

## **M&T BANK CORPORATION CORPORATE GOVERNANCE STANDARDS**

**Director Qualifications**. The Board will have a majority of Directors who meet the criteria for independence required by the New York Stock Exchange. The Nomination, Compensation and Governance Committee is responsible for reviewing the qualifications and independence of the members of the Board and its various committees as well as the composition of the Board as a whole. This assessment will include members' qualification as independent, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board. Nominees for Directorship will be recommended to the Board by the Nomination, Compensation and Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Board itself, by the Chairman of the Nomination, Compensation and Governance Committee and the Chairman of the Board.

The Board believes that former executives of M&T Bank Corporation should not serve on the Board, unless so approved by the majority of the Board.

Where individual Directors change their principal occupations, positions or responsibilities they held when they were elected to the Board, they should volunteer to resign from the Board. It is not the sense of the Board that in every instance the Directors who retire or change from the position they held when they joined the Board should necessarily leave the Board. There should, however, be an opportunity for the Board through the Nomination, Compensation and Governance Committee to review the continued appropriateness of Board membership under the circumstances.

Directors should advise the Chairman of the Board and the Chairman of the Nomination, Compensation and Governance Committee in advance of accepting an invitation to serve on another public company board. There should be an opportunity for the Board through the Nomination, Compensation and Governance Committee to review the Director's availability to fulfill his or her responsibilities as a Director if he or she serves on more than three other public company boards, and such review may include due consideration that a Director was serving on other public company boards prior to the adoption of these Corporate Governance Standards.

All directors will stand for election at each annual meeting of stockholders. The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board as a whole.

Over time, each Director is required to be the beneficial owner of shares of M&T Bank Corporation common stock equal to 5 times the amount of the retainer fee that the Director receives during a full year of service. Directors who receive no personal compensation for their service shall not be subject to this requirement.

**Director Responsibilities.** The basic responsibility of the Directors is to exercise their business judgment in good faith and to act in what they reasonably believe to be in the best interests of M&T Bank Corporation and its stockholders. In discharging that obligation, Directors should be entitled to rely on the honesty and integrity of their fellow Directors and M&T Bank Corporation's senior executives and outside advisors and auditors as well as other persons, information and documentation as is consistent with applicable law.

The Directors shall also be entitled to have M&T Bank Corporation purchase reasonable Directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and M&T Bank Corporation's certificate of incorporation, by-laws and any indemnification agreements, and to exculpation as provided by state law and the Corporation's certificate of incorporation and by-laws.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. 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 before the meeting, and Directors should review these materials in advance of the meeting.

Directors are also expected to attend the annual meeting of stockholders or such other meeting of stockholders where the stockholders are voting on a full slate of nominees for director.

The Board's policy is not to mandate the separation of the offices of Chairman and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process, which is overseen by the Nomination, Compensation and Governance Committee, and that it is in the best interests of M&T Bank Corporation for the Board to make a determination when it elects a new chief executive officer. The Board will elect a non-executive Vice Chairman who will perform the duties of a "lead outside Director." Both the Chairman and non-executive Vice Chairman of the Board will be elected annually by the Board.

The Board will establish its meeting schedule for the ensuing year. The Chairman will establish the regular agenda for each Board meeting. Once per year the Chairman will establish a schedule of periodic agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review and approve M&T Bank Corporation's operating and capital expenditure budgets annually. Stockholders may communicate with the Board or individual Board members by submitting their written correspondence to the Corporate Secretary at the headquarters of M&T Bank Corporation. The Corporate Secretary may facilitate such direct communications with the Board or individual Board members by reviewing, sorting and summarizing such communications. All such communications will be referred to the Board or individual Board members for consideration unless the Corporate Secretary is otherwise instructed by the Board.

The non-management Directors will meet at regularly scheduled executive sessions without management. The name of the Director who will preside at these meetings, or the method by which the presiding Director of each session is selected, will be determined by the non-management Directors and disclosed in the annual proxy statement. The manner in which interested parties can make their concerns known to non-management Directors pursuant to direct and confidential communication with the presiding Director or the non-management Directors as a group will also be disclosed in the annual proxy statement.

The Board believes that the management speaks for M&T Bank Corporation. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with M&T Bank Corporation. But it is expected that Board members will do this only with the knowledge of the management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

**Board Committees.** Membership on committees of the Board will be appointed annually by the Board. The Board will have at all times an Audit Committee, a Risk Committee and a Nomination, Compensation and Governance Committee. All of the members of these committees will be independent Directors under the criteria established by the New York Stock Exchange and other applicable regulatory agencies. The Board will also have an Executive Committee and such other additional standing and temporary committees as appropriate. In general, committee members will be appointed by the Board with consideration of the desires of individual Directors.

The charters of the Executive Committee, the Nomination, Compensation and Governance Committee, the Audit Committee and the Risk Committee will set forth the purposes, goals and responsibilities of the committees as well as certain specific qualifications for committee membership and procedures for committee member appointment; in addition, the charters will address committee reporting to the Board. The charters will also provide that each such 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 will be furnished to all Directors.

The Board and each committee have the power to hire at the expense of M&T Bank Corporation independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of M&T Bank Corporation in advance.

