



GOVERNANCE GUIDELINES
EFFECTIVE: December 17, 2019

I. Purpose. The Nominating and Governance Committee of the Board of Directors (the “Board”) of Shiloh Industries, Inc. (the “Company”) has recommended, and the Board has adopted, these Governance Guidelines (these “Guidelines”) to promote the effective functioning of the Board, and to promote the Company’s commitment to sound corporate governance practices.

II. Interpretation. The Board intends that these Guidelines serve as a flexible framework within which the Board may conduct its business, not as a strict set of legally binding obligations. These Guidelines should be interpreted in the context of all applicable laws and regulations, the Company’s Certificate of Incorporation (the “Articles”), By-laws (the “By-laws”) and other governing legal documents.

III. Role of the Board. The Company’s business and affairs are conducted by its officers and employees, under the direction of the Company’s Chief Executive Officer (the “CEO”). The Board’s role is to oversee and monitor the Company’s management in the interest and for the benefit of the Company’s stockholders. The core responsibility of the members of the Board 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.

IV. Director Qualifications. Members of the Board will possess personal and professional integrity, have good business judgment, and relevant experience and skills and be an effective director in conjunction with the full Board in collectively serving the long-term interests of the Company’s stockholders. In accordance with the principles of its charter, the Nominating and Corporate Governance Committee will seek, identify, review and recommend potential director nominees for the Board when there is a vacancy on the Board.

V. Director Independence. A majority of the Board will be comprised of independent directors. The Board will comply with all applicable independence rules and regulations of the Securities and Exchange Commission and the listing standards of the Nasdaq Global Market, or such other, appropriate, independence standards as approved by the Board. The Board will review such standards and review the status of all members of the Board with respect to the standards adopted no less often than annually. Each director has an affirmative obligation to inform the Board of any material changes in his or her circumstances or relationships that may impact his or her independence determination by the Board.

VI. Board Size. Consistent with the Articles and By-laws, the Board will consist of between three and fifteen members. The Nominating and Corporate Governance Committee will consider and make recommendations to the Board concerning the appropriate size and needs of the Board.

VII. Voting Standard for Election of Directors. Any nominee for director in an uncontested election who receives a greater number of votes “withheld” from his or her election than votes “for” such election shall tender his or her resignation for consideration by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall recommend to the Board the action to be taken with respect to the resignation. The Board will publicly disclose its decision within 90 days of the certification of the election results.

VIII. Director Compensation. The Board believes that the Company should offer a Board compensation system that aligns the directors’ interests with those of the Company’s stockholders. As set forth in its charter, the Compensation Committee of the Board will periodically evaluate and approve the form and amount of director compensation.

IX. Limitations on Service. At this time, the Board has determined that both director term limits and a mandatory retirement age are not in the best interests of the Company or its stockholders. The Board will periodically re-evaluate this determination, however, as circumstances change.

X. Chairman Role. The Board does not have a policy on whether the role of Chairman of the Board and CEO should be combined or separate at this time. The Board will review this determination as it deems necessary.

XI. Director Orientation & Continuing Education. The Company will present an orientation program for each new director to acquaint him or her with the business, financial standing, compliance policies and other information and policies relevant to the director’s role. The Board encourages continuing education for Board members and the Company’s management will periodically advise directors of such continuing education programs, the cost of which will be borne by the Company.

XII. Annual Evaluation of Directors. No less often than annually, the Nominating and Corporate Governance Committee will oversee the self-evaluation of the Board, the committees, and each individual director to assess its, his or her effectiveness and contribution. Under a methodology to be further developed and periodically evaluated by the Nominating and Corporate Governance Committee, the evaluations will address the Board and each committee’s operation and performance relative to, as applicable, the Articles, the By-laws, these Guidelines, each committee’s charter, other pertinent corporate governance documents, as well as any other considerations deemed relevant by the Nominating and Corporate Governance Committee. For individual directors, the self-evaluation will address such director’s competencies, skills, participation and commitment to his or her role as a director, as well as any other considerations deemed relevant by the Nominating and Corporate Governance Committee.

