



Corporate Governance Principles

Introduction

In fulfilling our mission to be a strong, influential leader in the markets we choose to serve, Univest believes there is nothing more important than its reputation for integrity. Our directors, officers, and employees are bound by the highest principles of ethical conduct. Our principles spell out our commitment and initiatives to comply with not only the regulations, but also with the true spirit of responsible corporate governance. As we continue to assess new interpretations and listing standards, we expect our Board of Directors to adopt continuing changes to these guidelines that will keep our shareholders assured that our corporate practices continue to be among the best.

The Role of the Board of Directors

Elected by the shareholders, each Board member brings individual qualities, business experience, and a commitment to an oversight role. The Board will maintain a strong and sound system of financial reporting, effective internal controls, and an integrity-driven corporate culture, and will ensure the long-term growth of the Corporation and increasing value for shareholders.

In discharging their responsibilities, the Board of Directors are entitled to rely in good faith on the Corporation's records, management, outside counsel, auditors, and other expert advisors while exercising their business judgment to act in the best interests of the Corporation and its shareholders. Directors shall review the substance of reports and any expert advice used in reaching their decisions. The Board has adopted a structure that provides for directors to be informed and to openly discuss issues they deem important.

The Board will exercise an oversight role as a body and through board-member staffed committees to ensure the following responsibilities are incorporated into the process of the Board of Directors:

- Selection, evaluation and retention of the Chief Executive Officer, including a plan for management succession;
- Evaluating and nominating candidates for the Board of Directors and board committees;
- Overseeing corporate governance structure and practices;
- Approval of strategic and operating plans and budgets;
- Focus on the integrity and clarity of the Corporation's financial statements and internal controls over financial reporting;
- Advise and counsel management on significant issues;
- Approval of significant actions of the Corporation, including declaration of dividends, corporate policies, and major transactions;
- Consideration of the impact of the Board's actions on the Corporation's customers, employees, shareholders, and the communities it chooses to serve; and
- Creation of a corporate culture and philosophy that promotes the highest ethical standards of conduct for the Corporation and its employees in order to produce value for shareholders

Management's Responsibilities

Management is responsible for operating the Corporation in an effective, ethical and legal manner and for enforcing accountability with mandatory policies, procedures, and regulatory standards. Senior management is responsible for managing the Corporation's income-producing activities and the significant risks being incurred, including protecting the Corporation's reputation by avoiding conflicts of interest with the Corporation and its shareholders. Those responsibilities include but are not limited to:

- Setting a strong ethical "tone at the top" to assure compliance with applicable regulations, policies and procedures;
- Producing financial statements that fairly present the Corporation's financial condition in a clear and understandable manner;
- Developing and presenting to the Board annual operating plans and budgets;
- Developing and presenting to the Board strategic plans for the continued growth of the Corporation;
- Developing, implementing and monitoring an effective system of internal controls;
- Establishing, maintaining and evaluating the Corporation's disclosure controls and procedures; and
- Selecting qualified and effective members of management, including an effective management succession plan

Board Composition and Independence

The Corporation's bylaws permit the Board to vary in size from not less than five (5) to not more than twenty-five (25). The Board expects the number of directors will vary from time to time within such range contingent upon retirements, the availability of qualified candidates, and other circumstances.

In addition to the directors elected, there shall be "alternate directors" elected by the shareholders at the annual meeting of shareholders, and the Board of Directors shall have the power to fix the number of alternate directors. Action may be taken to decrease or increase the number of alternative directors without a vote of shareholders, provided the number is not less than one (1) or more than four (4). An alternate director shall serve a term of one year and until a successor has been duly elected by the shareholders and qualified. Alternate directors shall attend all meetings of the Board of Directors and shall have the right to participate in the discussions held, but shall have no voting power and are not included in a quorum determination. An alternate director may be appointed by the Board to fill the remaining term of any vacancy on the Board of Directors created by the resignation, death, incapacity, or removal of any Director.

The Board believes that a majority of the Board should consist of directors who are "independent" under the applicable rules of the Nasdaq National Stock Market and the Securities and Exchange Commission. However, the Board will not be prevented from taking valid actions if, due to a temporary circumstance, there are fewer than the intended proportion of independent directors. The Board of Directors will from time to time, but no less often than annually, make a determination of those directors that are independent under the applicable requirements.

Term Limits

Board members are elected each year by the Corporation's shareholders on a staggered term basis, divided into three classes known as Class I, Class II, and Class III. Each class is as nearly equal in number as possible, with the three-year term of office of one class expiring each year.

