BancorpSouth, Inc. and BancorpSouth Bank

Corporate Governance Principles

1. Director Qualifications

The Board of Directors of BancorpSouth, Inc. (the "Company") shall be compromised of a majority of directors who meet the criteria for independence as now or hereafter required by the Securities and Exchange Commission ("SEC") and the New York Stock Exchange ("NYSE").

2. Nominating and Corporate Governance Committee Responsibilities

The Nominating and Corporate Governance Committee is responsible for reviewing with the Boards of the Company and BancorpSouth Bank (the "Bank"), on an annual basis, the requisite skills and characteristics of directors as well as the composition of both Boards as a whole. The Nominating and Corporate Governance Committee will consider written nominations from shareholders of the Company for director nominees that are made in accordance with the Company's Bylaws and/or other applicable law. The Nominating and Corporate Governance Committee will apply the same criteria to all candidates it considers. The Nominating and Corporate Governance Committee will work with both Boards to determine the appropriate characteristics, skills and experiences for the Boards as a whole and their respective individual members with the objective of having Boards with diverse backgrounds and experience. Characteristics expected of all directors include integrity, high personal and professional ethics, sound business judgment and the ability and willingness to commit sufficient time to the applicable Board. In evaluating the suitability of individual directors, the Nominating and Corporate Governance Committee will take into account many factors, including a general understanding of marketing, finance and other disciplines relevant to the success of the Company or the Bank, as the case may be, in the prevailing business environment; understanding of financial service industry issues and the business of the Company or the Bank, as the case may be; educational and professional background; personal accomplishment; and geographic, gender, age and ethnic diversity. The Nominating and Corporate Governance Committee will evaluate each individual in the context of the applicable Board as a whole, with the objective of recommending a group that can best perpetuate the success of the business of the Company or the Bank, as the case may be, and represent shareholder interests through the exercise of sound judgment using its diversity of experience. The Nominating and Corporate Governance Committee will also evaluate each incumbent director to determine whether he or she should be nominated to stand for reelection, based on the types of criteria outlined above as well as the director's contributions to the applicable Board during the relevant term.

Nominees for directorship will be recommended by the Nominating and Corporate Governance Committee in accordance with the policies and principles in the Nominating and Corporate Governance Committee Charter, these Corporate Governance Principles, the Bylaws of the Company or the Bank, as the case may be, and consistent with the role and responsibilities statement of principles of the applicable Board. In consultation with the Chairman of the Board and the Chief Executive Officer of the Company, the Committee shall determine if any written nominations that are proposed by a shareholder or shareholders of the Company have been properly submitted in accordance with the Company's Bylaws and other applicable law. The Committee shall review and consider any and all such nominations that have been properly submitted in determining the nominees that it will recommend to the Board of the Company. All nominees recommended by the Nominating and Corporate Governance Committee will be presented to the appropriate Board for approval and, with respect to the Company, inclusion in the Company's proxy statement. Upon receiving Board approval, the appropriate nominees will be presented to the shareholders for approval. Upon receiving the requisite shareholder approval, the invitation for the elected director(s) to join the appropriate Board should be extended by the Board itself, the Chairman of the Nominating and Corporate Governance Committee and the Chairman of the Board.

The statute governing Mississippi state banks and the Company's Amended and Restated Bylaws require that each director must, at a minimum, own a number of shares of the Company's common stock, $2.50 par value per share ("Common Stock"), having an aggregate par value equal to $200 (i.e., eighty (80) shares of Common Stock). In addition, the Company's Stock Ownership guidelines require that (a) the Chief Executive Officer must, at a minimum, beneficially own a number of shares of Common Stock having an aggregate fair market value equal to six times (6x) the base salary paid to such employee in his or her capacity as the Chief Executive Officer, (b) an Executive Officer of BancorpSouth, but who is not the Chief Executive Officer must, at a minimum, beneficially own a number of shares of Common Stock having an aggregate fair market value equal to three times (3x) the base salary paid to such employee in his or her capacity as an Executive Officer of BancorpSouth, and (c) a non-employee director must, at a minimum, beneficially own a number of shares of Common Stock having an aggregate fair market value equal to ten times (10x) the annual cash retainer paid to such non-employee director (excluding any committee fees paid to such non-employee director).

Individual directors are expected to submit a letter of resignation if a conflict of interest arises so that they can no longer serve effectively, or as soon as feasible after a significant change in position or primary job responsibilities. It is not the policy of either Board that in every instance the directors who retire or change their outside employment should necessarily leave the Boards. Both Boards should have the opportunity, however, through the Nominating and Corporate Governance Committee, to review the desirability that a director continue to serve in such circumstances. Accordingly, the Nominating and Corporate Governance Committee will review any such letter of resignation and recommend whether the Boards should accept or reject such director's resignation in light of the circumstances. Directors' normal retirement age is 70. Under appropriate circumstances, a director may be asked to continue service beyond that age with Board approval.

No director may serve on more than three other public company boards. Directors should advise the Chairman of the Board on which the director serves and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting any invitation to serve on another public company board.

