

**CHARTER FOR  
THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE  
OF  
MATRIX SERVICE COMPANY**

**I. DESCRIPTION AND PURPOSE**

The Nominating and Corporate Governance Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Matrix Service Company (the “Company”). The Committee’s primary functions are (i) to recommend and oversee compliance with the Company’s Corporate Governance Guidelines (the “Guidelines”), (ii) to consider any director candidates recommended by shareholders, (iii) to identify, recruit and recommend potential candidates for nomination as directors to the Board and to recommend directors for membership on Board committees, (iv) to evaluate the overall performance of the Board, and (v) to report annually to the Board on the status of the CEO succession plan. The Committee shall assist the Board in fulfilling its corporate governance and oversight responsibilities by reviewing corporate governance issues that may be brought before the Board, by exercising oversight over the Guidelines, by nominating qualified individuals as directors and reviewing their performance, and by reviewing applicable laws and regulations related to corporate governance matters.

**II. COMPOSITION OF THE COMMITTEE**

**A. Composition**

The Committee shall consist of at least three members, all of whom are Independent Directors, as that term is defined below. Unless the Chair is elected by the full Board, the members of the Committee shall elect a Chair by a majority vote of all the Committee members.

**B. Independent Director**

As used in this Charter, “Independent Director” means a member of the Board other than an officer or employee of the Company or its subsidiaries or any other individual having a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The following persons shall not be considered independent for purposes of serving on the Nominating and Corporate Governance Committee:

1. a director who is, or at any time during the past three years was, employed by the Company or by any parent or subsidiary of the Company;
2. a director who accepted or has a Family Member who accepted any payments from the Company or any parent or subsidiary of the Company in excess of \$60,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:
  - a. compensation for Board or Board committee service;
  - b. payments arising solely from investments in the Company’s securities;

- c. compensation paid to a Family Member who is a non-executive employee of the Company;
  - d. benefits under a tax-qualified retirement plan, or non-discretionary compensation;
  - e. loans from a financial institution provided that the loans (i) were made in the ordinary course of business, (ii) were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with the general public, (iii) did not involve more than a normal degree of risk or other unfavorable factors, and (iv) were not otherwise subject to the disclosure requirements of SEC Regulation S-K, Item 404;
  - f. payments from a financial institution in connection with the deposit of funds or the financial institution acting in an agency capacity, provided such payments were (i) made in the ordinary course of business, (ii) made on substantially the same terms as those prevailing at the time for comparable transactions with the general public, and (iii) not otherwise subject to the disclosure requirements of SEC Regulation S-K, Item 404; or
  - g. loans permitted under Section 13(k) of the Exchange Act (charge cards).
3. a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company or by any parent or subsidiary of the Company as an executive officer. Family Member means a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home;
4. a director who is, or has a Family Member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:
- a. payments arising solely from investments in the Company's securities; or
  - b. payments under non-discretionary charitable contribution matching programs;
5. a director of the Company who is, or has a Family Member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the Company serves on the compensation committee of such other entity; and

6. a director who is, or has a Family Member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit, at any time during any of the past three years.

For purposes of independence, any three year look back periods commence on the date the relationship ceases. In addition, any reference to a "parent or subsidiary" covers entities the Company controls and consolidates with the Company's financial statements as filed with the SEC (but not if the Company reflects such entity solely as an investment in the Company's financial statements).

### **III. MEETINGS**

The Committee shall meet as frequently as circumstances require, but in any event on a quarterly basis. The Committee may ask members of management or others to attend meetings and may provide pertinent information to them as the Committee deems necessary. Minutes shall be taken for each Committee meeting which shall then be approved at the next meeting of the Committee.

### **IV. GOALS AND RESPONSIBILITIES**

The Committee's goals and responsibilities are as follows:

#### **A. Corporate Governance Goals and Responsibilities**

1. Review annually the Guidelines and committee charters and recommend to the Board any needed changes;
2. Review annually compliance with the Guidelines and report to the Board any findings;
3. Investigate any potential conflict of interest by a director as assigned to it by the Board;
4. Recommend committee assignments, including committee chairmanships, to the full Board for approval. This is done after consultation with, and receiving advice from, the CEO and with consideration of the desires of individual Board members to serve on one or more committees;
5. Keep abreast of developments in the corporate governance field that might affect the Company, the terms of this Charter and the requirements for disclosures in publicly filed documents;
6. With input from the CEO and the Compensation Committee, determine or recommend to the Board the compensation to be paid to directors and additional compensation, if any, to be paid to members of committees of the Board;
7. With input from the CEO and the Compensation Committee, determine or recommend to the Board whether the Chairman of the Board and any Chairman of any committee of the Board should receive additional compensation in respect of such positions and, if so, the amount of such additional compensation; and

8. If a separate chairman of the Board or a lead director has not been selected to chair meetings of the Board, then the chairman of the Committee shall coordinate with the CEO to develop a specific agenda for each Board meeting and the chairman of the Committee shall serve as the chairman of meetings of the Board.

