

I. INTRODUCTION

The Board of Directors (the “Board”) of Farmers National Banc Corp. (“Farmers” or the “Corporation”), acting on the recommendation of its Corporate Governance and Nominating Committee, has adopted these governance guidelines (the “Guidelines”) to assist Farmers in following corporate practices that serve the best interests of the Corporation and its shareholders. The Board intends that these guidelines should 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, Farmers’ charter documents and other governing legal documents.

II. DIRECTOR QUALIFICATIONS AND BOARD COMPOSITION

(a) Independence. A majority of the Board shall consist of directors whom the Board has determined have no relationship that would interfere with the exercise of independent judgment in carrying out responsibilities as a director of Farmers and who are otherwise “independent” under the rules of The NASDAQ Stock Market LLC (the “NASDAQ”). No director shall be deemed independent unless the Board affirmatively determines that the director has no material relationship with Farmers, directly, or as an officer, share owner or partner of an organization that has a material relationship with the Corporation. A director of Farmers shall not fail to be deemed “independent” solely as a result of credit relationships between Farmers and its subsidiaries, and a corporation with which the director is affiliated by reason of being an executive officer or a significant shareholder thereof, provided that such relationships: (i) are in the ordinary course of business of Farmers; (ii) are on substantially the same terms (including interest rates and collateral) as those prevailing at the time for comparable transactions with nonaffiliated persons; and (iii) the Corporation has followed credit underwriting procedures that are not less stringent than those prevailing at the time for comparable transactions by Farmers with other nonaffiliated persons and do not involve more than the normal risk of repayment or present other unfavorable features. The Corporate Governance and Nominating Committee shall review any credit relationship of a director or his or her related interests that becomes “subject to adverse classification” in order to determine whether such classification affects the director’s independence. Each independent director shall notify the chairperson of the Corporate Governance and Nominating Committee, as soon as practicable, in the event that his or her circumstances change in a manner that may affect the Board’s evaluation of his or her independence.

(b) Size of Board. The number of directors that constitutes the Board shall be fixed from time to time in the manner prescribed in Farmers’ corporate charters. The Corporate Governance and Nominating Committee will assess the size of the Board periodically to determine whether its size

continues to be appropriate and make recommendations to the Board as necessary.

(c) Term. Directors shall hold office for staggered terms provided, however, that any vacancies in the Board of Directors existing for any reason, and any newly created directorships resulting from an increase in the number of directors, may be filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, or elected by the shareholders upon nomination of such director, and any director so chosen shall hold office until the next election of the class for which such director shall have been chosen and until their successor shall be elected and qualified. As part of its responsibilities, the Corporate Governance and Nominating Committee shall consider each director's continuation on the Board at the expiration of his or her term and before that director is considered for re-election.

(d) Selection of Chairperson and Lead Independent Director. Farmers' corporate charters provide that the Board may elect a chairperson (the "Chair"). In absence of such appointment, the President and Chief Executive Officer shall act as the Chair for the Board. The Board has established the position of lead independent director (the "LID"), to be in effect at such times an employee of Farmers serves as Chair of the Board. The LID shall be a non-employee director and shall be elected by the non-employee directors of the Board. If the Board elects a non-executive chairperson, then the position of LID shall be suspended.

(e) Change in Employee Director's Present Job Responsibilities. It is the policy of the Board that directors who are also employees of Farmers must tender their resignation from the Board upon retirement, resignation or removal from employment with the Corporation or upon a demotion in their job responsibilities.

(f) Change in Director's Present Job Responsibilities. A non-employee director shall inform the Board of any principal occupation change, including retirement. The Corporate Governance and Nominating Committee shall review the appropriateness of such director's continued service on the Board in light of his or her changed responsibilities, association or circumstances.

III. SELECTION OF DIRECTORS

(a) Nominations. The Board is responsible for selecting the nominees for election and re-election by Farmers' shareholders. The Board, however, has delegated the process for identifying, screening, evaluating and recommending candidates for election or appointment as directors to the Corporate Governance and Nominating Committee. Final approval of any candidate shall be determined by the full Board.

