

## **CORPORATE GOVERNANCE PRINCIPLES OF MYR GROUP INC.**

The following Corporate Governance Principles have been adopted by the Board of Directors (the “Board”) of MYR Group Inc. (the “Company”) to assist the Board in the exercise of its responsibilities. These Corporate Governance Principles are a statement of policy and are not intended to change or interpret any federal or state law or regulation, including the Delaware General Corporation Law or the Restated Certificate of Incorporation or the Amended and Restated By-laws of the Company. These Corporate Governance Principles are subject to modification from time to time by the Board.

### **THE BOARD**

**Role of Directors.** The business of the Company is conducted by its employees, managers and officers, under the oversight of the Board. The Board’s primary goal is to build long-term value for the Company’s stockholders and to foster the long-term success of the Company consistent with the Board’s fiduciary duties to stockholders. The Board establishes Company policies, sets strategic direction, and oversees management, which is responsible for the Company’s day-to-day operations.

The Board reviews the long-term strategy and vision for the Company, reviews and discusses reports by management on the Company’s performance, its strategic plans, vision, goals, financial objectives and prospects, as well as significant issues and risks facing the Company. Each director must exercise his or her good-faith business judgment with respect to the Company’s best interests.

**Director Responsibility.** Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to rigorously prepare for, attend and participate in all Board meetings and all meetings of those committees on which he or she serves. Each director is expected to ensure that other existing and planned future commitments, including other board service, do not materially interfere with his or her service as a director. These other commitments will be considered by the Nominating and Corporate Governance Committee and the Board when evaluating Board candidates and in connection with service on the Board’s committees.

**Director Independence.** The Board is comprised of a majority of directors who qualify as independent directors (“Independent Directors”) under the Nasdaq listing standards. At least annually, the Nominating and Corporate Governance Committee reviews all relevant information and makes recommendations to the Board concerning the independence of the directors. Based upon those recommendations, the Board makes an affirmative determination as to the independence of each director. In the event that a director becomes aware of any change in circumstances that may result in such director no longer being considered independent under the Nasdaq listing standards or any other requirements of the committees upon which he or she serves, the director should promptly inform the Chairman of the Nominating and Corporate Governance Committee or the Company’s Corporate Secretary.

**Selection of the Chairman of the Board.** The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board is free to choose its

Chairman of the Board in any way that it deems best for the Company at any given point in time. If the Chairman of the Board is not an independent director, the Board will appoint an independent director to serve as lead director.

**Lead Director.** The lead director shall preside at all meetings at which the Chairman of the Board is not present, including executive sessions of the Independent Directors. The lead director has the authority to call meetings of the Independent Directors. The lead director's duties also include, among others, serving as a non-exclusive liaison between the Chief Executive Officer and the Independent Directors and, where appropriate, engaging with the stockholders. The lead director also performs such other duties as the Board may establish or delegate.

**Size of the Board.** In accordance with the Company's Restated Certificate of Incorporation, the Board believes that it should generally have no less than one director and no more than twelve directors serving on the Board.

**Selection of New Directors.** The Board is responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee is responsible for identifying, screening, and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Nominating and Corporate Governance Committee will consider advice and recommendations from others as it deems appropriate.

The Nominating and Corporate Governance Committee will consider director candidates properly nominated by stockholders for election at an annual meeting and will evaluate the qualifications of such candidates in the same manner as it would evaluate any other director candidate presented to the Nominating and Corporate Governance Committee.

**Board Membership Criteria.** The Nominating and Corporate Governance Committee is responsible for assessing the appropriate balance of criteria required for Board membership. The Nominating and Corporate Governance Committee may apply several criteria in selecting nominees. At a minimum, the Nominating and Corporate Governance Committee will consider (a) whether each such nominee has demonstrated, by significant accomplishment in his or her field, an ability to make a meaningful contribution to the Board's oversight of the business and affairs of the Company and (b) the nominee's reputation for honesty and ethical conduct in his or her personal and professional activities. Additional factors that the Nominating and Corporate Governance Committee may consider include a nominee's specific experiences and skills, relevant industry background and knowledge, time availability in light of other commitments, age, potential conflicts of interest, gender, material relationships with the Company, and independence from management and the Company.

In addition, the Nominating and Corporate Governance Committee considers the value of diversity on the Board in the identification of director nominees and the nomination process and believes that a diverse board strengthens board performance and better positions the Board to make thoughtful decisions. Accordingly, the Nominating and Corporate Governance Committee strives to select nominees with complementary and diverse skills, backgrounds and experiences.

In determining whether to recommend a director for renomination, the Nominating and Corporate Governance Committee also considers the director's attendance at, participation in, and contributions to Board and committee activities.

