



## GRANITE CONSTRUCTION INCORPORATED CORPORATE GOVERNANCE GUIDELINES AND POLICIES

### I. Responsibilities of the Board of Directors

The Board of Directors, which is elected by the stockholders, is the ultimate decision-making body of the Company, except with respect to matters reserved to the stockholders. The Board of Directors selects the Chief Executive Officer and certain other members of the executive management of the Company, who are charged with directing the Company's business. The primary function of the Board of Directors is therefore oversight - defining and enforcing standards of accountability that enable executive management to execute their responsibilities fully and in the interests of stockholders. Consistent with that function, the following are the primary responsibilities of the Board of Directors:

- A. Evaluating the performance of the Company and its executive management, which includes (i) overseeing the conduct of the Company's business to evaluate whether it is being effectively managed, including through regular meetings of the independent directors without the presence of management; and (ii) selecting, regularly evaluating and planning for the succession of the Chief Executive Officer and such other members of executive management as the Board of Directors deems appropriate, including fixing the compensation of such individuals;
- B. Reviewing the Company's strategic plans and objectives, including the principal risk exposures of the Company;
- C. Providing advice and counsel to the Chief Executive Officer and other executive management of the Company;
- D. Assisting management in the oversight of compliance by the Company with applicable laws and regulations, including in connection with the public reporting obligations of the Company;
- E. Overseeing management with a goal of ensuring that the assets of the Company are safeguarded through the maintenance of appropriate accounting, financial and other controls;
- F. Appointing the members of and overseeing any required or appropriate committees of the Board of Directors established for purposes of the execution of any delegated responsibilities of the Board of Directors;
- G. Establishing the form and amount of compensation for directors, taking into account their responsibilities as such and as members of any committee of the Board of Directors; and
- H. Evaluating the overall effectiveness of the Board of Directors, as well as selecting and recommending to stockholders for election an appropriate slate of candidates for the Board of Directors.

Directors are expected to attend the annual meeting, all Board of Directors meetings, and all

committee meetings on which they serve, barring irreconcilable conflicts.

In discharging their responsibilities, directors must exercise their business judgment to act in a manner that they believe in good faith is in the best interests of the Company and its stockholders. Directors are expected to spend the necessary time to discharge their responsibilities appropriately and to ensure that other existing or future commitments do not materially interfere with their responsibilities as members of the Board of Directors.

Directors shall be entitled to require that the Company purchase reasonable liability insurance on their behalf and to accord them the benefits of indemnification and exculpation to the fullest extent permitted by applicable law and the Company's Certificate of Incorporation and Bylaws.

## **II. Structure and Operation of the Board of Directors**

### **A. Size and Composition**

The number of directors on the Board of Directors shall be established by resolution of the Board of Directors. On an annual basis, the Nominating and Corporate Governance Committee shall consider the size and composition of the Board of Directors and report to the Board of Directors the results of its review and any recommendations for change.

There shall always be at least a majority of directors that meet the independence requirements of the listing standards of the New York Stock Exchange.

The Board of Directors is responsible for selecting candidates for membership on the Board of Directors and for extending invitations to join the Board of Directors through the Nominating and Corporate Governance Committee. Candidates are selected whose capabilities, including their educational background, their work and life experiences, their diversity of experiences and perspectives, including gender and/or racial/ethnic diversity and their demonstrated records of performance will have the balance of expertise and judgment required for the Company's long-term performance and growth. The Board of Directors recognizes the importance of soliciting new candidates for membership on the Board of Directors and that the needs of the Board of Directors, in terms of the relative experience and other qualifications of candidates, may change over time. Once a set of specific criteria for a new candidate is determined, appropriate candidates are sought out, including through contacts of the current directors and officers and in certain circumstances the use of a search firm. Additionally, the Nominating and Corporate Governance Committee will also review and consider any candidates recommended by stockholders of the Company in accordance with the evaluation criteria and selection process described in the Board of Directors Nomination Policy. Consistent with its charter, the Nominating and Corporate Governance Committee is responsible for screening candidates (in consultation with the Chairman of the Board of Directors and the Chief Executive Officer), for establishing criteria for nominees and for recommending to the Board of Directors a slate of nominees for election to the Board of Directors at the annual meeting of stockholders. Final approval of any candidate shall be determined by the Board of Directors.