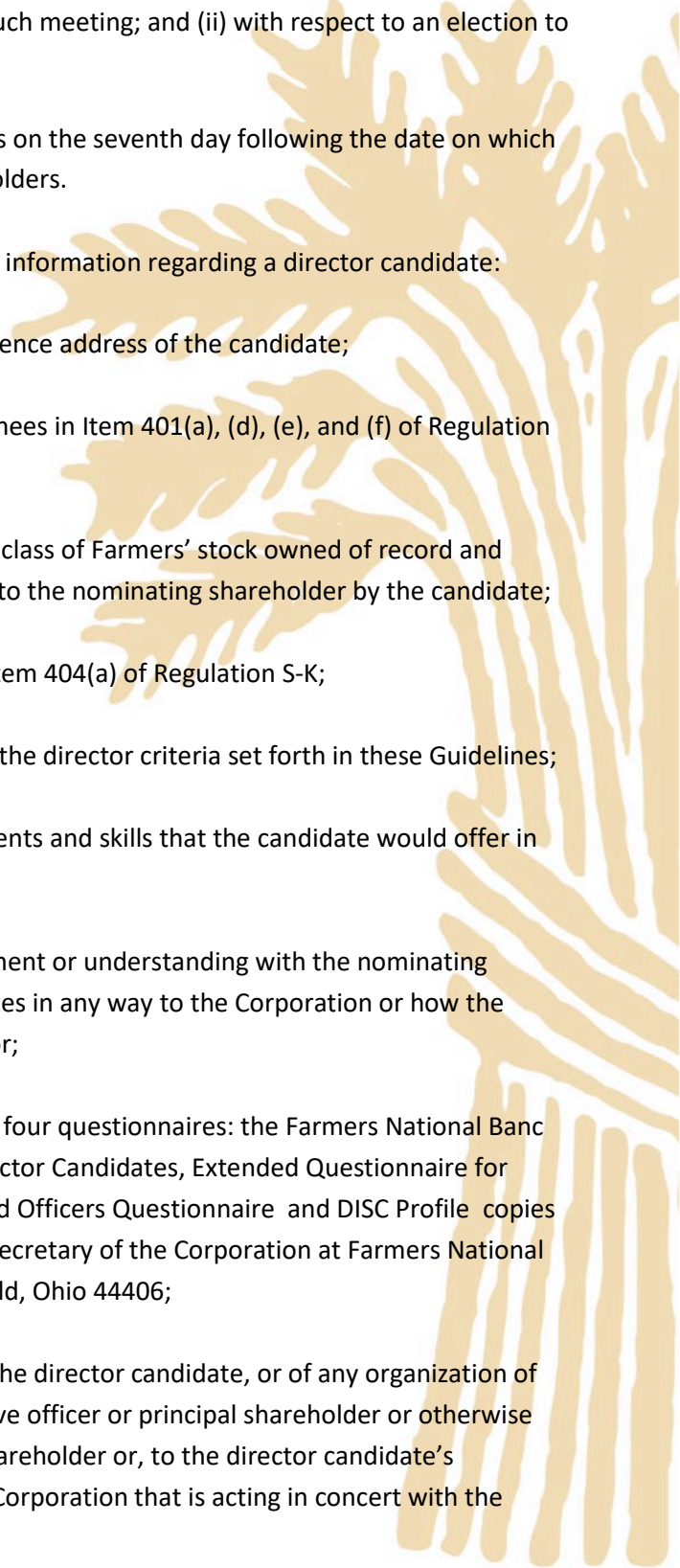
(b) Shareholder Nominations. Shareholders may propose potential candidates to be considered for nomination directly to the Corporate Governance and Nominating Committee. Written notice

of the shareholder's intent to make a formal nomination must be delivered to the Secretary of Farmers no later than: (i) with respect to an election to be held at an annual meeting of shareholders, ninety (90) days in advance of such meeting; and (ii) with respect to an election to be held at a special

- (c) meeting of shareholders, the close of business on the seventh day following the date on which notice of such meeting is first given to shareholders.

