

Willdan Group, Inc.
Form DEF 14A
April 26, 2019
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material under §240.14a-12

WILLDAN GROUP, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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- (1) Title of each class of securities to which transaction applies:
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- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
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- (1) Amount Previously Paid:
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 - (3) Filing Party:
 - (4) Date Filed:
-

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April 26, 2019

Dear Stockholder:

You are cordially invited to attend our 2019 Annual Meeting of Stockholders (the “Annual Meeting”) to be held on Thursday, June 13, 2019 at 10:00 a.m. Pacific Daylight Time. We will be hosting this year’s Annual Meeting via live audiocast on the Internet. To participate, vote or submit questions during the Annual Meeting via live audiocast, please visit: www.meetingcenter.io/282324669. You will not be able to attend the Annual Meeting in person.

We utilize the Internet as our primary means of furnishing proxy materials to our stockholders. Stockholders will receive a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials and voting via the Internet. The Notice of Internet Availability of Proxy Materials also provides information on how stockholders can obtain paper or email copies of the proxy materials if they so choose. Internet transmission and voting are designed to be efficient, cost-effective and preserve resources.

At the Annual Meeting, you will be asked to (i) elect nine directors; (ii) ratify the appointment of Crowe LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 27, 2019; (iii) approve, on a non-binding advisory basis, the Company’s named executive officer compensation; (iv) approve, on a non-binding advisory basis, the frequency of future advisory votes on executive compensation; (v) approve the amendment to the Company’s 2008 Performance Incentive Plan (the “2008 Plan”); and (vi) transact such other business as may properly come before the meeting or any postponements or adjournments thereof. The Board of Directors of the Company recommends a vote “FOR” the election of each of the nine director nominees, “FOR” the ratification of the appointment of Crowe LLP for the fiscal year ending December 27, 2019, “FOR” the approval, on a non-binding advisory basis, of the Company’s named executive officer compensation, “ONE YEAR” for the approval, on a non-binding advisory basis of the frequency of future advisory votes on executive compensation, and “FOR” the amendment to the Company’s 2008 Performance Incentive Plan. The matters to be considered during the Annual Meeting are described in further detail in the Notice of Internet Availability of Proxy Materials, the Notice of Annual Meeting of Stockholders and the Proxy Statement.

YOUR VOTE IS VERY IMPORTANT. We appreciate you taking the time to vote promptly. After reading the accompanying Proxy Statement, please vote by Internet, telephone or mail at your earliest convenience to ensure that your shares will be represented and voted at the Annual Meeting, even if you cannot attend. Instructions regarding all methods of voting are provided in the Notice of Internet Availability of Proxy Materials and on the proxy card. If you decide to attend the Annual Meeting and would prefer to vote by ballot, your proxy will be revoked automatically and

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only your vote at the Annual Meeting will be counted. If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you receive from them to vote your shares. **YOUR SHARES CANNOT BE VOTED UNLESS YOU VOTE BY INTERNET, TELEPHONE OR MAIL OR AT THE ANNUAL MEETING VIA LIVE AUDIOCAST.**

Thank you for your continued support of Willdan. We look forward to your participation in the Annual Meeting.

/s/ Thomas D. Brisbin
Thomas D. Brisbin
Chairman of the Board and Chief Executive Officer

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WILLDAN GROUP, INC.

2401 EAST KATELLA AVENUE, SUITE 300

ANAHEIM, CALIFORNIA 92806

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON JUNE 13, 2019

NOTICE IS HEREBY GIVEN that the 2019 Annual Meeting of Stockholders (the “Annual Meeting”) of Willdan Group, Inc., a Delaware corporation (the “Company”), will be held on Thursday, June 13, 2019 at 10:00 a.m. Pacific Daylight Time. This year’s Annual Meeting will be hosted via live audiocast on the Internet. To participate, vote or submit questions during the annual meeting via live audiocast, please visit: www.meetingcenter.io/282324669. You will not be able to attend the Annual Meeting in person. The following items of business will be voted on at the Annual Meeting:

- (1) Election of nine members of the Board of Directors, each to serve until our 2020 annual meeting of stockholders and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal;
- (2) Ratification of the appointment of Crowe LLP as the independent registered public accounting firm for the Company for the year ending December 27, 2019;
- (3) Approval, on a non-binding advisory basis, the Company’s named executive officer compensation;
- (4) Approval, on a non-binding advisory basis, the frequency of future advisory votes on named executive officer compensation;
- (5) Approval of an amendment to the Company’s 2008 Performance Incentive Plan, including an increase in the number of shares available for grant under the 2008 Performance Incentive Plan; and
- (6) Consider and act upon any other matter that may properly be brought before the Annual Meeting and at any adjournment or postponement thereof.

Any action may be taken on the foregoing matters at the Annual Meeting on the date specified above, or on any date

or dates to which the Annual Meeting may be adjourned or postponed.

The Board of Directors has fixed the close of business on Tuesday, April 16, 2019 as the record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof. Only stockholders of record of the Company's common stock, \$0.01 par value per share, at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on June 13, 2019: Our proxy statement is attached. Our financial and other information is contained in our 2018 Annual Report to Stockholders. Pursuant to rules promulgated by the Securities and Exchange Commission, we have elected to provide access to our proxy materials by notifying you of the availability of our proxy materials on the Internet. You will not receive a printed or emailed copy of the proxy materials unless you specifically request one. This proxy statement and our 2018 Annual Report to Stockholders, including our Form 10-K for the year ended December 28, 2018, are available free of charge on our website at <http://ir.willdangroup.com/financial-information/annual-reports>. If you would like to receive a printed or email copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials. In addition, the Notice of Internet Availability of Proxy Materials provides instructions on how stockholders may request to receive proxy materials for future annual meeting materials in printed or email form.

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YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the Annual Meeting via live audiocast, we urge you to vote and submit your proxy by the Internet, telephone or mail in order to ensure your shares are represented and voted at the Annual Meeting.

Registered holders may vote in advance of the Annual Meeting:

1. By Internet: go to www.investorvote.com/WLDN;
2. By toll-free telephone: call 1-800-652-VOTE (8683); or
3. By mail: mark, sign, date and promptly mail the proxy card when received.

If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you receive from them to vote your shares. Any proxy may be revoked by delivery of a later dated proxy or a written notice of revocation or by attending the Annual Meeting via live audiocast and voting your shares at that time.

By Order of the Board of Directors
/s/ Kate M. Nguyen
Kate M. Nguyen
Secretary

Anaheim, California

April 26, 2019

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WILLDAN GROUP, INC.

2401 EAST KATELLA AVENUE, SUITE 300

ANAHEIM, CALIFORNIA 92806

PROXY STATEMENT

FOR 2019 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON JUNE 13, 2019

This Proxy Statement is furnished to you in connection with the solicitation of proxies by the Board of Directors (the “Board”) of Willdan Group, Inc., a Delaware corporation (the “Company”), for use at its 2019 Annual Meeting of Stockholders (the “Annual Meeting”) to be held on Thursday, June 13, 2019 at 10:00 a.m. Pacific Daylight Time and at any adjournment or postponement thereof. This year’s Annual Meeting will be hosted via live audiocast on the Internet. To participate, vote or submit questions during the annual meeting via live audiocast, please visit: www.meetingcenter.io/282324669. You will not be able to attend the Annual Meeting in person. We first made this Proxy Statement and the accompanying Notice of Annual Meeting of Stockholders and proxy card available to stockholders on or about April 26, 2019. The Company’s 2018 Annual Report, including financial statements for the fiscal year ended December 28, 2018, is being made available to stockholders concurrently with this Proxy Statement. The Annual Report, however, is not part of the proxy solicitation material.

