

OLD NATIONAL BANCORP /IN/
Form DEF 14A
March 05, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a -12

OLD NATIONAL BANCORP

(Name of Registrant as Specified In Its Charter)

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OLD NATIONAL BANCORP

Notice of

Annual Meeting and

Proxy Statement

Annual Meeting of Shareholders

April 26, 2018

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Old National Bancorp

One Main Street

Evansville, Indiana 47708

Notice of Annual Meeting of Shareholders

To Our Shareholders:

The 2018 Annual Meeting of Shareholders of Old National Bancorp (the Company) will be held in the Schlottman Auditorium at the Old National Bank headquarters located on the 4th floor at One Main Street, Evansville, Indiana, on Thursday, April 26, 2018, at 9:00 a.m. Central Daylight Time for the following purposes:

- (1) Election of the Company's Board of Directors consisting of thirteen Directors to serve for one year and until the election and qualification of their successors.
- (2) Approval of a non-binding advisory proposal on Executive Compensation.
- (3) Ratification of the appointment of Crowe Horwath LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018.
- (4) Transaction of such other matters as may properly come before the meeting or any adjournments and postponements thereof.

Common shareholders of record at the close of business on February 16, 2018 are entitled to notice of, and to vote at, the Annual Meeting.

By Order of the Board of Directors

Jeffrey L. Knight

Executive Vice President,

Chief Legal Counsel and

Corporate Secretary

March 5, 2018

IMPORTANT

Please submit your proxy promptly by mail or by Internet. In order that there may be proper representation at the meeting, you are urged to complete, sign, date and return the proxy card in the envelope provided to you or

vote by Internet, whether or not you plan to attend the meeting. No postage is required if mailed in the United States.

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Old National Bancorp

2018 Proxy Statement Summary

The following summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all the information you should consider. You should read the entire Proxy Statement carefully before voting.

GENERAL INFORMATION

(see pages 1 through 4)

Meeting: Annual Meeting of Shareholders **Date:** Thursday, April 26, 2018 **Time:** 9:00 a.m. Central Daylight Time

Location: Old National Bank, One Main Street, Evansville, Indiana Schlottman Auditorium 4th Floor

Record Date: February 16, 2018

Voting: Shareholders as of the Record Date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals being voted on.

Admission: You must provide an admission ticket or proof of stock ownership to enter the meeting. Please see page 2 for further information.

Webcast: We will provide a live webcast of the Annual Meeting that can be accessed from the Investor Relations section of our website at www.oldnational.com.

PROPOSALS TO BE VOTED ON AND BOARD VOTING RECOMMENDATIONS

<u>Proposals</u>	<u>Recommendation</u>	<u>Page Reference for more detail</u>
Election of Directors	FOR Each Director Nominee	16
Approval of a non-binding advisory proposal on Executive Compensation	FOR	63
Ratification of the appointment of Crowe Horwath, LLP as independent	FOR	65

accountants for 2018

DIRECTOR NOMINEES

(see pages 17 through 23)

Director				
<u>Name</u>	<u>Age</u>	<u>Since</u>	<u>Occupation</u>	<u>Independent</u>
Alan W. Braun	73	1988	Retired Chairman Emeritus & Senior Advisor, Industrial Contractors Skanska	Yes
Andrew E. Goebel	70	2000	Retired President & COO, Vectren Corporation	Yes
Jerome F. Henry, Jr.	67	2014	President, Midwest Pipe & Steel, Inc.	Yes
Ryan C. Kitchell	44	*	EVP & Chief Administrative Officer, Indiana University Health	Yes
Robert G. Jones	61	2004	Chairman & CEO, Old National Bancorp	No
Phelps L. Lambert	70	1990	Managing Partner, Lambert & Lambert Real Estate Development	Yes
Thomas E. Salmon	54	*	Chairman & CEO, Berry Global Group, Inc.	Yes
Randall T. Shepard	71	2012	Former Chief Justice, Indiana Supreme Court	Yes
Rebecca S. Skillman	67	2013	Chairman, Radius Indiana; Former Lt. Governor, State of Indiana	Yes
Kelly N. Stanley	74	2000	Retired President & CEO, Cardinal Health System, Inc.	Yes
Derrick J. Stewart	40	2015	CEO, YMCA of Southwestern Indiana	Yes

