

**PGT INNOVATIONS, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

**(Adopted December 13, 2016)**

The Board of Directors (the “Board”) of PGT, Inc. (the “Company”) has adopted these Corporate Governance Guidelines (the “Guidelines”) in order to assist the Board in the exercise of its responsibilities.

These Guidelines should be interpreted in the context of all applicable laws and the Company’s amended and restated articles of incorporation (the “Charter”), bylaws (the “Bylaws”), Board committee charters and other corporate governance documents. The Guidelines are necessarily subject to review and modification from time to time by the Board, as the Board may deem appropriate and in the best interests of the Company and its shareholders, and as required by applicable laws and regulations. These Guidelines are intended to serve as a flexible framework for the conduct of the Board’s business, and are not intended to interpret applicable laws or regulations or limit the duties or protections afforded under applicable laws or regulations.

**I. Role of the Board.**

**A. Responsibilities.** The core responsibility of the directors comprising the Board (the “Directors”) is to exercise their business judgment in good faith and to act in what they reasonably believe to be in the best interests of the Company and its shareholders. Directors should fulfill their responsibilities consistent with their fiduciary duties to the shareholders, and in compliance with applicable laws and regulations. Directors will also, as appropriate, take into consideration the interests of other stakeholders, including customers, employees and the members of communities in which the Company operates. On behalf of and for the benefit of the shareholders of the Company, the Board provides governance over the Company’s affairs and oversight of the Company’s business conducted by its officers, managers and employees, under the direction of the chief executive officer (the “CEO”). The Board is elected by the shareholders to oversee their interest in the long-term health and the overall success of the Company and its long-term financial strength. The Board provides advice and counsel to the CEO and other senior officers of the Company. The Board oversees the proper safeguarding of the assets of the Company, the maintenance of appropriate financial and other internal controls and the Company’s compliance with applicable laws and regulations and proper governance. The Board is responsible for overseeing management of the Company by monitoring the effectiveness of management policies and decisions, including the execution of the Company’s strategic plan and oversight of the Company’s risk management.

**B. Delegation.** The Board has delegated to the officers of the Company the authority and responsibility for managing the Company’s day-to-day affairs. The Board has an oversight role and is not expected to perform or duplicate the tasks of the CEO or senior management. The Board may delegate its responsibilities to the committees of the Board.

## II. Committees.

**A. Number and Nature of Committees.** The Board shall have at least three standing committees: the Audit Committee, the Compensation Committee and the Governance Committee. The Board may establish additional committees as necessary or appropriate. The members of the Audit Committee, Compensation Committee and Governance Committee shall satisfy the independence standards required by the New York Stock Exchange (the “NYSE”) listed company standards discussed elsewhere in these Guidelines.

**B. Appointment.** The Board shall appoint the members of each committee and may designate a chair of each committee, which appointments shall be upon the recommendation of the Governance Committee. Members of the committees shall serve at the pleasure of the Board. Each committee shall report periodically to the full Board with respect to its activities, findings and recommendations. The Board shall adopt charters for each committee of the Board.

The Board may establish other membership criteria for committee members from time to time.

## III. Composition of the Board.

**A. Size and Classes of the Board.** The number of directors shall be established by the Board in accordance with the Bylaws. The Company’s Charter and the Bylaws provide for the annual election of directors, with the directors classified into three classes of directors as nearly equal in number as possible serving for staggered three-year terms.

**B. Independent Directors.** A majority of the Board shall consist of directors who the Board has determined are “independent” under the rules of the NYSE (“Independent Directors”). In addition, the Board believes it should have a sufficient number of Independent Directors to staff the Board’s standing committees and to provide non-management input into the Board’s deliberations.

Pursuant to the NYSE standards, no director will be deemed an Independent Director unless the Board affirmatively determines that the director has no material relationship with the Company, directly or as an officer, shareholder or partner of an organization that has a relationship with the Company. NYSE standards preclude a determination that a director is an Independent Director under certain circumstances specified in the NYSE Listed Company Manual, which the Board shall follow in making its independence determinations.

