



**ORION GROUP HOLDINGS, INC.  
COMPENSATION COMMITTEE CHARTER**

**Effective as of March 27, 2007, revised February 13, 2017**

The Board of Directors (the “Board”) of Orion Group Holdings, Inc. (the “Company”) has established the Compensation Committee (the “Committee”) of the Board. The Board hereby adopts the following charter for the Committee effective as of the date set forth above.

**Purpose**

The Committee is established by the Board of the Company to (1) oversee and discharge the responsibilities of the Board relating to compensation of the directors and executives of the Company, (2) produce an annual report on compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations, and (3) design, recommend and evaluate the director and executive compensation plans, policies and programs of the Company.

The Committee should generally endeavor to promote policies and procedures such that the Company’s compensation program is effective in attracting, retaining and incentivizing key employees. The Committee should endeavor to promote a compensation policy that (1) creates a relationship between pay levels and corporate performance and returns to shareholders and (2) monitors the results of such policy to review whether the compensation payable to the Company’s executives provides overall competitive pay levels, creates proper incentives to enhance shareholder value, rewards superior performance, and is justified by the returns available to shareholders.

The Committee shall have the authority to form and delegate its authorities and responsibilities to subcommittees as it deems appropriate, provided the subcommittees are composed entirely of “independent” members of the Board as described below.

**Organization, Composition and Qualification**

The Committee shall be selected by the Board based on the recommendation of the Nominating & Governance Committee and comprised of no fewer than three “independent” members of the Board, as such term is defined from time to time by the listing standards of The New York Stock Exchange Marketplace Rules. All Committee members shall also be “non-employee directors” as defined by Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and “outside directors” as defined by Section 162(m) of the Internal Revenue Code. Each member shall serve at the pleasure of the Board and for such term or terms as the Board shall determine. Any or all members of the Committee may be appointed by the Board and may be removed by the Board in its discretion at any time. A Chairperson shall be designated by the Board from among the members of the Committee or, if no such designation is made by the Board, a Chairperson shall be selected by the affirmative vote of the majority of the Committee. Committee members shall be chosen based on their competence, availability and ability to manage and add substance to the deliberations of the Committee. In addition, members

of the Committee shall have no relationship to the Company that could interfere with the exercise of their independence from management and the Company with respect to compensation matters. The Committee's composition shall be reviewed periodically to determine whether each of its members meet the criteria set forth in any applicable rules and regulations.

Notwithstanding the foregoing membership requirements, no action of the Committee shall be invalid by reason of any such requirement not being met at the time such action is taken.

### **Authority and Responsibilities**

The Compensation Committee shall generally have authority for the Company's overall compensation philosophy and objectives, and have specific authority for reviewing, recommending and monitoring compensation strategies, plan design, guidelines and practices as they relate to directors and executive and senior management. The Compensation Committee shall review and recommend corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation level based on this evaluation. The Committee shall have the specific authority to review and recommend the Compensation of the other senior executive officers of the Company as well as certain other selected senior officers of the Company and its subsidiaries (the "Specified Officers") and to generally review and monitor compensation for directors and employees other than the CEO and Specified Officers. In addition to the powers and authority of the Compensation Committee described above and in the Company's Bylaws, the Compensation Committee shall:

- have authority to develop an overall executive compensation philosophy, strategy and framework consistent with corporate objectives and stockholder interests;
- have authority to review, approve and recommend all actions relating to compensation, promotion and employment-related arrangements for the CEO and Specified Officers, including severance arrangements;
- have authority to determine the Company's policy with respect to the application of Section 162(m) of the Internal Revenue Code of 1986, as amended, and when compensation may be paid by the Company which is not deductible for federal income tax purposes;
- have authority to approve any other incentive or bonus plans applicable to the CEO and Specified Officers;
- administer awards under and make recommendations to the Board with respect to incentive – compensation and equity-based plans;
- have authority to select an appropriate peer group or peer groups against which the Company's total executive compensation program is measured;
- have authority to review and recommend major changes to, and take administrative actions associated with, any other forms of non-salary compensation under its purview;

- have authority to review whether the compensation plans, policies, and programs are competitive and consistent with the Company's long-term strategy, corporate values and accepted legal practices;
- conduct an annual performance evaluation of the Committee;
- have the sole discretion and authority to retain, obtain advice from, terminate and approve the fees and retention terms with respect to and be directly responsible for the appointment, compensation and oversight of the work of one or more compensation consultants, outside counsel, or other advisors, to assist the Committee in carrying out its duties and exercising its powers, including in connection with the Committee's evaluation of compensation to the CEO and the Specified Officers. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultants or other advisors employed by the Committee;
- assess the independence of any compensation consultants, outside counsel or other advisors that provide advice to the Committee, before selecting or receiving advice from them, based on all factors, including, for the NYSE companies, the following:
  - A. The provision of other services to the Company by the firm that employs the compensation consultant, legal counsel or other adviser;
  - B. The amount of fees received from the Company by the firm that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the firm that employs the compensation consultant, legal counsel or other adviser;
  - C. The policies and procedures of the firm that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
  - D. Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Compensation Committee;
  - E. Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
  - F. Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the firm employing the adviser with an executive officer of the Company.
- review and approve, or review and recommend to the Board for its approval of, any transaction in equity securities of the Company, or derivatives of those equity securities, between the Company and any officer or director of the Company who is subject to the reporting and short-swing liability provisions of Section 16 of the Securities Exchange Act of 1934;
- Review and discuss the Compensation Disclosure and Analysis (the "CD&A") with Management and based on this review and discussion, make its recommendation to the Board as to the inclusion of the CD&A in the Company's Annual Report on Form

10-K or in a proxy statement distributed to stockholders of the Company, as the case may be.

- perform such other duties and functions as the Board may from time to time delegate or as may be required under any applicable law, rule or regulation, including the regulations of The New York Stock Exchange; and
- make regular reports of its activities from time to time to the Board and propose any necessary action.

### **Meetings and Structure**

Regular meetings of the Committee shall be held at such times as its members deem necessary to perform the Committee's responsibilities and as such is determined by resolution of the Board or the Committee. A special meeting of the Committee may be called by resolution of the Board or by the Secretary or Assistant Secretary of the Company upon the request of the Chairperson or a majority of the members of the Committee. The Chairperson will preside, when present, at all meetings of the Committee. A majority of the members, but not less than two, will constitute a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or video conference and may take action by written consent.

### **Review of Committee Charter**

At least annually, the Committee shall review and reassess the adequacy of this Charter. The Committee shall report the results of the review to the Board and, if necessary, make recommendations to the Board to amend this Charter.