

# Uniti Group Inc.

## Corporate Governance Guidelines

(Effective March 1, 2016)

As part of the governance and oversight of Uniti Group Inc. (the “Company”), the Company’s Board of Directors (the “Board”) has adopted these Corporate Governance Guidelines.

### **1. Board Duties and Responsibilities**

The Board’s duties and responsibilities are (a) to select, compensate, and evaluate the Company’s Chief Executive Officer and other members of the Company’s senior management, (b) to monitor and provide oversight to that management, on behalf of the Company’s stockholders, related to the business and affairs of the Company, and (c) to otherwise discharge all duties and responsibilities imposed upon directors of the Company by law or regulation.

### **2. Board Committees**

The current three Committees are Audit, Compensation, and Governance. Each Committee has the powers and subject matter responsibilities outlined in its charter. The Board of Directors retains full oversight responsibility for all matters not assigned to the Committees in their charters, including risks presented by business strategy, competition, regulation, general industry trends, technological change, capital structure and allocation, and mergers and acquisitions. There may, from time to time, be occasions when the Board may want to form a new Committee, disband a Committee, or modify the powers and responsibilities of a Committee. In those instances, the Governance Committee and the Chairman of the Board are responsible for evaluating the proposed change and submitting any related recommendation to the Board.

### **3. Assignment of Committee Members**

The Governance Committee is responsible, after consultation with the Chairman of the Board and the Chief Executive Officer and after giving due consideration to the desires of individual Board members, for recommending to the Board the assignment of Board members to various Committees. Each Committee member must satisfy any criteria imposed on members of the Committee to which he or she is assigned that are specified in applicable stock exchange rules and any other statute or regulation applicable to the Company from time to time.

### **4. Frequency and Length of Committee Meetings**

The Committee Chairman, in consultation with Committee members and the Company’s management, should determine the frequency and length of the meetings of the Committee.

### **5. Committee Agenda**

The Chairman of the Committee, in consultation with Committee Members and the Company’s management, should develop the Committee’s agenda.

## **6. Selection of Agenda Items for Board Meetings**

The Chairman of the Board and the Chief Executive Officer should establish the agenda for each Board meeting. Each Board member should be free to suggest the inclusion of item(s) on the agenda.

## **7. Board Meeting Materials and Director Attendance**

Except for those occasions when the subject matter is too sensitive to put in writing, written materials important to the Board members' understanding of specific subjects to be covered at a Board meeting should be sent to the Board members sufficiently in advance of the meeting so that Board members can prepare for the meeting and meeting time may be used effectively and efficiently. Board members are expected to devote sufficient time and attention to prepare for, attend and participate in Board meetings and meetings of Committees on which they serve, including advance review of meeting materials that are circulated prior to Board and Committee meetings.

## **8. Regular Attendance of Non-Directors at Board Meetings**

The Board agrees with the regular attendance at each Board meeting of non-Board members who are officers of the Company and who are specified by the Chief Executive Officer with the other Board members' concurrence. Should the Chief Executive Officer want additional people to attend on a regular basis, the Chief Executive Officer should obtain the other Board members' concurrence before doing so.

## **9. Executive Sessions of Independent Directors**

The independent directors of the Board must meet at regularly scheduled executive sessions without management. The Chairman of the Board shall preside at executive sessions of independent directors. The Chairman of the Board should collaborate with the Board members to establish the frequency and location of these meetings.

## **10. Board Access to Management and Independent Advisors**

Board members should have complete access to the management and such independent advisors as the Board determines are necessary to discharge the Board's duties and responsibilities. Board members should use good judgment to be sure that their access to management, when utilized with respect to any matter other than routine Committee matters, is not distracting to the Company's business. Furthermore, the Board encourages the management to bring managers into Board meetings, from time to time, who: (a) can provide additional insight into matters being discussed because of personal involvement in those matters and (b) represent employees with future potential that the management believes should be given exposure to the Board.

