

APPROVED BY CCBG BOARD APRIL 25, 2017

CAPITAL CITY BANK GROUP, INC.

CORPORATE GOVERNANCE GUIDELINES

These Corporate Governance Guidelines have been approved and adopted by the Board of Directors (the “Board”) of Capital City Bank Group, Inc. (the “Company”) to provide a framework within which the Board and management can effectively pursue the Company’s objectives for the benefit of its shareowners. These Guidelines, along with the Company’s Articles of Incorporation, Bylaws, Code of Conduct and the charters of the various committees of the Board, provide the foundation for the Company’s governance. The Board intends that these Guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations. These Guidelines should be interpreted in the context of all applicable laws and regulations, the Company’s organizational documents, other governing legal documents and the Company’s policies.

A. Roles of the Board and Management

The Board is elected by the Company’s shareowners to oversee management and exercise business judgment to act in what it reasonably believes to be the best interests of the shareowners and the Company. The Company’s management, under the supervision of the Board, conducts the business of the Company. Both management and the Board seek to enhance the long-term value of the Company for the benefit of its shareowners. In so doing, the Company recognizes that the interests of its shareowners also will be advanced by responsibly taking into account the concerns of the Company’s other constituencies, including clients, associates, the communities in which the Company conducts its business, the public at large and the governmental entities that regulate the Company’s business.

B. Board Functions

The Board, directly and through its appropriate committees, shall:

- Review and approve strategic plans;
- Review corporate performance;
- Oversee and evaluate management’s systems for internal control, financial reporting and public disclosure;
- Select, evaluate and compensate the Company’s Chief Executive Officer;
- Oversee and evaluate senior management performance and compensation;
- Plan for effective succession of the Chief Executive Officer and other members of senior management;
- Set a tone for a climate of corporate trust and confidence;
- Establish corporate governance guidelines and practices, including those relating to director qualifications, orientation, and continuing education; and
- Undertake an annual performance evaluation of the Board.

C. Director Qualifications

A majority of directors shall meet the criteria for independence required for listing on the Nasdaq Global Market or on any other market, exchange or listing service on which the Company's common stock or other securities are traded, as well as other applicable criteria for independence. The Corporate Governance and Nominating Committee is responsible for reviewing with the Board the independence of the Board members, as well as the requisite skills and characteristics of Board members. Nominees for directors will be selected by the Corporate Governance and Nominating Committee in accordance with its charter and these Guidelines. Any shareowner may propose a candidate for nomination, provided the shareowner has continuously held for at least one year prior to the date the nomination is submitted at least \$2,000 in market value, or 1%, of the Company's securities entitled to vote for the election of directors. Qualifying shareowners should submit the names and qualifications of a candidate they wish to nominate to the Corporate Governance and Nominating Committee c/o Capital City Bank Group, Inc., 217 North Monroe Street, Tallahassee, Florida 32301. Each candidate for nomination proposed by a qualifying shareowner for which adequate information, as required under Article I, Section 17 of the Company's bylaws, is provided will be evaluated by the Corporate Governance and Nominating Committee.

Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the best interests of the Company and the Company's shareowners. In selecting candidates for nomination as directors, the Corporate Governance and Nominating Committee will consider criteria including current or recent experience as a senior executive officer, whether the nominee is independent(as that term is defined in Rule 5605(a)(2) of the Nasdaq listing standards and as otherwise contemplated by the preceding paragraph), business expertise currently desired on the Board, geography, banking industry experience, diversity of viewpoint, and general ability to enhance the overall composition of the Board.

The selection process for director candidates may include, without limitation, identification of director candidates by the Corporate Governance and Nominating Committee based upon suggestions from current directors and executives, nominations received by shareowners and advice received from one or more director search firms engaged by the Corporate Governance and Nominating Committee; interviews with candidates by the Chair and at least one other member of the Corporate Governance and Nominating Committee; reports on the selection process from the Corporate Governance and Nominating Committee to the Board; recommendations by the Corporate Governance and Nominating Committee to the Board; and formal nomination by the Board for inclusion in the slate of directors presented for a shareowner vote at the annual meeting.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively. No director may serve on more than three other public company boards of directors, except that the Chief Executive Officer of the Company may not serve on more than two other public company boards of directors.¹ A director must advise the Chairman of the Board and the Chair of the Corporate Governance and Nominating Committee before

¹ To reflect ISS's new policy.

accepting an invitation to serve as a director of another public company. The Corporate Governance and Nominating Committee will review whether such board membership may unduly impact the ability of the director to fulfill the director's duties to the Company.