*Audit Committee.* In addition to being an Independent Director, the Audit Committee members shall satisfy the additional independence criteria prescribed by the rules of the Securities & Exchange Commission (the “SEC”). All members of the Audit Committee shall also be “financially literate” as determined by the Board in its business judgment, and at least

one member shall satisfy the criteria for an “audit committee financial expert” under the rules of the SEC.

*Compensation Committee.* In affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board will consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director’s ability to be independent from management in connection with the duties of a Compensation Committee member, including, but not limited to the independence requirements specific to Compensation Committee membership set forth in the NYSE Listed Company Manual. Each member of the Compensation Committee shall, in addition to being an Independent Director, satisfy the criteria for a “Non-Employee Director” pursuant to Rule 16b-3 under the Securities Exchange Act of 1934, and the criteria for an “outside director” pursuant to Section 162(m) of the Internal Revenue Code.

The Board shall review, on an annual basis, the independence of the members of the Board.

#### **IV. Board Leadership.**

The Board does not have a set policy on whether the positions of CEO and Chairman of the Board (“Chairman”) should be separate or united, but rather will make that determination from time to time in its judgment. The Chairman shall have such duties and powers as described in the Bylaws, and as otherwise assigned to the Chairman by the Board. The Chairman shall be elected by the Board and serve at its pleasure. In the event that the Chairman is not independent, the Board may, but is not required to, appoint a lead independent director, who would be selected by a majority of the Independent Directors and who would preside over executive sessions of the Board and perform such other duties as may be assigned by the Board. The Board shall review its leadership structure periodically.

#### **V. Board Membership Selection and Qualifications.**

**A. Experience and Skills Assessment.** The Board periodically considers what experience, talents, skills and other characteristics the Board as a whole should possess in order to maintain its effectiveness. This assessment should include, in the context of the perceived needs of the Board at that time, matters of experience, judgment and skills such as understanding of the building products industry and markets, public company management, manufacturing and distribution, industry-relevant technologies, compensation and human resources expertise, and accounting or financial management expertise. In addition, diversity of race, ethnicity, gender and age are also factors the Board may consider in evaluating candidates for Board membership.

**B. Selection Process.** Directors may be nominated by the Board or by shareholders in accordance with the Bylaws and any applicable laws or regulations. The Governance Committee will review all nominees for the Board, including proposed nominees of shareholders, in accordance with its charter. The assessment will include a review of the nominee’s judgment, experience, independence, understanding of the Company’s or other

related industries, and such other factors as the Governance Committee concludes are pertinent in light of the current needs of the Board. The Governance Committee is responsible for considering and making recommendations to the Board concerning nominees for election as director at the Company's meetings of shareholders, and nominees for appointments to fill any vacancy on the Board, and for initially assessing whether a candidate would be an Independent Director. The Board, taking into consideration the recommendations of the Governance Committee, is responsible for considering and making recommendations to the shareholders concerning nominees for election as director at the Company's meetings of shareholders, for appointing directors to fill vacancies and, after taking into consideration the assessment of the Governance Committee, making a determination as to whether a nominee or appointee would be an Independent Director.

**C. Incumbent Directors.** In determining whether to nominate an incumbent director for reelection, the Governance Committee and Board evaluate each incumbent's continued service, in light of the Board's collective requirements. The Board self-evaluation process described below is also an important factor for the Governance Committee and Board determination on whether to re-nominate any incumbent director.

**D. Need for New Director.** When the need for a new director arises (whether because of a newly created Board seat or vacancy), the Governance Committee and Board may proceed by whatever means they deem appropriate to identify a qualified candidate or candidates, including by engaging director search firms. The Governance Committee and Board will evaluate the qualifications of each candidate. Final candidates are generally interviewed by one or more Governance Committee or other Board members before the Board makes a decision.

**E. Qualifications; Retirement.**

**1. Minimum Qualifications.** At a minimum, directors should have high moral character and personal integrity, a record and reputation for honest and ethical conduct, demonstrated accomplishment in his or her field, the ability to devote sufficient time to carry out the duties of a director, and be at least 21 years of age. Members of the Board should demonstrate the ability and judgment to work effectively with other members of the Board to serve the long-term interests of the shareholders. In addition to these minimum qualifications for candidates, in evaluating candidates the Governance Committee and Board may consider all information relevant in their business judgment to the decision of whether to nominate a particular candidate for a particular Board seat, taking into account the then-current composition of the Board.