Board Meetings

The Board schedules regular meetings each year, in addition to the annual meeting for shareholders. Other special meetings of the Board of Directors may be called by the Chairman as the need may arise. The Corporate Secretary establishes the agenda for each board meeting, including a list of recurring agenda items and the timing of those items throughout the year. Directors may add to the agenda any matter they reasonably believe should be placed on the agenda during any meeting. Management may place special items on the agenda throughout the year as appropriate. All Board materials are delivered to Board members in advance of each regularly scheduled Board of Directors' meeting.

Members of executive management who are not members of the Board may attend non-executive sessions of the Board at the invitation of the CEO or the Board; other members of management attend to make special presentations. Directors may speak directly with these individuals at Board meetings or at any other time throughout the year.

Executive Sessions

The independent, non-management directors will meet in executive session without the Chief Executive Officer and management present at least twice a year. The independent directors may request the attendance of any executive officer during such executive session. Topics of interest will be discussed in an open format as the independent directors determine, but actions of the Board should be taken separately at a full Board meeting.

Board Committees and Membership

The Board of Directors may from time to time appoint such standing or special committees to consist of one or more directors of the Corporation. Certain standing committees, such as the Audit Committee, the Compensation Committee, and the Nominating Committee, must consist entirely of independent directors to meet the corporate governance requirements. These committee charters, along with the names of the independent directors who serve on those committees, are available on our website at www.univest.net.

Other standing Board committees, such as the Audit Committee; Compensation Committee; CRA Committee (Community Reinvestment Act); Deferred Salary Savings Plan Committee; DSSP (401(k)) Plan Trustees Committee; Executive Committee; Investment/Asset/Liability Management Committee; Loan Policy Committee; Nominating and Governance Committee; Payment Systems Risk Committee; Pension Committee; Security Committee; Enterprise-Wide Risk Management Committee; Trust Committee; Univest Employee Stock Purchase Plan Committee and Univest Interbank Liabilities Committee, may be appointed by the Board from time to time.

Membership on Board committees is reviewed and approved annually by the full Board. Changes in committee assignments are made based on committee needs, director experience and availability, and other legal and regulatory considerations. Each committee will make a report available to the Board on the activities of the committee at the next regularly scheduled Board meeting following a committee meeting.

Board, Committee and Annual Meeting Attendance

All directors are expected to attend each regularly scheduled board and committee meeting unless an event outside of the director's control precludes attendance. In such case, the director should make every effort to notify the Chairman or Corporate Secretary of his or her inability to attend or to participate via telephonic and/or electronic connection. Where it is necessary to call a special meeting of the directors or schedule a meeting by telephone, each director will make a best effort to attend the meeting or to be available to provide feedback by telephonic and/or electronic connection. Each director is encouraged to attend at least 75 percent of all regular and special board meetings.

All directors are encouraged to attend each annual meeting of shareholders in order to interact with shareholders and officers of the Corporation.

Director Changes in Corporate Affiliations

Directors who change their employer or otherwise have a significant change in a position held within a company, or who accept or are considering an invitation to join another board, shall notify the Univest Board Chairman. It will be the responsibility of the Nominating Committee to review, on an individual basis, the continued appropriateness of such director's membership on the Board, taking into consideration any potential conflicts of interest and whether those responsibilities would interfere with the Director's ability to fulfill his or her responsibilities on the Univest Board. Directors should not serve on more than two public company boards in addition to serving on the Univest Board.

Any executive officer of the Corporation must obtain the approval of the Board Chairman before accepting an invitation to serve as a director of any organization that would require a significant time commitment.

Director Nominations

The Nominating Committee evaluates all nominee candidates in the same manner – whether nominated by a shareholder, the CEO, or a candidate recommended by another director. The Nominating Committee's recommendations are presented to the Board of Directors for approval, taking into consideration input from the Chairman and the Chief Executive Officer. Between annual shareholder meetings, the Board of Directors may elect directors to fill a vacancy occurring unexpectedly from the pool of alternate directors; that director will serve the unexpired term of the director replaced.

Selection Criteria for Board Members

All director candidates are evaluated based on general characteristics and specific talents and skills needed to increase the Board's effectiveness. In fulfilling its responsibilities to select and evaluate appropriate director candidates, the Nominating Committee will seek to balance the existing skill sets of current board members with the need for other skills and qualities that will complement the Corporation's strategic vision. All candidates must possess an unquestionable commitment to high ethical standards and have a demonstrated reputation for integrity. Other personal accomplishments and characteristics will also be evaluated. Directors should not represent the interests of particular constituencies conflicting with the interests of Univest. All directors must be shareholders of the Corporation.