The shareholder notice must include the following information regarding a director candidate:

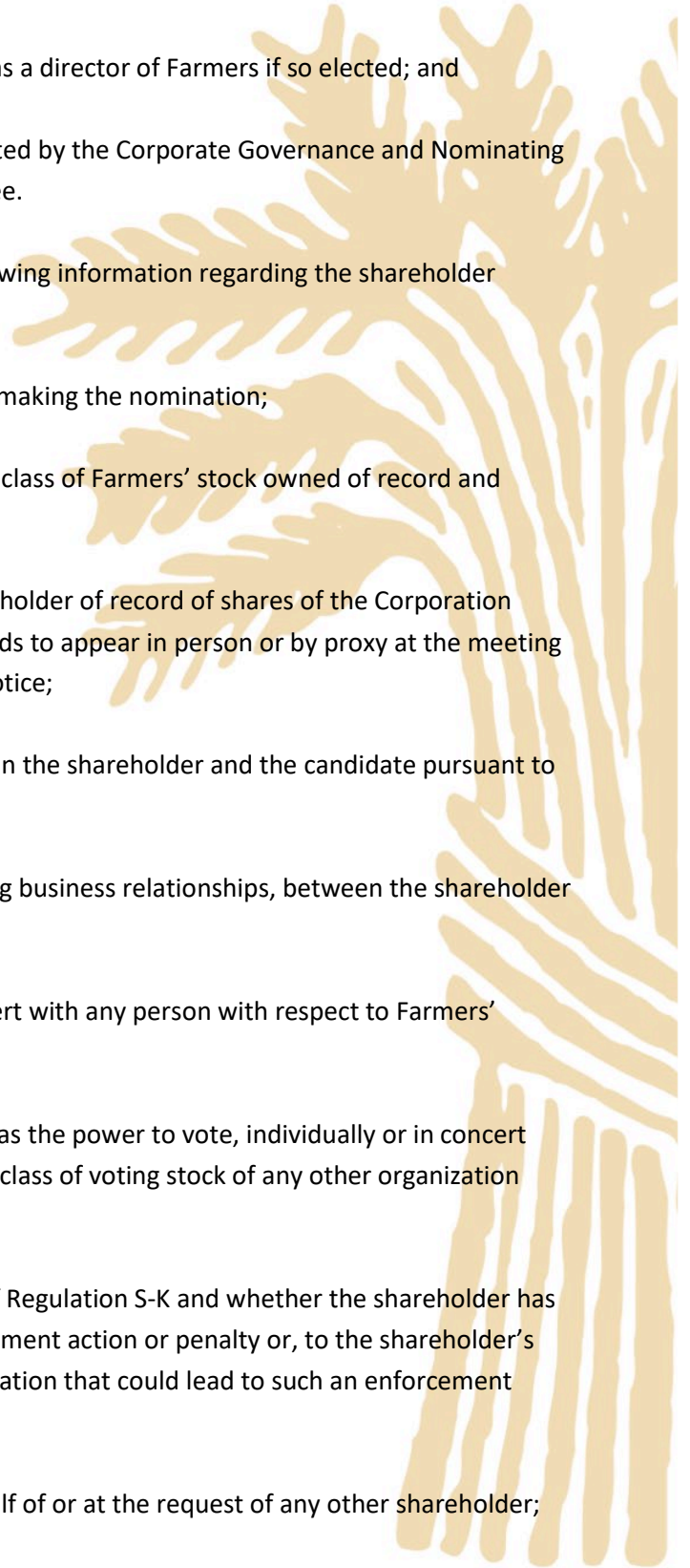
1. the name, age, business address and residence address of the candidate;
2. the information required of director nominees in Item 401(a), (d), (e), and (f) of Regulation S-K;
3. the number and class of all shares of each class of Farmers' stock owned of record and beneficially by the candidate, as reported to the nominating shareholder by the candidate;
4. the information required of nominees in Item 404(a) of Regulation S-K;
5. a description of how the candidate meets the director criteria set forth in these Guidelines;
6. a qualitative description of the specific talents and skills that the candidate would offer in service to Farmers;
7. a description of any written or oral agreement or understanding with the nominating shareholder or any other person that relates in any way to the Corporation or how the candidate would vote or serve as a director;
8. a completed copy of each of the following four questionnaires: the Farmers National Banc Corp. Questionnaire for Possible New Director Candidates, Extended Questionnaire for Possible Director Candidates, Directors and Officers Questionnaire and DISC Profile copies of which may be obtained by writing the Secretary of the Corporation at Farmers National Banc Corp., 20 South Broad Street, Canfield, Ohio 44406;
9. all financial and business relationships of the director candidate, or of any organization of which the director candidate is an executive officer or principal shareholder or otherwise controls, with Farmers, the nominating shareholder or, to the director candidate's knowledge, any other shareholder of the Corporation that is acting in concert with the nominating shareholder;



10. the signed and dated authorization for a background check;
11. signed consent of the candidate to serve as a director of Farmers if so elected; and
12. any other information that may be requested by the Corporate Governance and Nominating Committee in connection with the nominee.