**Other Public Company Directorships.** The Board believes that each of its members should serve on the boards of directors of no more than four other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve the Company. While the Board recognizes that other directorships may add to the diversity of its members' experiences and skill sets, it believes such benefits may be offset by the difficulties inherent in balancing the competing time demands of multiple directorships. In addition, in recognition of the enhanced time commitments associated with membership on a public company's audit committee, the Board has adopted a policy that no member of the Audit Committee may serve simultaneously on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. Directors should advise the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee before accepting an invitation to serve on the board of directors or audit committee of another public company.

**Change in Primary Employment.** In the event a director changes his or her primary employment, that director will consult with the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee on the potential impact, if any, the change may have on continued Board service. The Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee will then make a recommendation for consideration by the Board as to the director's continued service on the Board. If deemed appropriate by the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee, such director will offer his or her resignation as a director for consideration by the Board. The Board will review the effects of this change upon the interests of the Company and consider whether to accept the resignation.

**Retirement Age.** It is the general policy of the Board that directors will not be nominated for re-election or reappointment to the Board after reaching the age of 72. Additionally, directors are expected to tender their resignations immediately following the first annual stockholders' meeting following their 72<sup>nd</sup> birthday. However, the Board may determine to waive this policy in individual cases.

**Term Limits.** The Board does not believe it should establish term limits because it encourages the loss of the contribution of directors who have developed, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term limits, the Nominating and Corporate Governance Committee, in conjunction with the Chairman of the Board, will conduct an annual review and evaluation of each director's continued service on the Board. The Committee believes that this process promotes continued Board engagement and freshness of thought, while also balancing the desire for the wisdom and judgment that accompany experience and tenure.

**Resignation and Majority Voting Policy.** A director may resign from the Board upon written notice to the Board. The Board may accept or reject such resignation in its discretion.

If a director in an uncontested election fails to receive the required number of votes for re-election in the uncontested election, the director is expected to tender his or her resignation for prompt consideration by the Board. A director whose resignation is under consideration is expected to abstain from participating in any decision regarding that resignation. The Nominating and Corporate Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept or reject a director's resignation.

**Director Compensation.** A director who is also an officer of the Company will not receive additional compensation for services as a director. The compensation for non-employee directors should be fair. The Compensation Committee will periodically review the level and form of the Company's director compensation, including how such compensation compares to director compensation of comparable companies. Changes to director compensation will be proposed to the full Board for consideration and approval. The Board believes that a substantial portion of non-employee director compensation should be equity based to assist in aligning interests of directors with those of the Company's stockholders.

No member of any committee may receive, directly or indirectly, any compensation from the Company other than (a) fees paid to directors for service on the Board, (b) additional fees paid to directors for service on a committee of the Board (including the Audit Committee or the Compensation Committee) and/or for serving as the chairperson of such a committee, (c) a pension or other deferred compensation for prior service that is not contingent on future services on the Board and (d) de minimis fringe benefits offered to all directors.

**Stock Ownership Guidelines.** The Board believes that stock ownership guidelines further align the interests of directors with those of the Company's stockholders. Non-employee directors are expected to meet stock ownership levels measured as a value equal to or greater than four times the Board's annual cash retainer within five years of the date the non-employee director was appointed to the Board. The non-employee director will have three years to meet the incremental increase in the new stock ownership level caused by an increase in the annual retainer. If a director does not meet the guideline level within the required timeline, the Board may take any further action as deemed appropriate depending on the circumstances of the director's situation and taking into consideration any potential hardship.

**Executive Sessions of Independent Directors.** The Independent Directors will meet in executive session without management no less than twice per year. Such executive sessions will be chaired by the lead director, if such lead director exists, or otherwise, the independent Chairman of the Board.

**Self-Evaluation by the Board.** The Nominating and Corporate Governance Committee will oversee an annual self-assessment of the Board's performance as well as the performance of each committee of the Board, the results of which will be discussed with the full Board and each committee as appropriate.

**Board Access to Management, Advisors and Other Employees.** Board members will have access to the Company's management and other employees and, as appropriate, to the Company's outside advisors. Any meetings or contacts with management, other employees or the Company's

outside advisors that a director wishes to initiate should be arranged, where appropriate, through the Chief Executive Officer or the Corporate Secretary. The Board and each committee have the authority to retain and utilize independent legal, accounting, and other experts and consultants as they may deem appropriate at the Company's expense.

**Reliance on Information.** In discharging responsibilities as a director, each director is entitled to rely in good faith on reports or other information provided by management, independent auditors and other persons as to matters the director reasonably believes to be within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Board or the Company.

**Attendance of Management Personnel at Board Meetings.** At the discretion of the Board, members of management may from time to time attend Board meetings or portions thereof to participate in discussions.

