

# ARCOSA, INC.

## Audit Committee Charter

This Audit Committee Charter (this “Charter”) sets forth the purpose and membership requirements of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Arcosa, Inc. (the “Company”) and establishes the authority and responsibilities delegated to it by the Board.

1. **Purpose.** The purpose of the Committee is to oversee on behalf of the Board (i) the integrity of the Company’s financial statements and related disclosures, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the qualifications, independence and performance of the Company’s independent auditing firm (the “External Auditor”), (iv) the performance of the Company’s internal audit function, (v) the Company’s internal accounting and disclosure control systems and (vi) the Company’s procedures for monitoring compliance with its Code of Business Conduct and Ethics (the “Code of Conduct”). The Company’s management is responsible for the preparation, presentation and integrity of the Company’s financial statements and disclosures, and the External Auditor is responsible for auditing year-end financial statements and reviewing quarterly financial statements and conducting other procedures as directed by the Committee. It is not the duty of the Committee to certify the Company’s financial statements, to guarantee the External Auditor’s report or to plan or conduct audits. Since the primary function of the Committee is oversight, the Committee shall be entitled to rely on the expertise, skills and knowledge of management, the Company’s chief of internal auditing (the “Internal Auditor”) and the External Auditor and the accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change the responsibilities of management and the External Auditor. The Company will pay all expenses incurred by the Committee in carrying out its duties.
2. **Committee Members.**
  - 2.1 **Composition and Appointment.** The Committee shall consist of three (3) or more members of the Board. The members and Chairperson of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance and Directors Nominating Committee (the “Governance Committee”). Membership on the Committee shall rotate at the Board’s discretion. The Board shall fill vacancies on the Committee and may remove a Committee member from the membership of the Committee at any time without cause. Members shall serve until their successors are appointed by the Board.
  - 2.2 **Qualifications.** Each member of the Committee shall meet the independence requirements of the New York Stock Exchange (the “NYSE”) and applicable federal securities law including the rules and regulations of the Securities and Exchange Commission (the “SEC”). Each member of the Committee must be financially literate or must become financially literate within a reasonable period of time after appointment to the committee. The Board will determine, in its

business judgment, whether a director meets the financial literacy requirement. In addition, at least one (1) member of the Committee must have (i) an understanding of Generally Accepted Accounting Principles (“GAAP”) and financial statements, (ii) the ability to assess the general application of GAAP, (iii) experience preparing, auditing, analyzing, or evaluating financial statements of similar complexity to the Company’s (or experience actively supervising others engaged in such activities), (iv) an understanding of internal control over financial reporting and (v) an understanding of audit committee functions. No member can be an affiliated person of the Company or any subsidiary of the Company, apart from his or her capacity as a member of the Board and any Board committees. Audit Committee members shall not serve simultaneously on the audit committees of more than two (2) other public companies without the approval of the full Board.

2.3 **Compensation Restrictions.** The members of the Committee shall not receive any direct or indirect compensation from the Company, other than director’s fees.

### 3. **Authority.**

3.1 **Education.** To help ensure that the members of the Committee have the proper knowledge to perform their responsibilities, Committee members shall have the authority, at the Company’s expense, to attend outside educational programs, retain outside professionals to conduct educational programs and undertake other appropriate steps to keep current with developments in accounting, disclosure, risk management, internal controls, auditing and other matters that are relevant to the carrying out of the Committee’s responsibilities.

3.2 **Advisors.** The Committee shall have the authority to, in its sole discretion, (i) select, retain or obtain the advice of, independent legal, financial or other expert advisors (“Advisors”) as it deems necessary to fulfill its responsibilities, (ii) determine the compensation and oversee the work and other terms of the engagement of such Advisors and (iii) terminate the engagement of such Advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its Advisors.

3.3 **Investigations.** The Committee shall have the authority to conduct investigations that it deems necessary to fulfill its responsibilities.

3.4 **Access to Information.** The Committee shall have the authority to require any officer, director or employee of the Company, the Company’s outside legal counsel and the External Auditor to meet with the Committee and any of its advisors and to respond to the Committee’s inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

3.5 **Subcommittees.** The Committee shall have the authority to delegate authority and responsibilities to subcommittees; provided that no subcommittee shall consist of less than two (2) members.