The shareholder notice must also include the following information regarding the shareholder making the nomination:

1. the name and address of the shareholder making the nomination;
2. the number and class of all shares of each class of Farmers' stock owned of record and beneficially owned by the shareholder;
3. a representation that the shareholder is a holder of record of shares of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person specified in the notice;
4. a description of any arrangements between the shareholder and the candidate pursuant to which the nominations is to be made;
5. a description of any relationships, including business relationships, between the shareholder and the candidate;
6. whether the shareholder is acting in concert with any person with respect to Farmers' common shares;
7. whether the shareholder owns, holds or has the power to vote, individually or in concert with any other person, 5% or more of any class of voting stock of any other organization that competes with the Corporation;
8. the information required by Item 401(f) of Regulation S-K and whether the shareholder has been or is currently subject to any enforcement action or penalty or, to the shareholder's knowledge, is currently under any investigation that could lead to such an enforcement action or penalty or criminal action;
9. whether the shareholder is acting on behalf of or at the request of any other shareholder; and



10. if the shareholder is other than an individual, the names of the shareholder's five most senior executive officers (or persons performing similar roles), the names and addresses of each person that has a 10% or more voting, ownership or economic interest in the shareholder and the respective amounts of such interests, the names and addresses of each person that would be deemed to control the shareholder and the name and address of any advisor to the shareholder that has the principal responsibility for its investment or voting decisions.

In the case of any investment fund or similar organization that is a nominating shareholder, these shareholder disclosure obligations shall also apply to the principal advisor to the fund. Also, if the shareholder is other than an individual, these disclosure requirements shall apply to the shareholder's principal shareholders, executive officers and other controlling parties.

If a nominating shareholder or director nominee believes that information supplied in response to any of the above inquiries is confidential, the shareholder or nominee may request confidential treatment for such information. In that event, the information shall be maintained on a confidential basis by the Corporate Governance and Nominating Committee unless the Committee is advised by counsel that disclosure is appropriate in connection with the solicitation of proxies relating to the director nominee.

In the event that it is subsequently determined that any of the information provided by the director nominee or nominating shareholder is materially inaccurate, the director who provided the materially inaccurate information or whose nominating shareholder provided the materially inaccurate information shall be required to resign from the Board, and, in the event of a refusal to resign, shall constitute grounds for removal from the Board, unless it is determined by the Corporate Governance and Nominating Committee that the inaccuracy was inadvertent.

(c) Criteria. The Corporate Governance and Nominating Committee shall be responsible for recommending director candidates to the Board. The Corporate Governance and Nominating Committee shall: (i) take into account the composition of the entire current Board and any anticipated need for directors; (ii) the director candidates' range of talents, skills, experiences, ages and backgrounds; (iii) consider the diversity of Farmers' market, committee workloads and membership needs; and (iv) consider anticipated director retirements and the availability of highly qualified candidates. In addition, the Corporate Governance and Nominating Committee shall determine nominees for the position of director based on whether they satisfy the requirements of the NASDAQ and based on the following criteria:

1. personal qualities, characteristics, accomplishments and reputation in the community, including high personal and professional values, ethics and integrity;

2. current knowledge and contacts in the communities in which Farmers does business;
3. ability and willingness to commit the time sufficient to ensure diligent performance of his or her duties in connection with Board and committee matters;
4. the fit of the individual's skills with those of other directors and potential directors in building a Board that is effective and responsive to the needs of the Corporation;
5. ability to think and act independently yet constructively in a mutually respectful environment; and
6. diversity of viewpoints, background, expertise and other demographics.

Candidates shall have demonstrated a breadth and depth of expertise in one or more areas of business, government or education, preferably in a senior leadership role and particularly in areas of accounting, finance, management, technology, strategic planning, risk management and corporate governance relevant to an understanding of Farmers and its business.

(d) Invitation. The invitation to join the Board should be extended by the Board itself via the Chair of the Board and/or the Chief Executive Officer of Farmers, the chairperson of the Corporate Governance and Nominating Committee and at least one other board member after discussion with, and approval by, the Corporate Governance and Nominating Committee and the Board.