D. Director Independence

To qualify as "independent," a director must be a person other than an officer or associate of the Company or any of its subsidiaries and must not have a relationship that, in the affirmative opinion of the Board, would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a director. The following persons are considered to not be independent:

- a director who is or has been employed by the Company or by any parent or subsidiary of the Company at any time within the past three years;
- a director who has accepted or who has a non-associate Family Member (as defined in Nasdaq Rule 5605) who has accepted any payments from the Company or any parent or subsidiary of the Company in excess of \$120,000 during the current fiscal year or any of the past three fiscal years, other than compensation for Board or committee service, payments arising solely from investments in the Company's securities, compensation paid to a Family Member who is a non-executive associate of the Company or a parent or subsidiary of the Company, benefits under a tax-qualified retirement plan or non-discretionary compensation, or loans permitted under Section 13(k) of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
- a director who is a Family Member of an individual who is, or at any time within the past three years was, employed by the Company or by any parent or subsidiary of the Company as an executive officer;
- a director who is, or who has a Family Member who is, a partner in, or a controlling shareowner or an executive officer of, any organization, including a non-profit entity, to which the Company has made, or from which the Company has received, payments (other than those arising solely from investments in the Company's securities or under non-discretionary charitable contribution matching programs) that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, in the current fiscal year or any of the past three fiscal years;
- a director of the Company who is, or who has a Family Member who is, employed as an executive officer of another entity where any of the executive officers of the Company serve on the compensation committee of such other entity, or if such relationship existed at any time within the past three years; or
- a director who is, or who has a Family Member who is, or was, or who has a Family Member who was, a partner or associate of the Company's outside auditor, and worked on the Company's audit at any time within the past three years.

The following relationships will not be considered to be material relationships that would impair a director's independence:

1. A director is presumed to be independent despite the existence of one or more extensions of credit between Capital City Bank and the director, or any of the director's related interests (as defined in the Federal Reserve Board's Regulation O) ("related interests") if, in each such case:
 - (a) The extension of credit was made in the ordinary course of business of Capital City Bank, on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with non-affiliated persons and did not involve more than the normal risk of collectability or present other unfavorable features;
 - (b) The extension of credit was made in compliance with applicable laws and regulations, including but not limited to Regulations O and W of the Federal Reserve Board, Sections 23A and 23B of the Federal Reserve Act and Section 13(k) of the Securities Exchange Act of 1934;
 - (c) The aggregate amount of the extensions of credit to the director and all of his or her related interests does not exceed 1% of Capital City Bank's consolidated assets; and
 - (d) The Board concludes, based on a review of the extension(s) of credit, including without limitation, the amount of the extension(s) of credit in relation to the net worth of the borrower and the borrower's performance, as well as representations of the borrower, as follows: (i) if the borrower is a company or other entity, that a failure to make a proposed extension of credit or the termination of an extension of credit in the ordinary course of business would not reasonably be expected to have a material and adverse effect on the financial condition, results of operations or business of the borrower or (ii) if the borrower is an individual, that a failure to make a proposed extension of credit or the termination of the extension of credit in the ordinary course of business would not reasonably be expected to have a material and adverse effect on the financial condition of the borrower.
 - (e) The Audit Committee and the Board shall review any extension of credit by Capital City Bank to a director or his or her related interests in which a default has occurred or that has become criticized by Capital City Bank's regulators to determine the impact that such default or criticism has on the director's independence.
2. A director is presumed to be independent despite the existence of one or more banking or other commercial relationships (other than extensions of credit, but including, without limitation, depository, fiduciary, securities brokerage and insurance relationships) between a subsidiary of the Company, on the one hand, and the director, a Family Member of the director or a company with which the director or a Family Member of the director is affiliated by reason

of being a director, executive officer or significant shareholder thereof, on the other hand, if in each such case the transaction was entered into in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons.

3. The fact that a particular relationship or transaction is not addressed by either 1 or 2 above or exceeds the thresholds in those standards does not create the presumption that a director is not independent.

E. Board Size, Terms and Term Limits

It is the policy of the Company that the number of directors include and not exceed a number that can function efficiently as a body. The Corporate Governance and Nominating Committee periodically considers and makes recommendations to the Board concerning the appropriate size and needs of the Board. There is no specified term limit that a director may serve on the Company's Board; however, directors must retire from the Board when they reach the age of 72, unless, on the recommendation of the Corporate Governance and Nominating Committee, the Board waives this requirement as to a director on the basis that such waiver is in the best interests of the Company, in which case the basis for this waiver shall be disclosed in the proxy statement for the annual meeting of shareowners. A director elected to the Board prior to his or her 73rd birthday may continue to serve until the annual shareholders meeting coincident with or next following his or her 73rd birthday, subject to the waiver process described in the preceding sentence.

