

# **U.S. CONCRETE, INC.**

## **CORPORATE GOVERNANCE GUIDELINES**

*(As amended May 16, 2019)*

### **Composition of Board of Directors**

The Board of Directors (the “Board of Directors” or the “Board”) of the U.S. Concrete, Inc. (the “Company”) believes that a size of 6 to 9 directors is appropriate based on the Company’s present size. The Board of Directors shall periodically evaluate the size of the Board. Except during periods of temporary vacancies, a majority of its directors must be independent. In determining the independence of a director, the Board will apply the definition of “independent director” in the listing standards of the Nasdaq Stock Market (“Nasdaq”) then in effect. No director shall be considered independent unless the Board of Directors affirmatively determines that he or she has no material relationship with the Company, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company. The Board shall annually review and determine the independence of each director. The Board may fill vacancies in existing or new director positions.

The directors will elect a Chairman of the Board. Both independent and management directors, including the Chief Executive Officer (“CEO”), are eligible for appointment as the Chairman of the Board. In the event that the Board decides that it is appropriate that the individual elected as Chairman of the Board is or should also be the CEO, the independent directors shall (and in any other case the independent directors may) elect one director from the independent directors to represent the independent directors (the “Lead Director”).

### **Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. The Board of Directors possesses the oversight authority with respect to the management of the business of the Company, subject to applicable provisions of law and the Company’s certificate of incorporation and bylaws. In discharging their responsibilities, directors should be entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors’ and officers’ liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by applicable law and the Company’s certificate of incorporation, bylaws and any indemnification agreements approved by the Board of Directors, and to exculpation as provided in Delaware law and the Company’s certificate of incorporation.

Directors are expected to invest the time and effort necessary to understand the Company’s business, financial strategies and challenges. The basic duties of the directors include preparing for and attending Board meetings and actively participating in Board discussions. Directors are also expected to make themselves available outside of Board meetings for advice and consultation, subject in any case, to the Company’s bylaws and applicable policies.

No director should serve on so many other boards that his or her ability to devote an appropriate amount of time and attention to duties to the Board of Directors or to the Company’s affairs

would be compromised. Directors should advise the Chairman of the Board and the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of directors (or similar governing body) of another company or other entity (whether public or private). In addition, before accepting an invitation to serve on another company's board of directors (or similar governing body), directors should consult with the Company's General Counsel to determine that the new directorship would not cause issues under section 8 of the Clayton Act or present other issues.

As deemed appropriate by the Board of Directors as part of its risk oversight role, the Board will review reports from management regarding the Company's material risks and assess the efforts in place to manage those risks.

The Board of Directors believes that management should speak for the Company. Individual members of the Board of Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that members of the Board of Directors would do this with the knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management. Accordingly, members of the Board of Directors shall promptly advise management if approached by outside constituencies regarding Company business.

### **Meetings**

The Board of Directors shall meet at least four times each fiscal year and may hold additional meetings in person or telephonically as often as may be necessary or appropriate, in the discretion of the Chairman. Minutes of each meeting shall be prepared under the direction of the Chairman of the Board and circulated promptly to each member of the Board for review and subsequent approval.

Members of the Board of Directors are expected to use all reasonable efforts to attend each meeting of the Board and to attend the Company's annual stockholder meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the chairperson of the appropriate Board Committee in advance of such meeting. The Chairman of the Board or his designee may also request that members of management or other advisors attend all or any portion(s) of the meetings of the Board of Directors.

The nonmanagement directors will meet regularly in executive session without management participation at least semi-annually. The Chairman of the Board or the Lead Director may call regular and special meetings of the nonmanagement directors. In addition, if the group of nonmanagement directors includes a director who is not independent under Nasdaq listing standards, the independent directors will meet in executive session at least annually. The directors meeting in executive session do not constitute a formal committee of the Board of Directors and therefore shall not take corporate action at such sessions, although the participating directors may make recommendations for consideration by the full Board of Directors.

