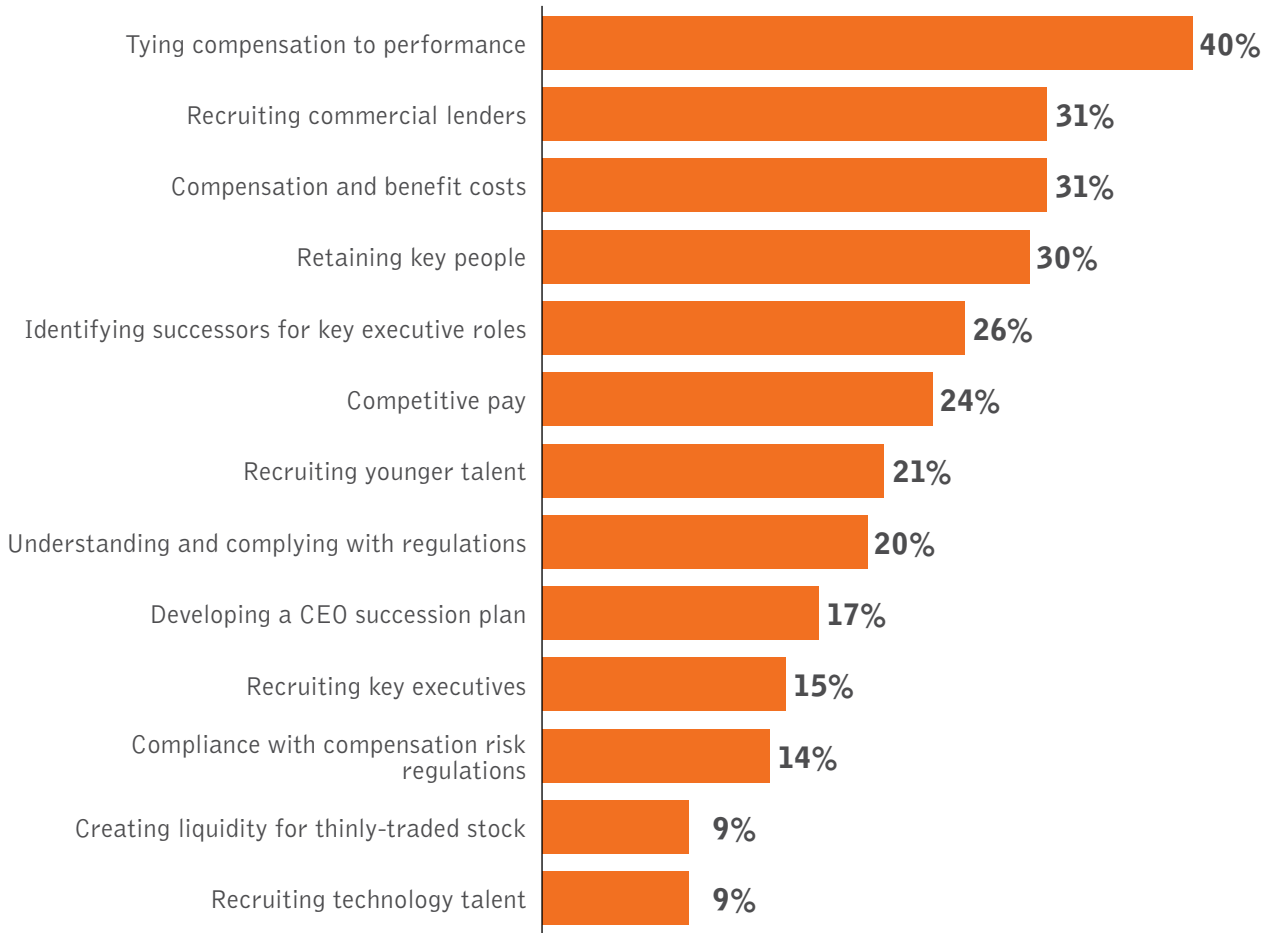
Other key findings:

- The vast majority—91 percent—believe the bank’s CEO compensation package is competitive enough to attract future CEOs or retain the current CEO. The median CEO salary for fiscal year 2016 was \$366,250, with a median cash incentive of \$131,697.
- Of those who see room for improvement in the CEO compensation package, 67 percent say the bank needs to offer equity, and 22 percent say the bank should offer equity at greater levels. Fifty-two percent of all respondents say their CEO was awarded equity grants in FY 2016, at a median of \$240,160.
- Sixty-four percent believe that their bank’s compensation plans are not competitive with technology companies, but 93 percent believe they’re on par with other banks, and 70 percent believe they are competitive with other companies outside the banking sector.
- Fifty-two percent say the bank offers both an in-house training program and external training options to develop executive-level skills. Eleven percent offer neither option.
- One-third of respondents report that their bank has no women serving on the board, and just 13 percent have three or more female directors. Fifty-one percent say that their board seeks to be more diverse over the next two years.
- Seventy-three percent believe that the board’s compensation structure is attractive enough to bring in new directors. Non-executive chairmen received a median of \$50,782 in total compensation paid in FY 2016, and independent directors were paid a total median of \$38,610. Forty-six percent report that outside directors receive no additional benefits or perks.

ATTRACTING EXECUTIVE TALENT

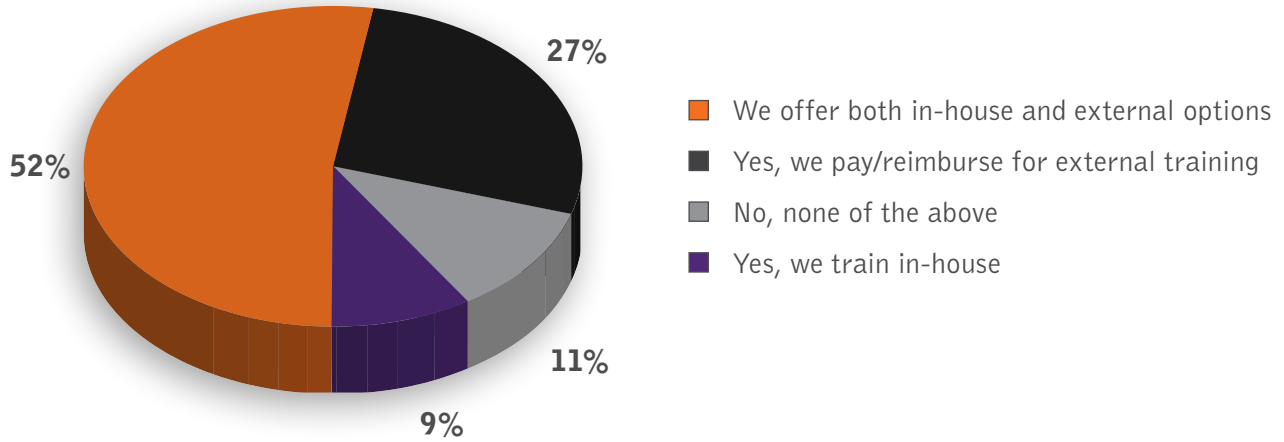
1. What are your top three compensation challenges for 2017?