**Board Materials Distributed in Advance.** Information and materials that are important to the Board's understanding of the agenda items and other topics to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. Certain matters may be discussed at the meeting without written materials being distributed in advance or at the meeting.

**Board Interaction with Third Parties.** The Board believes that management generally should speak for the Company. Absent requests by management or unusual circumstances, and except as otherwise contemplated by these Corporate Governance Principles, each director shall refer all inquiries from stockholders, institutional investors, analysts, the press, or other constituencies to the Chief Executive Officer or Chief Financial Officer. From time to time, an individual director may meet with or communicate with a third party with management's knowledge and, absent unusual circumstances, only at management's request.

**Communications with the Board and Reporting of Concerns.** Stockholders and other interested parties may communicate with the Board individually or as a group, by writing to the Corporate Secretary's office. The Corporate Secretary forwards communications relating to matters within the Board's purview to the appropriate directors, communications relating to matters within a Board committee's area of responsibility to the chair of the appropriate committee and communications relating to ordinary business matters to the appropriate Company officer. The Corporate Secretary generally does not forward complaints about service, new services suggestions, resumes and other forms of job inquiries, surveys, business solicitations or advertisements or inappropriate communications.

Anyone who has a concern about the Company's conduct, accounting, financial reporting, internal controls, or auditing matters may submit that concern anonymously or confidentially to the Company's Anonymous Incident Reporting System—MySafeWorkplace—at 800.461.9330 or [www.mysafeworkplace.com](http://www.mysafeworkplace.com).

**Board Orientation and Continuing Education.** The Company will provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, operations, strategic plans, significant financial, accounting and risk

management issues, legal and regulatory issues, compliance programs, policies, and independent auditors. Each director is expected to participate in continuing educational programs offered in conjunction with Board meetings in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

**Director Attendance at Annual Meetings of Stockholders.** Directors are expected to attend the Company's annual meeting of stockholders.

## **BOARD MEETINGS**

**Compliance with the Amended and Restated By-laws.** All meetings of and other actions by the Board will be held and taken in compliance with the Amended and Restated By-laws of the Company, including provisions governing notice of meetings and waiver thereof, the number of Board members required to take actions at meetings and by written consent, and other related matters.

**Frequency of Meetings.** The Board meets as required to attend to the business of the Company, with in-person meetings being supplemented by teleconference meetings as necessary.

**Selection of Agenda Items for Board Meetings.** The Chairman of the Board, in consultation with the Corporate Secretary, shall prepare a general agenda of items to be considered by the Board at each of its specified meetings during the year. Each Board member may suggest inclusion of items on the agenda and is free to raise at any Board meeting subjects that are not specifically on the agenda for that meeting.

**Confidentiality.** The proceedings and deliberations of the Board and its committees are confidential. Each director will maintain the confidentiality of information received in connection with his or her service as a director.

## **COMMITTEE MATTERS**

**Number and Names of Board Committees.** The Company currently has three standing committees: Audit, Nominating and Corporate Governance, and Compensation. The purpose and responsibilities for each of these committees are outlined in the respective committee charters adopted by the Board. The Board may, from time to time, form a new committee or disband a current committee depending on circumstances. In addition, the Board may determine to form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

**Independence of Board Committees.** Each of the Audit Committee, the Nominating and Corporate Governance Committee, and the Compensation Committee are composed entirely of Independent Directors satisfying applicable legal, regulatory and stock exchange requirements.

**Assignment and Rotation of Committee Members.** The Nominating and Corporate Governance Committee is responsible, after consultation with the Chairman of the Board, for making recommendations to the Board with respect to the assignment of Board members to various committees. The Nominating and Corporate Governance Committee will annually review committee assignments and will consider the rotation of the chairman and members. In doing so,

the Committee will weigh the benefits of rotation against the benefits of continuity, experience and expertise.

**Committee Agendas, Meetings, and Reports to the Board.** Each committee chair, in consultation with the other committee members and management, sets committee meeting agendas and determines the frequency and length of committee meetings. Also, each committee member may raise at any committee meeting subjects that are not specifically on the agenda for that meeting. Each committee reports its actions and recommendations to the Board.

## **LEADERSHIP DEVELOPMENT**

**Selection of the Chief Executive Officer.** The Board is responsible for identifying potential candidates for, and selecting, the Company's Chief Executive Officer. In identifying potential candidates for, and selecting, the Company's Chief Executive Officer, the Board considers, among other things, a candidate's experience, understanding of the Company's business environment, leadership qualities, knowledge, skills, expertise, integrity, and reputation in the business community.

**Succession Planning.** The Board has delegated to the Compensation Committee oversight of and planning for management succession.

**Amendments and Waivers.** The Board may amend, waive, suspend or repeal any of these Corporate Governance Principles at any time, with or without public notice, as it determines necessary or appropriate.

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