#### 4. **Meetings.**

- 4.1 **Frequency of Meetings.** The Committee shall meet as often as necessary to perform its duties as prescribed in this Charter and generally before regularly scheduled Board meetings. The Chairperson may call a meeting at any time as he or she deems advisable. Other Committee members may request meetings through the Chairperson of the Committee.
- 4.2 **Executive Sessions.** The Committee shall maintain free and open communication with (i) the Company's chief executive officer (the "Chief Executive Officer"), (ii) the Company's chief financial officer (the "Chief Financial Officer"), (iii) the Internal Auditor, (iv) the External Auditor, and (v) the Company's internal legal counsel (the "Internal Counsel") and shall periodically meet, in its sole discretion, in separate executive (private) sessions with each such person to discuss any matters that the Committee or any of them believes should be discussed privately with the Committee.
- 4.3 **Minutes.** Minutes of each meeting of the Committee shall be kept to document the discharge by the Committee of its responsibilities and a copy thereof shall be sent to the members of the Board.
- 4.4 **Quorum.** A quorum shall consist of one-half (1/2) of the Committee's members. The act of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee.
- 4.5 **Agenda.** The Chairperson of the Committee shall prepare or have prepared an agenda for each meeting of the Committee, in consultation with Committee members and any appropriate member of the Company's management or staff. As requested by the Chairperson, members of Company management and staff shall assist the Chairperson with the preparation of any background materials necessary for any Committee meeting.
- 4.6 **Presiding Officer.** The Chairperson of the Committee shall preside at all Committee meetings. If the Chairperson is absent at a meeting, a majority of the Committee members present at a meeting shall appoint a different presiding officer for that meeting.

#### 5. **External Auditor Oversight.**

- 5.1 **Selection and Evaluation.** The Committee shall have the responsibility and sole authority for the appointment, retention, oversight, termination and replacement of the External Auditor and for the approval of all compensation paid to the External Auditor. The Committee shall annually, following the completion of the audit reports and at such other times as it deems appropriate, evaluate the performance of the External Auditor, including a specific evaluation of the External Auditor's lead (or coordinating) audit partner having primary responsibility for the Company's audit.
- 5.2 **Pre-Approval of External Auditor Services.**

- 5.2.1 **Committee Pre-Approval.** No audit services or non-audit services shall be performed by the External Auditor for the Company unless first pre-approved by the Committee and unless permitted by applicable federal securities laws and the rules and regulations of the SEC. If the Committee approves an audit service within the scope of the engagement of the External Auditor, such audit service shall be deemed to have been pre-approved for purposes of this Section 5.2.1 .
- 5.2.2 **Delegation of Pre-Approval Authority.** The Committee may delegate to one (1) or more members of the Committee the authority to grant pre-approval of non-audit services required by this Section 5.2.1. The decision of any member to whom such authority is delegated to pre-approve non-audit services shall be reported to the full Committee at its next scheduled meeting.
- 5.3 **Independence.** The Committee shall periodically, at its discretion, meet with the External Auditor to assess and satisfy itself that the External Auditor is “independent” in accordance with the rules and regulations of the SEC. The Committee shall annually obtain from the External Auditor a written statement delineating (i) all relationships between the External Auditor and the Company that may impact the External Auditor’s objectivity and independence, (ii) confirmation that the Chief Executive Officer, controller, Chief Financial Officer, chief accounting officer, Internal Auditor, or any person serving in an equivalent position to any of the foregoing for the Company, was not employed by the External Auditor and participated in any capacity in the audit of the Company during the one (1) year period preceding the date of the initiation of the audit for which the External Auditor is engaged and (iii) all the disclosures required by the rules of the Public Company Accounting Oversight Board.
- 5.4 **Quality Control.** The Committee shall annually obtain from the External Auditor a written report describing (i) the External Auditor’s internal quality-control procedures, (ii) any material issues raised within the preceding five (5) years by the External Auditor’s internal quality-control reviews, by peer reviews of the firm, or by any governmental or other inquiry or investigation relating to any audit conducted by the firm that are required by law, SEC rules or NYSE rules to be reported to the Committee and (iii) steps taken by the External Auditor to address any findings in any of the foregoing reviews.
- 5.5 **Audit Partner Rotation.** The Committee shall annually obtain from the External Auditor a written statement confirming that the lead (or coordinating) audit partner having primary responsibility for the Company’s audit is in compliance with audit rotation requirements of the rules of the SEC and the NYSE.
- 5.6 **External Auditor Report Review.** The Committee shall review with management, the Internal Auditor and the External Auditor (A) all reports required to be made by the External Auditor under applicable federal securities laws and the rules and regulations of the SEC regarding (i) all critical accounting policies and practices used by the Company and (ii) all alternative treatments of the Company’s financial information within GAAP that have been discussed with

management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the External Auditor, (B) all other material written communications between the External Auditor and management, such as any management letter or schedule of unadjusted differences and (C) management's annual assessment of the Company's internal controls.