Respondents were asked to select no more than three.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Tying compensation to performance	38%	34%	43%	45%	37%	40%
Recruiting commercial lenders	15%	33%	25%	42%	31%	31%
Compensation and benefit costs	15%	30%	25%	39%	40%	31%
Retaining key people	31%	27%	32%	29%	37%	30%
Identifying successors for key executive roles	27%	27%	36%	13%	29%	26%
Competitive pay	27%	25%	18%	26%	23%	24%
Recruiting younger talent	31%	19%	27%	10%	29%	21%
Understanding and complying with regulations	31%	19%	20%	19%	14%	20%
Developing a CEO succession plan	31%	19%	18%	15%	6%	17%
Recruiting key executives	15%	12%	16%	15%	17%	15%
Compliance with compensation risk regulations	23%	19%	16%	10%	3%	14%
Creating liquidity for thinly-traded stock	-	9%	9%	15%	9%	9%
Recruiting technology talent	8%	10%	7%	8%	9%	9%

2. Does your bank offer an in-house training program or offer external training options to develop the skills needed at the executive level?



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
We offer both in-house and external options	70%	63%	45%	39%	51%	52%
Yes, we pay/reimburse for external training	15%	21%	32%	35%	29%	27%
No, none of the above	-	9%	11%	18%	14%	11%
Yes, we train in-house	15%	7%	12%	8%	6%	9%

3. Regarding executive talent and key positions, do you believe that your bank's compensation plans are competitive...

WITH OTHER BANKS?						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	100%	99%	89%	95%	76%	93%
No	-	1%	11%	5%	24%	7%

WITH TECHNOLOGY COMPANIES?						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	26%	37%	48%	31%	27%	36%
No	74%	63%	52%	69%	73%	64%

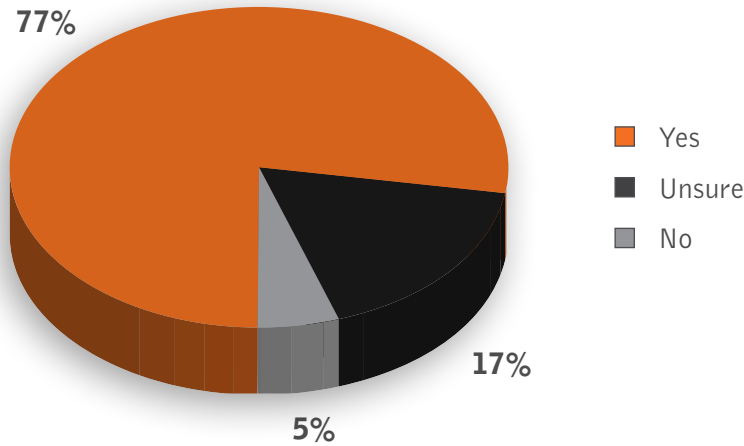
WITH OTHER COMPANIES OUTSIDE THE BANKING SECTOR?						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	77%	68%	70%	70%	68%	70%
No	23%	32%	30%	30%	32%	30%

WITH OTHER BANKS?					
Title	CEO	CFO	HRO	Chairman or director	Total
Yes	89%	95%	90%	95%	93%
No	11%	5%	10%	5%	7%

WITH TECHNOLOGY COMPANIES?					
Title	CEO	CFO	HRO	Chairman or director	Total
Yes	27%	47%	23%	44%	36%
No	73%	53%	77%	56%	64%

WITH OTHER COMPANIES OUTSIDE THE BANKING SECTOR?					
Title	CEO	CFO	HRO	Chairman or director	Total
Yes	66%	81%	67%	75%	70%
No	34%	19%	33%	25%	30%

4. Does the bank pay enough to attract and/or retain the necessary executive-level talent to sustain the bank?

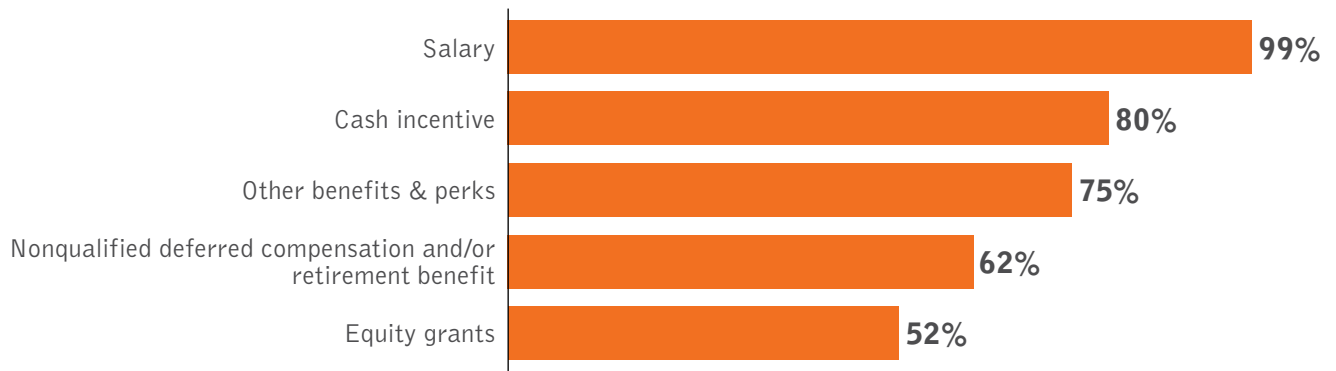


Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	89%	84%	72%	82%	57%	77%
Unsure	11%	15%	23%	10%	31%	17%
No	-	1%	5%	8%	11%	5%

CEO COMPENSATION & SUCCESSION

5. The CEO at my bank received the following types of compensation in FY 2016.

Proxy data included. Respondents were asked to select all that apply.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Salary	99%	100%	100%	98%	100%	99%
Cash incentive	97%	88%	78%	68%	53%	80%
Other benefits & perks	88%	81%	72%	61%	58%	75%
Nonqualified deferred compensation and/or retirement benefit	86%	65%	60%	45%	36%	62%
Equity grants	90%	62%	40%	27%	17%	52%

Bank Ownership	Public	Private	Mutual	Total
Salary	99%	99%	100%	99%
Cash incentive	88%	67%	74%	80%
Other benefits & perks	83%	63%	53%	75%
Nonqualified deferred compensation and/or retirement benefit	72%	45%	47%	62%
Equity grants	71%	25%	11%	52%

6. Enter the cash compensation amounts for the CEO of your bank for FY 2016.

Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. *Indicates a count of less than 10 within a field.

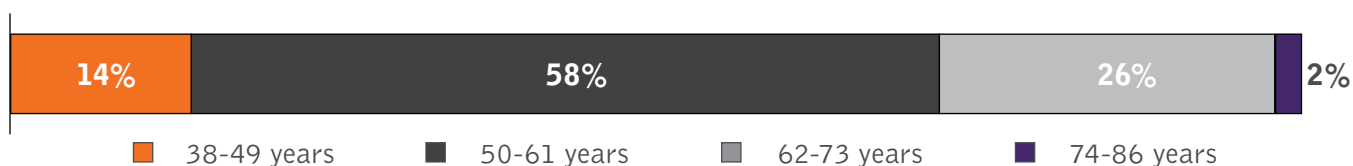
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Salary	\$826,731	\$442,500	\$320,202	\$250,000	\$172,000	\$366,250
Cash incentive	\$765,416	\$190,000	\$85,000	\$40,000	\$20,000	\$131,697
Equity grants (fair market value)	\$1,349,916	\$152,915	\$70,000	\$44,562	\$25,000*	\$240,160
Benefits & perks	\$76,119	\$33,641	\$41,585	\$20,000	\$12,000	\$35,000

Bank Ownership	Public	Private	Mutual	Total
Salary	\$465,000	\$244,000	\$336,000	\$366,250
Cash incentive	\$213,958	\$40,000	\$62,500	\$131,697
Equity grants (fair market value)	\$395,070	\$35,000	-	\$240,160
Benefits & perks	\$45,911	\$15,000	\$40,000	\$35,000

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Salary	\$310,000	\$464,892	\$476,975	\$300,000	\$436,000	\$366,250
Cash incentive	\$72,000	\$148,001	\$175,000	\$106,029	\$198,240	\$131,697
Equity grants (fair market value)	\$497,107	\$268,081	\$514,505	\$156,458	\$192,000	\$240,160
Benefits & perks	\$35,000	\$31,013	\$75,000	\$25,000	\$35,050	\$35,000

7. What is the age of your bank's CEO?

Proxy data included.