Directors should limit their service as directors on publicly held company boards to no more than four (including the Company's Board of Directors). Directors who serve as executive officers of

public companies may not serve on the boards of more than two publicly held companies. In addition, no more than three active Chief Executive Officers of publicly traded companies, excluding the Company's CEO, may concurrently serve on the Board of Directors unless at least eight members of the Board of Directors are not active CEOs of public companies. In its consideration of the qualifications of each nominee for the Board of Directors, the Nominating and Corporate Governance Committee will consider the benefits and demands of that nominee's existing board affiliations. In addition, directors should advise the Chair of the Nominating and Corporate Governance Committee and the General Counsel in advance of accepting an invitation to serve on the board of directors (or similar body) of another company.

For any individual who became a director during or after 2021, the mandatory retirement age shall be 75. As a result, for any individual who became a director during or after 2021, no individual will be re-nominated and no proposed candidate will be nominated if the nominee's 75th birthday occurs prior to the annual meeting of stockholders in the year of re-nomination or nomination. Moreover, for any individual who became a director during or after 2021, such individual will retire no later than the first annual meeting of stockholders immediately following their 75th birthday.

For any individual who became a director before 2021, the mandatory retirement age shall be 72. As a result, for any individual who became a director before 2021, no individual will be re-nominated if the nominee's 72nd birthday occurs prior to the annual meeting of stockholders in the year of re-nomination. Moreover, for any individual who became a director before 2021, such individual will retire no later than the first annual meeting of stockholders immediately following their 72nd birthday.

Additionally, the Board of Directors believes having a term limit of 15 years for independent directors who join the Board of Directors after January 1, 2024 is a prudent way to ensure that fresh ideas, skills and perspectives are represented on the Board of Directors. As a result, no individual who joined the Board of Directors after January 1, 2024 will be re-nominated if the nominee has served on the Board of Directors for more than 15 years in the year of re-nomination. Moreover, a director who joined the Board of Directors after January 1, 2024 will retire no later than the first annual meeting of stockholders immediately following their 15<sup>th</sup> anniversary of being on the Board of Directors.

The mandatory retirement age and term limit shall not apply to an employee director who continues to serve as an employee of the Company.

In addition, it is the sense of the Board of Directors that any director whose principal occupation or business association has changed substantially from the time he or she was elected to the Board of Directors should volunteer to resign from the Board of Directors. While it is not the sense of the Board of Directors that such director should in all cases resign, the Board of Directors believes that it would be desirable in such circumstances to consider, through the Nominating and Corporate Governance Committee, the appropriateness of such director's continued service.

Consistent with its charter, the Nominating and Corporate Governance Committee shall recommend to the Board of Directors and oversee a process of regular annual evaluation of the performance of the Board of Directors as a whole. In developing its evaluation criteria, the

Nominating and Corporate Governance Committee may choose to benchmark the practices of other boards of directors; circulate surveys, questionnaires and evaluation forms to directors; and use such other methods as it may deem helpful and appropriate in order to assess the effectiveness of the existing composition and structure of the Board of Directors. Included in this review is a careful evaluation of the mix of skills and experience of the directors weighed against the Company's current and emerging operating and strategic challenges and opportunities. These evaluations are generally made on the basis of observations and responses to surveys, questionnaires and evaluation forms circulated to directors annually, and may include the assistance of a search firm. At the conclusion of this process, the Chair of the Nominating and Corporate Governance Committee shall report the Nominating and Corporate Governance Committee's conclusions to the Board of Directors and may make recommendations to the Chairman of the Board of Directors regarding changes that the Nominating and Corporate Governance Committee deems appropriate for consideration by the Board of Directors.

## **B. Uncontested Director Elections**

The Company's Bylaws provide that in elections of directors where the number of nominees is equal to the number of directors to be elected ("Uncontested Election"), then directors are elected by receiving a majority of the votes cast.

Promptly after receiving written notice from the Company's secretary that the nominee director has not received the requisite majority vote in an Uncontested Election, the nominee director shall tender his or her resignation to the Board of Directors. After said tender of resignation, the Nominating and Corporate Governance Committee (excluding the Director who tendered the resignation) shall make a recommendation to the Board of Directors on whether to accept or reject the resignation, or whether other action should be taken. The Board of Directors (excluding the director who tendered the resignation) shall evaluate such recommendation in light of the best interests of the Company and its stockholders and shall decide whether to accept or reject the resignation, or whether other action should be taken. In reaching its decision, the Board of Directors may consider any factors it deems relevant, including but not limited to the resigning director's qualifications, past and anticipated future contributions to the Company as well as the overall composition of the Board of Directors and whether accepting the tendered resignation would cause the Company to fail to meet any rule or regulation (inclusive of listing standards and federal securities laws). The Board of Directors shall act on the tendered resignation and publicly disclose its decision and the rationale behind it within 90 days after the inspector's certification of the election results. If the Board of Directors elects to reject the resignation, the then incumbent director will continue to serve until the next annual meeting of stockholders at which his or her term expires.