**Director Access to Officers and Employees.** Directors have full and free access to officers and employees of M&T Bank Corporation and its subsidiaries. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO or the Corporate Secretary or directly by the Director. The Directors will use their judgment to ensure that any such contact is not disruptive to the

business operations of M&T Bank Corporation and will, to the extent appropriate, copy the CEO on any written communications between a Director and an officer or employee of M&T Bank Corporation.

The Board welcomes regular attendance at each Board meeting of the appropriate representatives of senior management of M&T Bank Corporation and its subsidiaries as shall be determined from time to time, subject to the Board's right in all instances to meet in executive session or with a more limited number of management representatives. If the CEO wishes to have additional M&T Bank Corporation personnel attendees on a regular basis, this suggestion should be brought to the Board for consideration.

**Compensation and Independence.** The form and amount of Director compensation will be determined by the Nomination, Compensation and Governance Committee, subject to Board approval, in accordance with the policies and principles set forth in its charter and any NYSE or other applicable rules, and that committee will conduct periodic reviews of Director compensation. The Nomination, Compensation and Governance Committee will consider that Directors' independence may be jeopardized through potential conflicts of interest if Director compensation and perquisites exceed customary levels, if a Director or any related interest of the Director has any material relationships with M&T Bank Corporation or any of its affiliates, if M&T Bank Corporation makes substantial charitable contributions to organizations with which a Director is affiliated, or if M&T Bank Corporation enters into consulting contracts with (or provides other indirect forms of compensation to) a Director or an organization with which the Director is affiliated.

The independence of each director of M&T Bank Corporation will be determined by the Board after broadly considering all of the relevant facts and circumstances in accordance with applicable laws, rules and regulations and NYSE listing standards. In any event, no individual who is an officer or employee of M&T Bank Corporation or any M&T Bank Corporation subsidiary may be determined to be independent under applicable laws, rules, regulations or NYSE listing standards.

Each Director can elect to receive payment of his or her annual compensation in cash, in shares of M&T Bank Corporation's common stock, or in an equal combination of cash and shares of M&T Bank Corporation's common stock for his or her service as a Board or committee member, subject to the observance of applicable contractual commitments and other arrangements which are approved by the Board. For this purpose, "Director" means any member or advisory member of the Board of M&T Bank Corporation or any of its subsidiaries. Members of regional advisory boards and councils may also elect to receive their compensation in cash, in shares of M&T Bank Corporation's common stock, or in an equal combination of cash and shares of M&T Bank Corporation's common stock.

Officers' aggregate compensation will be linked to the achievement of measured goals reviewed by the Nomination, Compensation and Governance Committee.

Stock options will not be repriced; that is, the exercise price for an option will not be lowered even if the current market price of M&T Bank Corporation's common stock is below the exercise price.

**Director Orientation and Continuing Education.** The Corporate Secretary is responsible for coordinating new Directors' orientation to M&T Bank Corporation in order to familiarize them with M&T Bank Corporation's business, significant financial, accounting and risk management issues, compliance programs, Corporate Governance Standards and other matters of importance. Management will suggest agenda items for Board meetings in order to provide periodic updates to all Directors, and any Director may request the inclusion of a particular agenda item in order to facilitate the continuing orientation of each Director to the Corporation.

**Anti-Takeover Devices.** M&T Bank Corporation does not have a "poison pill" or other anti-takeover device, because it believes that the way to remain independent is through superior performance in building stockholder wealth.

**Voting Rights.** All holders of M&T Bank Corporation common stock shall have the same voting rights, so that different stockholders holding the same number of shares of common stock shall have identical voting rights.

**CEO Evaluation and Management Succession.** The Nomination, Compensation and Governance Committee will conduct an annual review of the CEO's performance in a meeting that is not attended by the CEO, as set forth in its charter. The Board of Directors will review the Nomination, Compensation and Governance Committee's report in order to confirm that the CEO is providing effective leadership for the Corporation in the long- and short-term.

The Nomination, Compensation and Governance Committee should periodically report to the Board on succession planning. The entire Board will work with the Nomination, Compensation and Governance Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

**Annual Performance Evaluation.** The Board of Directors will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nomination, Compensation and Governance Committee will receive comments from all Directors and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year.

**Annual Review of Corporate Governance Standards.** These Corporate Governance Standards will be reviewed annually by the Board, and will be amended or supplemented from time to time as necessary or appropriate in the judgment of the Board.

**APPENDICES**  
**to**  
**M&T BANK CORPORATION**  
**CORPORATE GOVERNANCE STANDARDS**

1. DISCLOSURE AND REGULATION FD POLICY
2. EXECUTIVE COMMITTEE CHARTER
3. NOMINATION, COMPENSATION AND GOVERNANCE COMMITTEE CHARTER
4. AUDIT COMMITTEE CHARTER
5. RISK COMMITTEE CHARTER
6. FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES POLICY
7. CODE OF ETHICS FOR CEO AND SENIOR FINANCIAL OFFICERS
8. CODE OF BUSINESS CONDUCT AND ETHICS
9. EMPLOYEE COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS