

STERLING CONSTRUCTION COMPANY, INC.
CHARTER OF THE COMPENSATION AND TALENT DEVELOPMENT COMMITTEE

1. **The Compensation and Talent Development Committee.** The Compensation and Talent Development Committee (the “*Committee*”) is a standing committee of the Board of Directors (the “*Board*”) that is charged with assisting the Board in fulfilling its responsibility to oversee the Company's executive compensation policies and practices.
2. **Committee Resources.** The Board will ensure that the Company provides the Committee with the resources needed to carry out its responsibilities and to exercise its authority under this Charter.
 - (a) *Consultants & Advisers.* The Committee has the authority to appoint, retain, compensate, and oversee the work of compensation consultants, legal counsel, and other advisers retained by the Committee.
 - (i) Before selecting consultants, legal counsel and other advisers (other than in-house legal counsel) the Committee will consider the independence factors set forth in Appendix A to this Charter.
 - (ii) Nothing in this Charter may be construed to require a compensation consultant, legal counsel or other adviser to be independent; rather the Committee will consider the enumerated independence factors before selecting, or receiving advice from an adviser. Accordingly, after that consideration, the Committee may select, or receive advice from, any adviser it chooses, including ones that are not considered independent.
 - (iii) The Compensation Committee is not required under this Charter to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K:
 - A. Consulting on any broad-based plan that does not discriminate in scope, terms, or operation in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or
 - B. Providing information that either is not customized for a particular issuer, or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.
 - (b) *Administrative Support & Continuing Education.* The Committee will have access to Company staff, administrative support, and members of management in connection with carrying out its responsibilities. In addition, members of the Committee may cause the Company to reimburse members for continuing education programs and courses related to their duties and responsibilities.
3. **Compensation Committee Membership.**
 - (a) The Committee must consist of not less than three members. The members of the Committee and the Committee Chair shall be elected by the affirmative vote of a majority of the Company's independent directors, upon the recommendation of the Corporate Governance and Nominating Committee. The Committee members and the Chair shall serve until his or her resignation or death, provided that the Company's independent directors may remove any member of the Committee at any time, with or without cause.
 - (b) Each member of the Committee will meet the standards of independence, experience and other qualifications required by the NASDAQ Stock Market (“*NASDAQ*”) (or such other exchange or trading market on which the Company's common stock is traded) and the applicable rules and regulations of the United States Securities and Exchange Commission (“*SEC*”).

- (c) An independent director for purposes of membership on the Committee is a director who —
 - (i) The Board has affirmatively determined does not have a relationship with the Company or any subsidiary which is material to that director’s ability to be independent from management in connection with the duties of a Committee member, including, but not limited to:
 - A. The sources of compensation of such director, including any consulting, advisory or other compensatory fees paid by the Company, or any subsidiary of the Company, to such director (other than in his or her capacity as a director, or as a member of one or more committees of the Board) that would impair such director’s ability to make independent judgments about the Company’s executive compensation; and
 - B. Whether such director is affiliated with the Company, any subsidiary of the Company or an affiliate of a subsidiary of the Company (other than by reason of his or her status as a director or as a member of one or more committees of the Board);
 - (ii) Is a “non-employee director” as defined in Rule 16b-3 of the Securities Exchange Act of 1934; and
 - (iii) Does not otherwise fall within the category of persons that are not considered independent for purposes of a compensation committee's membership under the rules of the exchange or trading system on which the Company's common stock is traded, or under applicable rules and regulations of the Securities and Exchange Commission.

4. **Compensation Committee Governance.**

- (a) *Quorum & Voting.* At meetings of the Committee, the presence of a majority of all members is necessary to constitute a quorum for the transaction of business, and the affirmative vote of a majority of all members of the quorum is necessary to take any action.
- (b) *Delegation.* The Committee may delegate any of its responsibilities to one or more members of the Committee except to the extent prohibited by applicable law, or by the rules and regulations of the SEC and NASDAQ.
- (c) *Committee Deliberations.* The Committee may invite such members of management to its meetings as it deems appropriate; however, neither the Company's principal executive officer, its principal financial officer, any named executive officer, nor any other Officer (as defined in Section 5(a), below) may be present during voting or deliberations by the Committee on his or her compensation.
- (d) *Rules & Regulations.* The Committee may adopt the rules and regulations for the calling and holding of its meetings, and for the transaction of business at its meetings that members deem necessary, appropriate or advisable, provided that those rules and regulations are not inconsistent with —
 - (i) Applicable laws, rules and regulations;
 - (ii) The Certificate of Incorporation or the By-Laws of the Company;
 - (iii) Any resolution of the Board; or
 - (iv) The express terms of this Charter.
- (e) *Meetings of the Committee.* The Committee will meet as frequently as circumstances require, will keep minutes of its meetings, and will report any actions taken at its meetings to the other directors of the Company at the next meeting of the Board.