## **11. Board Compensation**

The Chairman of the Compensation Committee should report once a year to the Board on the status of the Company's Board compensation (both in form and amount) in relation to similar U.S. companies. The Compensation Committee should initiate suggested changes in Board compensation for full discussion and concurrence by the Board.

## **12. Size of Board**

The Board believes the number of Board members should be between four and seven depending upon the relevant circumstances prevailing from time to time.

### **13. Independence of Directors**

At least a majority of directors must be independent. A director is “independent” when he or she satisfies the definition of “independent” specified from time to time in the applicable stock exchange rules and any other statutory or regulatory definition of “independent” that is applicable from time to time.

### **14. Board Leadership**

The Chairman of the Board will preside at all meetings of the Company’s stockholders and of the Board as a whole and will have the other responsibilities specified in these Corporate Governance Guidelines. The roles of the Chairman of the Board and Chief Executive Officer will be performed by separate individuals, unless the Board determines that a different leadership structure is in the best interests of the Company and its stockholders given the then prevailing circumstances.

### **15. Former Chief Executive Officer’s Board Membership**

When the Chief Executive Officer resigns from that position, he or she should offer to resign from the Board at the same time. Whether the individual continues to serve on the Board is a matter for decision at that time by the Board.

### **16. Board Membership Criteria**

The Governance Committee, the Chairman of the Board and the Chief Executive Officer are responsible for establishing and periodically reviewing with the Board the appropriate skills and characteristics required of Board members in the context of the composition of the Board and an assessment of the needs of the Board from time to time.

In evaluating director candidates for recommendation to the Board, the Governance Committee will seek candidates who possess high personal and professional ethics, character, integrity and values, who will be committed to representing the long-term interests of the Company’s stockholders and who possess the following characteristics:

- the ability to think and act like an owner;
- a reputation for candor, integrity, honesty, fairness, and discretion;
- high energy;
- the ability to exercise sound, independent judgment;
- an inquisitive and objective perspective, practical wisdom and mature judgment;
- a willingness to evaluate management performance objectively;
- relevant career experience;
- broad training and experience at the policy-making level in business;
- proven leadership experience and skills;
- strong interpersonal and communication skills;
- demonstrated ability to solve problems;
- a commitment to serve on the Board for an extended period of time;
- the willingness and ability to devote sufficient time and effort to carrying out his or her duties and responsibilities to the Company and the Board effectively; and
- any other factors or criteria the Governance Committee deems appropriate in evaluating a candidate, including, but not limited to, the candidate’s ability to serve as an independent director of the Company and the current needs of the Board and its committees.

## **17. Selection and Orientation of New Directors**

The Board is responsible for selecting its own members and conducting, with the assistance of the management, an orientation process to familiarize each new director with the Company and his or her duties and responsibilities. The Board delegates the screening process for new directors and for the orientation process to the Governance Committee with direct input from the Chairman of the Board and the Chief Executive Officer.

## **18. Stockholder Recommendations of Director Candidates**

The Governance Committee will consider director candidates recommended by stockholders. To qualify for consideration, stockholder recommendations must be submitted by mail addressed to the Governance Committee, c/o the Company's Secretary, 10802 Executive Center Drive, Benton Building, Suite 300, Little Rock, Arkansas 72211, and received by the Company's Secretary no later than 120 calendar days prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting. The Governance Committee evaluates stockholder recommendations in the same manner as it evaluates director candidates recommended by other sources.

## **19. Extending Invitation to Join Board**

Each invitation to join the Board should be extended by the Board itself, through the Chairman of the Board or the Chief Executive Officer.

## **20. Directors Who Change Job Responsibility**

A director whose job responsibility changes in any material respect from the job responsibility the director held when elected to the Board should direct an offer to resign from the Board to the Chairman of the Board. Such a director should not necessarily leave the Board, but the Chairman of the Board and the Chief Executive Officer should review with the Board the continued appropriateness of Board membership under these circumstances.