Unless the context requires otherwise, references in this Proxy Statement to “we,” “our,” “us” or the “Company” refer to Willdan Group, Inc. and its consolidated subsidiaries.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING

Why did I receive only a Notice of Internet Availability?

As permitted by the United States Securities and Exchange Commission (the “SEC”), we are furnishing to our stockholders our Notice of Annual Meeting, Proxy Statement and Annual Report on Form 10-K for the year ended

December 28, 2018 primarily over the Internet. On or prior to May 1, 2019, we will mail to each of our stockholders (other than those who previously requested electronic delivery or to whom we are mailing a paper copy of the proxy materials) a Notice of Internet Availability containing instructions on how to access and review the proxy materials via the Internet and how to submit a proxy electronically using the Internet. The Notice of Internet Availability also contains instructions on how to receive, free of charge, paper or emailed copies of the proxy materials. If you received the Notice of Internet Availability, you will not receive a paper or emailed copy of the proxy materials unless you request one.

We believe that the delivery options that we have chosen will allow us to provide our stockholders with the proxy materials they need, while lowering the cost of the delivery of the materials and reducing the environmental impact of printing and mailing printed copies.

What items of business will be voted on at the Annual Meeting?

At the Annual Meeting, our stockholders will consider and vote on the following matters:

- (1) Election of nine members of the Board of Directors, each to serve until our 2020 annual meeting of stockholders and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal;
- (2) Ratification of the appointment of Crowe LLP as the independent registered public accounting firm for the Company for the year ending December 27, 2019;
- (3) Approval, on a non-binding advisory basis, the Company's named executive officer compensation;
- (4) Approval, on a non-binding advisory basis, the frequency of future advisory votes on named executive officer compensation; and

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- (5) Approval of an amendment to the Company's 2008 Performance Incentive Plan (the "2008 Plan"), including an increase in the number of shares available for grant under the 2008 Plan.

In addition, our stockholders will transact any other business that properly comes before the meeting. Management of the Company will also respond to any questions from our stockholders.

Who is entitled to vote?

Only holders of record of the Company's common stock, \$0.01 par value per share (the "Common Stock"), at the close of business on the record date, April 16, 2019 (the "Record Date"), are entitled to notice of and to vote at the Annual Meeting. Holders of Common Stock are entitled to cast one vote for each share held by them on each matter to be voted upon. The Common Stock is the only class of securities of the Company authorized to vote. Under the Company's Certificate of Incorporation and applicable law, a stockholder is not entitled to cumulative voting rights in the election of directors. A list of stockholders entitled to vote at the Annual Meeting will be available for examination at our principal executive offices at the address listed above for a period of 10 days prior to the Annual Meeting and during the Annual Meeting.

What is the difference between a "beneficial owner" and a "stockholder of record"?

Whether you are a "beneficial owner" or a "stockholder of record" with respect to your shares depends on how you hold your shares:

- **Beneficial Owners.** Most of our stockholders hold their shares through a broker, bank or other nominee (that is, in "street name") rather than directly in their own names. If you hold shares in street name, you are a "beneficial owner" of those shares, and the Notice of Internet Availability or a complete set of the proxy materials, together with a voting instruction form, will be forwarded to you by your broker, bank or other nominee.
- **Stockholders of Record.** If you hold shares directly in your name with our stock transfer agent, Computershare Trust Company, N.A., you are considered the "stockholder of record" with respect to those shares, and the Notice of Internet Availability or a complete set of the proxy materials, together with a proxy card, have been sent directly to you by the Company.

Can I attend the Annual Meeting?

We will be hosting the Annual Meeting on the Internet via live audiocast. You will not be able to attend the Annual Meeting in person. Any stockholder can listen to and participate in the Annual Meeting live via the Internet at www.meetingcenter.io/282324669. Stockholders may vote and ask questions while connected to the Annual Meeting on the Internet. After the Annual Meeting, we will spend up to 15 minutes answering stockholder questions that comply with the meeting rules of conduct, which will be posted on the website above prior to the Annual Meeting. To the extent time doesn't allow us to answer all of the appropriately submitted questions, we will answer them in writing on our investor relations website, at <http://ir.willdangroup.com>, soon after the meeting. If we receive substantially similar questions, we will group such questions together and provide a single response to avoid repetition.