**2. Changes in Circumstances.** Directors should inform the Chairman in the event of any significant change in their personal or professional circumstances that may impact their service to the Board, including a change in their principal job responsibilities. The Governance Committee and remaining directors then determine the appropriateness of continued Board membership.

**3. Other Boards.** The Company recommends that all directors limit the number of other public company boards on which he or she serves so that he or she is able to devote adequate time to his or her duties to the Company, including preparing for and attending meetings. Directors should advise the Chairman and the chairperson of the Governance Committee in advance of accepting an invitation to serve on another public company board. Service on boards and/or committees shall comply with the Company's Code of Business Conduct and Ethics. Members of the Audit Committee shall not serve on the audit committees of more than two other public company audit committees in addition to the Company's Audit Committee, unless the Board determines in its business judgment that such simultaneous service will not impair the director's ability to serve on the Company's Audit Committee and that such simultaneous service is otherwise in the best interests of the Company's shareholders.

**4. Age.** Generally, no person will be nominated for election to the Board after his or her 80<sup>th</sup> birthday and any person then serving as a director who is 80 years of age or older, or who subsequently reaches age 80, will offer, on or before December 31 of each calendar year, to resign effective as of each annual meeting of shareholders. Notwithstanding the preceding sentence, the full Board, upon the recommendation of the Governance Committee, shall have the right to nominate for election to the Board any incumbent director after his or her 80<sup>th</sup> birthday where the committee believes that individual possesses the ability, experiences, skills and other characteristics to continue to effectively serve as a member of the Board, and that such individual's nomination for election to the Board is in the best interests of the Company and its shareholders. Upon receipt of any offer to resign by a director due to his or her age, the Governance Committee will consider the offer no later than its next regularly-scheduled meeting and will provide its recommendation regarding the possible resignation, and if appropriate, for a potential replacement, to the full Board. The Governance Committee will periodically review this resignation policy to ensure that it remains appropriate in light of the Company's needs.

**5. Resignation or Retirement.** If a director wishes to resign, retire or not to stand for reelection at the end of his or her current term, the director will notify both the Chairman and the Chairman of the Governance Committee in writing, with a copy to the Corporate Secretary. The Governance Committee shall consider such notification and shall make a recommendation to the Board, which will decide the action, if any, to be taken with respect to the notification.

## **VI. Meetings of the Board of Directors and Committees of the Board.**

### **A. Board of Directors.**

**1. Meetings of the Board.** The Board shall endeavor to have regular meetings four times a year, as determined by the Board, and may have special meetings as called pursuant to the Bylaws. A director is expected to regularly attend meetings of the Board and

of those committees of the Board on which a director may sit and to spend the time needed to properly discharge his or her responsibilities.

**2. Board Meeting Agenda.** The Chairman, in consultation with the Chairman of each Board committee and the other Independent Directors, shall set the date, time, place and length of each meeting and the agenda of items to be addressed at each meeting, which agenda shall be circulated in advance of the meeting. Any director may suggest items for the Board agenda.

**3. Meeting Materials.** Information, data and other materials relevant to the matters to be considered at each meeting of the Board shall be, to the extent practicable, distributed in writing or electronically to all members of the Board sufficiently prior to the meeting to permit review by members of the Board in advance of the meeting.

**4. Meetings of Non-Management/Independent Directors.** Non-management directors of the Company shall have a regular meeting in executive session without the presence of the Company's management at least periodically, as determined by the non-management directors. If any non-management director is not an Independent Director, the Independent Directors shall also meet in executive session without the presence of management or the non-independent directors at least once a year.

If the Chairman is an Independent Director, then the Chairman shall chair such meeting. If not, then such other Independent Director as may be selected by the other Independent Directors, shall chair such meeting.

## **B. Committees of the Board.**

**1. Frequency and Length of Committee Meetings.** Committee chairs, in consultation with committee members, will determine the frequency and length of committee meetings.

**2. Committee Agenda.** Committee Chairs, in consultation with Company management, the Chairman, and other directors as appropriate, will develop each committee's agenda.