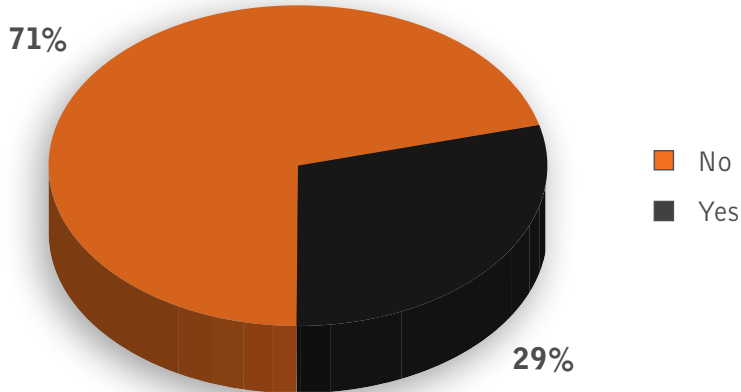


Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Median CEO age	61	57	55	56	58	57

Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
38 - 49 years	4%	12%	17%	22%	24%	14%
50 - 61 years	52%	63%	64%	56%	47%	58%
62 - 73 years	39%	23%	17%	20%	29%	26%
74 - 86 years	4%	2%	2%	2%	-	2%

8. Do you expect your bank’s CEO to retire within the next five years?

***Indicates a base count of less than 10 within a category.*

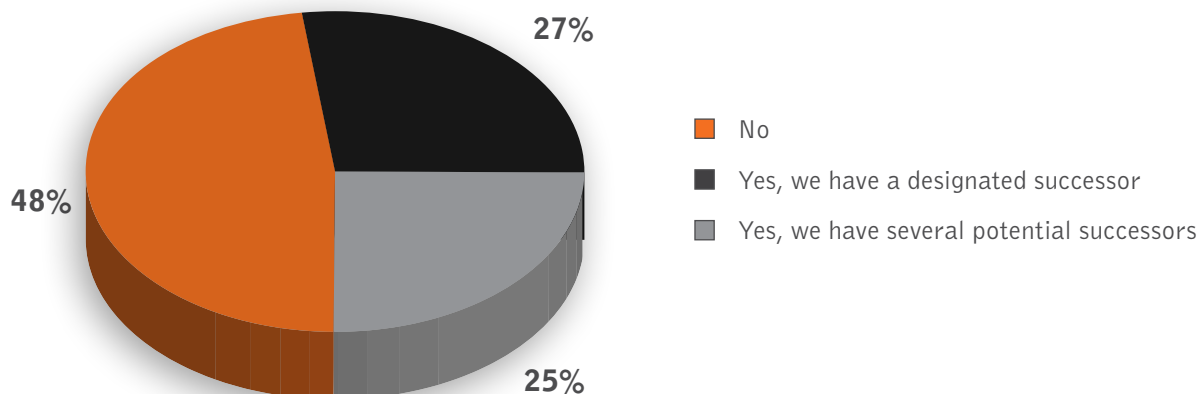


Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	60%	69%	80%	70%	66%	71%
Yes	40%	31%	20%	30%	34%	29%

CEO Age (Years)	38-49	50-61	62-73	74-86**	Total
No	97%	84%	14%	25%	71%
Yes	3%	16%	86%	75%	29%

9. Has your bank identified a successor or potential successors for the CEO?

***Indicates a base count of less than 10 within a category.*

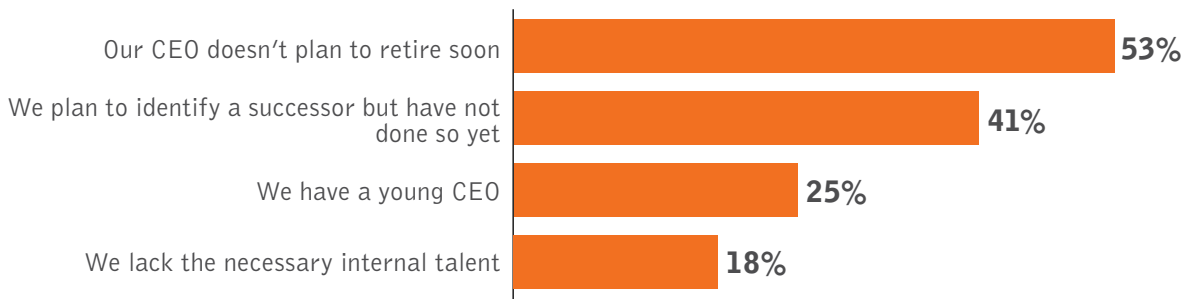


Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	19%	45%	61%	53%	44%	48%
Yes, we have a designated successor	25%	33%	20%	20%	38%	27%
Yes, we have several potential successors	56%	22%	20%	27%	19%	25%

CEO Age (Years)	38-49	50-61	62-73	74-86**	Total
No	59%	46%	43%	-	48%
Yes, we have a designated successors	16%	26%	31%	75%	25%
Yes, we have several potential successor	24%	28%	26%	25%	27%

10. If your bank has not identified a successor or potential successors, why?

Respondents were asked to select all that apply. Question was only asked of respondents who indicate that the bank has not designated a successor or identified potential successors. **Indicates a base count of less than 10 within a category

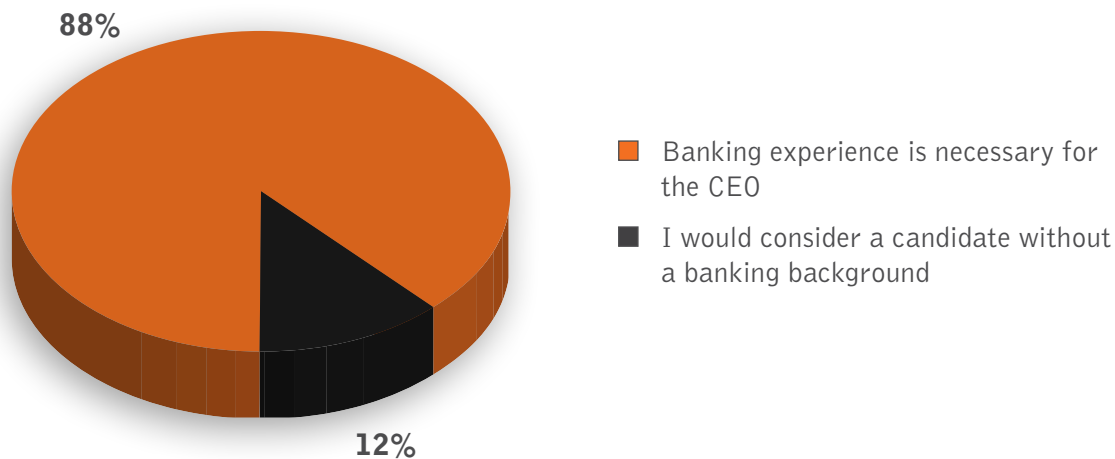


Bank Asset Size	>\$5B**	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Our CEO doesn't plan to retire soon	100%	55%	54%	52%	43%	53%
We plan to identify a successor but have not done so yet	67%	41%	39%	48%	29%	41%
We have a young CEO	33%	23%	29%	32%	7%	25%
We lack the necessary internal talent	-	23%	14%	12%	36%	18%

CEO Age (Years)	38-49	50-61	62-73	74-86**	Total
Our CEO doesn't plan to retire soon	73%	57%	13%	-	53%
We plan to identify a successor but have not done so yet	14%	46%	60%	-	41%
We have a young CEO	55%	17%	-	-	25%
We lack the necessary internal talent	9%	24%	27%	-	18%

11. If your bank were to replace its CEO, would you be willing to consider a candidate from outside of the banking industry, or do you believe that banking experience is necessary?

