

Canandaigua National Corporation

Code of Business Conduct and Ethics for Non-Employee Directors

The Board of Directors (the “Board”) of Canandaigua National Corporation has adopted the following Code of Business Conduct and Ethics (the “Code”) for all non-employee directors and advisory board members of Canandaigua National Corporation and each of its affiliate and subsidiary companies. We refer to such individuals collectively as "directors" or "you" and we refer to Canandaigua National Corporation and its affiliates and subsidiaries collectively as the "Company".

Introduction

No code or policy can anticipate every situation that may arise or replace the thoughtful behavior of ethical directors. Accordingly, this Code is intended to focus directors on areas of ethical risk, and provide guidance to directors to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and encourage an atmosphere of honesty, accountability and integrity. Each director must comply with the letter and spirit of this Code.

Directors are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the Chairman of the Nominating and Governance Committee of the Board, who may consult with legal counsel as appropriate. This Code should be considered along with the Company’s Bylaws, and applicable law and regulation.

1. Director Responsibilities.

The Board represents the interests of stockholders, as owners of a corporation, in optimizing long-term value by overseeing management performance on the stockholders’ behalf. The Board’s responsibilities in performing this oversight function include a duty of care and a duty of loyalty. A director’s duty of care refers to the responsibility to exercise appropriate diligence in overseeing the management of the Company, making decisions and taking other actions. A director’s duty of loyalty refers to the responsibility to act in good faith and in the Company’s best interests, not the interests of the director, a family member or an organization with which the director is affiliated.¹

2. Conflicts of Interest.

Directors must avoid any conflicts of interest or the appearance of conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a new conflict of interest with the Company for which there is not a process

¹ For additional guidance please refer to *The Director’s Book: The Role of a National Bank Director*, published by the Office of the Comptroller of the Currency.

already in place to address, should be disclosed promptly to the Chair of the Nominating and Governance Committee, or, if the Chair is not available, to any other member of the Nominating and Governance Committee. Prompt disclosure will permit the Board to evaluate the issue and determine whether a prohibited conflict exists or a conflict exists that may be permitted with appropriate safeguards for the Company and the Director.

A “conflict of interest” occurs when a director’s private interest interferes in any way – or even appears to interfere – with the interests of the Company as a whole. A conflict situation can arise when a director takes actions or has interests that may make it difficult to perform his or her duties to the Company objectively and effectively. Conflicts of interest also arise when a director, or a member of his or her immediate family (defined in Section 3 below), receives improper personal benefits as a result of his or her position as a director of the Company.

This Code does not attempt to describe all possible conflicts of interest which could develop. Some of the more common conflicts from which directors must refrain, however, are set out below:

- *Relationship of Company with third-parties.* Directors may not engage in any conduct or activities that are inconsistent with the Company’s best interests or that disrupt or impair the Company’s relationship with any person or entity with which the Company has or proposes to enter into a business or contractual relationship.

Compensation from non-Company sources. Directors may not accept compensation (in any form) for services performed for the Company from any source other than the Company.

Gifts. Directors and members of their immediate families may not give gifts to or accept gifts from persons or entities who deal with the Company as a means of improperly inducing business, or where acceptance of the gifts could create the appearance of a conflict of interest. The improper acceptance of a gift may constitute a federal crime.

- *Personal use of Company assets.* Directors may not use Company assets, labor or information for personal use unless approved by the Chairman of the Board, or as part of a compensation, or as expense reimbursement program approved by the appropriate officer, or as available on the same basis to all people in a similar position, such as other directors, customers, trust or estate beneficiaries, or stockholders. All directors should protect the Company’s assets and ensure their efficient use.

- *Extensions of Credit.* Any extension of credit to a director or to a company in which a director is an owner or executive officer, must comply with the applicable provisions of law (regulation O), the Company’s Corporate Governance Guidelines, and Loan Policy.

3. Conflict of Interest Questionnaire and Reporting.

Annually, each director shall complete a Conflict of Interest Questionnaire in which he or she shall report all companies and not-for-profit entities for which he or she serves as director or officer, or for which he or she is an employee, or which he or she holds 5% or more of the outstanding stock. The director shall provide such information on the basis of his or her actual personal knowledge, on behalf of his or her immediate family as well. “Immediate family” shall mean any child (including adopted children), , parent, spouse, sibling, , and any other full-time household member of the reporting Director’s household. Any such relationship shall be deemed a potential conflict of interest for purposes of this policy. Note that this definition of “Immediate Family” is applicable at such times as the stock of the Company is not registered with the Securities Exchange Commission (“SEC”). Should the Company stock be again required to be registered with the SEC, a more expansive definition of related parties shall be applied.²

The director shall also provide information on any activity or situation of which he or she is aware that could reasonably be construed as a conflict of interest of the director or any member of his or her immediate family with the Company, regardless of whether the director believes an actual conflict exists.