The Annual Meeting audiocast will begin promptly at 10:00 a.m., Pacific Daylight Time. We encourage you to access the Meeting audiocast prior to the start time. Online check-in will begin at 8:00 a.m., Pacific Daylight Time, and you should allow ample time for the check-in procedures.

What do I need in order to be able to participate in the Annual Meeting?

You will need the 15-digit control number included on your Notice of Internet Availability or your proxy card or voting instruction form (if you received a printed copy of the proxy materials) or included in the email to you if you received the proxy materials by email in order to be able to vote your shares or submit questions during the Annual Meeting. Instructions on how to connect to the Annual Meeting and participate via the Internet, including how to demonstrate proof of stock ownership, are listed on your proxy card. If you do not have your 15-digit control number, you will be able to access and listen to the Annual Meeting but you will not be able to vote your shares or submit questions during the Annual Meeting.

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Why is the Company holding the Annual Meeting virtually?

We are embracing technology to provide expanded access, improved communication, and cost savings for our stockholders and the Company. Hosting a virtual meeting enables increased stockholder attendance and participation since stockholders can participate from any location around the world. In addition, we intend that the virtual meeting format provide stockholders a similar level of transparency to the traditional in-person meeting format and we take steps to ensure such an experience. Our stockholders will be afforded the same opportunities to participate at the virtual Annual Meeting as they would at an in-person annual meeting of stockholders.

What constitutes a quorum?

Representation by presence or by proxy, of holders of at least a majority of shares entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. As of the Record Date, 11,125,663 shares of Common Stock were outstanding and entitled to vote. Abstentions and “broker non-votes” will count toward the presence of a quorum.

What happens if a quorum is not present at the meeting?

If a quorum is not present at the scheduled time of the Annual Meeting, the Annual Meeting may be adjourned to another date or time until a quorum is present. The date and time of the adjourned meeting will be announced at the meeting when the adjournment is taken, and no other notice will be given unless the adjournment is for more than 30 days or unless after the adjournment a new record date is fixed for the adjourned meeting. Any adjournment of the Annual Meeting can be accessed at the same website listed above and you may vote at any adjournment using your same 15-digit control number.

How do I vote?

Shareholders of Record. If you are a registered stockholder as of the close of business on the Record Date, you have several ways to vote your shares:

- Via the Internet. You may submit a proxy over the Internet at www.investorvote.com/WLDN 24 hours a day, seven days a week. You will need the 15-digit control number included on your Notice of Internet Availability or your proxy card (if you received a printed copy of the proxy materials). Proxies submitted through the Internet must be

received by 1:00 a.m., Pacific Daylight Time, on June 13, 2019.

- **By Telephone.** You may submit a proxy using a touch-tone telephone by calling toll free 1-800-652-8683, 24 hours a day, seven days a week. You will need the 15-digit control number included on your Notice of Internet Availability or your proxy card (if you received a printed copy of the proxy materials). Proxies submitted by telephone must be received by 1:00 a.m., Pacific Daylight Time, on June 13, 2019.
- **By Mail.** If you received printed proxy materials, you may direct how your shares are voted at the Annual Meeting by completing, signing, and dating each proxy card received and returning it in the prepaid envelope. Sign your name exactly as it appears on the proxy card. Proxy cards submitted by mail must be received no later than June 12, 2019 to be voted at the Annual Meeting.
- **During the Annual Meeting.** Instructions on how to vote while participating in the Annual Meeting live via the Internet are listed on your proxy card. Each stockholder of record may designate one person to represent his or her shares at the Annual Meeting. If multiple representatives request access on behalf of the same stockholder, the first person to register for the Annual Meeting with the appropriate 15-digit control number will be allowed to participate in the Annual meeting.