***Indicates a base count of less than 10 within a category*

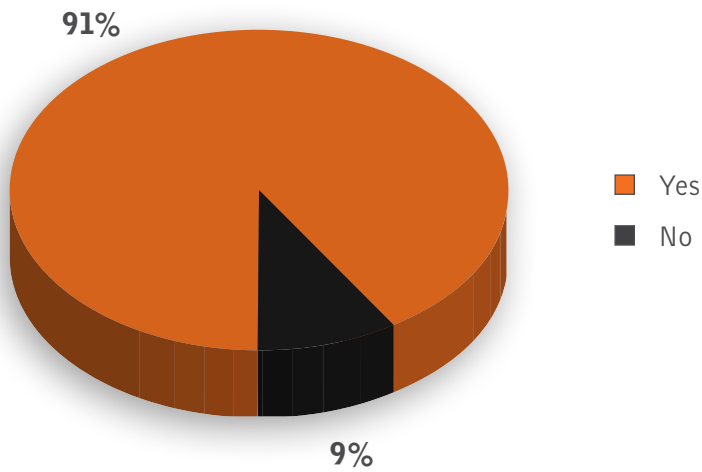


Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Banking experience is necessary for the CEO	75%	88%	87%	94%	88%	88%
I would consider a candidate without a banking background	25%	12%	13%	6%	12%	12%

Title	CEO	CFO	HRO	Chairman or director	Total
Banking experience is necessary for the CEO	93%	100%	92%	82%	88%
I would consider a candidate without a banking background	7%	-	8%	18%	12%

CEO Age (Years)	38-49	50-61	62-73	74-86**	Total
Banking experience is necessary for the CEO	84%	88%	89%	100%	88%
I would consider a candidate without a banking background	16%	12%	11%	-	12%

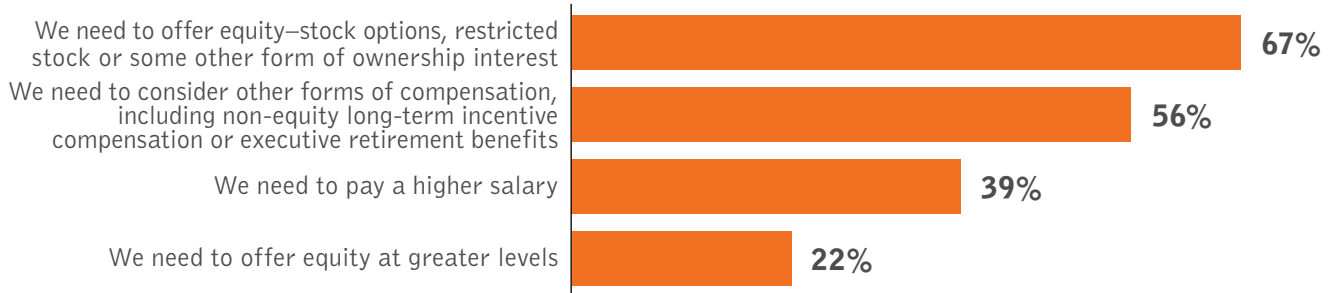
12. Do you believe that your CEO compensation package is attractive enough to retain your current CEO and/or attract future CEOs?



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	100%	96%	91%	92%	75%	91%
No	-	4%	9%	8%	25%	9%

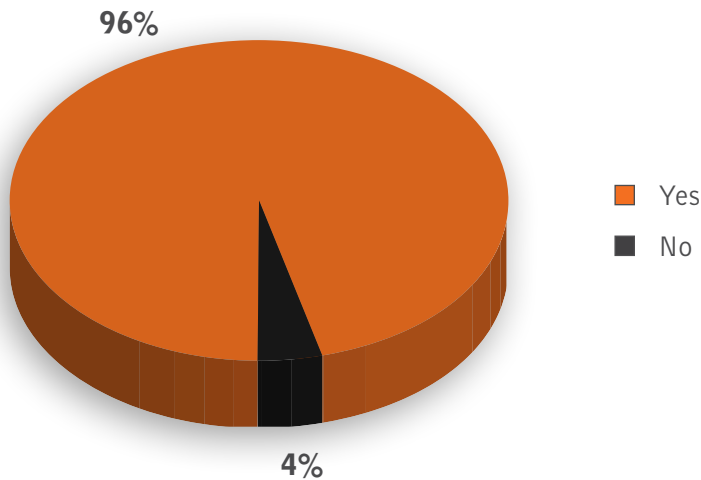
13. In your opinion, how could your bank’s CEO compensation package be improved?

Respondents were asked to select all that apply. Question was only asked of respondents who indicate that the bank’s CEO compensation package is not attractive enough to retain the current CEO and/or attract future CEOs.



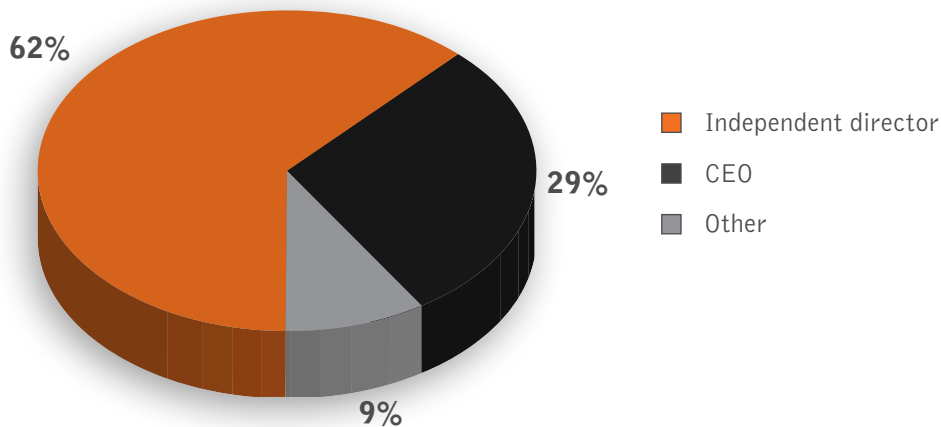
BOARD COMPENSATION

14. Do your directors and/or non-executive chairman receive compensation for board service?



15. Is the chairman of the board also the CEO, or an independent director?

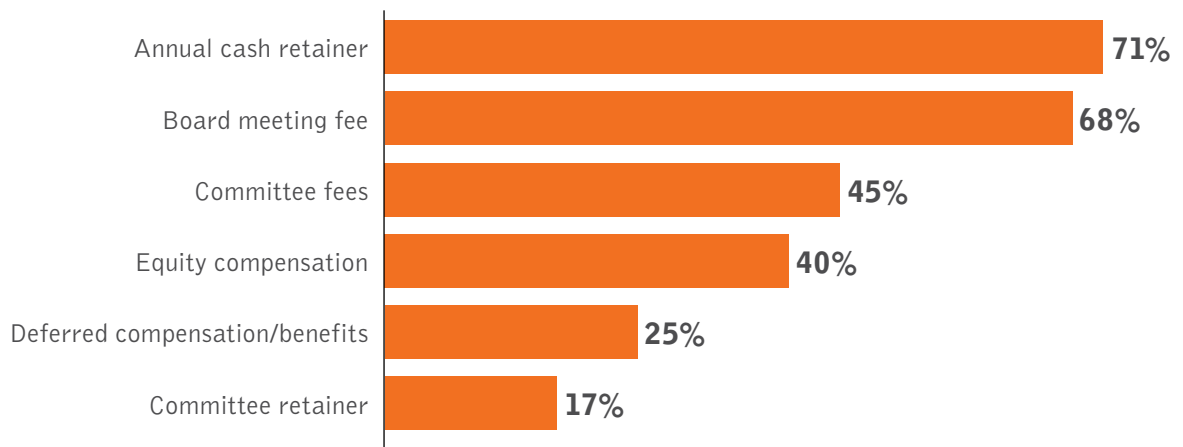
Proxy data included.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Independent director	44%	63%	69%	70%	64%	62%
CEO	48%	28%	26%	20%	17%	29%
Other	9%	10%	5%	9%	19%	9%