(e) Orientation and Continuing Education. The Board and executive officers shall establish, identify, present and provide access to appropriate orientation programs, seminars or educational materials for newly elected directors within a reasonable period of time after their nomination, appointment or election as a director. The program and materials shall include information to familiarize new directors with Farmers, including background material on the Corporation, its strategic and operating plans, its risk profile, corporate governance, and meetings with executive management. Additionally, the Chair of the Board shall appoint a current director to "mentor" the newly elected director for a period of not less than one year. As part of this program, the existing director is charged with the assignment to assist a newly elected director in any manner necessary.

The continuing education program will require the Board of Directors to independently study and jointly participate in financial institution seminars, director training, conferences, in-house training curriculum or other related industry continuing education programs. Director's participation in education initiatives will be reported to the Corporate Governance and Nominating Committee to satisfy the determined requirement. Directors' analogous education initiatives of self-study materials, electronic and web-based informational programs and other seminars relative to their

duties and responsibilities as a director will also be reported to the Corporate Governance and Nominating Committee. Each director will be required to attend or participate in at least one financial institution seminar, director training conference or other related industry session during his or her term of office. In addition each will annually complete a minimum number of continuing education hours as stipulated by the Board related to the duties and responsibilities of directors and the banking industry. Directors will be reimbursed for reasonable expenses incurred in attending and participating in pre-approved continuing education programs relevant to his or her duties as a director. The Corporate Governance and Nominating Committee will monitor accountability and report at least quarterly to the Board of Directors on the effectiveness of the continuing education program.

(f) Majority Vote Policy. The Board recognizes that, under Ohio law, director nominees who receive the greatest number of shareholder votes are automatically elected to the Board, regardless of whether the votes in favor of such nominee constitute a majority. Nevertheless, it is the policy of the Board that, in an uncontested election, any nominee for director who receives a greater number of votes “withheld” from his or her election than votes “for” such election (a “Majority Withheld Vote”) should promptly tender his or her resignation to the Chair of the Board. The Corporate Governance and Nominating Committee will consider the resignation offer and recommend to the Board whether to accept it or reject it. In considering whether to accept or reject the tendered resignation, the Corporate Governance and Nominating Committee shall consider all information and factors it deems relevant, including, without limitation: (i) the reason (if any) given by shareholders as to why they withheld their votes; and (ii) the qualifications and performance of the tendering director(s) and his or her contributions to the Board and Farmers. The Board will act on any tendered resignation within 90 days following certification of the shareholders vote. Following the Board’s determination, Farmers will promptly disclose the Board’s decision whether to accept or reject the directors resignation offer (and if applicable, the reason for rejecting the resignation offer) in a press release and in a Current Report on Form 8-K. Any director who tenders his or her resignation pursuant to this provision shall not participate in the Corporate Governance and Nominating Committee’s consideration or action by the Board regarding whether to accept the resignation offer. If a majority of the Board members received a Majority Withheld Vote at the same election, then the independent directors who did not receive a Majority Withheld Vote will consider resignation offers and whether to accept or reject them.

IV. DIRECTOR EXPECTATIONS AND RESPONSIBILITIES

(a) Board’s Role. The business and affairs of Farmers shall be under the oversight of the Board in accordance with all applicable laws. In performing their duties, the primary responsibility of the directors is to exercise their business judgment in the best interests of Farmers. The Board has developed a number of specific expectations, both administrative and cultural, of directors to promote the discharge of this responsibility and the efficient conduct of the Board’s business. The

Board may, from time to time, summarize such expectations in a written policy.

(b) Commitment and Attendance. All directors shall make every effort to attend meetings of the Board and meetings of committees of which they are members. Directors who attend less than 75% of meetings of the Board and committees of which they are members for two consecutive years shall not be eligible for nomination for re-election to the Board. Attendance in person is preferred for each Board and committee meeting of which a director sits; however, attendance by teleconference or any other means of digital communications is permitted if necessary. All directors are expected to make every effort to attend meetings of Farmers' shareholders.

(c) Participation in Meetings. Each director shall be sufficiently familiar with the business of Farmers, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, management will make appropriate personnel available to answer any questions a director may have about any aspect of Farmers' business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

(d) Loyalty and Ethics. In their roles as directors, all directors owe a duty of loyalty to Farmers. This duty of loyalty mandates that the best interests of Farmers take precedence over any interests possessed by a director. Farmers has adopted a Code of Business Conduct and Ethics, including a compliance program to enforce the Code. Certain portions of the Code of Business Conduct and Ethics deal with activities of directors, particularly with respect to transactions in Farmers' securities, potential conflicts of interest, the taking of corporate opportunities for personal use and competing with the Corporation. Directors should be familiar with the Code of Business Conduct and Ethics in these areas and comply with its provisions.