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Director

<u>Name</u>	<u>Age</u>	<u>Since</u>	<u>Occupation</u>	<u>Independent</u>
Katherine E. White	51	2015	Professor of Law, Wayne State University Law School	Yes
Linda E. White	68	2008	President Emerita, Deaconess Health System, Inc. and Executive Director of Deaconess Foundation	Yes

*Nominated for initial term

2017 FINANCIAL HIGHLIGHTS

(see pages 32 and 63)

In 2017, the Company delivered strong operating results. The results were impacted by \$39.3 million in additional tax expense recorded in December 2017 to estimate the revaluation of Old National's deferred tax assets due to the lowering of the federal corporate tax rate to 21%. Results were also impacted by merger charges of \$8.7 million after-tax and branch and severance charges of \$6.4 million after-tax in 2017. The 29.6% tax rate used excludes the estimated \$39.3 million tax expense of the deferred tax asset revaluation from the as reported 2017 effective tax rate of 43.3%. These initiatives have positioned the Company for future growth in 2018. The financial highlights for 2017 include:

EPS \$.69
Net Income \$95.7 million
ROE 4.98%
ROA 0.63%
Efficiency Ratio 68.87%
Net Charge-Off (Recovery) Ratio 0.03%
Provision Expense \$3.1 million
Organic Loan Growth \$439.5 million (4.8% growth)
Commercial and Commercial Real Estate Loan Growth over 10%

EXECUTIVE COMPENSATION

Set forth below is the 2017 compensation for each Named Executive Officer (NEO) as determined under Securities and Exchange Commission (SEC) rules. See the notes accompanying the 2017 Summary Compensation Table on page 50 for additional information.

<u>Name and Principal Position</u>	<u>Salary</u>	<u>Non-Equity</u>	<u>Stock</u>	<u>Change</u>	<u>All Other</u>	<u>Total</u>
		<u>Incentive</u>	<u>Awards</u>	<u>in</u>	<u>Compensation</u>	
				<u>Pension</u>		

	Plan <u>Compensation</u>			Value and Nonqualified Deferred Compensation <u>Earnings</u>		
Robert G. Jones <i>Chairman and Chief Executive Officer</i>	\$694,231	\$728,943	\$1,116,893	\$0	\$40,832	\$2,580,899
James C. Ryan, III <i>Senior EVP and Chief Financial Officer</i>	\$392,308	\$247,154	\$334,825	\$152	\$19,720	\$994,159
James A. Sandgren <i>President and Chief Operating Officer</i>	\$458,846	\$289,073	\$334,825	\$235	\$30,428	\$1,113,407
Daryl D. Moore <i>Senior EVP and Chief Credit Executive</i>	\$310,778	\$146,843	\$217,636	\$79,438	\$17,714	\$772,409
Jeffrey L. Knight <i>EVP and Chief Legal Counsel</i>	\$343,538	\$162,322	\$217,636	\$404	\$16,070	\$739,970

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Old National Bancorp

One Main Street

Evansville, Indiana 47708

Proxy Statement

For the Annual Meeting of Shareholders to be held on
April 26, 2018, at 9:00 a.m. Central Daylight Time at the

Old National Bank Headquarters

Schlottman Auditorium 4th Floor

One Main Street, Evansville, IN 47708

Important Notice Regarding the Availability of Proxy Materials

for the Shareholders Meeting to be held on April 26, 2018

The Proxy Statement and 2017 Annual Report to Shareholders are available at:

www.oldnational.com/proxy

General Information about the Annual Meeting of Shareholders and Voting

This Proxy Statement relates to the Annual Meeting of Shareholders (Annual Meeting) of Old National Bancorp (the Company or Old National) to be held on April 26, 2018, at 9:00 a.m. Central Daylight Time. These proxy materials are being furnished by the Company in connection with a solicitation of proxies by the Company s Board of Directors (the Board).

We are pleased to take advantage of the Securities and Exchange Commission (SEC) rule that permits companies to furnish proxy materials to shareholders over the Internet. On or about March 15, 2018, we will begin mailing Notice of Internet Availability of Proxy Materials (Notice). The Notice contains instructions on how to vote online, or in the alternative, request a paper copy of the proxy materials and a proxy card. By furnishing the Notice and providing access to our proxy materials by the Internet, we are lowering the costs and reducing the environmental impact of our Annual Meeting.

Who can attend the Annual Meeting?

Only shareholders of the Company of record as of February 16, 2018 (the Record Date), their authorized representatives and guests of the Company, may attend the Annual Meeting. Admission will be by ticket only.

Who may vote at the Annual Meeting?