Any vacancies in the Board of Directors resulting from a director not receiving a majority vote and the Board of Directors accepting his or her resignation shall be filled in accordance with the Bylaws.

The foregoing procedures will be summarized and disclosed in the proxy statement related to each annual meeting of stockholders.

### **C. Chairman, Chief Executive Officer and Lead Director**

The Chairman of the Board of Directors and Chief Executive Officer have been at times combined and at times separated. The Board of Directors has exercised discretion in combining or separating the positions as it has deemed appropriate in light of prevailing circumstances. The Board of Directors believes that the combination or separation of these positions should continue to be considered as part of the succession planning process. The Board of Directors further believes that it is in the best interests of the Company for the Board of Directors to make a determination as to the combination or separation of the Chairman of the Board of Directors and Chief Executive Officer when it elects a new Chief Executive Officer.

The Chief Executive Officer shall retire from the Board of Directors at the same time that his or her service in such capacity ends, unless that person also holds or is then elected Chairman of the Board of Directors, in which event that person shall retire from the Board of Directors at the time that his or her service as Chairman ends unless asked by the Board of Directors to continue his or her service.

In the event the Chairman of the Board of Directors does not meet the independence requirements of the listing standards of the New York Stock Exchange, the independent directors shall elect an independent director to serve as Lead Director for a term of one year, or until his or her successor is elected and qualified. If, during the Lead Director's term, an independent Chairman is elected by the Board of Directors, the Lead Director's term shall immediately terminate, and the duties of the Lead Director shall then be assumed by the Chairman.

Specific duties of the Lead Director include: (1) developing agendas for, and presiding over, the executive sessions of the non-management or independent directors, (2) reporting the results of the executive sessions to the Chairman, (3) providing feedback from executive sessions to the Chairman, (4) serving as a liaison between the independent directors and the Chairman (provided, that each director will also be afforded direct and complete access to the Chairman at any such time such director deems necessary or appropriate), (5) presiding at all meetings of the Board of Directors at which the Chairman is not present, (6) approving information sent to the Board of Directors, (7) approving agendas for meetings of the Board of Directors, (8) approving meeting schedules of the Board of Directors to ensure that there is sufficient time for discussion of all agenda items, (9) calling meetings of the independent directors, and (10) if requested by major shareholders, ensuring that he or she is available for consultation and direct communication.

The Nominating and Corporate Governance Committee shall report periodically to the Board of Directors regarding succession planning with respect to the office of the Chief Executive Officer and other members of executive management as may be determined by the Board of Directors.

### **D. Meetings of the Board of Directors**

#### ***Frequency and Conduct of Meetings***

The Board of Directors shall meet regularly during the year. Additional meetings may be scheduled

as necessary or appropriate in light of circumstances. The Chairman of the Board of Directors shall, in consultation with the Chief Executive Officer, the Lead Director, the General Counsel, and the Chairs of the standing committees, prepare an annual schedule of meetings for the Board of Directors. To the extent practicable, the schedule shall reflect agenda subjects that are generally of a recurring nature and are expected to be discussed during the year in question. Certain matters shall be addressed by the Board of Directors at least annually. These matters shall include a review of the Company's (1) strategic plan and the principal current and future risk exposures of the Company; (2) strategic objectives; (3) business and financial performance for the prior year, including a review of the achievement of strategic objectives; and (4) the Company's compliance with applicable law and listing standards including a review of the operation and effectiveness of the Company's Corporate Compliance Program and the Corporate Compliance Officer. The proposed annual schedule of meetings of the Board of Directors and its standing committees shall be presented to the Board of Directors for approval.

The Chairman of the Board of Directors shall chair all meetings of the Board of Directors. The Lead Director, or if there be none, the Chief Executive Officer, shall chair all meetings of the Board of Directors at which the Chairman is not present. The Secretary, the Chief Financial Officer and the General Counsel shall also attend all meetings of the Board of Directors, subject to the discretion of the Board of Directors to excuse one or more of these officers from all or portions of any meeting.