The Corporate Governance and Nominating Committee will review each director's performance annually to assess attendance and overall performance.

F. Chairman of the Board

The Company has no fixed policy with respect to the separation of the offices of Chairman of the Board and the Chief Executive Officer or with respect to whether the Chairman should be a member of management or a nonassociate director. The Board believes that it is in the best interests of the Company and its shareowners for the Board to make this determination from time to time, including when selecting a new Chief Executive Officer. When the Chairman of the Board is a member of management or is otherwise not independent, the nonassociate directors shall elect a Lead Director. Although annually elected, the Lead Director may serve for more than one year.

G. Functioning of the Board

1. *Number of Meetings.* The Board will have no fewer than eight scheduled meetings each year, and will hold such additional special meetings each year as circumstances may require.
2. *Meeting Attendance and Preparation.* Each director is expected to prepare for, attend and contribute meaningfully in all Board meetings and all meetings of Board committees on which the director serves. Directors are expected to devote the

- amount of time and effort necessary to properly discharge their responsibilities. Consistent with their fiduciary duties, directors are expected to maintain the confidentiality of the deliberations of the Board and its committees. Information and data that are important to the directors' understanding of the business to be conducted at a meeting of the Board will be distributed to the directors sufficiently in advance of the meeting to allow the directors to prepare for discussion of the relevant matters at the meeting. Each director should review these materials in advance of the meeting. Each director is expected to attend the Company's annual meeting of shareowners.
3. *Executive Sessions.* The independent directors shall meet in executive sessions at each regular meeting of the Board without the Chief Executive Officer or any other member of management present. The Lead Director (or the Chairman of the Board, if he or she is independent) will preside at executive sessions of the Board.
 4. *Board Committees.* It is the general policy of the Company that all major decisions be considered by the Board as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be basic to, or required or appropriate for, the operation of the Company. Currently, these committees are the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee. All of the members of the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee shall be independent directors under the criteria set forth in these Guidelines and the independence requirements set forth in applicable Securities and Exchange Commission ("SEC") rules and for listing on the Nasdaq Global Market or on any other market, exchange or listing service on which the Company's common stock is traded. The Board shall consider the rotation of committee assignments at such intervals as the Board determines on the recommendation of the Corporate Governance and Nominating Committee. Consideration of rotation shall seek to balance the benefits derived from continuity and experience, on the one hand, and the benefits derived from gaining fresh perspectives and enhancing directors' understanding of different aspects of the Company's business and enabling functions.
 5. *Committee Charters.* The Board will approve a charter for each of the Audit, Compensation, and Corporate Governance and Nominating Committees. The duties assigned to each committee are reviewed annually by the committee and by the Corporate Governance and Nominating Committee, and any recommended changes shall be presented to the Board for consideration. Committees are empowered to act on the Board's behalf with respect to those matters that the Board has prescribed.
 6. *Meeting Agendas and Conduct.* Board agendas are set by the Chairman, with input from the other Board members and members of management. If the Chairman is not independent, the Lead Director and the Chairman will together set the Board agenda, with input from the other Board members and members of management. Committee agendas are set by the committee chairs, in consultation with committee members and appropriate members of management. The Board believes that Board and committee

meetings should be conducted in a manner that ensures open communication, objective and constructive participation and timely resolution of issues.

7. *Board Access to Management.* Directors shall have full and free access to the Company's officers and associates. The Board encourages the Chief Executive Officer, from time to time, to bring to Board meetings members of management who can provide additional insight on matters to be discussed at those meetings. Any other meetings or contacts with officers or associates that a director wishes to initiate may be arranged through the Chief Executive Officer, or the Company's Secretary. The Board will use its judgment to minimize the extent to which contact with the Company's officers or associates is disruptive to the Company's operations.
8. *Interplay with Bank Board Committees.* Certain committees of the Company's Board may meet simultaneously as committees of Capital City Bank (the "Bank"), although separate meetings will be held if necessary to address issues that are relevant only to one entity or to consider other appropriate matters. Additionally, any such committee should consult with appropriate counsel if, in the committee's opinion, any matter under consideration by the committee has the potential for any conflict between the interests of the Company or its other subsidiaries, on one hand, and those of the Bank, on the other, to ensure that appropriate procedures are established for addressing any potential conflict and for ensuring compliance with the Company's policies regarding Sections 23A and 23B of the Federal Reserve Act. The Company's Audit Committee shall also act as the audit committee of the Bank.
9. *Board and Committee Access to Advisers.* The Board and each of the Audit, Corporate Governance and Nominating, and Compensation Committees have the power to hire, at the Company's expense, independent legal, financial or other advisors as they may deem necessary or appropriate, without consulting or obtaining the advance approval of any Company officer. Directors are expected to use their best judgment in determining when such engagements are necessary and shall consider the qualifications and fees to be charged by such advisors when making their selection.
10. *Advance Resignation to Address Majority Voting.* Director nominees are required to execute an agreement with the Company that would obligate the director to submit an irrevocable written resignation to the Corporate Governance and Nominating Committee upon the failure of the nominee to receive the requisite vote for his or her election as set forth in Section 12(b) of the Company's Bylaws.
11. *Directors with Significant Job Changes.* Any director who retires from his or her present employment, or who experiences a material change in his or her job responsibilities or in the principal occupation he or she had when he or she joined the Board, should offer to resign from the Board. The Board, on the recommendation of the Corporate Governance and Nominating Committee, will then evaluate whether the Board should accept the resignation based on a review of whether the individual

