

## Guidelines for Corporate Governance

The following Guidelines for Corporate Governance have been adopted by the Board of Directors (the “Board”) of MAXIMUS, Inc. (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, with a view to enhancing long-term shareholder value. These Guidelines are subject to and not intended to change or interpret any federal or state law or regulation, including the Virginia Stock Corporation Act, or the Articles of Incorporation and By-laws of the Company. These Guidelines may be amended or modified from time to time by the Board.

The Board has established a Nominating and Governance Committee to implement and evaluate these Guidelines and to carry out other functions described below. The Nominating and Governance Committee will review these Guidelines periodically and will submit any recommended revisions to the full Board for consideration and approval.

### **I. Primary Function of the Board**

The primary function of the Board of Directors is to oversee the management of the business and affairs of the Company and to maximize long term value for the shareholders.

### **II. Management Review and Responsibility**

#### *A. Evaluation of CEO.*

The Chief Executive Officer (“CEO”) is responsible to the Board for the overall management and functioning of the Company. The Compensation Committee of the Board will evaluate the performance of the CEO at the end of each fiscal year of the Company against the performance goals established for such year and on other qualitative and quantitative criteria.

The Chair of the Compensation Committee will communicate to the CEO such evaluation, as well as the CEO’s compensation as determined by the Compensation Committee.

#### *B. Compensation of CEO and Management.*

It is the responsibility of the Compensation Committee of the Board to determine the cash and equity-based compensation of the CEO and other executive officers based on performance. The CEO will meet with the Compensation Committee at least annually to develop appropriate performance goals for the CEO and other executive officers for the next year for purposes of incentive compensation.

#### *C. Succession Planning.*

The Compensation Committee, in conjunction with the CEO, shall be responsible for establishing and maintaining succession plans for the CEO and other key executives. The Compensation Committee will report periodically to the Board regarding succession planning for potential successors to the CEO and other key executives. The Compensation Committee will consult with the CEO on his or her

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recommendation as to his or her acting successor in the event of an unexpected death, disability, incapacity or resignation. In any such event, the Board or the Compensation Committee shall promptly meet to address the selection of a temporary or permanent successor.

*D. Board Interaction with Institutional Investors and Other Stakeholders.*

It is senior management's responsibility to speak for the Company. Individual Directors may, from time to time, meet or otherwise communicate with stakeholders. In those instances, however, it is expected that Directors will do so only with the prior knowledge of senior management.

### **III. Board Composition**

*A. Size of the Board.*

The Board currently consists of nine Directors who are divided into three classes of Directors. From time to time the Board will fix by resolution pursuant to the Company's By-laws the number of Directors, which shall be not less than three.

*B. Majority of Directors Must Be Independent Directors.*

A majority of the Directors must be independent Directors under the listing standards of the New York Stock Exchange ("NYSE"). The Board shall review annually the relationships that each Director has with the Company (directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Following such annual review, only those Directors who the Board affirmatively determines have no material relationship with the Company (directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) will be considered independent Directors, subject to additional qualifications prescribed under the listing standards of the NYSE and as set forth below or under applicable law. A Director may be considered independent only if he or she:

- (1) is not currently, and in the past three years has not been, employed by the Company or by any parent or subsidiary of the Company;
  - (2) has not accepted, nor has any immediate family member who has accepted, payments from the Company or its affiliates in excess of \$120,000 within the current fiscal year or any of the past three fiscal years (except for board services, retirement plan benefits, or non-discretionary compensation);
  - (3) has no immediate family member who is, or has been in the past three years, employed by the Company or any subsidiary of the Company as an executive officer;
  - (4) is not a partner, controlling shareholder or an employee, and has no immediate family member who is an executive officer, of any for-profit business to which the Company made, or from which it received, payments (other than those which arise solely from investments in the Company's securities) in the current fiscal year or in any of the last three fiscal years that
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exceed 2% of consolidated gross revenue for the business, or the Company, for that year, or that exceed \$1,000,000, whichever is greater;

- (5) is not employed, and does not have an immediate family member who is employed, as an executive officer of another company where any of the Company's executive officers serves on that other company's compensation committee, and no such relationship has existed within the past three years; and
- (6) (a) is not a current partner or employee of a firm that is the Company's internal or external auditor within the past three years; (b) does not have an immediate family member who is a current partner of such a firm; (c) does not have an immediate family member who is a current employee of such a firm and personally works on the Company's audit; and (d) was not and does not have an immediate family member who was, within the last three years, a partner or employee of such a firm and personally worked on the Company's audit within that time.

The Nominating and Governance Committee will review periodically the Company's definition of independence. The Board believes that employee-Directors should be limited to the CEO, who should at all times be a member of the Board, and to those officers whose positions, in the judgment of the Board, make it appropriate for them to sit on the Board.