Independent directors shall meet in executive session with the Chief Executive Officer at least once each year to discuss matters relating to management succession (including the Chief Executive Officer's recommendation as to a successor should he or she be unexpectedly disabled) and management development and to evaluate members of executive management. In addition, independent directors shall meet in executive session chaired by the Lead Director (or, if there is no Lead Director, by the Chairman) and without the Chief Executive Officer at each regularly scheduled meeting of the Board of Directors. If the Chairman of the Board of Directors does not meet the independence requirements of the listing standards of the New York Stock Exchange, at least a portion of each executive session shall be without the Chairman. Upon reasonable notice to the other independent directors, any independent director may call for an executive session, with or without the presence of the Chairman, if the Chairman is also the Chief Executive Officer, or any member of executive management, if he or she deems it necessary or appropriate. The Lead Director (or, if there is no Lead Director, the Chairman), in consultation with the Nominating and Corporate Governance Committee will assure that the executive sessions are held in accordance with this provision.

### ***Agenda***

The Chairman of the Board of Directors and the Chief Executive Officer (if not the same as the Chairman) shall establish an agenda for each meeting of the Board of Directors, which shall be approved by the Lead Director (if any) and which may include matters additional to those contemplated by the annual schedule of meetings of the Board of Directors. Directors may suggest the addition of any matter to a meeting agenda. Each director may also raise at any meeting or executive session any subject that is not on the agenda for that meeting or executive session.

It is the sense of the Board of Directors that it is beneficial to have at least one meeting at one of the Company's operating sites or facilities and meetings may be so held from time to time.

### ***Information to Be Distributed Prior to Meetings***

Insofar as practicable, information to inform the directors about the Company's business, performance and prospects and regarding recommendations for action by the Board of Directors shall be made available to the Board of Directors a reasonable period of time before meetings. Information should be relevant, concise and timely. Requests for action by the Board of Directors should include the recommendation of management and be accompanied by any historical or analytical data that may be necessary or useful to the directors in making a determination as to the advisability of the matter.

### ***Presentations***

Materials regarding presentations on specific subjects shall generally be sent to the directors in advance so that meeting time may be conserved and discussion time focused on questions that directors may have. Where time or circumstances prohibit advance delivery of materials, the Chairman of the Board of Directors or his designee shall provide advance notice of the subject matter and the principal issues involved in advance of the meeting, followed by a complete presentation and discussion of the matter at the meeting.

### ***Minutes***

The Secretary of the Company shall record minutes of all meetings of the Board of Directors and stockholders. In the absence or incapacity of the Secretary, the Chairman may designate an Assistant Secretary, a director, the General Counsel or outside counsel for the Company to record the minutes of meetings of the Board of Directors or stockholders.

With respect to any matter, a director voting against a proposal may ask to have his or her dissent recorded in the minutes of the meeting, and the Secretary shall do so.

## **E. Access to Management, Management Information and Counsel**

Directors shall have free access to management and management information. Management shall be responsive to requests for information from directors. The Board of Directors encourages the Chairman of the Board of Directors to invite members of management to make presentations at meetings of the Board of Directors in order to provide particular insights into aspects of the Company's business or to provide individuals with exposure to the Board of Directors for purposes of management development. Directors may suggest possible guests to the Chairman.

The Board of Directors and the committees thereof shall be entitled, at the expense of the Company, to engage such independent legal, financial or other advisors as they deem appropriate, without consulting or obtaining the approval of any officer of the Company, with respect to any

matters subject to their respective authority.

## **F. Director Interaction with Institutional Investors, the Press and other Constituencies**

The Board of Directors believes that management speaks for the Company. Directors may, from time to time, be contacted by institutional investors, other stockholders, sellers of businesses or potential merger partners, governmental or community officials, analysts or the press to comment on or discuss the business of the Company. Prior to communicating with any of the foregoing, the directors will consult with the Chief Executive Officer or the Chief Financial Officer. Additionally, if a director is contacted by any governmental official, the director will notify the General Counsel of the Company prior to responding to such official.

Directors may also, from time to time, discuss the Company's business with customers, suppliers and other business partners of the Company. Directors should exercise discretion with respect to any such discussions and should first confer with the Chairman of the Board of Directors and advise appropriate members of executive management of such discussions when they occur.

Except in his or her capacity as a member of the management of the Company (if applicable), no director shall disclose any material non-public information concerning the Company without the prior authorization of the Board of Directors. Among other considerations, such disclosures may violate applicable law. Questions about such information should be directed to the General Counsel. In the event that a director inadvertently discloses information that may be material and non-public, he or she should immediately so advise the General Counsel.