These proxy materials are provided to holders of the Company's common stock who were holders of record on the Record Date. Only the Company's common shareholders of record on the Record Date are entitled to vote at the Annual Meeting. As of the Record Date 152,178,828 shares of the Company's common stock were outstanding.

As of the Record Date, to the knowledge of the Company, no person or firm, other than BlackRock, Inc., The Vanguard Group, Inc., and Dimensional Fund Advisors, LP beneficially owned more than 5% of the common stock of the Company outstanding on that date. As of the Record Date, no individual Director, nominee or officer beneficially owned more than 5% of the common stock of the Company outstanding.

Voting and Proxy Procedures

Each share of the Company's common stock outstanding on the Record Date will be entitled to one vote at the Annual Meeting. If you receive the Notice by mail, you will not receive a printed copy of the proxy materials unless you request the materials by following the instructions included in the Notice.

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If your shares are registered in your name, you may vote your shares by Internet, or by completing, signing, dating and returning the requested proxy card in the postage-paid envelope provided. Simply follow the easy instructions on the proxy card or Notice provided. You may also vote in person at the meeting. Execution of the proxy card or voting via Internet will not affect your right to attend the Annual Meeting. If your shares are held in street name through a broker, bank or other nominee, please follow the instructions provided by your nominee on the voting instruction form or Notice in order to vote your shares by Internet, or by signing, dating and returning the voting instruction form in the enclosed postage-paid envelope. If you desire to vote in person at the Annual Meeting, you must provide a legal proxy from your bank, broker or other nominee.

Shares of the Company's common stock for which instructions are received will be voted in accordance with the shareholder's instructions. If you send in your proxy card or use Internet voting, but do not specify how you want to vote your shares, the proxy holders will vote them FOR each of the items being proposed by the Board and in the discretion of the proxy holders as to any other business that may properly come before the Annual Meeting and any adjournment or postponement thereof.

Can I change my vote after I return the proxy card or after voting electronically?

If you are a shareholder whose shares are registered in your name, you may revoke your proxy at any time before it is voted by one of the following methods:

Submitting another proper proxy with a more recent date than that of the proxy first given by:

(1) following the Internet voting instructions, or

(2) completing, signing, dating and returning a proxy card to the Company's Corporate Secretary.

Sending written notice of revocation to the Company's Corporate Secretary.

Attending the Annual Meeting and voting by ballot (although attendance at the Annual Meeting will not, in and of itself, revoke a proxy).

If you hold your shares in street name through a broker, you may revoke your proxy by following instructions provided by your broker. No notice of revocation or later-dated proxy will be effective until received by the Company's Corporate Secretary at or prior to the Annual Meeting.

How do I receive an admission ticket?

If you are a registered shareholder (your shares are held in your name) and plan to attend the meeting, your Annual Meeting admission ticket will be included in the Notice being mailed on or about March 15, 2018, or if you receive hard copies of the proxy material, the admission ticket can be detached from the top portion of the proxy card.

If your shares are held in street name (in the name of a bank, broker or other holder of record) and you plan to attend the meeting, you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the Record Date for admittance to the meeting.

No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the meeting.

Will the Annual Meeting be webcast?

Our Annual Meeting will be webcast on April 26, 2018. You are invited to visit www.oldnational.com at 9:00 a.m. Central Daylight Time on April 26, 2018, to access the webcast of the meeting. Registration for the webcast is not required. An archived copy of the webcast will also be available on our website through April 25, 2019.

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How many votes are needed to have the proposals pass?

Election of Directors. A plurality of the votes cast at the meeting is required to elect Directors. This means that the Director nominee with the most votes for a particular slot is elected for that slot. You may vote for or withheld with respect to the election of Directors. Only votes for or withheld are counted in determining whether a plurality has been cast in favor of a Director. Abstentions are not counted for purposes of the election of Directors.

Our Board has adopted a corporate governance policy regarding Director elections that is contained in our Corporate Governance Guidelines. The policy provides that in any uncontested election, any nominee for Director who receives a greater number of votes withheld for his or her election than votes for such election will tender his or her resignation as a Director promptly following the certification of the shareholder vote. The Corporate Governance and Nominating Committee, without participation by any Director so tendering his or her resignation, will consider the resignation offer and recommend to the Board whether to accept it. The Board, without participation by any Director so tendering his or her resignation, will act on the Corporate Governance and Nominating Committee's recommendation no later than 90 days following the date of the Annual Meeting at which the election occurred. If the Board decides to accept the Director's resignation, the Corporate Governance and Nominating Committee will recommend to the Board whether to fill the resulting vacancy or to reduce the size of the Board. We will promptly disclose the Board's decision and the reasons for the decision in a broadly disseminated press release that will also be furnished to the SEC on Form 8-K.