- 5.7 **Accountability of External Auditor.** The External Auditor shall report directly to the Committee and shall be ultimately accountable to the Committee.
- 5.8 **Audit Review.** The Committee shall annually review with the External Auditor any significant problems, difficulties or disagreements encountered in connection with the audit process and management's response, including any restrictions on the scope of the External Auditor's activities or of access to requested information, any accounting adjustments that were noted or proposed by the External Auditor but that were determined by management to be immaterial, significant matters that were the subject of consultation with other accountants, the External Auditor's conclusions about the reasonableness of significant accounting estimates and any "management" or "internal control" letter issued, or proposed to be issued, by the External Auditor to the Company.
- 5.9 **Audit Disagreement Inquiry.** The Committee shall periodically inquire of management and the External Auditor as to any disagreements that may have occurred between them relating to the Company's financial statements or disclosures. The Committee shall have sole responsibility for the resolution of any disagreements between management and the External Auditor regarding financial reporting.
- 5.10 **Hiring Policy for External Auditor Employees.** No partner of an audit team performing an audit on the Company may be hired by the Company for a period of one (1) year following the filing of the Company's annual report on Form 10-K. The Audit Committee shall approve hires from the External Auditor for any position equal to or above the position of Assistant Controller.

## 6. **Internal Auditing Oversight.**

- 6.1 **Internal Auditing Staff Evaluation.** The Committee shall annually evaluate the performance of the Internal Auditor and the internal auditing department with management and the External Auditor.
- 6.2 **Internal Audit Process.** The Committee shall meet periodically, at its discretion, with the Internal Auditor, the External Auditor and management to review (i) plans for the internal audit program (including scope, responsibilities, budget and staffing) for the coming year, (ii) the coordination of such plans with the work of the External Auditor and (iii) the progress and results of the internal auditing process.
- 6.3 **Internal Audit Reports.** The Committee shall meet periodically, at its discretion, with the Internal Auditor to review any significant reports to management prepared by the internal auditing staff. The Internal Auditor shall provide a summary of all significant internal audit reports to the Committee each quarter.

## 7. **Financial Statements and Disclosure Oversight.**

- 7.1 **SEC Filings and Earnings Releases and Guidance.** Prior to the filing by the Company with the SEC of any annual report on Form 10-K or any quarterly report on Form 10-Q, the Committee shall review with management and the External Auditor the financial statements and the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained therein. The Committee shall periodically, at its discretion, review with management and the External Auditor the Company’s procedures (including types of information to be disclosed and the type of presentation to be made) with respect to press releases and with respect to financial information and earnings guidance provided to financial analysts and rating agencies.
- 7.2 **Accounting Changes.** The Committee shall, before their implementation, review with management and the External Auditor and approve all major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles.
- 7.3 **Adequate Disclosure.** The Committee shall periodically, at its discretion, inquire of management, the External Auditor, the Internal Counsel and, if the Committee deems it appropriate, outside legal counsel as to whether the Company’s financial statements comport with the disclosure requirements of federal securities laws, notwithstanding their conformity to accounting principles and practices. The Committee shall periodically, at its discretion, review the process of the Company’s Disclosure Committee and receive a report from the Disclosure Committee prior to the filing by the Company with the SEC of any annual report on Form 10-K, any quarterly report on Form 10-Q, the Company’s proxy statement prepared in connection with the Company’s annual meeting of stockholders, and any other SEC filing containing financial information whether included in the document or incorporated by reference.
- 7.4 **Criticisms and Complaints.** The Committee shall periodically, at its discretion, inquire of management, the Internal Counsel and the External Auditor as to their knowledge of any criticism of the Company’s financial statements or disclosures by any financial analysts, rating agencies, media sources or other reliable third-party sources. The Committee shall establish procedures for (i) the receipt, retention, investigation and resolution of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential anonymous submission by the Company’s employees of concerns regarding questionable accounting or auditing matters.
- 7.5 **Financial Reporting Analyses.** The Committee shall review analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements. The Committee shall also review the effect of adopted regulatory and accounting initiatives, as well as off-balance sheet

structures, which would have an effect on the financial statements of the Company.

