
TECHPRECISION CORPORATION

Corporate Governance Guidelines

(effective May 5, 2023)

The following Corporate Governance Guidelines (the “**Guidelines**”) have been adopted by the Board of Directors (the “**Board**”) of TechPrecision Corporation (“the **Company**”) to assist the Board in the exercise of its responsibilities. These Guidelines reflect the Board’s commitment to monitor the effectiveness of policy and decision-making both at the Board and management level, and to enhance stockholder value over the long term. These Guidelines are a statement of policy and are not intended to change or interpret any federal or state law or regulation, including the Delaware General Corporation Law, or the Certificate of Incorporation or By-laws of the Company. The Guidelines are subject to periodic review by the Nominating and Corporate Governance Committee (the “**Committee**”) of the Board and modification from time to time by the Board.

BOARD COMPOSITION

1. Selection of Chairperson of the Board

The Chairperson of the Board shall be an independent director, as determined under the corporate governance listing standards of the Nasdaq Stock Market (“Nasdaq”), and elected by the Board. The Board believes that the Company and its stockholders are best served by having the role Chairperson and CEO positions separate.

2. Size of the Board

The Board believes that it should have at least three director and may be increased or decreased subject to the provisions of the Company’s Certificate of Incorporation and its By-laws.

3. Board Membership Criteria

Nominees for director shall be selected on the basis of their character, wisdom, judgment, ability to make independent analytical inquiries, business experiences, understanding of the Company’s business environment, time commitment and acumen. Board members should possess the highest personal and professional ethics and be committed to representing the long-term interests of the stockholders. Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member’s service as an outstanding director.

The Committee shall be responsible for assessing the appropriate balance of skills and characteristics required of Board members.

The Board shall be committed to a diversified membership, in terms of both the individuals involved and their various experiences and areas of expertise.

4. Director Independence

The Company will have a majority of independent directors at all times. An “Independent” director of TechPrecision Corporation, shall be one who meets the qualification requirements for being an independent director under the corporate governance listing standards of the Nasdaq. The Nasdaq independence definition includes a series of objective tests, including that the director: (i) is not an employee of the Company; (ii) has not accepted any compensation from the Company in excess of \$120,000 during any period of twelve consecutive months within the prior three years; and (iii) is not a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is also responsible for determining affirmatively, as to each independent director, that no relationships exist that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the Board will broadly consider all relevant facts and circumstances, including information provided by the directors and the Company with regard to each director’s business and personal activities as they may relate to the Company and the Company’s management. As the concern is independence from management, the Board does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding.

5. Percentage of Independent Directors on Board

Independent directors shall constitute a majority of the Board.

6. Selection of New Directors

The entire Board shall be responsible for nominating candidates for election to the Board at the Company’s annual meeting of stockholders and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Committee shall be responsible for identifying, considering, recommending, recruiting, conducting background checks on and selecting, or recommending that the Board select, candidates for Board membership consistent with any Board-approved criteria and qualifications for membership. When formulating its Board membership recommendations, the Committee shall consider any advice and recommendations offered by the Chief Executive Officer or the stockholders of the Company or any outside advisors the Committee may retain.

8. Directors Who Change Their Present Job Responsibility

The Committee shall review the continued appropriateness of Board membership if a Board member had a material change in circumstances and the affected director shall be expected to act in accordance with the Committee’s recommendation.

9. Term Limits

The Board does not mandate term limits for its directors because they would deprive the Board of the service of directors who have developed, through valuable experience over time, an increasing insight into the Company and its operations.

10. Limitation of Service on Other Boards

It is the Company's policy that no director be permitted to serve on the boards of directors of more than three other public companies, and no member of the Audit Committee be permitted to serve on more than three public company audit committees (including the Company's Audit Committee). In addition, directors who also serve as chief executive officers or in equivalent positions generally should not serve on more than two public company boards, including the Board, in addition to their employer's board. In addition, a director should advise the Board in advance of accepting an invitation to serve on the board of another public company. Corporate officers must receive written authorization from the Chief Executive Officer prior to accepting any board position. The provisions of this paragraph do not apply to not-for-profit organizations.

11. Board Compensation

A director who is also an employee shall not receive additional compensation for service as a director. The Compensation Committee is charged with the responsibility for reviewing (at least annually) and recommending to the full Board the form and amounts of compensation and benefits for non-employee directors. In making its recommendation, the Compensation Committee shall seek to fairly compensate directors at levels that are competitive with other companies in the industry in which the Company competes and to align directors' interests with the long-term interests of the Company's stockholders. In its deliberations, the Committee and the Board shall consider whether the levels of director compensation could impair independence and shall critically evaluate any consulting, charitable contribution or other potential indirect compensation arrangements.