Approval of non-binding advisory proposal on Executive Compensation. The approval or disapproval of the advisory vote on executive compensation will be determined by the vote of a majority of the votes cast (excluding abstentions), which means that the number of votes for the proposal must exceed the number of votes against the proposal. Because your vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

Ratification of Independent Registered Public Accounting Firm. The affirmative vote of a majority of the shares present in person or by proxy is required for ratification of the appointment of Crowe Horwath LLP as the independent registered public accounting firm of the Company for fiscal year 2018.

What is householding ?

We have adopted a procedure called householding, which has been approved by the SEC. Under this procedure, a single copy of the annual report and proxy statement will be sent to any household at which two or more shareholders reside if they appear to be members of the same family, unless one of the shareholders at that address notifies us that they wish to receive individual copies. This procedure reduces our printing costs and fees.

Shareholders who participate in householding will continue to receive separate proxy cards.

Householding will not affect dividend check mailings in any way.

If a single copy of the annual report and proxy statement was delivered to an address that you share with another shareholder, we will promptly deliver a separate copy to you upon your written or oral request to the Company's Shareholder Services Department at 812-464-1296 or 1-800-677-1749, at P.O. Box 929, Evansville, Indiana 47706-0929, or via email to shareholderservices@oldnational.com.

Shareholders sharing an address who are receiving multiple copies of the annual report and proxy statement may request a single copy by contacting our Shareholder Services Department using the contact information set forth above.

A number of brokerage firms have instituted householding. If you hold your shares in street name, please contact your bank, broker, or other holder of record to request information about householding.

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How are abstentions and broker non-votes treated?

If you are the beneficial owner of shares held in street name and do not provide the bank, broker or other intermediary that holds your shares with specific voting instructions, that bank, broker or other intermediary may generally vote on routine matters but cannot vote on non-routine matters. With the exception of the proposal to ratify the appointment of our auditors, all matters scheduled to be presented at the meeting are non-routine matters. Unless you instruct the bank, broker or other intermediary that holds your shares to vote on these non-routine matters, no votes will be cast on your behalf for the proposal relating to the election of Directors or for the advisory proposal on executive compensation. Therefore, it is important that you instruct the bank, broker or other intermediary to cast your vote if you want it to count on these matters. The proposal to ratify the appointment of our auditors is considered a routine matter and, therefore, broker non-votes are not expected to exist on this proposal.

Abstentions and, unless a broker's authority to vote on a particular matter is limited, broker non-votes are counted in determining the votes present at the meeting. A broker has limited authority to vote on the election of directors but is not limited as to the proposal relating to the ratification of auditors. With respect to the election of Directors, abstentions, broker non-votes and instructions on the enclosed form of proxy to withhold authority to vote for one or more of the nominees will result in the nominee receiving fewer votes, but will not affect the outcome of the election. Broker non-votes and abstentions will have no effect on the outcome of the advisory vote on executive compensation. With respect to the ratification of auditors, abstentions and broker non-votes have the same effect as a vote against the proposal.

How do I designate my proxy?

If you wish to give your proxy to someone other than the proxies identified on the proxy card, you may do so by crossing out all the names of the proxy members appearing on the proxy card and inserting the name of another person. The signed card must be presented at the Annual Meeting by the person you have designated on the proxy card.

Who will pay for the costs involved in the solicitation of proxies?

The Company will pay all costs of preparing, assembling, printing and distributing the proxy materials. In addition to solicitations by mail, Directors and Officers of the Company and its subsidiaries may solicit proxies personally, by telephone, telefax, electronic mail or in person, but such persons will not be specially compensated for their services.

We will, upon request, reimburse brokerage firms and others for their reasonable expenses incurred for forwarding solicitation material to beneficial owners of stock.

Other Matters Related to the Meeting

Only matters brought before the Annual Meeting in accordance with the Company's By-Laws will be considered. Aside from the items listed above in the Notice of Annual Meeting, the Company does not know of any other matters that will be presented at the Annual Meeting. However, if any other matters properly come before the Annual Meeting or any adjournment, the proxy holders will vote them in accordance with their best judgment.