Neither Board believes it should establish term limits. While term limits could help ensure fresh ideas and viewpoints, they deprive the Company of the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and the Bank and their operations and, therefore, provide an increasing contribution to each Board as a whole. As an alternative to term limits, the Nominating and Corporate Governance Committee will review each director's continuation on the Board on which he or she sits as his/her term is to expire. This will allow each director the opportunity to confirm his/her desire to continue as a member of the Board on which he or she sits, subject to recommendation by the Nominating and Corporate Governance Committee and nomination by the Board on which he or she sits.

In a complex and highly dynamic industry such as financial services, a sizable portion of both Boards should have extended tenure (multiple terms of service) to ensure that individual members of both Boards and the Boards as a whole will:

- Achieve the knowledge and understanding necessary to adopt effective and appropriate corporate policies and oversee senior management performance; and
- Have a working understanding of the financial services industry, which is characterized by rate cycles plus periods of competitive restructuring, requiring that a sufficient number of directors, at that point in time, possess the historical knowledge of and experience with the Company and/or the Bank and the industry needed to establish a realistic context supportive to deliberations and actions of the Boards.

3. Director Responsibilities

The basic responsibility of each director is to:

- Act with good faith and due diligence;
- Give the organization the benefit of his or her business judgment and experience;
- Commit the time necessary to prepare for and regularly attend board and committee meetings;
- Exercise the authority of director solely for the benefit of the organization;
- Place the Company's and/or the Bank's interests, purposes, and priorities above the director's own interests, fully disclosing all actual conflicts of interest and avoiding any participation in any matter relating thereto, and avoiding to the maximum extent possible even the appearance of a conflict of interest; and
- Comply with all laws and regulations applicable to such service.

In performing these duties, each director shall act in good faith and in a manner he or she reasonably believes to be in the best interests of the Company and/or the Bank, and the shareholders thereof, and may as appropriate consider the interests of employees, suppliers, creditors and customers and other factors as permitted by law. In discharging these responsibilities, each director, who does not have knowledge that makes reliance unwarranted, is entitled to rely on information, opinions, reports or statements prepared or presented by (a) the Company's and/or the Bank's senior executives or employees whom the director reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports or statements provided, (b) legal counsel, public accountants or other persons retained by the Company and/or the Bank as to matters involving skills or expertise the director reasonably believes are matters within the particular person's professional or expert competence or as to which the particular person merits confidence or (c) a committee of the Board of which the director is not a member if the director reasonably believes the committee merits confidence.

Directors are expected to attend all Board meetings and meetings of committees on which they serve, and to spend the time needed in preparation of discharging their responsibilities properly. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors well in advance of the meeting, and directors should review and thoughtfully consider these materials before the meeting and the materials and reports of officers and experts that are provided in connection with Board or committee meetings.

4. Role of the Chairman of the Board

The Boards of the Company and the Bank have no policy with respect to the separation of the offices of Chairman of the Board and the Chief Executive Officer of each of the Company and the Bank. Each Board believes this issue is part of the succession planning process and that it is in the best interests of the Company and the Bank for their respective Board to retain the flexibility to combine or separate these functions as circumstances deem appropriate.

The Chairman of each Board will establish the agenda for each meeting of the appropriate Board, subject to review and approval of the Lead Director, as described below. At the beginning of the year, the Chairman of each Board will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member may suggest the inclusion of items on the agenda. Each Board member may raise at any Board meeting subjects that are not on the agenda for that meeting. Each Board will review its company's long-term strategic plans and the principal issues that the company will face in the future during at least one Board meeting each year.

5. Meetings of Independent Directors; Lead Director

The independent (as defined under the Director Independence Standards of the Company) directors of the Company will meet in executive session at least semi-annually. One of the two meetings will be held in January each year, at which meeting the Chairman of the

Executive Compensation and Stock Incentive Committee will present that committee's recommendations.

The directors of the Bank will meet in executive session in conjunction with its annual planning session.

The Nominating and Corporate Governance Committee will appoint a Lead Director, who shall be an independent director and whose duties and authority will include, without limitation:

- To preside at all meetings of the Boards at which the Chairman of the Board or the Chief Executive Officer is not present, including executive sessions of the independent directors;
- To serve as liaison between the Chairman of the Board and the independent directors and between senior management and the independent directors;
- To approve information sent to the independent directors for executive sessions;
- To review and approve agendas for executive sessions of the independent directors;
- To approve the schedules of executive sessions of the independent directors and assure that there is sufficient time for discussion of all agenda items;
- To advise and consult with the Chairman of the Board and the Chief Executive Officer in matters related to corporate governance and performance of the Boards;
- To be available to consult with any senior executives of the Company as to any concerns that such executives might have;
- To be available for consultation and direct communication with shareholders of the Company; and
- To perform such other duties as the Boards may from time to time delegate.

6. Interaction With Press, Customers and the Public

Each Board recognizes that management speaks for the Company and/or the Bank and that members of the Board should refrain from speaking on behalf of the Company and/or the Bank unless requested to do so by management or as required in the conduct of their fiduciary duties. If public comments from either Board are appropriate, they should, in most circumstances, come from the Chairman of the Board of the Company or the Bank, as the case may be.