12. Evaluation of Board

The Board shall be responsible for periodically, and at least annually, conducting a self-evaluation of the Board as a whole. The Committee shall be responsible for establishing the evaluation criteria and overseeing the implementation of the process for such evaluation.

13. Evaluation of Committees of the Board

The Committee shall conduct periodic reviews of each committee's contribution to the Company. In its review of the committees, the Committee shall review each committee's objectives, as stated at the beginning of each fiscal year, and compare those stated objectives to the results and time expended to achieve such results at the end of that year.

14. Board Contact with Senior Management

Board members shall have complete access to management. Board members shall use sound business judgment to ensure that such contact is not distracting, and, if in writing, shall be copied to the Chief Executive Officer and the Chairperson of the Board.

Furthermore, the Board encourages senior management, from time to time, to bring employees into Board meetings who (a) can provide additional insight concerning the items being discussed because of personal involvement in these areas; (b) represent significant aspects of the Company's business; and (c) assure the Board of exposure to employees with future potential to assure adequate plans for management succession within the Company.

15. Access to Independent Advisors

The Board and its Committees, including the non-management or Independent directors when convening in executive session, shall have the right, at any time, to retain independent outside financial, compensation, legal or other advisors at the Company's expense.

16. Board Interaction with Institutional Investors and Press

The Board believes that management generally should speak for the Company consistent with regulations governing such communications and with common sense. Unless otherwise agreed to or requested by the Chairperson, each director shall refer all inquiries from institutional investors and the press to designated members of senior management or to the Chairperson.

17. Code of Business Ethics and Conduct

All of the Company's directors, officers and employees are required to acknowledge in writing and abide by the Company's Code of Business Ethics and Conduct. The Board expects the Company's directors, as well as officers and employees, to act ethically at all times and to adhere to the Code of Business Ethics and Conduct.

18. Periodic Review

These Guidelines will be reviewed by the Board and its committees from time to time, but no less frequently than annually, and may be modified as the Board considers necessary or advisable in accordance with sound corporate governance policies and practices.

BOARD MEETINGS

19. Frequency of Meetings

There shall be at least four regularly scheduled meetings of the Board each year. It is the responsibility of each of the directors to attend the meetings of the Board and the committees on which he or she serves.

20. Commitment, Attendance and Participation

All directors are expected to make every effort to attend all meetings of the Board, meetings of the committees of which they are members and the annual meeting of stockholders. Members are encouraged to attend Board meetings and meetings of committees of which they are members in person but may also attend such meetings by telephone or video conference. Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

21. Selection of Agenda Items for Board Meetings

The Chairperson of the Board, in consultation with the corporate Secretary and the Chief Executive Officer, shall annually prepare a “Board of Directors Master Agenda”. This Master Agenda shall set forth a minimum agenda of items to be considered by the Board at each of its specified meetings during the year. Each meeting agenda shall include an opportunity for each committee chairperson to raise issues or report to the Board. Thereafter, the Chairperson of the Board and the Chief Executive Officer may adjust the agenda to include special items not contemplated during the initial preparation of the annual Master Agenda.

Upon completion, a copy of the Master Agenda shall be provided to the entire Board. Each Board member shall be free to suggest inclusion of items on the Master Agenda for any given meeting. Thereafter, any Board member may suggest additional subjects that are not specifically on the agenda for any particular meeting. In that case, the Board member should contact the Chairperson or the Secretary at least ten days prior to the relevant meeting.

22. Minutes of Board and Committee Meetings

The Board and each committee shall keep and maintain regular and uniform minutes of each meeting of the Board (“Minutes”). The Minutes shall, at a minimum, identify the attendees, both Members of the Board or committee, as applicable, and any invited guests, at each meeting of such Board or committee, as applicable, whether such persons attended in person or via telephone or video conference, and the topics discussed and actions taken at such meeting. The Minutes must be sufficient to establish that the Board or committee, as applicable, sought the information it deemed relevant, reviewed the information it received, and understood each element of the issue before it. The Minutes shall be kept by the corporate Secretary or, in his or her absence, by such other person nominated by the Chairperson of the Board. If the Chairperson of the Board must nominate a replacement for the corporate Secretary to keep the Minutes, the Chairperson of the Board shall endeavor to maintain consistency in such replacement. The corporate Secretary shall file in the records of the Company all Minutes, whether taken by the corporate Secretary or any replacement.

23. Strategic Discussions at Board Meetings

At least one Board meeting will be primarily devoted to long-range strategic plans. It is also probable that specific short and/or long-range strategic plans will be discussed at other Board meetings throughout the year.