Should any nominee for Director become unable or unwilling to accept nomination or election, the persons acting under the proxy intend to vote for the election of another person recommended by the Corporate Governance and Nominating Committee and nominated by the Board. The Company has no reason to believe that any of the nominees will be unable or unwilling to serve if elected to office.

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Report of the Corporate Governance and

Nominating Committee and Other Board Matters

The Corporate Governance and Nominating Committee is primarily responsible for corporate governance matters affecting the Company and its subsidiaries. The Corporate Governance and Nominating Committee operates under a written charter which conforms to the requirements of the SEC and the NASDAQ.

Board Leadership Structure and Function

The Board, which is elected by the shareholders, selects the Executive Leadership Group (ELG), which is the executive management team charged with the conduct of the Company's business. Having selected the ELG, the Board acts as an advisor and counselor to management and ultimately monitors its performance. The Board has the responsibility for overseeing the affairs of the Company and, thus, an obligation to keep informed about the Company's business. This involvement enables the Board to provide guidance to management in formulating and developing plans and to exercise its decision-making authority on appropriate matters of importance to the Company. Acting as a full Board and through the Board's seven standing committees, the Board oversees and approves the Company's strategic plan. The Board regularly reviews the Company's progress against its strategic plan and exercises oversight and decision-making authority regarding strategic areas of importance to the Company.

The Company's Corporate Governance Guidelines provide for an independent Lead Director, currently Rebecca Skillman, who presides at all meetings of the Board at which the Chairman is not present; leads executive sessions of the Board; consults and meets with any or all outside Directors as required and represents such Directors in discussions with management of the Company on corporate governance issues and other matters; ensures that the Board, committees of the Board, individual Directors and management of the Company understand and discharge their duties and obligations under the Company's system of corporate governance; mentors and counsels new members of the Board to assist them in becoming active and effective Directors; leads the Board in the annual evaluation of the Chairman and Chief Executive Officer's (CEO) performance; acts in an advisory capacity to the Chairman and CEO in all matters concerning the interests of the Board and relationships between management and the Board; and performs such other duties and responsibilities as may be delegated to the Lead Director by the Board from time to time.

The Board appointed Robert G. Jones to serve as Chairman of the Board and appointed Rebecca S. Skillman to serve as Lead Director to be effective upon commencement of the Annual Meeting in 2016. The Board believes that it is in the best interests of the Company to have Mr. Jones serve as Chairman to facilitate succession planning for the Board and to optimize his expertise and insight in leading the Company and his skill in developing executive management leadership of the Company. The Board will annually review the effectiveness of this new arrangement and believes this structure is in the best interest of shareholders and serves the Company well at this time.

Executive sessions, or meetings of outside Directors without management present, are held at regular intervals for both the Board and the Committees. Ms. Skillman, the current Lead Director of the Board, chaired the executive sessions of the Board in 2017. The Board meets in executive session a minimum of four times each year.

The Board met six times during 2017. Each Director attended 75% or more of Board meetings and meetings of Committees on which they served in 2017. Directors as a group attended an average of 97.20% of the Board meetings and meetings of Committees on which they served in 2017.

Corporate Governance and Nominating Committee Scope of Responsibilities

The Corporate Governance and Nominating Committee has responsibility for recruiting and nominating new Directors, assessing the independence of non-management Directors, leading the Board in its annual

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performance evaluation, reviewing and assessing the adequacy of the Corporate Governance Guidelines and retaining outside advisors as needed to assist and advise the Board with respect to legal and other matters. The Corporate Governance and Nominating Committee is also responsible for reviewing with the full Board, on an annual basis, the requisite skills and characteristics of Board members as well as the composition of the Board as a whole.

CEO Succession Planning

Among the Corporate Governance and Nominating Committee's responsibilities as described in its charter is to oversee CEO succession planning and leadership development for potential CEO candidates. The Board plans for succession of the CEO and annually reviews the succession strategy for an unplanned and planned event. As part of this process, the independent directors annually review the Corporate Governance and Nominating Committee's recommended candidates for consideration as the CEO under either a planned or unplanned scenario. The criteria used when assessing the qualifications of potential CEO successors include certain leadership, management and personal behaviors. The leadership behaviors include the ability to attract and develop talent, drive and execution, empowering others, shaping strategy and leading change. The management behaviors include communication and climate setting, establishing plans and priorities, managing and improving processes and performance monitoring and management. The personal behaviors important to the Corporate Governance and Nominating Committee in evaluating potential CEO candidates include the following: embodies the values that make the Company's culture distinctive, acts with honor and character, makes and maintains personal relationships with associates, clients and shareholders, demonstrates courage and serves as a champion of the Company's culture. The individual must also possess the skill and talent to lead the organization in a positive manner with wisdom, enthusiasm and humility.