7. Board Committees

The Board of the Company will have at all times an Executive Committee, an Audit Committee, a Risk Management Committee, an Executive Compensation and Stock Incentive Committee and a Nominating and Corporate Governance Committee. All of the members of these committees, other than members of the Executive Committee and the Risk Management Committee, will be independent directors under the criteria established by the SEC and NYSE. The Board of the Company may, from time to time, establish or maintain additional committees as necessary or appropriate. The Board of the Bank may establish or maintain such committees as it deems necessary or appropriate from time to time.

Committee members (and chairmanships thereof) will be appointed by the appropriate Board after receiving the recommendation of the Nominating and Corporate Governance Committee in consultation with the Chief Executive Officer of the appropriate company as outlined in the Nominating and Corporate Governance Committee Charter. Consideration will be given to rotating committee members periodically, but for similar reasons as stated herein as to term limits, such rotation should not 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, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board that established the committee, consistent with the rules of the SEC and NYSE and these Corporate Governance Principles. The charters will also provide that each committee will annually evaluate its performance.

The chairman 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 chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year, each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee's meetings will be furnished to all directors. Each committee member or any other director may suggest additional items for consideration at any meeting.

Each Board and each committee has the authority to obtain advice and assistance from internal and external legal, accounting or other advisors as they may deem necessary to carry out their respective duties, at the expense of the Company, without seeking prior approval of the Company's Board or management.

The Nominating and Corporate Governance Committee shall review and re-assess the adequacy of these Corporate Governance Principles annually and recommend any proposed changes to the Board of the Company and the Bank for approval.

8. Director Access to Officers and Employees

Members of the Company's and the Bank's Boards shall have complete access to management and the employees of the Company and the Bank, including the Company's internal, external and independent accountants and other advisors. Board members shall use appropriate judgment and discretion, however, to ensure that their contacts do not attempt to interfere with, supersede or impede the decisions made by management and that such contacts are not distracting to the business operations of the Company and/or the Bank. Any unresolved issues of difference between members of either Board and management should first be brought to the Executive Committee for resolution and, in the event that a resolution cannot be reached, to the applicable full Board. The Boards encourage management to bring managers into Board meetings who can provide additional insight into the items being discussed.

9. Director Compensation

The form and amount of director compensation will be evaluated, and recommendations made to the Board, by the Nominating and Corporate Governance Committee in accordance with the policies and principles set forth in the Nominating and Corporate Governance Committee Charter, these Corporate Governance Principles and the Bylaws of the Company or the Bank, as the case may be. The Nominating and Corporate Governance Committee will conduct a review of non-management director compensation at least every two years.

The Nominating and Corporate Governance Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company and/or the Bank makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company and/or the Bank enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

10. Director Orientation and Continuing Education

All new directors must participate in the Company's and the Bank's Orientation Program, which should be conducted within two months following the annual meeting at which new directors are elected.

The Company and the Bank will conduct and make available to all directors appropriate continuing education programs regarding the Company's and the Bank's business, the director's obligations to the Company and the Bank and any other matters, as appropriate.

11. Management Succession

The Executive Committee is responsible for adopting and reviewing policies and principles for succession planning of management, subject to the review and approval of the Company's Board. These policies and procedures will include those related to Chief Executive Officer selection and succession in the event of an emergency or retirement of the Chief Executive Officer of each of the Company and the Bank. The Executive Compensation and Stock Incentive Committee will, at all times, be responsible for overseeing the performance of the Chief Executive Officer of each of the Company and the Bank, periodically reviewing the performance of each Chief Executive Officer, and will make the appropriate recommendations to the Boards for their consideration and approval. The Chief Executive Officer of each of the Company and the Bank shall provide a confidential report to the Executive Committee, recommending succession in the event of the unexpected inability of the Company's or the Bank's Chief Executive Officer, respectively, and/or the Company's or the Bank's Chief Operating Officer, respectively, to continue to serve. The Chief Executive Officer of each of the Company and the Bank shall present an updated report to the Executive Committee, at least annually, but more often in the event of changes of circumstances which would affect the recommendations. In light of these updated reports, the Executive Committee will reconsider its succession plans, policies and principles as appropriate. The Boards retain the ultimate authority in approving decisions regarding succession and the selection of the respective Chief Executive Officer.

12. Annual Performance Evaluation

The Nominating and Corporate Governance Committee will conduct an annual evaluation in order to assist the Boards in determining whether the Boards of the Company and the Bank and their committees are functioning effectively. The Nominating and Corporate Committee will receive comments from all directors and report annually to each Board with the assessment results of each Board and committee performance. This assessment will be discussed with the full Board of the appropriate company following the end of each fiscal year. The assessment will focus on each Board's contribution to the Company and the Bank and on areas in which the Boards or management believes improvements could be made.

These Corporate Governance Principles were most recently (a) amended and approved by the Nominating and Corporate Governance Committee on November 18, 2014, and (b) recommended to and approved by the Board of Directors of the Company and the Board of Directors of the Bank on January 28, 2015.