## **G. Committees of the Board of Directors**

### ***Committee Structure***

There are currently four standing committees of the Board of Directors: Audit/Compliance, Compensation, Nominating and Corporate Governance and Risk. From time to time, the Board of Directors may designate *ad hoc* committees in conformity with the Company's Bylaws. Each standing committee shall have the authority and responsibilities delineated in the Company's Bylaws, the resolutions creating them and any applicable charter. The Board of Directors shall have the authority to disband any *ad hoc* or standing committee when it deems it appropriate to do so, provided that the Company shall at all times have Audit/Compliance, Compensation and Nominating and Corporate Governance Committees and such other committees as may be required by applicable law or listing standards.

Committees and their Chairpersons shall be appointed by the Board of Directors annually, on recommendation of the Nominating and Corporate Governance Committee in consultation with the Chairman of the Board of Directors. It is the policy of the Board of Directors that only independent directors shall serve on the standing committees. The members of the Audit/Compliance, Compensation, Nominating and Corporate Governance and Risk Committees shall also at all times meet the independence and other requirements of applicable law and listing requirements. In appointing committee members, the Board of Directors shall consider rotating membership from time to time in accordance with any policies established or recommended in that regard by the

Nominating and Corporate Governance Committee.

Each standing committee shall have a written charter, which shall be approved by the Board of Directors and state the purpose of such committee. Committee charters shall be reviewed not less frequently than annually to reflect the activities of each of the respective committees, changes in applicable law or regulation and other relevant considerations, and proposed revisions to such charters shall be approved by the Board of Directors.

### ***Committee Meetings***

The Chairpersons of the various committees, in consultation with their committee members, shall determine the frequency and length of committee meetings. The Chairperson of each committee, in consultation with appropriate Company officers, will establish the agenda for each committee meeting. Committee members and other directors may suggest the addition of any matter to the agenda for any committee meeting upon reasonable notice to the committee Chairperson.

To the extent practicable, information regarding matters to be considered at committee meetings shall be distributed to committee members a reasonable period of time before such meetings. Each committee Chairperson shall designate an individual of his or her choice to act as Secretary at, and to record the minutes of, committee meetings. The Chairperson of each committee shall report on the activities of the committee to the Board of Directors following committee meetings.

## **H. Compensation of the Board of Directors**

The Compensation Committee is charged with the responsibility of reviewing the compensation of the Board of Directors and recommending changes thereto to the Board of Directors from time to time. In this regard, the Compensation Committee may request that management report to the Compensation Committee periodically on the status of the compensation of the Board of Directors in relation to other similarly situated companies. Directors who are Company employees shall not be compensated for their services as directors.

The form and amount of director compensation and perquisites shall be determined by the Compensation Committee in accordance with the principles contained in its charter or any related policies, and the Compensation Committee shall review the form and amount of such compensation periodically as provided in its charter. The Board of Directors continues to believe that an alignment of director interests with those of stockholders is important. The Compensation Committee is responsible for ensuring that directors' fees and perquisites do not exceed appropriate levels for companies of comparable scope and size. The Board of Directors has charged the Compensation Committee with recommending appropriate guidelines as to stock ownership by directors.

## **I. Director Orientation and Education**

New directors shall participate in an orientation program, which shall generally be conducted within two months of the date on which new directors take office. The agenda for the orientation program shall be determined by the Chairman of the Board of Directors, in consultation with the Chief

Executive Officer, the Chief Financial Officer, the Lead Director and the General Counsel, who may consult as appropriate with the Chairpersons of the standing committees of the Board of Directors. The orientation program shall address the Company's strategic plans, significant risk exposures, compliance programs (including its Code of Business Conduct and Ethics) and may include presentations by the Company's executive management, Committee Chairs, internal auditors and independent auditors, as well as one or more visits to the Company's headquarters or other operating sites or facilities. All other directors shall also be invited to attend each orientation program.

Members of the Company's Board of Directors will be required to attend a course certified or offered by the National Association of Corporate Directors, or a similar educational course for corporate directors, once every three years. The Board of Directors shall encourage directors to participate in additional continuing education programs in accordance with the Directors' Continuing Education and Orientation Policy, as amended from time to time.

### **III. Review of Corporate Governance Guidelines and Policies**

Each year, the Nominating and Corporate Governance Committee shall reevaluate these Governance Guidelines and Policies and recommend to the Board of Directors such revisions as it deems necessary or appropriate for the Board of Directors to discharge its responsibilities more effectively.