5. **Authority of the Compensation Committee.** In the performance of its duties and responsibilities, the Committee has the authority described below. The Committee's authority to approve any matter includes the authority not to approve it. The Committee has the authority —
- (a) *Compensation.* To determine the type, the amount, the manner and the time of payment, of salary, incentive compensation and any other compensation that is paid to the persons set forth below, referred to as the “*Officers*”:
 - (i) All executive officers of the Company (including its Chief Executive Officer); and
 - (ii) The principal executive officer of each of the Company's subsidiaries and affiliates.
 - (b) *Incentive Compensation Goals.* To set any goals, financial or personal, pursuant to which any incentive compensation may be earned by an Officer, and determine the level of achievement, if any, of those goals.
 - (c) *Agreements.*
 - (i) To review, and when appropriate, make a recommendation that the Board approve the terms and conditions of Officers' employment agreements and severance arrangements, and any amendments thereof.
 - (ii) To determine which, if any, employees of the Company and its subsidiaries and affiliates are provided with change-in-control severance benefits, and, when appropriate, recommend that the Board approve the terms and conditions of those benefits.
 - (d) *Stock Plans.* To administer the Company's stock plans, and in that connection, to do the following:
 - (i) Determine which employees of the Company and its subsidiaries and affiliates are awarded stock options and/or shares of stock (“*Awards*”);
 - (ii) Determine the terms and conditions of any Awards;
 - (iii) Make any Awards that have been approved by the Board as compensation for non-employee directors; and
 - (iv) Make any other determinations and decisions relating to the stock plans of the Company as the Committee deems necessary, appropriate or advisable.
 - (e) *Benefit Plans.* To review and approve the Company's benefit plans and any special or supplemental employee benefits that affect Officers, or in which Officers may participate.
 - (f) *Records and Personnel.* To have access to all books, records, facilities and personnel of the Company.
 - (g) *Key Management Succession Plans.* The Committee shall develop, maintain and oversee the key management succession policy. The Committee shall conduct and present to the Board an annual review of the key management succession policy and an evaluation of the adequacy of the plan. In addition, the Committee will recommend to the Board any action or changes arising out of, or necessitated by, such evaluation.
6. **Continuing Responsibilities of the Compensation Committee.** The following is a non-exclusive list of actions that the Committee should take to ensure that it is fulfilling its responsibilities. These steps may change from time to time as circumstances dictate.
- (a) *Risks.* At least annually, the Committee shall discuss with members of management the risks that arise from the Company's compensation policies and practices, and particularly from its incentive compensation arrangements.
 - (b) *Compensation Reviews.* Review the amount and the manner of payment of salary, incentive and other compensation of the Officers to determine whether they fulfill the Company's overall

compensation objectives, and determine what action to take, if any, in the event that, at an Annual Meeting, stockholders do not approve the Company's executive compensation.

- (c) *Annual Responsibilities.* The Committee will annually —
- (i) Review and discuss with management the Compensation Discussion and Analysis, and based on that review and those discussions, determine whether to recommend that it be included in the Company's Annual Report on Form 10-K.
 - (ii) Review and assess its own performance and the adequacy of this Charter, and recommend any changes to be made thereto to the Board.
- (d) *Say-on-Pay.* To review and recommend to the Board for approval the frequency with which the Company will conduct a stockholder advisory vote on executive compensation (“*Say on Pay Vote*”), taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Votes and the frequency of the Say on Pay Vote to be included in the Company’s proxy statement. The Committee shall consider the results of the Say on Pay Vote when determining the compensation of the Officers.
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APPENDIX A

Independence Factors

1. The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
2. The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
3. The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
4. Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Compensation Committee;
5. Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
6. Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

THIS CHARTER SHALL BE MADE AVAILABLE TO THE PUBLIC ON THE COMPANY’S WEBSITE AT

WWW.STRLCO.COM.

Adopted November 2, 2005

Revised March 14, 2007

Revised March 12, 2010

Revised May 6, 2011

Revised November 7, 2012

Revised March 14, 2013

Amended and Restated May 8, 2015

Revised March 2, 2018

Revised March 5, 2019

Revised March 3, 2020