## **Committees of the Board of Directors**

The Board of Directors shall have at all times an Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, all the members of which shall meet the requirements of “independent directors” under the rules and regulations of Nasdaq. The Board of Directors may, from time to time, establish or maintain additional committees or remove existing committees as it deems necessary or appropriate. The composition of the committees will be reviewed annually by the Nominating and Corporate Governance Committee to ensure that each committee’s members meet the criteria set forth in applicable rules and regulations of the Securities and Exchange Commission, Nasdaq and the Internal Revenue Service and other applicable rules and regulations. Each committee of the Board of Directors shall have a written charter adopted by the Board of Directors. The charters will set forth the purposes and responsibilities of the committees as well as qualifications for committee membership, committee structure and operations and committee reporting to the Board of Directors.

## **Additional Policies and Practices**

The Board of Directors is responsible for organizing its functions and conducting its business in the manner it deems most effective and efficient. To meet that responsibility, the Board of Directors has adopted a set of flexible policies to guide its governance practices in the future. These practices, set forth below, will be regularly re-evaluated by the Nominating and Corporate Governance Committee in light of changing circumstances in order to continue serving the best interests of stockholders. Accordingly, the summary of current practices is not a fixed policy or resolution by the Board, but merely a statement of current practices that is subject to continuing assessment and change.

### Board Member Criteria

Directors may be nominated by the Board or by stockholders in accordance with the Company’s Bylaws. The Nominating and Corporate Governance Committee shall be responsible for, among other things, identifying and recommending candidates to become directors of the Company, as well as selecting candidates to fill vacancies on the Board of Directors and to stand for election at each annual meeting of stockholders of the Company. In evaluating the suitability of candidates, the Board and the Nominating and Corporate Governance Committee take into account many factors, including the nominee’s judgment, professional experience, prior public company board and board committee experience, independence, character, business acumen, diversity and such other factors as the Committee concludes are pertinent in light of the current needs of the Board. The objective is a Board that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience. The Nominating and Corporate Governance Committee will select qualified nominees and review its recommendations with the Board, which will decide whether to invite the nominees to join the Board. When evaluating the suitability of an incumbent director for nomination or re-election, the Board and the Nominating and Corporate Governance Committee also consider the director’s tenure and past performance, including attendance at meetings and participation in and contributions to the activities of the Board. The Chairman of the Board should extend the Board’s invitation to join the Board.

### Election of Directors - Majority Voting

In an election of directors that is determined by the Board to be an uncontested election, any nominee for director who receives a greater number of votes “against” his or her election than votes “for” such election (a “Majority Against Vote”) shall promptly tender his or her resignation following certification of the shareholder vote.

The Nominating and Corporate Governance Committee shall promptly consider the resignation offer, and a range of possible responses based on the circumstances that led to the Majority Against Vote, if known, and make a recommendation to the Board whether to accept the resignation offer. The Board will act on the Nominating and Corporate Governance Committee’s recommendation within 90 days following certification of the shareholder vote.

Any director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating and Corporate Governance Committee recommendation or Board action regarding whether to accept the resignation offer.

However, if each member of the Nominating and Corporate Governance Committee received a Majority Against Vote at the same election, then the independent directors who did not receive a Majority Against Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them.

However, if the only directors who did not receive a Majority Against Vote in the same election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the resignation offers.

### Board Member Orientation and Education

New directors will participate in an orientation process to be acquainted with the business, history, current circumstances, key issues, compliance programs, Board procedures and top managers of the Company. The Nominating and Corporate Governance Committee shall be responsible for reviewing and overseeing the orientation process. In coordination with the Chairman of the Nominating and Corporate Governance Committee, the Lead Director will evaluate the Board continuing education programs and, the Company will facilitate the participation of directors in relevant continuing education programs. All directors are invited to participate in the orientation and continuing education programs.

### Selection of Agenda Items for Board Meetings

The Chairman of the Board, together with appropriate members of management and in collaboration with the Lead Director, shall develop the agenda for each Board meeting. Members of the Board of Directors may suggest additional items for consideration. In general, matters of greatest significance or complexity are placed near the beginning of the agenda. Prior to each meeting, the Chairman of the Board or his designee (together with the Lead Director)

will circulate the agenda for the meeting and, as applicable, appropriate preparatory materials to each member of the Board of Directors.