## **21. Term Limits**

The Board does not believe it should establish term limits for Board members. Although term limits could help insure that there are fresh ideas and viewpoints available to the Board and address the possible tendency of Board members to become stale after serving for a number of years, term limits have the disadvantage of losing the contribution of directors who have been able to develop, over time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. In order to maintain the highest practicable level of contribution over time, each Board member should maintain his or her skills and competencies of importance to the Board and the Company and the enthusiasm and commitment necessary to add meaningful value.

## **22. Retirement Age**

A person may not be initially elected a director in or after the calendar year in which that person attains the age of 70 or be entitled to serve as a director beyond the regularly scheduled Board meeting immediately preceding that person's attainment of the age of 75.

### **23. Majority Voting in Director Elections and Director Resignation Policy**

In accordance with the Company's bylaws with respect to an uncontested election of directors, a director nominee must receive more votes cast for than against his or her election or reelection in order to be elected or re-elected to the Board.

The Board expects a director to tender his or her resignation if he or she fails to receive the required number of votes for reelection. The Board will nominate for election or re-election as a director only candidates who agree to tender, promptly following the annual meeting at which they are elected or re-elected as Director, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the next annual meeting at which they face re-election and (ii) Board acceptance of such resignation. In addition, the Board may fill director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with this Corporate Governance Guideline.

If an incumbent director fails to receive the required vote for re-election, the Governance Committee will act on an expedited basis to determine whether to accept the director's resignation and will submit that recommendation for prompt consideration by the Board. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation. The Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

### **24. Evaluation of Chief Executive Officer and Principal Officers**

The Board will make an annual evaluation of the Chief Executive Officer based on objective criteria, including performance of the business, accomplishment of long-term strategic objectives, and development of the management. The Board also will annually evaluate the performance of the Company's principal officers. These evaluations should be used by the Compensation Committee in determining the compensation of the Chief Executive Officer and other principal officers.

### **25. Management Succession Planning**

The Governance Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, should coordinate the development and periodic updating, for consideration by the Board, of a management succession plan, including, on a continuing basis, one or more potential successors (or criteria, standards, or other considerations that should be considered in selecting a successor) should the Chief Executive Officer or any of the principal officers die, become disabled, or terminate employment.

### **26. Annual Performance and Continuing Education**

The Board should conduct a self-evaluation at least annually to determine whether it and its Committees are functioning effectively and whether any director continuing education conducted during the prior year is worthwhile and effective. Each self-evaluation should be coordinated by the Chairman of the Board.

### **27. Stock Ownership**

The Board believes that, in order to align the interests of Board members and senior management with stockholders, Board members and senior management should have a significant equity stake in the Company. To achieve and maintain this objective, Board members and senior management will be

required to satisfy such minimum share ownership requirements as are specified from time to time by the Board.

**28. Board Interaction with Institutional Investors, the Press, Customers, Etc.**

The Board believes that the management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but Board members should do this with the prior knowledge of the management and only at the request of the management or the Board. In no instance should a non-management Board member purport to speak for the Company, except with the prior approval of the Board.

**29. Limit on Public Company Board Service**

No director shall serve at any one time on the board of more than three companies (including the Company) whose securities are listed on a national securities exchange. A director who is a member of the Audit Committee may not serve as a member of the audit committee of more than two companies (including the Company) whose securities are listed on a national securities exchange, unless the Board determines that simultaneous service will not impair the ability of the director to effectively serve on the Audit Committee of the Board, and this determination is disclosed in the Company's annual proxy statement.

Directors should advise the Chairman of the Board and the Governance Committee prior to accepting an invitation to serve on the board of another public company.

**30. Risk Oversight**

The Board should understand the principal risks associated with the Company's business on an on-going basis, and it is the responsibility of management to assure that the Board and its Committees are kept well informed of these changing risks on a timely basis. It is important that the Board oversee the key decisions of management, which includes comprehending the appropriate balance between risks and rewards. The Board reserves oversight of the major risks facing the Company and has delegated risk oversight responsibility to the appropriate Committees in the following areas: the Audit Committee oversees risks relating to financial matters, financial reporting and auditing, and the Compensation Committee oversees risks relating to the design and implementation of the Company's compensation policies and procedures.