Beneficial Owners. If your stock is held by a broker, bank or other nominee (in “street name”), you should have received a Notice of Internet Availability or voting instruction form from the broker, bank or other nominee holding your shares. You should follow the instructions in the Notice of Internet Availability or voting instruction form in order to instruct your broker, bank or other nominee on how to vote your shares. The availability of telephone and Internet voting will depend on the voting process of the broker, bank or nominee. Each beneficial stockholder, including institutional holders, may designate one person to represent his or her shares at the meeting. If multiple representatives

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request access on behalf of the same stockholder, the first person to register for the Annual Meeting with appropriate 15- digit control number and proper delegation of voting authority will be allowed to participate in the meeting.

What is the deadline for voting my shares?

If you are a stockholder of record, your proxy must be received by telephone or the Internet by 1:00 a.m. Pacific Daylight time on June 13, 2019 in order for your shares to be voted at the Annual Meeting. However, if you are a stockholder of record and you received a copy of the proxy materials by mail, you may instead mark, sign, date and return the proxy card you received in the accompanying prepaid and addressed envelope so that it is received by us no later than June 12, 2019 in order for your shares to be voted at the Annual Meeting. If you hold your shares in street name, please provide your voting instructions by the deadline specified by the bank, broker or other nominee who holds your shares.

Can I revoke or change my vote after I submit my proxy?

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised as follows:

Stockholders of Record. If you are a stockholder of record, you may change or revoke a previously submitted proxy at any time before it is voted at the Annual Meeting by:

- delivering a duly executed proxy bearing a later date;
- submitting a later-dated vote by telephone or via the Internet – only your latest Internet or telephone proxy received by 1:00 a.m. Pacific Daylight time on June 13, 2019, will be counted;
- delivering a written revocation to the Secretary of the Company at the address of the Company set forth above before the Annual Meeting; or
- attending the Annual Meeting live via audiocast and voting your shares electronically at the Annual Meeting. Any stockholder of record as of the Record Date attending the Annual Meeting may vote, his or her shares electronically at the Annual Meeting, whether or not a proxy has been previously given, but the presence (without further action) of a stockholder at the Annual Meeting will not constitute revocation of a previously given proxy.

Beneficial Owners. If you are a beneficial owner of your shares, you must contact the broker, bank or other nominee holding your shares and follow their instructions for revoking or changing your vote.

If I return my proxy card or voting instruction form without specifying voting instructions on it, how will my shares be voted?

Stockholders of Record. Unless you give other instructions on your proxy, the persons named as proxy holders on the proxy will vote in accordance with the recommendations of the Company's Board. The Board's recommendations are set forth together with the description of each matter in this Proxy Statement. In summary, the Board unanimously recommends a vote: "FOR" election of each of the nine nominees for director, "FOR" ratification of the appointment of Crowe LLP as the Company's independent registered public accounting firm for the fiscal year ending December 27, 2019, "FOR" the approval, on a non-binding advisory basis, of the Company's named executive officer compensation, "FOR" the approval, on a non-binding advisory basis, of the frequency of future advisory votes on named executive officer compensation, and "FOR" an amendment to the Company's 2008 Performance Incentive Plan, including an increase in the number of shares available for grant under the Plan.

With respect to any other matter that properly comes before the meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is given, at the discretion of the proxy holders.

Beneficial Owners. If you hold your shares in street name through a brokerage account and you do not submit voting instructions to your broker, your broker may generally vote your shares in its discretion on routine matters.