Attendance at Annual Meetings

The Company has not established a formal policy regarding Director attendance at its Annual Meeting, but it encourages all Directors to attend these meetings and reimburses expenses associated with attendance. The Chairman presides at the Annual Meeting. All the Directors attended the Annual Meeting in 2017.

Code of Conduct and Code of Ethics

The Board has adopted a Code of Business Conduct and Ethics that sets forth important Company policies and procedures in conducting our business in a legal, ethical and responsible manner. These standards are applicable to all our Directors and employees, including the Company's CEO, Chief Financial Officer and Controller. In addition, the Board has adopted the Code of Ethics for CEO and Senior Financial Officers that supplements the Code of Business Conduct and Ethics by providing more specific requirements and guidance on certain topics. The Code of Ethics for CEO and Senior Financial Officers applies to the Company's CEO, Chief Financial Officer and Controller. The Code of Business Conduct and Ethics and the Code of Ethics for CEO and Senior Financial Officers are available on our website at www.oldnational.com. We will post any material amendments to, or waivers from, our Code of Business Conduct and Ethics and Code of Ethics for Senior Financial Officers on our website within two days following the date of such amendment or waiver.

Employees are required to report any conduct they believe in good faith to be an actual or apparent violation of our Codes of Conduct. In addition, as required under the Sarbanes-Oxley Act of 2002, the Audit Committee has established confidential procedures to receive, retain and treat complaints received regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

The Code of Business Conduct and Ethics addresses, among other things, the following topics: responsibilities of every Old National associate; seeking answers and reporting violations; making ethical decisions; civility and respect for one another; preventing discrimination and harassment; preventing substance abuse and violence; protecting confidential information; guidelines for protecting private information; using company assets responsibly; reporting accurately and honestly; engaging in political activities; working with

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media; ethical handling of personal transactions; preventing conflicts of interest; serving on for-profit and non-profit boards; ethical handling of gifts, meals and entertainment; preventing fraud; prohibiting insider trading; competing fairly; and earning incentives.

Corporate Governance Guidelines

The Board has adopted the Corporate Governance Guidelines that, along with the Company's corporate charter, By-Laws and charters of the various committees of the Board, provide the foundation for the Company's governance. Among other things, our Corporate Governance Guidelines set forth the:

minimum qualifications for Directors;

independence standards for Directors;

responsibilities of Directors;

majority voting policy applicable to Director elections;

committees of the Board;

access of Directors to the officers and employees of the Company;

Directors' compensation and expense reimbursement;

procedures for Director orientation and development;

procedures for an annual review of the CEO and management succession planning;

stock ownership guidelines for executives and Directors;

bonus recoupment or "clawback" policy;

procedures for an annual self-evaluation of the Board; and

content of the Company's Code of Business Conduct and Ethics.

Communications from Shareholders to Directors

The Board believes that it is important that a direct and open line of communication exist between the Board and the Company's shareholders and other interested parties. Consequently, the Board has adopted the procedures described in the following paragraph for communications to Directors.

Any shareholder or other interested party who desires to contact Old National's Chairman or the other members of the Board may do so by writing to: Board of Directors, c/o Corporate Secretary, Old National Bancorp, P.O. Box 718, Evansville, IN 47705-0718. Communications received are distributed to the Lead Director or other members of the Board, as appropriate, depending on the facts and circumstances outlined in the communication received. For example, if any complaints regarding accounting, internal accounting controls and auditing matters are received, then the Corporate Secretary will forward them to the Chairman of the Audit Committee for review.

Policy Regarding Consideration of Director Candidates Recommended by Shareholders

The Company's nomination procedures for Directors are governed by its By-Laws. Each year the Corporate Governance and Nominating Committee makes a recommendation to the entire Board regarding nominees for election as Directors. The Corporate Governance and Nominating Committee will review suggestions from shareholders regarding nominees for election as Directors. All such suggestions from shareholders must be submitted in writing to the Corporate Governance and Nominating Committee at the Company's principal executive office not less than 120 days in advance of the date of the annual or special meeting of shareholders at which Directors are to be elected. All written suggestions of shareholders must set forth:

the name and address of the shareholder making the suggestion;

the number and class of shares owned by such shareholder;