Equity Ownership by Directors and Senior Officers

The number of shares of Univest common stock owned by each director or senior officer of the Corporation is a personal decision; however, the Board strongly supports the position that senior officers own a meaningful number of shares in the Corporation to strengthen their commitment and further align their interests with those of Univest shareholders. The Chief Executive Officer, Bank President, Senior Executive Vice Presidents and Executive Vice Presidents of the Corporation are required to maintain stock ownership levels as determined by the Compensation Committee. Each senior officer is granted a seven-year period to attain such ownership requirements, based on the policy approval date for current senior officers or the date of position appointment for new senior officers.

Board Compensation

The Compensation Committee is responsible for making recommendations to the Board for the annual retainer and committee fee structure for non-employee directors. In so doing, the Committee considers

consultant and peer reports on trends in director compensation. Any changes in Board compensation should be evaluated through a full discussion of and concurrence by the Board.

CEO Evaluation and Management Succession

The Compensation Committee, consisting entirely of independent directors, evaluates the performance of the CEO and reports on its determination to the Board. Compensation for other executive officers is reviewed through consultation with the Chief Executive Officer, including incentive pay.

The CEO will periodically make a report to the Executive Committee on succession planning and management development, including the recommendation of at least one individual that could assume the role of the CEO on an interim basis in the event of an unexpected circumstance.

Ensuring Legal and Ethical Conduct

The personal and professional ethical conduct of all directors, officers, employees, CEO, CFO and other senior financial officers are outlined in the Univest Code of Conduct, which includes prohibiting any action that would result in or even give the appearance of resulting in a conflict of interest. Our Code of Conduct is reviewed and revised as appropriate at least annually by the Board of Directors to provide guidance on new regulatory and legal initiatives, accurate financial reporting, and a host of other issues designed to promote unwaivering compliance with ethical issues by every director and employee. The directors and management have created and maintain a strong ethical culture and philosophy at Univest, and this commitment to high ethical standards is evident throughout the workplace. The Code incorporates a mechanism for encouraging the reporting of suspected violations of the Code without fear of retribution. The entire Code is available on our website at www.univest.net.

Director Orientation and Continuing Education

New board members, including new alternate directors, shall participate in a thorough orientation program to familiarize them with the Corporation's business, industry and corporate governance practices. Additional educational programs on an ongoing basis will be conducted with all directors to enable them to recognize and deal appropriately with issues that arise. This is done through a variety of methods, including in-house presentations, special meetings, outside consultants, seminars, and other methods determined to be timely and effective. Costs of all educational programs are borne by the Corporation. The Board feels it is imperative that directors be fully informed on a continuing basis due to the escalating pace of change in today's financial services industry. The "alternate director" process described above is critical to this never-ending educational effort. In conjunction with regulatory requirements and best practices, an ongoing director education program will be administered.

Board Communications with Shareholders, Press, and Others

The Board believes that management speaks for the Corporation. Individual board members may, from time to time, communicate with various constituencies, with the Chief Executive Officer and the Chairman acting in that capacity in most circumstances.

To contact any Board member or committee chair, shareholders should mail their correspondence to:

Univest Corporation
Attention (Board or committee member name)
Office of the Corporate Secretary
14 N. Main Street
P.O. Box 64197
Souderton, PA 18964

Reporting of Concerns to Audit Committee

Any individual that has a concern regarding accounting procedures, internal accounting controls, or auditing matters may bring that concern to the attention of the Audit Committee of the Board of Directors by calling the Ethics Hotline at 215-799-2956 or by writing to: Univest Corporation, Ethics Hotline, P.O. Box 245, Telford, PA 18969-0245. Both of these reporting vehicles guarantee confidentiality, anonymity if desired, and non-retaliation against any employee reporting actual or perceived misconduct if they choose not to remain anonymous, subject to our obligation to notify regulators or other authorities as the result of our investigation.

Board Evaluations

On an annual basis, the Nominating Committee will establish and assist in a Board review and effectiveness process, with the results presented to and discussed with the full Board of Directors. The purpose of this assessment is to increase the effectiveness of the Board as a whole and not to focus on individual Board members.

Annual Review of Corporate Governance Principles

No less than annually, or as otherwise appropriate, these corporate governance principles will be reviewed by the Nominating Committee, with recommended changes submitted to the full Board of Directors for approval. Any exceptions from these guidelines will be reviewed by the Nominating Committee and disclosed to investors if material.

Disclosure of this Policy

This policy will be posted on the Univest website at www.univest.net and will also be available in printed format for any shareholder requesting this information. Such requests should be directed to the Corporate Secretary.

Approved: Nominating and Governance Committee
November 21, 2014

Approved: Board of Directors
November 26, 2014