The Nominating and Governance Committee shall review all Conflict of Interest Questionnaires and disclosed Conflicts of Interest and shall report annually to the entire Board any potential conflicts of interest so disclosed. The Committee may suggest to the Board a plan to avoid or minimize the impact of any conflict of interest in addition to the process contained in the next paragraph if the Committee believes that the situation merits additional steps to be taken.

If a director or an immediate member of the director’s family has a potential conflict of interest and an action item comes before the Board that could be seen by a reasonable non-conflicted person to affect the party with whom the director has a potential conflict, the director shall remind the other Board members orally of the potential conflict, shall not vote on a matter relating to the conflict or the conflicted company or entity, and shall leave the meeting during which a matter relating to such conflict or such conflicted company or entity is discussed.

² If the Company must again register its stock with the SEC, the following shall apply and the following relations will be included as “covered persons” for whom you must report conflicts of interest:

As a director or executive officer you are a “covered person” under the Securities Laws. A covered person is deemed to be the beneficial owner of stock if the covered person directly or indirectly has or shares a pecuniary interest in the stock. Generally, the term “pecuniary interest” means the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction in the stock. For Exchange Act Section 16 reporting purposes, a covered person is deemed to have a pecuniary interest in, and therefore to be the beneficial owner of, stock held by any member of his or her immediate family (including children, stepchildren, grandchildren, spouse, parents, grandparents, siblings and in-laws) sharing the same household. This includes children living temporarily away from home while attending college. In addition, when a covered person actually controls the proceeds of transactions in stock held by a relative, or directs such proceeds for the covered person’s benefit, the covered person may be deemed to share a pecuniary interest in the stock even if the covered person and the relative are not sharing the same household.

4. Corporate Opportunities.

Directors are prohibited from: (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position; (b) using the Company's property, information, or position for personal gain; or (c) competing with the Company, *provided, however*, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may do so. Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

5. Confidentiality.

Directors shall maintain the confidentiality of information entrusted to them by the Company or its customers, and any other confidential information about the Company that comes to them, from whatever source and in whatever form or medium, in their capacity as a director, except when disclosure is authorized or legally mandated. For purposes of this Code, "confidential information" includes all non-public information relating to the Company that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Directors should not speak individually for the Company with the press or investors unless requested to do so by the Board.

6. Compliance with laws, rules and regulations; fair dealing.

Directors shall comply with applicable laws, rules and regulations in their service to the Company, including without limitation, the applicable provisions of state and federal securities laws, and applicable state and federal banking laws. Transactions in Company securities are also governed by the Company's securities trading policy, which is described in the memorandum from the Company's General Counsel that is distributed to each Director when they are elected to the Board and annually.

It is the Company's goal to protect shareholder investments through strict enforcement of the prohibition against insider trading set forth in federal securities laws and regulations. No director may buy or sell securities of the Company at a time when in possession of "material non-public information" (except for trades made pursuant to certain pre-existing trading plans established in compliance with applicable law). Passing such information to someone who may buy or sell securities is also prohibited. The prohibition on insider trading applies to the Company's securities and to securities of other companies if the director learns of material nonpublic information about those other companies in the course of his or her duties for the Company. This prohibition also extends to certain non-employees and non-directors of the Company, such as related persons and close friends of directors, who may learn of "material non-public information" about the Company. Insider trading is both unethical and illegal. Directors receive a memorandum annually outlining when trading in the Company's securities is permitted.

Each director should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. No director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. Each director should protect the Company's assets and

ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

7. Encouraging the reporting of any illegal or unethical behavior.

Directors should promote ethical behavior and take steps to ensure the Company: (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violations of laws, rules, regulations or the Company's Employee Code of Conduct to appropriate personnel; and (c) informs employees that the Company will not allow retaliation for reports made in good faith.

8. Waivers; Compliance Procedures.

Any waiver of any provision of this Code may only be made by the Nominating and Governance Committee or the full Board of Directors after due deliberation and a determination by such Committee or Board that appropriate controls to protect the Company are in place. Directors shall communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee. Violations will be investigated by the Board or by a committee or persons designated by the Board and appropriate action will be taken in the event of any violations of the Code.

Revised and Approved: Nominating and Governance Committee, 8/2/2017

Approved: Board of Directors 8/9/2017