24. Executive Sessions of Non-Employee and Independent Directors

The non-employee directors shall meet in an executive session at each regularly scheduled Board meeting and, if any of the non-employee directors are non-Independent, the Independent directors should also meet in an executive session at least twice a year. The non-employee directors may meet without management present at such other times as determined by the Lead Director (as defined below) or by any Board member. The non-employee directors may designate one non-employee director to serve as the “Lead Director” to preside as chairperson of the Board’s executive sessions of non-employee directors. At any time during which the Chairperson is not independent, the Lead Director shall advise the Chief Executive Officer and committee chairpersons with respect to agendas and information needs relating to Board and committee meetings, and perform such other duties as the Board may from time to time delegate to assist the Board in fulfilling its responsibilities. The Lead Director shall serve for such term as the Board shall determine. The identity of the Lead Director, if one has been designated, shall be set forth in the proxy statement for the Company’s annual meeting. If no Lead Director has been designated, the chairperson of the Committee shall preside as the chairperson at meetings or executive sessions of non-employee directors. These meetings can be in person or held telephonically. The corporate Secretary shall establish, maintain and publicly disclose a method for interested parties to communicate directly with the non-employee directors as a group.

25. Board Materials Distributed in Advance

Information and data is important to the Board’s understanding of the business and essential to prepare Board members for productive meetings. Presentation materials relevant to each meeting will generally be distributed in writing to the Board for their review in advance of the meeting.

26. Board Committees

a. the Company shall have the following three standing committees: Audit, Compensation, and Nominating and Corporate Governance. The duties for each of these committees of the Board shall be outlined in each of the committee’s charter and/or by further resolution of the Board. The Board may form new committees or disband a committee depending on circumstances. The Audit, Compensation, and Nominating and Corporate Governance committees shall be composed entirely of “Independent” directors (as that term is defined under the standards of the Securities and Exchange Commission (the “SEC”) and Nasdaq).

b. With respect to members of the Compensation Committee, in determining whether members of the Committee meet the independence requirements, the Board shall consider all factors specifically relevant to determining whether a director has a relationship to the Company that is material to that director’s ability to be independent from management in connection with the duties of a member of the Committee. These factors include, without limitation: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee

paid by the Company to such director, including fees received as a member of the Board or a committee of the Board and the receipt of fixed amounts of compensation under a retirement plan for prior service with the Company; (ii) whether such director receives compensation from any person or entity that would impair his or her ability to make independent judgments about the Company's executive compensation and (iii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

c. With respect to members of the Audit Committee, in addition to determining that the members satisfy the Nasdaq independence requirements, the Board shall also determine that the members satisfy the financial literacy requirements of Nasdaq applicable to Audit Committee members, as in effect from time to time, when and as required by Nasdaq. In addition, the Board shall determine that at least one member of the Audit Committee shall satisfy the applicable Nasdaq financial sophistication requirements, as in effect from time to time.

27. Assignment and Rotation of Committee Members

The Committee shall be responsible, after consultation with the Chairperson of the Board, for making recommendations to the Board with respect to the assignment of Board members to various committees. After reviewing the Committee's recommendations, the Board shall be responsible for appointing the members to the committees and, if applicable, respective chairpersons thereof, on an annual basis.

The Chairperson of the Committee and the Committee shall annually review the committee assignments and shall consider the rotation of committee chairs and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

28. Annual Review by Committee

Each committee shall annually review its charter and recommend to the Board any changes it deems necessary. In addition to its charter, the Committee will annually review the Corporate Governance Guidelines and recommend to the full Board any changes it deems necessary.

LEADERSHIP DEVELOPMENT

29. Evaluation of Chief Executive Officer

The Board shall conduct an ongoing evaluation of the Chief Executive Officer. The evaluation of the Chief Executive Officer shall be accomplished by means of the process set forth in the Committee's Charter.

30. Succession Planning

The Company understands the importance of succession planning. Therefore, the Committee, along with the Chief Executive Officer, shall analyze the current management, identify possible successors to senior management, and, if deemed appropriate and advisable by the Committee, timely develop a succession plan including the succession in the event of an emergency or

retirement of the Chief Executive Officer. The plan shall then be reviewed by the entire Board, and periodically thereafter.

31. Management Development

The Board, with the assistance of the Committee, shall periodically review the plans for the education, development, and orderly succession of senior and mid-level managers throughout the Company.

32. Communications to Executives and Employees

The Board shall from time to time, but not less frequently than annually, reaffirm in a communication to all executives and employees of the Company that communications between a member of the Board or any Committee and such executives and employees outside of a formal meeting of the Board or such Committee do not constitute formal actions taken, or approval of actions, by the Board or such Committee.

The Board shall from time to time, but not less frequently than annually, reaffirm in a communication to all executives of the Company that all compensation arrangements between executives and the Company (or any of the Company's affiliates or subsidiaries) must be approved by formal action taken by the Compensation Committee.