## 8. **Internal Controls, Legal Compliance and Code of Conduct Oversight.**

- 8.1 **Internal Controls and Compliance Policies.** For the purpose of assessing their adequacy and effectiveness, the Committee shall (a) periodically, at its discretion, review and assess with management, the Internal Auditor, the Internal Counsel and the External Auditor (i) the internal control systems of the Company, including whether such controls are reasonably designed to ensure that appropriate information comes to the attention of the Committee in a timely manner, prevent violations of law and corporate policy and permit the Company to prepare accurate and informative financial reports and any special audit steps adopted in light of material control deficiencies; (ii) the Company's policies on compliance with laws and regulations; (iii) the Code of Conduct and (iv) the methods and procedures for monitoring compliance with such policies and (b) elicit from them any recommendations for the improvement of the Code of Conduct and such controls, policies, methods and procedures. The Committee shall review with management and the External Auditor, prior to its annual filing, the internal control report (containing the annual assessment of the effectiveness of the internal control Structure and procedures of the Company for ensuring the accuracy of public disclosures) that is required to be filed by the Company with the SEC on its annual report on Form 10-K. The Committee shall, on an annual basis, require the Internal Auditor to review and audit the expense reports and expense reimbursements of each executive officer for which the Company must disclose compensation by name in the Company's proxy statement prepared in connection with its annual meeting of stockholders.
- 8.2 **Information Security.** The Committee shall periodically, at its discretion, review and assess with management and the External Auditor the adequacy of the security for the Company's information systems and the Company's contingency plans in the event of a systems breakdown or security breach.
- 8.3 **Code of Conduct Violations and Waivers.** The Committee shall periodically, at its discretion, inquire of management, the Internal Auditor and the External Auditor as to their knowledge of (i) any violation of the Code of Conduct, (ii) any waiver of compliance with the Code of Conduct and (iii) any investigations undertaken with regard to compliance with the Code of Conduct. The Committee shall review a report summarizing the annual disclosure statement that each director and executive officer is required to provide to the Company pursuant to the Code of Ethics. Any waiver of the Code of Conduct with respect to a director or executive officer may only be granted by the Committee. All waivers granted by the Committee shall be promptly reported to the entire Board and be publicly disclosed as required by rules and regulations of the SEC and NYSE.
- 8.4 **Misconduct Allegations.** The Committee shall periodically, at its discretion, inquire of management and the Internal Counsel of their knowledge of any

allegations of director or officer misconduct or misconduct by the Company (whether made by employees or third parties).

- 8.5 **Disagreements with Legal Counsel.** The Committee shall periodically, at its discretion, inquire of management, the Internal Counsel and, if appropriate, outside legal counsel of any disagreements that may have occurred between management and legal counsel regarding any public disclosures or any other legal compliance issue.

9. **Risk Management Oversight.**

- 9.1 **Risk Exposure Assessment.** The Committee shall periodically, at its discretion, meet with management and the External Auditor to review the Company's major risks or exposures and to assess the steps taken by management to monitor and control such risks and exposures.
- 9.2 **Special-Purpose Entities and Off-Balance Sheet Transactions.** The Committee shall periodically, at its discretion, meet with management, the Internal Auditor, the Internal Counsel and the External Auditor to review and assess all "special-purpose" entities of the Company and all complex financing transactions involving the Company, including all related off-balance sheet accounting matters.
- 9.3 **Consultation with Legal Counsel.** The Committee shall periodically, at its discretion, review with the Internal Counsel and, if the Committee deems it appropriate, outside legal counsel legal matters (including material claims, pending legal proceedings, government investigations and material reports, notices or inquiries received from governmental agencies) that may have a significant impact on the Company's financial statements or risk management.

10. **Reports and Assessments.**

- 10.1 **Board Reports.** The Chairperson of the Committee shall periodically, at his or her discretion, report to the Board on Committee actions and on the fulfillment of the Committee's responsibilities under this Charter. Such reports shall include any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's External Auditors and the performance of the Company's internal audit function.
- 10.2 **Charter Assessment.** The Committee shall annually assess the adequacy of this Charter and advise the Board and the Governance Committee of its assessment and of its recommendation for any changes to this Charter.
- 10.3 **Committee Performance Assessment.** The Committee shall annually make an assessment of its performance and shall report the results of such assessment to the Board and the Governance Committee.
- 10.4 **Proxy Statement Report.** The Committee shall prepare an annual report as required by the rules and regulations of the SEC and submit it to the Board for



inclusion in the Company's proxy statement prepared in connection with its annual meeting of stockholders.

- 10.5 **Recommend Action.** The Committee shall annually make a determination as to whether to recommend to the Board that the audited financials (certified by the External Auditor) be included in the Company's annual report on Form 10-K for filing with the SEC.
  - 10.6 **Board Access to External Auditor.** The Committee shall, whenever the Board of Directors or the Committee deems it appropriate, have the External Auditor attend a meeting of the full Board to discuss specific issues and to answer questions from the directors.
11. **Charter as Guidelines.** While the responsibilities of the Committee set forth in Section 4 through Section 10 hereof are contemplated to be the principal recurring activities of the Committee in carrying out its oversight function, these responsibilities are to serve as a guide with the understanding that the Committee may diverge from them as it deems appropriate given the circumstances.