(e) Other Directorships and Material Positions. Farmers values the experience directors bring from other boards on which they serve and other material positions held by them, but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or legal issues. Directors should advise the chairperson of the Corporate Governance and Nominating Committee and the Chairman of the Board before accepting membership on other boards of directors or other significant commitments, including but not limited to affiliations with other businesses or governmental units. There should be an opportunity for the Board, through the Corporate Governance and Nominating Committee, to review the director's availability to fulfill his or her responsibilities as a director.

(f) Contact with Management. All directors are invited to contact the Chief Executive Officer at any time to discuss any aspect of Farmers' business. Directors also have complete access to other

members of management. The Board expects that there will be frequent opportunities for directors to meet with the Chief Executive Officer and other members of management in Board and committee meetings and in other formal or informal settings. Further, the Board encourages management to, from time to time, bring executive management, officers and employees into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas, and/or (b) are officers or employees with future potential that executive management believes should be given exposure to the Board.

(g) Contact with Other Constituencies. It is important that Farmers speaks to employees and outside constituencies with a single voice, and that executive management serves as the primary spokesperson. All written communications, including electronic messages, addressed to an individual director at Farmers' address, except those clearly of a marketing nature, will be forwarded directly to the director. All written communications, including electronic messages addressed to the Board at Farmers' address will be presented to the Board.

(h) Confidentiality. The proceedings and deliberations of the Board and its committees are confidential and each director shall maintain the confidentiality of information received in connection with his or her service as a director. Except as required by law, no director shall disclose any material non-public information concerning Farmers. In the event that a director inadvertently discloses information that may be material and non-public, he or she should immediately so advise a member of Farmers' executive management.

(i) Director Access to Independent Advisors. The Board and each of its committees have the right to retain and approve the fees and retention terms of independent legal, audit, financial, accounting and other advisors to assist them in carrying out their duties and responsibilities to Farmers and its shareholders. The fees and expenses of any such independent advisor retained for the Board or a committee shall be paid by Farmers.

(j) Reliance on Others; Liability Insurance, Indemnification. In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The directors shall also be entitled to have Farmers' provide reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Corporation's corporate charters and any indemnification agreements, and to exculpation as provided by state law and Farmers' corporate charters.

(k) Share Ownership. The Board believes that directors and certain executive officers of Farmers should be shareholders and have a significant financial interest in the Corporation to more closely align their interests with those of shareholders.

1. The Board has adopted the following share ownership requirements for certain executive officers to acquire and continue to own a minimum amount of Farmers' common shares within either eight years of March 15, 2016 or 11 years of first being included as a participant in the 2012 Equity Incentive Plan, unless, due to specific facts and circumstances, a different period of time is determined to be appropriate by the Corporate Governance and Nominating Committee:

Position	Minimum Ownership Requirements
Chief Executive Officer/President	2.0 times annual base salary
Chief Operating Officer	1.5 times annual base salary
Chief Financial Officer	1.5 times annual base salary
Executive Senior Officers*	1.0 times annual base salary

*Includes any named executive officer listed in Farmers' annual proxy statement plus any other senior officers that the Board may designate from time to time.

2. The Board has adopted the following share ownership requirements for Directors to acquire and to continue to own:

Non-Executive director service	4.0 times annual base retainer fee at first
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Directors are expected to own at least 1.0 times the annual base retainer within the first 12 months of being elected or appointed, and to comply with this ownership requirement within five years of being elected or appointed, unless, due to specific facts and circumstances, a different period of time is deemed to be appropriate.

The Board may adopt further terms and conditions relating to the application of these requirements in a formal policy.

V. BOARD MEETINGS

(a) Board Meetings. The Board holds regularly scheduled meetings and calls for special meetings as necessary. Directors are expected to attend all Board meetings and meetings of the committees of the Board on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their duties.

(b) Agendas. The Chair of the Board or the LID if there is no independent Chair, and the Chief Executive Officer, shall establish the agenda for Board meetings. Any director may request that an item be included on the agenda.

