

# BAR HARBOR BANKSHARES GOVERNANCE COMMITTEE CHARTER

July 18, 2023

## I. Purpose

The purpose of the Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Bar Harbor Bankshares (the “**Company**”) is to (a) assist the Board with its responsibilities in identifying, screening, and recommending a slate of nominees and continuing directors consistent with the criteria approved by the Board to the full Board of Directors for election at each annual shareholders meeting, recommend Committee structure and membership, sponsor the education of new and continuing directors, and take a key role in developing corporate governance principles and practices applicable to the Company and to govern the conduct of the Board and its members, (b) oversee compliance with the rules, regulations and guidelines promulgated by the New York Stock Exchange (“**NYSE**”), the Securities and Exchange Commission (the “**SEC**”) and other applicable laws.

In addition to the powers and responsibilities expressly delegated to the Committee in this charter (this “**Charter**”), the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the bylaws of the Company (as may be amended from time to time, the “**Bylaws**”) and applicable law.

## II. Membership

The Committee shall be composed of no less than three independent directors of the Board, with the exact number determined by the Board. Each member shall:

- meet the “independence” criteria set forth by applicable rules and regulations promulgated by the NYSE and the SEC; and
- qualify as a “non-employee director,” as defined in Rule 16b-3 under Section 16 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

Any subsequent determination that any member of the Committee does not qualify as a “non-employee director” will not invalidate any previous actions by the Committee, except to the extent required by law or determined to be appropriate to satisfy regulatory standards.

The members of the Committee, including the chairperson (the “**Chair**”) of the Committee, shall be appointed by the Board annually, or more frequently in the case of vacancies. If the Board does not appoint a Chair, the Committee members may designate a Chair by their majority vote. Committee members shall serve for such term or terms as the Board may determine or until earlier resignation or death. Committee members may be removed from the Committee, with or without cause, by the Board.

### **III. Duties and Responsibilities**

The Committee shall have the following authority and responsibilities:

- (1) Review and periodically make recommendations to the Board concerning the composition, size, and structure of the Board and its committees.
- (2) Develop and recommend to the Board the criteria for selecting new directors and qualifications for members to its committees.
- (3) Establish and periodically reassess procedures to be followed by shareholders of the Company in submitting recommendations for directors, and, prior to the Company's filing of a proxy statement or annual report on Form 10-K, review any proposed disclosures of such procedures.
- (4) Review and evaluate the qualifications of any director candidates who have been recommended by shareholders in compliance with the procedures established from time to time by the Committee.
- (5) Identify and recommend a slate of nominees and continuing directors for election at each annual shareholders meeting.
- (6) Assess and report to the Board on the independence of members of the Board.
- (7) Oversee the orientation and education of new and continuing members of the Board.
- (8) Periodically evaluate the Board and its committees to ensure that they are effectively meeting their fiduciary obligations to the shareholders and the Company. Assess the Board's responsiveness to shareholder questions and concerns.
- (9) Periodically assess and report to the Board on the performance and effectiveness of its individual Board members, its Chairperson(s), and committees members.
- (10) Conduct an annual review of this Committee's performance and report the results to the Board. Periodically review and assess the adequacy of this Charter and recommend amendments to the Board as necessary or desirable.
- (11) Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company.
- (12) Monitor, review, and recommend changes to the Company's articles of incorporation, corporate Bylaws, governance policies and procedures, and committee operations or charters.
- (13) Establish the tenure and retirement policy for directors.

- (14) Oversee the development of, and recommend to the Board for approval, succession plans for the Board and the Chief Executive Officer, respectively; review such succession plans periodically; and evaluate potential candidates for, and recommend to the Board any changes to and any candidates for succession under, such succession plans.
- (15) Review the Director Code of Conduct and recommend such Code of Conduct to the Board for annual review and approval.
- (16) Report regularly to the Board on the Committee's activities.
- (17) Provide ultimate oversight and direction of all ESG related matters including the activities of the ESG Committee.
- (18) Perform any other duties and responsibilities as may be expressly delegated to the Committee by the Board from time to time.
- (19) Perform any other activities assigned to the Committee under the Bylaws or required by applicable law, rules or regulations, including the rules and regulations promulgated under the Exchange Act and rules and regulations of the SEC, and take such other actions and perform and carry out any other responsibilities and duties delegated to it by the Board or as the Committee deems necessary or appropriate consistent with its purpose.

#### **IV. Studies and Advisers**

The Committee, in discharging its responsibilities, may conduct, direct, supervise or authorize studies of, or investigations into, matters within the Committee's scope of responsibility, with full access to all books, records, facilities and personnel of the Company. The Committee has the sole authority and right, at the expense of the Company, to retain independent legal counsel, compensation and other consultants, accountants, experts and advisers of its choice to assist the Committee in connection with its functions, including any studies or investigations. The Committee shall be directly responsible for the appointment, compensation, and oversight of any compensation consultant, legal counsel, accountants, experts and other consultants and advisers retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for:

- payment of reasonable compensation to any independent legal counsel, consultants, accountants, experts and advisers retained by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and functions.

The Committee is not required to implement or act consistently with the advice or recommendation of such advisers, and the Committee's ability or obligation to exercise its own judgment in fulfillment of its duties shall not be affected by such advisers.

Prior to selecting any adviser, and from time to time as the Committee determines appropriate, the Committee shall assess the independence of such adviser based upon the factors specified in applicable NYSE listing rules.

## **V. Structure and Operations**

The Committee shall meet at least annually at such times and places as it deems necessary to fulfill its responsibilities. Any member of the Committee or the Board may call a meeting of the Committee. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall maintain written minutes of its meetings and copies of its actions by written consent, and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

## **VI. Delegation of Authority**

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion. Any such subcommittee shall report any actions taken by it to the full Committee at its next regularly scheduled meeting.

## **VII. Performance Evaluation**

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

## **VIII. Publication**

The Company shall make this Charter freely available to shareholders on request and, provided that the Company is subject to the periodic reporting requirements of the Exchange Act, shall publish it on the Company's website.

*Adopted: August 2014*

***Amended:***     *July 2019 to clearly define procedures for Board nominations, add Succession Planning, remove Employee Code of Conduct (to HR/Compensation Committee Charter and align Delegation of Authority to match HR/Compensation Committee Charter*

***Annual Review:*** *April 2021 - No proposed changes*

*July 19, 2022 – Addition of ESG Oversight*

*July 18, 2023 – Clarification of ESGC as ESG Committee*