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However, a broker cannot vote shares held in street name on non-routine matters unless the broker receives voting instructions from the street name holder. Proposal No. 2 (ratification of the appointment of Crowe LLP as our independent registered public accounting firm for the fiscal year ended December 27, 2019) is considered routine under applicable rules of the New York Stock Exchange, while each of the other items to be submitted for a vote of stockholders at the Annual Meeting is considered non-routine. Accordingly, if you hold your shares of Common Stock in street name through a brokerage account and you do not submit voting instructions to your broker, your broker may exercise its discretion to vote on Proposal No. 2 at the Annual Meeting, but will not be permitted to vote your shares on any of the other proposals at the Annual Meeting. If your broker exercises this discretion, your shares will be voted on Proposal No. 2 in the manner directed by your broker, but your shares will constitute “broker non-votes” on each of the other items to be submitted for a vote of stockholders at the Annual Meeting.

What vote is required to approve each proposal and what effect do votes withheld, abstentions and broker non-votes have?

Election of Directors (Proposal No. 1). Once a quorum has been established, pursuant to our Amended and Restated Bylaws (the “Bylaws”), the affirmative vote of a plurality of the shares present or represented by proxy and entitled to vote on the matter at the Annual Meeting will be required for the election of each director nominee, meaning that the persons receiving the highest number of FOR votes, up to the total number of directors to be elected at the Annual Meeting, will be elected. Stockholders are not permitted to cumulate their shares for the purpose of electing directors.

For purposes of Proposal No. 1 (election of directors), you may vote “FOR” any or all of the nominees or “WITHHOLD” your vote from any or all of the nominees. Shares voted WITHHOLD and broker non-votes will not be counted in determining the outcome of the director nominees’ election.

Other Items (Proposal Nos. 2, 3, 4 and 5). Once a quorum has been established, pursuant to our Bylaws, approval of each of the other items to be submitted for a vote of stockholders at the Annual Meeting requires the affirmative vote of a majority of the shares present or represented by proxy at the Annual Meeting and entitled to vote on such proposal. Notwithstanding this vote standard required by our Bylaws, Proposal No. 2 (ratification of the appointment of Crowe LLP as our independent registered public accounting firm for the fiscal year ended December 27, 2019),

Proposal No. 3 (approval, on a non-binding advisory basis, of named executive officer compensation) and Proposal No. 4 (approval, on a non-binding advisory basis, of the frequency of future advisory votes on named executive officer compensation) are advisory only and are not binding on us. Our Board will consider the outcome of the vote on each of these items in considering what action, if any, should be taken in response to the vote by stockholders.

For purposes of Proposal No. 2 (ratification of the appointment of Crowe LLP as our independent registered public accounting firm for the fiscal year ended December 27, 2019), Proposal No. 3 (approval, on a non-binding advisory basis, of named executive officer compensation), and Proposal No. 5 (approval of the amendment to the 2008 Plan) you may vote “FOR,” “AGAINST” or “ABSTAIN.” For purposes of Proposal No. 4 (approval, on a non-binding advisory basis, of the frequency of future advisory votes on named executive officer compensation) you may vote “1 YEAR,” “2 YEARS,” “3 YEARS” or “ABSTAIN.” If no frequency option receives the majority approval required at the Annual Meeting, our Board of Directors will consider the option receiving the highest number of votes as the preferred frequency option of our stockholders.

In each of Proposal Nos. 2, 3, 4 and 5, abstentions will have the same effect of a vote “AGAINST” such proposal. If you hold your shares of Common Stock in street name through a brokerage account and you do not instruct your nominee how to vote your shares, your nominee nonetheless will have the authority, but is not required, to vote your shares on Proposal No. 2, but will not be permitted to vote your shares on any of the other proposals at the Annual Meeting. If your nominee exercises this discretion, your shares will be voted on Proposal No. 2 in the manner directed by your nominee, but your shares will constitute broker non-votes on Proposal Nos. 1, 3, 4 and 5, and will not be counted in determining the outcome of those items.

Who tabulates the votes?

Stockholder votes will be tabulated by Computershare Trust Company, N.A., as inspector of election for the Annual Meeting.

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Could other matters be decided at the meeting?