(c) Executive Sessions. To ensure free and open discussion and communication among the independent directors of the Board, the independent directors shall meet in executive sessions with no other directors present in conjunction with meetings of the Board. The independent Chairman of

the Board or LID if appointed shall preside at the executive sessions. Others may be invited to attend an executive session to present information and/or answer questions, but only independent directors may be present for any deliberations during such sessions. The independent directors shall not take any formal action during executive sessions, although they may subsequently recommend matters for consideration by the Board.

VI. BOARD COMMITTEES

(a) Committees. The Board currently has five standing committees of the Board: (i) Audit Committee; (ii) Board Enterprise Risk Management Committee; (iii) Compensation Committee; (iv) Corporate Governance and Nominating Committee; and (v) Executive Committee. Farmers shall have at least the committees required or encouraged by the rules of the NASDAQ. The Board also may establish other committees or disband existing ones, as it deems appropriate, consistent with applicable laws, regulations and Farmers' corporate charters. Each committee of the Board shall have the authority and responsibilities delineated in Farmers' corporate charters, the resolutions creating them and any applicable charter.

(b) Appointment. The Board, upon recommendation of the Corporate Governance and Nominating Committee, shall appoint committee members and chairmen to each committee. Each of the Audit Committee, Board Enterprise Risk Management Committee, Compensation Committee, Corporate Governance and Nominating Committee and Executive Committee shall be composed of at least three directors, each of which has been determined by the Board to be independent under the rules of the NASDAQ and other applicable laws, rules and regulations. The required qualifications for the members of each committee shall be set out in the respective committees' charters. A director may serve on more than one committee for which he or she qualifies. The Board, upon the recommendations of the Corporate Governance and Nominating Committee, shall determine membership on each committee. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy. The Corporate Governance and Nominating Committee shall recommend to the Board changes in committee assignments periodically.

(c) Meeting Schedules. The committee chairpersons, in consultation with management, shall schedule regular committee meetings. Special committee meetings shall be called as needed.

(d) Committee Agendas. The committee chairpersons, in consultation with management, shall develop the agenda for committee meetings. All directors, whether members of a committee or not, are invited to make suggestions to a committee chairperson for additions to the agenda of his or her committee or to request that an item from a committee agenda be considered by the Board. Each committee shall determine which members of management will attend committee meetings and when to conduct executive sessions without management. Each committee chairperson shall give a report of his or her committee's activities at the Board meeting next following the date of a committee meeting.

(e) Charters. The Board has adopted charters setting forth the purposes, authority, duties and membership of each of the Audit Committee, the Board Enterprise Risk Committee, the Compensation Committee, the Corporate Governance and Nominating and the Executive Committee. The Corporate Governance and Nominating Committee shall confirm the periodic review of the charters by each committee and, as appropriate, propose modifications to the applicable committee and Board for consideration as appropriate.

VIII. MANAGEMENT SUCCESSION

The Board is responsible and will establish, review and approve such formal or informal policies and procedures, after consulting with the Corporate Governance and Nominating Committee, Compensation Committee, the Chief Executive Officer, and others, as it considers appropriate plans regarding succession to the Chief Executive Officer and other senior officers in the event of emergency or retirement.

The Chief Executive Officer is to provide an annual report on succession planning and related development recommendations to the Board. The Chief Executive Officer shall provide the Board with an assessment of persons considered potential successors to certain executive management positions and on-going leadership development plans, recruitment and retention plans recommended for such individuals.

IX. PERFORMANCE EVALUATION OF THE BOARD

The Board, acting through the Corporate Governance and Nominating Committee,



shall conduct an evaluation at least annually to determine whether it is functioning effectively. The Corporate Governance and Nominating Committee should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively. The CGNC shall evaluate the Executive Chairman of the Board, if no one is so appointed, against the Corporation's goals and objectives and shall make a recommendation to the Board.

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board, acting through the Corporate Governance and Nominating Committee. Each committee's evaluation must compare the performance of the committee with the requirements of its written charter, if any.

X. ADMINISTRATION

The Board, with the assistance of the Corporate Governance and Nominating Committee, as appropriate, shall have the authority to adopt administrative plans, policies and programs to implement and affect the rights, responsibilities and obligations set forth in these Guidelines.

XI. AMENDMENT, MODIFICATION AND WAIVER

The Board, with the assistance of the Corporate Governance and Nominating Committee, as appropriate, shall review these Guidelines on an annual basis to determine whether any changes are appropriate. These Guidelines may be amended, modified, or waived by the Board and the Corporate Governance and Nominating Committee may also grant waivers of these Guidelines.