continues to satisfy the Board's membership criteria in light of his or her new occupational status.

H. Director Compensation

The form and amount of director compensation will be determined by the Compensation Committee in accordance with policies and principles set forth in its charter. The Compensation Committee will conduct an annual review of director compensation. The Compensation Committee understands that the independence of directors may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliate, or if the Company enters into consulting contracts with (or provides other indirect compensation to) a director or an organization with which the director is affiliated.

I. Reliance on Others; Liability Insurance

In discharging their obligations and responsibilities, the Company's directors are entitled to rely on the honesty and integrity of fellow directors, the Company's management, independent auditors and outside advisors. Further, to promote the ability of each director to act in accordance with the director's reasonable, good faith business judgment without undue concern for the substantial risk of personal liability faced by public company directors, the Company shall purchase and maintain at all times directors' and officers' liability insurance in amounts deemed reasonably appropriate.

J. Director Orientation and Continuing Education

All new directors must participate in the Company's Orientation Program, which should be conducted as soon as reasonably practicable after the meeting at which a new director is elected. The orientation program will include information to acquaint new directors with the Company, including its strategy, its significant financial, accounting and risk management issues, long-range plans, financial statements, properties and operations, these Guidelines, and the Code of Conduct.

The Company will provide appropriate continuing education for all directors, including providing, from time to time, information and updates on legal and regulatory changes that affect the Company and the directors. Directors are further encouraged to participate in continuing director education.

K. Ethics and Conflicts of Interests

Directors, as well as officers and associates, must adhere to the Company's Code of Conduct and in these Guidelines. If an actual or potential conflict of interest exists for a director, the director should promptly inform the Chief Executive Officer, and if it involves the Chief Executive Officer, to the Chairman of the Corporate Governance and Nominating Committee. If a significant conflict exists and cannot be resolved, the director should submit his or her resignation to the Board. All directors shall recuse themselves from any discussion or decision affecting their personal or professional interests.

L. Annual Performance Evaluations

Under the supervision of the Corporate Governance and Nominating Committee, the Board and each of its committees will conduct an annual evaluation to determine whether and to what extent each is functioning effectively.

M. Shareowner Communications

Shareowners may communicate with the Board, a Board committee, the independent directors as a group, and individual directors. Shareowners who wish to communicate with the Board, a Board committee, or any other directors or individual directors may do so by sending written communications to Capital City Bank Group, Inc., c/o Corporate Secretary, 217 North Monroe Street, Tallahassee, Florida 32301. Communications will be compiled by the Corporate Secretary and submitted to the Board, a committee of the Board, or the appropriate group of directors or individual directors, as appropriate, at the next regular meeting of the Board. The Corporate Secretary will submit to the Board all communications received, excluding those items that are not related to board duties and responsibilities, such as: mass mailings, job inquiries, resumes, advertisements, solicitations, and surveys.

N. Succession Planning

The Board shall plan for succession to the position of Chief Executive Officer as well as certain other senior management positions. To assist, the Chief Executive Officer shall annually provide the Board with an assessment of senior managers and of their potential to succeed him or her. The Chief Executive Officer shall also provide the Board with an assessment of persons considered potential successors to certain senior management positions. The Corporate Governance and Nominating Committee and the independent directors in an executive session shall annually review this updated assessment. Periodically, the entire Board shall interview members of senior management who are potential successors to the Company's executive management.

O. Communications

To foster open discussions, the proceedings and deliberations of the Board are strictly confidential. Each director will maintain the confidentiality of non-public information received from the Company or its advisors. In addition, the Board believes that it is Company management's responsibility to speak for the Company.