*C. Chairman and CEO.*

The Board shall select a Chairman of the Board (the "Chairman"). The roles of Chairman and CEO are currently filled by different individuals, and the Chairman is an independent Director. The Board will periodically evaluate the separation of the CEO and Chairman positions in light of the Company's governance objectives and relevant circumstances. The Chairman serves as the lead Director of the independent Directors. However, if the CEO should serve as Chairman, one of the independent Directors selected by the independent Directors will act as a lead Director to coordinate the other independent Directors and to chair the executive sessions of independent Directors.

#### **IV. Selection of Directors**

*A. Selection Process.*

The Nominating and Governance Committee is primarily responsible for identifying and evaluating new Director candidates presenting appropriate candidates to the Board. The Nominating and Governance Committee will also evaluate annually the performance and contribution of current Directors who will stand for reelection at the next annual meeting of shareholders. The Chair of the Nominating and Governance Committee will present the Committee's recommendations for nominees for election or reelection to the full Board for approval. The full Board will nominate, and recommend to the shareholders, the candidates for election to the Board in the proxy statement and at the next annual meeting of shareholders.

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*B. Criteria for Director Selection.*

The Nominating and Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Directors and will periodically review and update the criteria as necessary. Candidates nominated for election or reelection to the Board should possess the following qualifications:

- Personal characteristics:
  - highest personal and professional ethics, integrity and values;
  - an inquiring and independent mind, with a respect for the views of others;
  - ability to work well with others; and
  - practical wisdom and mature judgment.
- Broad, policy-making level training and experience in business, government, academia or science to understand business problems and evaluate and formulate solutions.
- Experience and expertise that is useful to the Company and complementary to the background and experience of other Directors.
- Willingness and ability to devote the time necessary to carry out duties and responsibilities of Directors and to be an active, objective and constructive participant at meetings of the Board and its Committees.
- Commitment to serve on the Board over a period of several years to develop knowledge about the Company's principal operations.
- Willingness to represent the best interests of all shareholders and objectively evaluate management performance.
- Diversity.

The Nominating and Governance Committee generally considers "diversity" broadly to include diversity with respect to background, experience, viewpoints, skill, education, national origin, gender, race, age, culture and organizations with which the individual may be affiliated.

**V. Operation of the Board; Meetings**

*A. Frequency of Board Meetings; Director Attendance.*

The Board will have a minimum of four regularly scheduled meetings per year. Special meetings and other regularly scheduled meetings may be called as necessary by the Chairman or the CEO or as otherwise provided in the Company's By-laws. Directors are expected to prepare for, attend and participate in all meetings of the Board and all Committees of which they are a member. Directors are also encouraged to attend the Company's annual meeting of shareholders.

*B. Selection of Agenda Items for Board Meetings.*

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The Chairman, in consultation with the CEO, will establish the agenda for each Board meeting. Directors are free to suggest additional matters for the Board meeting agenda. At least once a year, the Board will review and approve the Company's strategic objectives for the forthcoming year and the Company's business and financial performance for the prior year, including a review of the achievement of strategic objectives.

*C. Meeting Materials Distributed in Advance.*

In advance of each Board meeting, a proposed agenda will be distributed to each Director. In addition, management will strive to provide information and data in advance of the meeting relevant to the Directors' understanding of the matters to be considered. Directors will also routinely receive other information such as quarterly financial statements, earnings reports, press releases, and analyst reports, designed to keep them informed of the material aspects of the Company's business, performance and prospects.

*D. Regular Attendance of Non-Directors at Board Meetings.*

The Chairman or the CEO may invite other executives, managers, employees, legal counsel and auditors to attend Board meetings from time to time as appropriate.

*E. Executive Sessions.*

The Directors will meet before or after each regularly scheduled Board meeting in executive sessions of outside Directors only, without the presence of the CEO and other Company personnel. If an executive session of the outside Directors is called to consider specific matters that have been delegated to one of the Committees of the Board, the Chair of that Committee would chair the executive session. Otherwise, the Chairman is expected to chair the Executive Sessions.

*F. Board Access to Senior Management and Advisors.*

The CEO will be the Board's primary management contact at the Company. Access to senior managers of the Company and the Company's outside advisors will be available at the request of any Board member.

The Board and each Committee (consistent with such Committee's charter) will have the authority to retain advisors as reasonably necessary to assist in performing their respective duties. The Company will provide the Board and the Committees with the resources, personnel and assistance as needed to fulfill their respective duties, including but not limited to, appropriate funding for payment of reasonable compensation to any retained advisors.

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**VI. Committees of the Board***A. Number and Types of Committees.*

The Board as a whole will generally consider all major decisions, but may delegate to Committees a substantial portion of the analysis and work of the Board necessary for the Board to make fully informed decisions. A Director is expected to prepare for, attend and participate in the meetings of each Committee to which he or she is appointed. The membership and Chair of each Committee shall be chosen by the Board.