16. The non-executive chairman at my bank receives the following types of compensation.

Proxy data included. Respondents were asked to select all that apply. Question was only asked of respondents who indicate that the chairman is an independent director and that the directors and/or non-executive chairman receive compensation.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Annual cash retainer	100%	81%	73%	62%	10%	71%
Board meeting fee	39%	66%	73%	74%	95%	68%
Committee fees	21%	44%	49%	53%	55%	45%
Equity compensation	79%	53%	31%	15%	10%	40%
Deferred compensation/benefits	25%	29%	27%	18%	25%	25%
Committee retainer	32%	25%	9%	9%	5%	17%

Bank Ownership	Public	Private	Mutual	Total
Annual cash retainer	86%	40%	53%	71%
Board meeting fee	59%	84%	93%	68%
Committee fees	35%	58%	80%	45%
Equity compensation	59%	6%	-	40%
Deferred compensation/benefits	29%	8%	53%	25%
Committee retainer	22%	4%	20%	17%

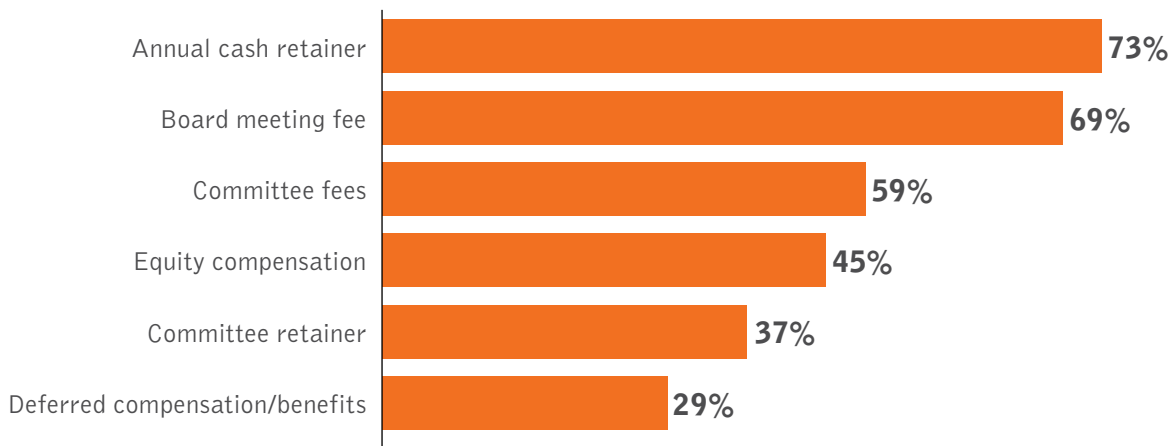
17. Enter the cash compensation amounts for the non-executive chairman at your bank for FY 2016. Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. *Indicates a count of less than 10 within a field. **Indicates a base count of less than 10 within a category.

NON-EXECUTIVE CHAIRMAN						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Fee per board meeting	\$1,100	\$900	\$1,275	\$850	\$860	\$1,000
Annual cash retainer	\$78,792	\$35,000	\$25,600	\$16,900	\$3,000*	\$30,000
Equity compensation	\$48,852	\$19,994	\$14,060	\$12,970*	-	\$24,800
Total annual compensation paid	\$143,000	\$77,047	\$40,800	\$25,000	\$12,000	\$50,872

NON-EXECUTIVE CHAIRMAN				
Bank Ownership	Public	Private	Mutual	Total
Fee per board meeting	\$1,000	\$1,000	\$1,245*	\$1,000
Annual cash retainer	\$38,250	\$13,500	\$36,500*	\$30,000
Equity compensation	\$25,000	\$8,600*	-	\$24,800
Total annual compensation paid	\$85,683	\$15,000	\$36,500*	\$50,872

18. Outside directors at my bank receive the following types of compensation.

Proxy data included. Respondents were asked to select all that apply. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Annual cash retainer	98%	83%	70%	56%	26%	73%
Board meeting fee	42%	72%	77%	72%	94%	69%
Committee fees	59%	63%	62%	46%	58%	59%
Equity compensation	85%	54%	32%	13%	13%	45%
Committee retainer	80%	39%	30%	8%	-	37%
Deferred compensation/benefits	46%	30%	28%	13%	19%	29%

Bank Ownership	Public	Private	Mutual	Total
Annual cash retainer	87%	44%	77%	73%
Board meeting fee	62%	83%	77%	69%
Committee fees	56%	63%	69%	59%
Equity compensation	66%	10%	-	45%
Committee retainer	54%	9%	8%	37%
Deferred compensation/benefits	37%	10%	54%	29%

19. Enter the cash compensation amounts for outside directors at your bank for FY 2016.

Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. *Indicates a count of less than 10 within a field.

OUTSIDE DIRECTOR						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Fee per board meeting	\$1,500	\$900	\$800	\$800	\$600	\$900
Annual cash retainer	\$50,000	\$18,000	\$17,000	\$9,700	\$3,500*	\$21,000
Equity compensation	\$51,422	\$19,257	\$12,943	\$9,259*	\$5,000*	\$29,036
Total annual compensation paid	\$119,996	\$47,300	\$26,363	\$18,250	\$10,800	\$38,610

OUTSIDE DIRECTOR				
Bank Ownership	Public	Private	Mutual	Total
Fee per board meeting	\$1,000	\$750	\$1,125*	\$900
Annual cash retainer	\$25,000	\$10,000	\$17,250*	\$21,000
Equity compensation	\$31,480	\$8,600	-	\$29,036
Total annual compensation paid	\$55,000	\$14,400	\$20,250*	\$38,610

20. How many times do the following meet annually?

Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. *Indicates a count of less than 10 within a field.

Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Holding company board	9	10	12	5	4	10
Lead bank board	8	12	12	12	12	12
Executive committee	5	6	4	5	12	6
Audit committee	9	6	6	4	4	6
Compensation committee	6	4	4	2	2	4
Governance/nominating committee	5	3	3	2	3	4
Risk committee	6	4	4	4	4*	5
Technology committee	4*	4	4	4	6*	4
Loan committee	10	10	12	12	24	12

21. How many board members serve on each?

Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. *Indicates a count of less than 10 within a field.

Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Holding company board	12	11	9	8	8	10
Lead bank board	12	12	9	9	7	9
Executive committee	6	5	5	6	5	6
Audit committee	5	4	4	4	4	4
Compensation committee	5	5	4	4	4	4
Governance/nominating committee	4	4	4	4	4	4
Risk committee	5	5	4*	4	3*	5
Technology committee	4*	6	3*	4*	2*	4
Loan committee	5	6	5	5	5	5

22. Enter the per-meeting fees your bank paid in FY 2016 for each committee.

Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. *Indicates a count of less than 10 within a field.