## **VII. Director Access to and Reliance on Others.**

**A. Director Access to Officers and Employees.** The Board shall have access to all officers and employees of the Company and any of its subsidiaries for the purposes of obtaining all the information necessary for the Board to fulfill its duties. Further, the Company's management, at the discretion of the Board, is permitted to invite any officer or employee to any meeting of the Board at which such person's presence and expertise would be helpful to the Board in having a full understanding of an issue under consideration.

**B. Director Access to Independent Advisors.** The Board shall also have the authority to obtain advice and seek assistance from internal and external legal, accounting

and other advisors, as it deems appropriate. The Board shall have sole authority to approve the fees of such consultants or advisors and other retention terms as it deems appropriate, all at the Company's expense.

**C. Reliance.** The Board and each committee, and each member of the Board and each committee in his or her capacities as such, shall be entitled to rely, in good faith, upon the records of the Company and upon such information, opinions, reports or statements, or other information prepared or presented to the Company by (i) any of the officers or other employees of the Company or its subsidiaries whom the Board, committee or member believes to be reliable and competent in the matters presented, (ii) counsel, independent auditors, other public accountants, consultants or other persons as to matters which the Board, committee or member believes to be within the professional competence of such person, or (iii) another committee of the Board as to matters within its designated authority which the Board, committee or member believes to merit confidence.

### **VIII. Compensation of Directors.**

**A. Non-Management Directors.** Each director of the Company who is not simultaneously employed as an officer or other employee of the Company will be properly compensated and reimbursed for his or her service as a director. The Compensation Committee will periodically evaluate the compensation and other benefits for non-employee directors, may retain compensation consultants as it deems necessary or appropriate and may make recommendations to the Board regarding changes to director compensation. Board members shall be reimbursed for reasonable travel and other expenses related to Company business.

**B. Executive Officers on the Board.** Executive officers of the Company who serve on the Board shall not receive any additional compensation from the Company in exchange for their services as directors.

**C. Chairman, Committee Chairs, Committee Members.** The Compensation Committee and the Board may approve additional compensation above the base compensation for directors for any independent Chairman, Committee Chairs or committee members.

**D. Form of Director Fees.** The fees for directors may be received in the form of cash and/or stock, options or other in-kind consideration ordinarily made available to corporate directors.

## **IX. Director Orientation and Continuing Education.**

The Company shall provide each new director opportunities for such director to familiarize him or herself with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, ethics and conduct codes, insider trading policy, principal officers and internal and independent auditors. Management will make presentations from time to time as appropriate to make the Board aware of all material business, legal and other developments relating to such matters. Further, each director is strongly encouraged to participate in independent continuing director educational programs in order to maintain the requisite level of expertise to perform his or her responsibilities as a director, including programs addressing legal, financial and regulatory issues. The Company will reimburse reasonable fees and expenses for a director's attendance at such programs.

## **X. Evaluation of Board and Officers; Succession Planning.**

**A. Evaluation of Officers.** The Compensation Committee and Board shall on an annual basis review the performance of the CEO and other named executive officers whose compensation is reported in the annual Proxy Statement.

**B. Succession Planning.** The Governance Committee and Board shall periodically discuss with the CEO and management succession planning, and make plans for unexpected contingencies. The Governance Committee shall also consider Board succession planning that anticipates Board retirements.

**C. Board and Director Evaluation.** The Board and each of its committees shall conduct periodic reviews and evaluations of the Board's, and each such committee's, collective conduct and performance. The review shall seek to identify specific areas, if any, in need of improvement or strengthening and shall culminate in a discussion by the full Board of the results and any actions to be taken.

## **XI. Board Interaction with Shareholders, the Press, Customers, Etc.**

The CEO and, as appropriate, designated members of senior management speak for the Company. An Independent Director selected by the other Independent Directors, in the absence of an independent Chairman, may speak on any matters upon which it is inappropriate for an executive officer to speak upon, with the prior authorization of the other Independent Directors. Other individual directors may, on occasion and with the approval of the Board in consultation with Company management, meet or otherwise communicate with interested parties.

Interested parties who wish to make their concerns known by communicating directly with the non-management directors as a group may do so in writing addressed to the attention of the Corporate Secretary.

## **XII. Adequacy of Guidelines.**

The Governance Committee and Board shall review the adequacy of these Guidelines periodically.