#### Board Access to Senior Management and other Employees

Members of the Board of Directors shall have full and free access to books and records of the Company and all Company employees, with the expectation that such contact would be only minimally disruptive to the business operations of the Company. The CEO is encouraged to invite to the meetings of the Board of Directors senior managers who can provide additional insight into business matters being discussed and those with high future potential who should be given personal exposure to members of the Board of Directors.

#### Frequency and Length of Committee Meetings

Committee chairpersons shall call meetings when they deem it necessary or appropriate. Committee meetings may be as frequent and as long as needed.

#### Board Compensation Review

The Compensation Committee shall periodically review the compensation paid to non-employee directors for annual retainers and meeting fees and any other cash or equity components of compensation and perquisites, if any, and make recommendations to the Board of Directors for any adjustments. The Board of Directors shall make changes in its director compensation practices upon the recommendation of the Compensation Committee. Directors who are also employees of the Company receive no separate compensation for serving as directors or as members of Board committees.

#### Assessing the Board's Performance

The Board of Directors shall conduct a self-evaluation at least annually to determine if it and its committees are functioning effectively. The Nominating and Corporate Governance Committee, in coordination with the Lead Director, shall oversee such annual evaluation. This assessment shall then be discussed and taken into account by the full Board of Directors in its consideration of any appropriate action or response. The evaluations will be based on such objective and subjective criteria as the Board deems appropriate. The effectiveness and contributions of individual directors are considered each year in connection with the nomination and election of directors.

#### Term Limits/Retirement Age

The Board of Directors believes that significant tenure as a Board member is advantageous to the Company and its stockholders. Accordingly, no term limits for directors have been established. However, to ensure that the Board remains composed of experienced and effective members, the Nominating and Corporate Governance Committee shall evaluate the qualifications and performance of each incumbent director before recommending the nomination of that director for an additional term. An outside director is required to retire at the first annual meeting that occurs

after his or her seventy-second birthday. However, upon the recommendation of the Nominating and Corporate Governance Committee (with any affected director abstaining) and by approval of the Board (with any affected director abstaining), this policy may be waived with respect to a director for up to two years.

#### Retention of Consultants, Counsel or Others

The Board of Directors and Lead Director shall have authority to retain, at the Company's expense, outside counsel or other experts or consultants to assist the Board in conducting its business and meeting its responsibilities to the Company and its stockholders.

#### Succession Planning

The Compensation Committee, in coordination with the Lead Director, shall periodically review succession planning practices and procedures and provide the Board of Directors with a recommendation as to succession of the CEO and other executive officers of the Company.

#### Change in Status

The Nominating and Corporate Governance Committee shall be notified promptly of any change in a director's principal occupation, the election of a director to the board of directors (or similar body) or any board committees of another publicly held entity, the director's removal or other cessation of service as a member of any such board or committee, and any other development that could impair a director's ability to serve on the Board or any committee. The Nominating and Corporate Governance Committee shall recommend whether such director should resign or be removed as a director of the Company or as a member of any Board Committee, or whether any other action should be taken as a result of any such change or development.

#### Conflicts of Interest

If an actual or potential conflict of interest develops because of significant dealings or competition between the Company and a business with which the director is affiliated, the director should report the matter promptly to the Chairman of the Board and the Nominating and Corporate Governance Committee for evaluation by the Board of Directors. A significant conflict must be resolved, or the director should resign. If a director has a personal interest in a matter before the Board of Directors, the director should disclose the interest to the Board of Directors and should consider whether it is appropriate to excuse himself or herself from participation in the discussion and any vote on the matter.

#### Stockholder Communications with the Board

Interested parties may contact an individual director, the Board as a group, or a specified Board committee or group, including the independent directors as a group by any one of the following means:

- Mail: 331 N. Main St., Euless Texas 76039  
Attention: Corporate Secretary

- E-mail: corporatesecretary@us-concrete.com

Each communication should specify the applicable addressee(s) to be contacted, as well as the general topic of the communication. The legal department will initially receive and process communications before forwarding them to the addressee. Each communication received as described above will be reviewed by the legal department for the sole purpose of determining whether the sender is a stockholder.

#### Review of Corporate Governance Guidelines

The Nominating and Corporate Governance Committee shall periodically review, evaluate and recommend changes to the Company's Corporate Governance Guidelines to the Board of Directors.