COMMITTEE MEMBER						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Audit	\$1,350	\$600	\$420	\$250	\$175	\$500
Compensation	\$1,100	\$500	\$450	\$250	\$113	\$500
Executive	\$1,125	\$650	\$600*	\$250	\$200*	\$600
Governance/nominating	\$1,100	\$500	\$600	\$250	\$225*	\$600
Loan	\$875*	\$500	\$300	\$250	\$150	\$315
Risk	\$1,250	\$500	\$300*	\$250	\$125*	\$500
Technology	\$1,750*	\$675*	\$150*	\$250*	\$163*	\$350

COMMITTEE CHAIRMAN						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Audit	\$1,350	\$700	\$700	\$350	\$250	\$590
Compensation	\$1,000	\$600	\$825	\$300	\$125	\$600
Executive	\$1,000*	\$772	\$825*	\$300*	\$113*	\$600
Governance/nominating	\$1,000	\$625	\$700*	\$350	\$225*	\$600
Loan	\$1,000*	\$763	\$300*	\$350	\$100	\$400
Risk	\$1,075	\$600	\$300*	\$250	\$75*	\$500
Technology	-	\$850*	\$575*	\$350*	\$125*	\$400

23. Enter the retainer your bank paid in FY 2016 for each committee.

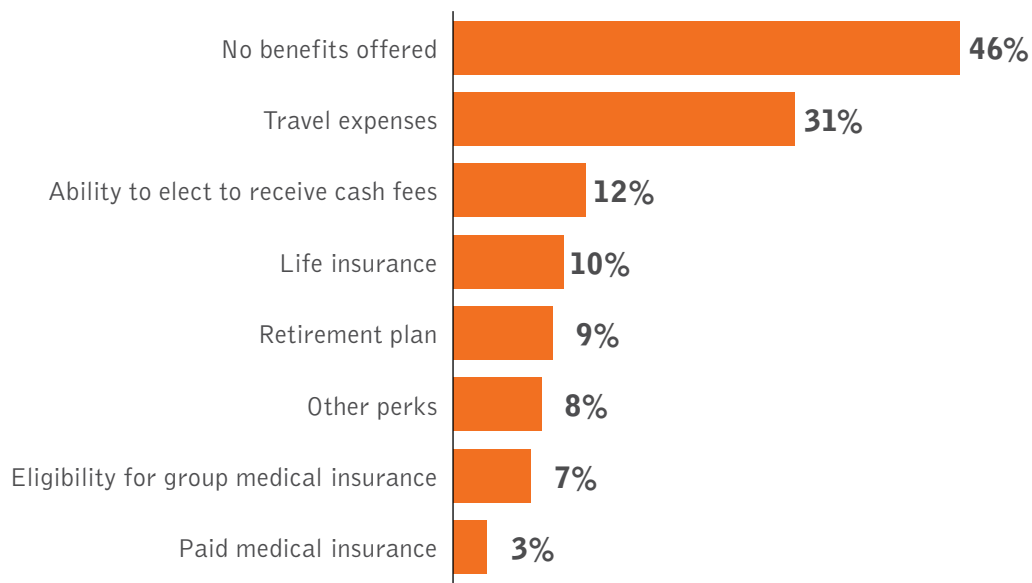
Median values reported. Proxy data included. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of respondents who indicate that the directors and/or non-executive chairman receive compensation. Committee retainer values were not reported for the technology committee due to a limited response for that category. *Indicates a count of less than 10 within a field.

COMMITTEE MEMBER						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Audit	\$10,000	\$7,500	\$5,000*	\$5,000*	-	\$7,750
Compensation	\$8,000*	\$5,500*	\$2,500*	\$3,000*	-	\$5,000
Executive	\$10,000*	\$5,000*	\$10,000*	-	-	\$10,000
Governance/nominating	\$8,500*	\$4,750*	\$3,750*	\$3,000*	-	\$5,000
Loan	\$7,250*	\$1,500*	\$4,200*	\$2,500*	-	\$2,500*
Risk	\$9,500	\$3,000*	\$3,500*	-	-	\$6,000

COMMITTEE CHAIRMAN						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Audit	\$15,000	\$6,000	\$4,500	\$10,000*	-	\$10,000
Compensation	\$10,000	\$5,000	\$5,000	\$8,500*	-	\$8,000
Executive	\$12,500	\$5,000*	\$13,000*	-	-	\$10,000
Governance/nominating	\$10,000	\$5,000	\$7,000*	\$6,000*	-	\$7,500
Loan	\$10,000*	\$2,500*	\$8,000*	\$6,000*	-	\$6,000
Risk	\$10,000	\$7,750	\$6,000*	-	-	\$10,000

24. Which of the following benefits and perks are offered to outside directors?

Median values reported. Proxy data included. Respondents were asked to select all that apply.



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No benefits offered	41%	48%	51%	39%	54%	46%
Travel expenses	41%	29%	21%	39%	31%	31%
Ability to elect to receive cash fees	14%	12%	13%	11%	12%	12%
Life insurance	8%	7%	18%	8%	12%	10%
Retirement plan	-	9%	15%	11%	12%	9%
Other perks	8%	5%	8%	8%	15%	8%
Eligibility for group medical insurance	8%	5%	8%	6%	8%	7%
Paid medical insurance	3%	-	5%	6%	4%	3%

25. Approximately how many hours per month do you devote to bank board activities? Include time spent for board and committee meetings, business development, education, etc.

Median values reported. Respondents were asked to enter a value greater than zero or leave the field blank. Question was only asked of outside directors, lead directors and chairmen. **Indicates a base count of less than 10 within a category.

Bank Asset Size	>\$5B**	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M**	Total
Hours per month	18	15	15	10	20	15

BOARD TALENT & SKILLS

26. How many of the following are represented on your board?

FEMALE DIRECTORS						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
None	-	16%	35%	53%	41%	33%
1	23%	37%	32%	25%	45%	33%
2	46%	16%	26%	19%	10%	21%
3	8%	18%	6%	3%	-	7%
4 or more	23%	13%	-	-	3%	6%

YOUNGER DIRECTORS (40 YEARS OLD OR YOUNGER)						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
None	69%	72%	73%	69%	63%	70%
1	23%	22%	27%	28%	26%	26%
2	-	3%	-	3%	4%	2%
3	-	3%	-	-	7%	2%
4 or more	8%	-	-	-	-	1%

WORKING DIRECTORS (NOT RETIRED)						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
1	-	3%	3%	6%	-	3%
2	8%	-	9%	6%	21%	8%
3	8%	8%	12%	14%	14%	11%
4 or more	85%	89%	76%	75%	66%	78%

DIRECTORS WITH A BACKGROUND/EXPERTISE IN TECHNOLOGY						
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
None	46%	31%	53%	61%	71%	52%
1	46%	39%	29%	22%	21%	30%
2	8%	25%	12%	8%	7%	13%
3	-	6%	6%	3%	-	3%
4 or more	-	-	-	6%	-	1%