It is not anticipated that any matter, other than those set forth in this Proxy Statement, will be presented at the Annual Meeting. If other matters are presented, proxies will be voted by the proxy holders in accordance with the recommendation of the Board or, if no recommendation is given, in the discretion of the proxy holders.

What happens if I experience technical difficulties during the Annual Meeting?

If you encounter any difficulties accessing the audiocast of the Annual Meeting, including any difficulties with your 15-digit control number or submitting questions, please call toll-free 1-800-962-4284 for assistance. Technicians will be ready to assist you beginning at 8:00 a.m. Pacific Daylight Time with any difficulties.

What happens if Willdan experiences technical difficulties during the Annual Meeting?

If we experience technical difficulties at the meeting and are not able to resolve them within a reasonable amount of time, we will adjourn the Annual Meeting to a later date and will provide notice of the date and time of such adjourned meeting at the website listed above. For additional information on how you can attend any postponement or adjournment of the Annual Meeting “—What happens if the Annual Meeting is postponed or adjourned” below.

What happens if the Annual Meeting is postponed or adjourned?

Any adjournment of the Annual Meeting can be accessed at the same website listed above and you may vote at any postponement or adjournment using your same 15-digit control number. In addition, your proxy may be voted at the postponed or adjourned Annual Meeting. You will still be able to change your proxy until it is voted.

How can I receive a copy of the Annual Report?

We will mail you, without charge, a copy of our annual report on Form 10-K for the fiscal year ended December 28, 2018, including the consolidated financial statements, schedules and list of exhibits, upon written request. Requests should be sent to: Willdan Group, Inc., 2401 East Katella Avenue, Suite 300, Anaheim, California 92806, ATTN: Investor Relations. The annual report on Form 10-K is also available at www.willdan.com under

“Investors— SEC Filings.”

Who pays for the proxy solicitation, and how will the Company solicit votes?

Willdan will pay all costs associated with the solicitation of proxies. We also will reimburse any costs incurred by brokers, banks and other nominees to forward proxy solicitation materials to beneficial owners. Proxies may be solicited by us on behalf of our board of directors in person or by mail, telephone, facsimile or email. We have not retained any firm to assist with the solicitation of proxies.

Where can I find the voting results of the Annual Meeting?

Our intention is to announce the preliminary voting results at the Annual Meeting and to publish the final results within four business days after the Annual Meeting on a Current Report on Form 8-K to be filed with the SEC, which we will make available on our website at www.willdan.com under “Investors—SEC Filings.” The information on our website is not a part of this Proxy Statement.

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Proposal 1:

ELECTION OF DIRECTORS

The Bylaws currently provide that the Board of Directors (the “Board”) consist of nine directors, each to be elected on an annual basis, until changed by the Board. The Board has nominated Thomas D. Brisbin, Keith W. Renken, Steven A. Cohen, Robert Conway, Debra Coy, Raymond W. Holdsworth, Douglas J. McEachern, Dennis V. McGinn and Mohammad Shahidehpour to serve as directors of the Company (each a “Nominee” and collectively, the “Nominees”). All of the Nominees are currently serving as directors. Each of the Nominees, if re-elected at the Annual Meeting, will hold office until the 2020 annual meeting of stockholders and until his or her successor has been elected and qualified, or until his or her earlier resignation or removal. Proxies may only be voted for the Nominees for election at the Annual Meeting.

Each Nominee has consented to be nominated and to serve if elected. We have no reason to believe that any of the nominees will be unavailable for election or unable to serve if elected. However, if any Nominee is unavailable for election or unable to serve, the proxy holders may vote for another person nominated by the Board or the Board may amend the Bylaws to reduce the number of directors to be elected at the Annual Meeting.

Information Regarding Nominees

The following table and biographical descriptions set forth certain information with respect to the Nominees. Unless otherwise specified, each Nominee has continuously served as a director of the Company since he or she was previously elected or appointed, based on information furnished to the Company by each Nominee. The following information is as of April 26, 2019, unless otherwise specified.