**B. Nominating Committee Goals and Responsibilities**

1. Review with the Board, individually and/or as a group, the appropriate skills and characteristics required of new Board members;
2. Solicit names for new directors for the Board from existing Board members and, to the extent deemed appropriate, from members of senior management of the Company;
3. Consider any director candidates recommended by shareholders;
4. Screen the list of potential new directors submitted to it and make an initial determination of whether the potential nominees meet the minimal criteria for directorship established by the Committee and approved by the Board. The Committee shall have the discretion to deviate from such minimal criteria in unique and unusual circumstances deemed appropriate by the Committee;
5. Gather reasonably detailed information regarding each potential nominee that passed the initial screening process referred to in paragraph 3 immediately above. The information should include present and past employment history, including detail about responsibilities performed at each position;
6. If the Committee determines it requires the assistance of a search firm to assist it in gathering information on known nominees or to add new names to the list of potential nominees, it shall have the discretion to do so and to select a firm of its choice. The Committee shall have the sole authority to retain and terminate any such search firm and to approve the search firm's fees and other retention terms;
7. After a review of potential new Board candidates and after consultation with, and considering the advice of the CEO, designate which candidates are to be interviewed. Candidates at a minimum shall be interviewed by the Chairman of the Committee and the CEO, and may be interviewed by other officers and directors at the discretion of the Chairman of the Committee after consultation and advice with the CEO;
8. Determine whether all existing Board members should be re-nominated, after reviewing the performance of existing directors with input from other directors, considering the appropriate skills and characteristics required for membership on the Board, the current and proposed makeup of the Board assuming the election of new nominees to be recommended by the Committee and the wishes of existing Board members to be re-nominated; and
9. After taking into account the result of the actions taken above, develop a recommendation for Board approval of any new directors to be nominated. Prior to the final vote of the Board on the nomination of a new director, arrange for the selected candidate to meet all existing directors that he or she has not yet met.

The Committee has the power to delegate aspects of its work to subcommittees, with prior Board approval.

**C. Evaluation**

1. Annually evaluate the overall performance of the Board;
2. Periodically evaluate this Charter and the charters of the other Board committees as needed to ensure compliance with the Guidelines and applicable laws and regulations;
3. Periodically evaluate the assignment of directors to the Committee and to other Board committees to ensure compliance with the Guidelines and applicable laws and regulations;
4. Review with legal counsel any legal and regulatory matters that may have a material impact on the Guidelines and the Company's corporate governance process;
5. Through the Chairman, provide any necessary counseling to a director in the area of corporate governance; and
6. Report Committee actions and the Committee's evaluation of the overall performance of the Board to the Board with such recommendations as the Committee may deem appropriate.

**D. Director Qualifications; Process for Identifying and Evaluating Nominees**

1. Nominees for director shall possess the following minimum qualifications: broad experience, wisdom, integrity, the ability to make independent analytical inquiries, an understanding of the Company's business environment, and a willingness to devote adequate time to Board duties. The Committee shall be responsible for assessing the appropriate balance of skills and qualifications required of directors.
2. In identifying and evaluating nominees for director, including nominees recommended by shareholders, the Committee shall implement such process, as it deems appropriate including, in its sole discretion, retaining a third party or third parties to identify or evaluate or assist in identifying or evaluating potential nominees. However, at a minimum, each nominee for director shall (a) meet the minimum qualifications set forth above, (b) have at least one interview with the Committee, the CEO, with any other Board member who requests an interview and by other Company officers at the discretion of the Board, and (c) complete and sign the Company's Questionnaire for Directors, Officers and Certain Shareholders (the "Questionnaire") in a form deemed appropriate by the Board prior to his or her nomination to the Board. Each director shall no less than annually complete and sign the Questionnaire in a form deemed appropriate by the Board. In the event any information contained on a director's most recent Questionnaire become incomplete or inaccurate, it shall be the responsibility of the director to provide complete and accurate information to the Committee within thirty days.

3. When formulating its director recommendations, the Committee shall also consider any advice and recommendations offered by the Company's CEO and any non-committee members of the Board.
4. When formulating its director recommendations, the Committee shall also consider any written recommendations received from the shareholders of the Company. There shall be no difference in the manner in which the Committee evaluates nominees for director based on whether the nominee is recommended by a shareholder.

## **V. INVESTIGATIONS**

The Committee has the authority to conduct any background check or other investigation appropriate to fulfilling its responsibilities and duties and it has direct access to anyone in the Company. The Committee has the ability to retain, at the Company's expense, legal, accounting, or other consultants or experts it deems necessary to fulfill its responsibilities and duties.

## **VI. AVAILABILITY OF CHARTER TO SECURITY HOLDERS**

The Company shall provide a its security holders with a copy of this Charter by either (i) posting a current copy on the Company's website and providing its website address in its proxy statement, or (ii) including a current copy as an appendix to its proxy statement at least once every three fiscal years.