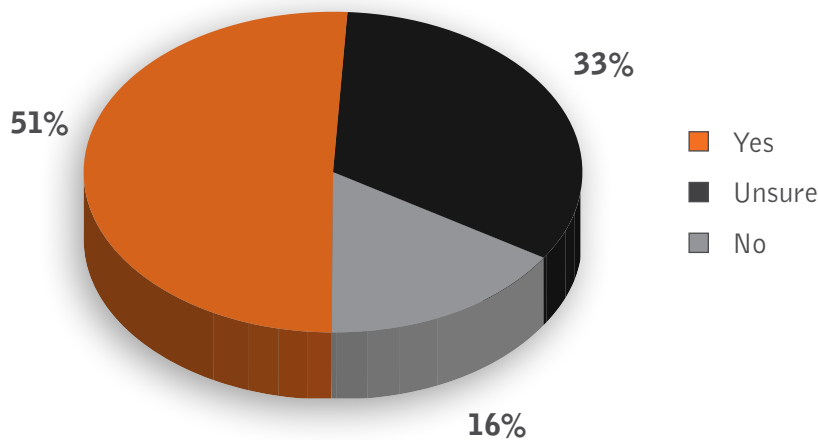
FEMALE DIRECTORS				
Bank Ownership	Public	Private	Mutual	Total
None	20%	42%	25%	33%
1	35%	35%	17%	33%
2	27%	16%	25%	21%
3	7%	5%	25%	7%
4 or more	11%	2%	8%	6%

YOUNGER DIRECTORS (40 YEARS OLD OR YOUNGER)				
Bank Ownership	Public	Private	Mutual	Total
None	72%	65%	92%	70%
1	25%	29%	8%	26%
2	2%	2%	-	2%
3	-	4%	-	2%
4 or more	2%	-	-	1%

WORKING DIRECTORS (NOT RETIRED)				
Bank Ownership	Public	Private	Mutual	Total
1	2%	4%	-	3%
2	8%	10%	-	8%
3	15%	10%	8%	11%
4 or more	75%	77%	92%	78%

DIRECTORS WITH A BACKGROUND/EXPERTISE IN TECHNOLOGY				
Bank Ownership	Public	Private	Mutual	Total
None	49%	54%	58%	52%
1	30%	29%	33%	30%
2	17%	11%	8%	13%
3	4%	4%	-	3%
4 or more	-	2%	-	1%

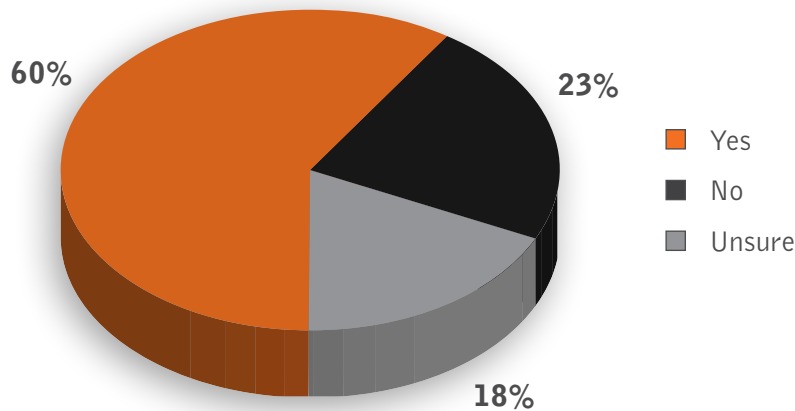
27. Will your board actively seek to create a more diverse board, on the basis of age, gender or race, in the next two years?



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	46%	71%	47%	39%	48%	51%
Unsure	46%	16%	31%	47%	34%	33%
No	8%	13%	22%	14%	17%	16%

Bank Ownership	Public	Private	Mutual	Total
Yes	64%	45%	33%	51%
Unsure	30%	33%	42%	33%
No	5%	21%	25%	16%

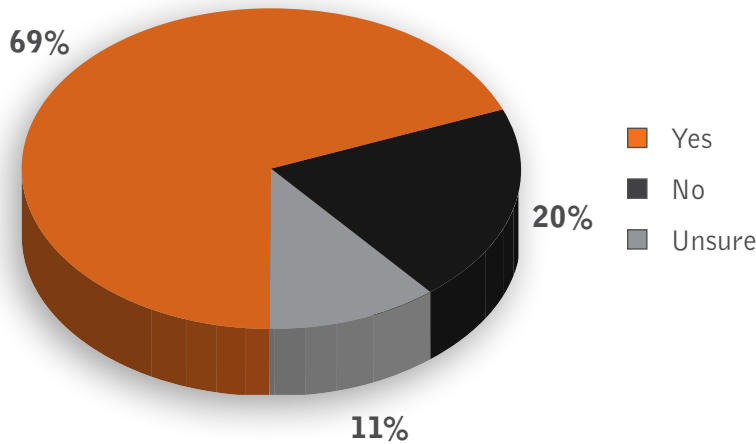
28. Is there a plan in place to identify prospective new directors?



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	77%	73%	50%	39%	72%	60%
No	15%	11%	33%	33%	14%	23%
Unsure	8%	16%	17%	28%	14%	18%

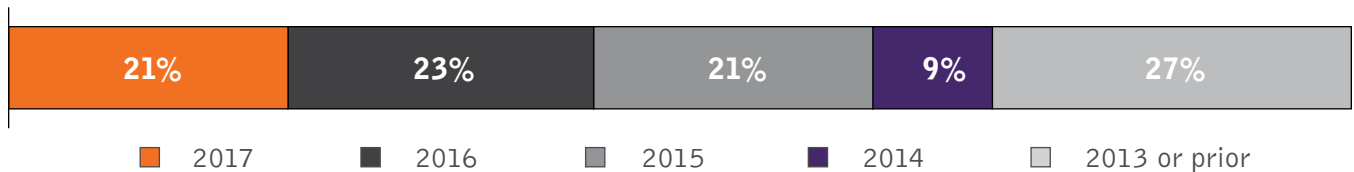
29. Are you satisfied with the bank’s succession plan for the board?

Question was only asked of respondents who indicate that there is a plan in place to identify prospective new directors.



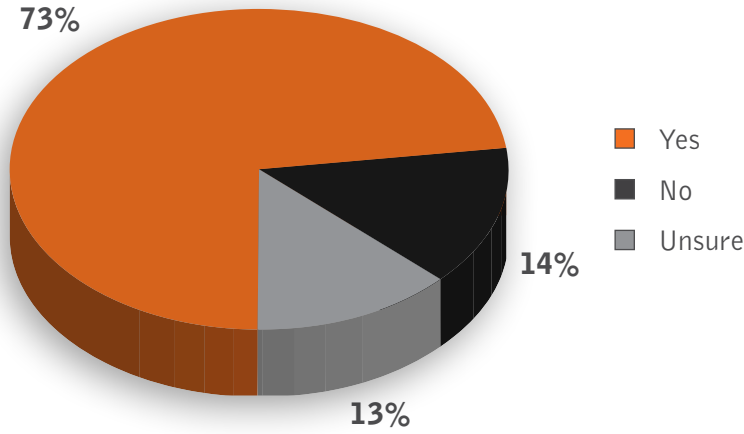
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	70%	73%	61%	79%	62%	69%
No	-	19%	17%	21%	33%	20%
Unsure	30%	8%	22%	-	5%	11%

30. When did the board last raise director pay?



Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
2017	15%	32%	31%	11%	7%	21%
2016	31%	32%	23%	14%	17%	23%
2015	23%	18%	23%	23%	17%	21%
2014	8%	8%	9%	9%	14%	9%
2013 or prior	23%	11%	14%	43%	45%	27%

31. Do you believe that the board’s current compensation structure is attractive enough to attract the directors needed to govern the entity now and in the future?