The Board has established the following standing Committees: Audit, Compensation, Nominating and Governance, and Technology. The scope of each Committee's duties is set forth in the charter for each Committee. The charter of each Committee will be periodically reviewed by the Nominating and Governance Committee and that Committee itself, and recommendations for any changes will be made to the full Board. The charter will be used as the basis for an annual evaluation of each Committee.

*B. Composition of Committees.*

The composition of the Audit, Compensation, and Nominating and Governance Committees will be reviewed annually to ensure that each of their members meet the criteria set forth in applicable SEC, NYSE and other rules and regulations.

*C. Assignment and Rotation of Committee Members.*

The Nominating and Governance Committee will recommend to the Board annually the membership of the various Committees and their Chairs, and the Board will approve all Committee assignments and Committee Chair designations. In making its recommendations to the Board, the Nominating and Governance Committee will consider the need for continuity, independence, subject matter expertise, applicable SEC or NYSE requirements, tenure, diversity and the interests of individual Board members.

*D. Frequency and Length of Committee Meetings.*

Each Committee will meet as frequently and for such length of time as may be required to carry out its assigned duties and responsibilities. The Chair of a Committee may call a special meeting at any time.

*E. Committee Agendas; Reports to the Board.*

Management will work with the Chair of each Committee to prepare draft agenda and related materials for each Committee meeting. Each Committee member is free to suggest items for inclusion on the agenda. Each Committee Chair will provide a report to the Board regarding Committee meetings and, upon request of any Director, will furnish a copy of each Committee's minutes to the Board.

**VII. Director Responsibilities and Tenure***A. Director Orientation and Continuing Education.*

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The Nominating and Governance Committee, working with the Corporate Secretary, is responsible for the orientation of new Directors, including providing comprehensive information about the Company's business and operations, general information about the Board and its Committees, a summary of Director compensation and benefits, and a review of Director duties and responsibilities.

Directors are encouraged to receive education in subjects relevant to the duties of a Director, including the study of corporate governance best practices or ethics. This education may be as a result of a program planned by the Company or by a Director's attendance at seminars related to relevant topics.

*B. Director Tenure.*

Under the Company's Articles of Incorporation, the Board is divided into three classes, with each class having as nearly equal a number of Directors as possible. The members of each class of Directors are elected for a three-year term. There is no limit on the number of terms for which a Director may be elected. However, the Nominating and Governance Committee may consider a Director's tenure in making its recommendations to the Board.

*C. Service of Former Employees on the Board; Change of Position.*

Employee Directors will retire from the Board when their employment with the Company ends unless the Board requests continued service. Outside Directors will offer their resignation to the Nominating and Governance Committee upon a material change of position, including retirement from the position upon which their original nomination was based. The Board does not believe, however, that a Director in this circumstance should necessarily be required to leave the Board. Rather, the Board believes the Nominating and Governance Committee should have the opportunity to assess each situation and make a recommendation to the Board as to whether it should accept the resignation.

*D. Conflicts of Interest.*

If an actual or potential conflict of interest develops because of a change in the business operations of the Company or a subsidiary, or in a Director's circumstances (for example, significant and ongoing competition between the Company and a business with which the Director is affiliated), the Director should report the matter immediately to the Chair of the Audit Committee for evaluation. A significant conflict must be resolved or the Director should resign.

If a Director has a personal interest in a matter before the Board, the Director must disclose the interest to the full Board and recuse himself or herself from participation in the discussion and may not vote on the matter. If a majority of the Board has a personal interest in a matter, the matter must be submitted to the shareholders for approval.

It is the responsibility of each Director to advise the Corporate Secretary and the Chair of the Audit Committee of any affiliation with public or privately held commercial enterprises that may create a potential conflict of interest, potential embarrassment to the Company or possible inconsistency with Company policies or values.

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On certain matters of corporate governance, such as Officer compensation, the assessment of the performance of the CEO and other matters pertaining to the senior management of the Company, the Board shall ensure that its decision are made solely by Directors who do not have a personal interest in the matter.

*E. Limitations on Other Directorships.*

Each Director is expected to be available for a significant time commitment. Directors should ensure that their involvement on other boards of directors does not interfere with their ability to carry out their responsibilities as a member of the Board and any Board Committees on which they serve. No non-management director may serve on more than three other public company boards. No management director may serve on more than one other public company board.

**VIII. Evaluation of Board and Committees**

*A. Board Review and Assessment.*

At least annually, the Nominating and Governance Committee will assess the effectiveness and contribution of the Board, its Committees and individual Directors and suggest areas for improvement. The Committee's report may be discussed with the full Board at the same time as it makes recommendations of nominees to the Board for inclusion in the proxy statement for the next annual shareholders meeting.

*B. Director Compensation Review.*

Director compensation, including compensation for Committee membership and chairmanship, shall be determined by the Board. It is the responsibility of the Nominating and Governance Committee to recommend Director compensation and changes to compensation, with full discussion and concurrence by the Board. The Board believes that a meaningful portion of a Director's compensation should be in the form of restricted stock units or other equity-based incentives to further align the economic interests of Directors and shareholders.