XIII. Meetings of the Board.

- a. Frequency.** The Board currently plans at least four meetings each year, with further meetings to occur (or actions to be taken by unanimous consent) at the discretion of the Board.

- b. Attendance.** Each director will use his or her best efforts to attend all stockholder, Board and committee meetings (on which such director serves) in person. Whenever a director is unable to attend a meeting in person, such director may attend by any other method permitted under the Articles, the By-laws or applicable laws or regulations.
- c. Board Agenda.** The Board prepares and periodically reviews a calendar with the regular agenda items it will consider at each of its meetings. Any member of the Board may suggest items for each meeting's agenda, which will be compiled by management and approved by the Chairman of the Board, and the agenda and preparation materials will be distributed to the Board in advance of each meeting.
- d. Access to Management and Advisors.** The Company seeks to broadly expose its business managers to the Board through regular presentations on the business and its plans. Board members will have access to Company management and, as necessary and appropriate, independent advisors. The Board and any committee have full authority to retain such financial, legal or other consultants as they deem appropriate, and they have oversight over such advisors. The Company will make the necessary funds available to pay for such services.
- e. Preparation.** Directors will review the materials provided by management and advisors in advance of the meetings of the Board and its committees and will arrive prepared to discuss the issues presented.
- f. Confidentiality.** The proceedings, deliberations and communications of the Board and its committees are confidential. Unless prohibited by law, each director will maintain the confidentiality of all information received in connection with his or her service as a director.
- g. Executive Sessions.** From time-to-time, the Board will meet in executive session, without members of management present.

XIV. Outside Directorships. No non-management director may serve on more than four other public company boards. No management director may serve on more than two other public company boards. A director nominated to the board of another public company will alert the Chairman of the Board and the chair of the Nominating and Corporate Governance committee prior to accepting such nomination, in order to allow the Board sufficient opportunity to determine whether such nomination is in any way adverse to the interests of the Company or its stockholders. For the avoidance of doubt, the Board retains the absolute and sole discretion to waive these requirements regarding outside directorships in all appropriate circumstances.

XV. Ethics. The Company has adopted a Code of Conduct (the "Code"), which coincides with a compliance program to enforce the Code. All directors will adhere to the Code and, upon request, attend periodic training sessions on, or certify compliance with, the Code. If an actual or potential conflict of interest arises for a director, the director will promptly inform the

Chairman of the Board or chair of the Nominating and Governance Committee. A director must recuse him or herself from a discussion affecting his or her outside business or personal interests, or any other situation where a conflict of interest occurs.

XVI. Committees. As of the initial adoption of these Guidelines, the Board has the following standing committees: Audit, Compensation, Executive, Finance, Nominating and Corporate Governance, and Strategic Planning and Technology. Aside from the Executive Committee, each committee has a written charter specifying its duties, responsibilities and scope. Each committee chair, in consultation with the members of the committee, management, and the Board as a whole, determines the frequency and length of their meetings. Each committee chair, in consultation with the appropriate members of the committee and management, will develop the committee's agenda as well as an annual calendar for the committee. Each committee will report to the Board its material activities, findings and recommendations after each committee meeting.

XVII. Succession Planning. The Board, working through the Compensation Committee, has approved a succession plan relative to the CEO, key executive officers and other members of senior management. No less often than annually, the succession plan will be reviewed and updated.

XVIII. Communications with Stockholders. The Company encourages stockholders and other interested parties to communicate with the Board and any individual director. Contact information for the Board is set forth on the Company's website (<https://shiloh.com/company/corporate-governance/>) and/or in the Company's most-recently-filed quarterly or annual report filed with the Securities and Exchange Commission.

XIX. Compliance. The Nominating and Corporate Governance Committee will be responsible for interpreting and overseeing the application of these Guidelines and retains the absolute discretion to waive or alter anything otherwise required by these Guidelines.

XX. Amendment. The Guidelines are effective as of the date first set forth above. The Board will review these Guidelines no less often than annually and may amend these Guidelines at any time, in its sole discretion.