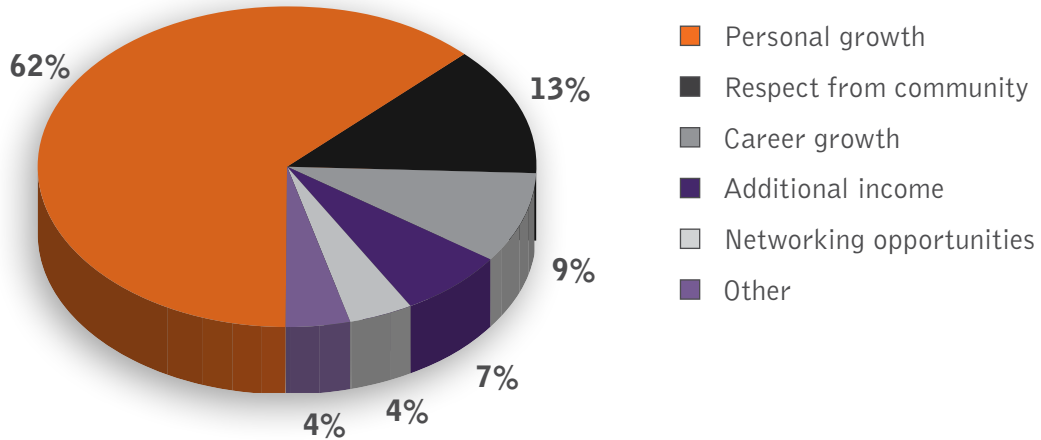
Bank Asset Size	>\$5B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	85%	71%	67%	77%	72%	73%
No	-	11%	17%	11%	24%	14%
Unsure	15%	18%	17%	11%	3%	13%

Bank Ownership	Public	Private	Mutual	Total
Yes	75%	69%	92%	73%
No	11%	18%	-	14%
Unsure	15%	13%	8%	13%

Title	CEO	CFO	HRO	Chairman or director	Total
Yes	82%	70%	76%	65%	73%
No	12%	20%	5%	18%	14%
Unsure	6%	10%	19%	18%	13%

32. Of the following, which do you believe is the greatest reward you receive for board service?

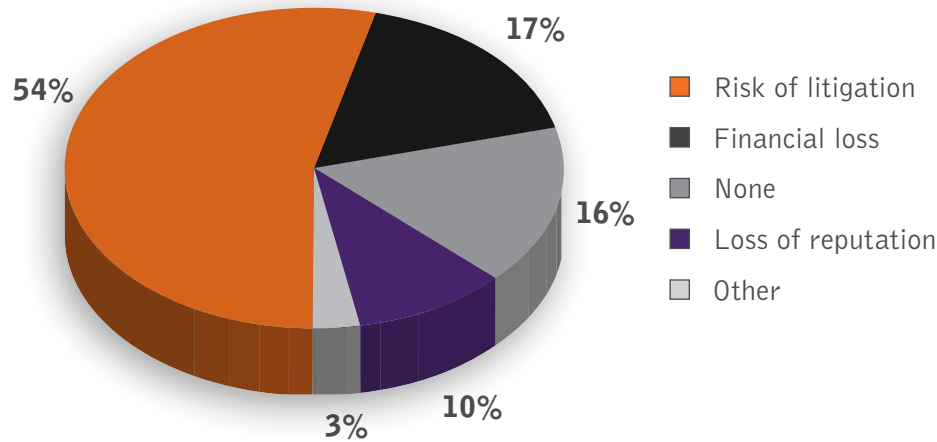
Question was only asked of directors and chairmen. **Indicates a base count of less than 10 within a category.



Bank Asset Size	>\$5B**	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M**	Total
Personal growth	38%	80%	60%	58%	56%	62%
Respect from community	38%	5%	15%	8%	11%	13%
Career growth	12%	5%	10%	-	22%	9%
Additional income	-	5%	10%	17%	-	7%
Networking opportunities	-	5%	-	8%	11%	4%
Other	12%	-	5%	8%	-	4%

33. Of the following, which do you believe is your greatest risk as a director?

Question was only asked of directors and chairmen. **Indicates a base count of less than 10 within a category.

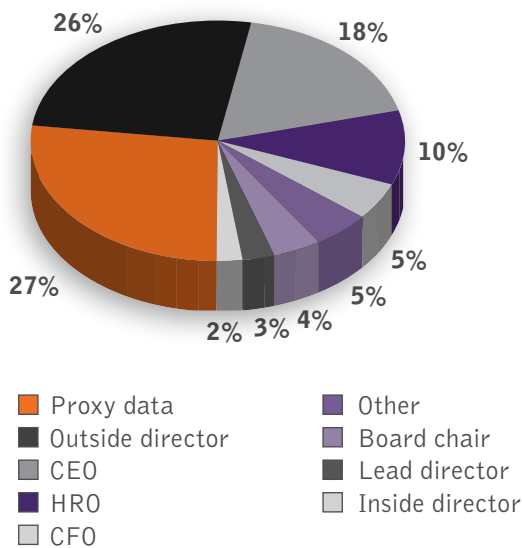


Bank Asset Size	>\$5B**	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M**	Total
Risk of litigation	50%	55%	65%	42%	44%	54%
Financial loss	12%	10%	10%	25%	44%	17%
None	25%	20%	20%	-	11%	16%
Loss of reputation	12%	10%	5%	25%	-	10%
Other	-	5%	-	8%	-	3%

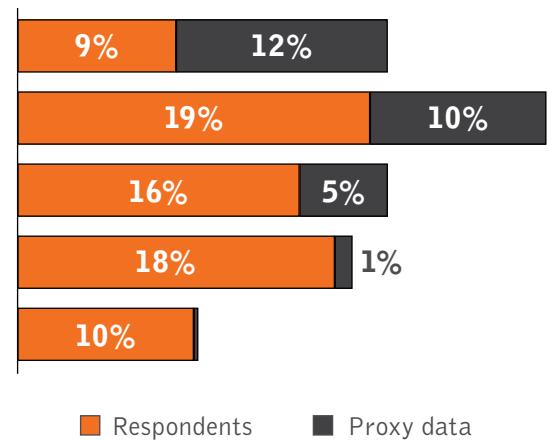
ABOUT THE SURVEY

Bank Director’s 2017 Compensation Survey, sponsored by Compensation Advisors, a member of Meyer-Chatfield Group, surveyed 286 outside directors, chief executive officers, human resources officers and other senior executives of U.S. banks to examine trends in executive and board compensation. The online survey was conducted in March and April of 2017. During that time, CEO and director compensation data for fiscal year 2016 was also collected from the proxy statements of 108 publicly traded institutions. Twenty-nine percent of the data represents institutions between \$1 billion and \$5 billion in assets, and 57 percent represents publicly traded companies.

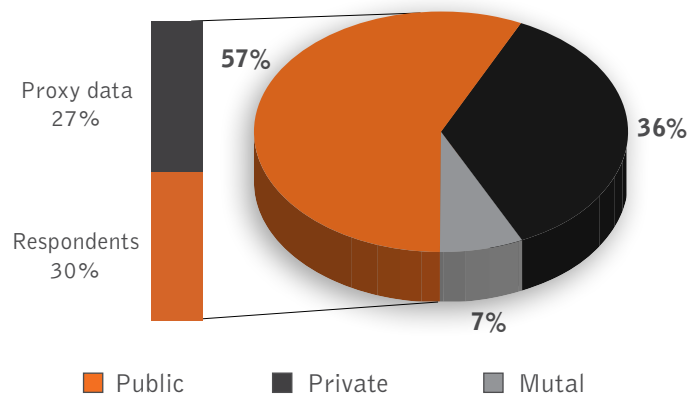
Title Breakdown



Bank Asset Size



Bank Ownership



Region