Name	Age	Director Since	Positions Held with the Company (other than Director)
Thomas D. Brisbin	66	2007	Chairman and Chief Executive Officer
Keith W. Renken	84	2006	Lead Independent Director
Steven A. Cohen	65	2015	
Robert Conway	64	2019	
Debra Coy	61	2018	
Raymond W. Holdsworth	76	2009	
Douglas J. McEachern	67	2009	
Dennis V. McGinn	73	2017	
Mohammad Shahidehpour	63	2015	

The Company believes that the members of its Board should have a range of skills, experience, diversity and expertise that enables the Board to provide sound guidance with respect to the Company's operations and interests. When considering a director candidate, the Board looks at the current composition of the Board and the evolving needs of the Company, in addition to such candidate's background and accomplishments. The Nominating and Governance Committee identifies new candidates for election to the Board, reviews their qualifications, skills, experience and other characteristics and recommends nominees for director to the Board for approval.

The Board seeks directors with strong reputations and experience in areas relevant to the strategy and operations of the Company's businesses, particularly in energy efficiency, engineering, consulting and finance. All of the Nominees hold or have held senior executive positions in large, complex organizations and have operating experience that meets these objectives, as described below. In these positions, they have gained experience in core management skills, strategic and financial planning, public company financial reporting, corporate governance, risk management and leadership development. Additionally, a number of our directors have experience serving on the boards of directors of other public companies, which the Company believes increases their knowledge of effective corporate governance.

The Board also believes that each of the Nominees and current directors has other key attributes that are important to an effective board, including integrity and demonstrated high ethical standards, sound judgment, analytical skills, the ability to engage management and each other in a constructive and collaborative fashion, diversity of background, experience and thought and the commitment to devote significant time and energy to serve on the Board

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and its Committees. The following biographies provide further qualifications, attributes and other information with respect to the Nominees.

Thomas D. Brisbin has served as our Chairman of the Board since November 2016, a member of the Board since 2007 and as our Chief Executive Officer since 2007. Dr. Brisbin also served as our President from April 2007 to November 2016. Dr. Brisbin previously was vice president of and consultant for AECOM Technology Corporation, or AECOM, a company focused on infrastructure, environment and facilities engineering contracts, from spring 2004 until he joined us. Prior to joining AECOM, Dr. Brisbin was chief operating officer and executive vice president of Tetra Tech, Inc., or Tetra Tech, a leading provider of consulting, engineering and technical services, for five years. Prior to that, he was employed by Planning Research Corporation, or PRC, a systems analysis and management consulting company and wholly-owned subsidiary of The Black & Decker Corporation, from 1978 to 1995 and was co-founder and President of PRC Environmental Management, Inc. During his tenure at PRC, he was involved in all aspects of operations, marketing and finance. Before joining PRC, he was a research associate at Argonne National Laboratory. He has also served as an adjunct professor at the Illinois Institute of Technology. Dr. Brisbin holds a B.S. degree from Northern Illinois University and a Ph.D. in Environmental Engineering from Illinois Institute of Technology. He also completed Harvard Business School's Advanced Management Program in 1988. Dr. Brisbin, as our current Chairman of the Board and Chief Executive Officer and our prior President, brings his in-depth knowledge of the day-to-day operations of the Company and its industry to the Board, providing valuable insight to the Board as it reviews our operations, growth and financial prospects. In addition, we believe that his experience as an executive officer at Tetra Tech, a publicly traded engineering and consulting company, benefits our Board by increasing his knowledge of our industry and effective public company corporate governance.

Keith W. Renken joined our Board in 2006, and serves as our Lead Independent Director and is a member of our Audit Committee. Mr. Renken retired in 1992 as Senior Partner and Chairman, Executive Committee of Southern California, for the public accounting firm Deloitte & Touche. From 1992 through 2006, he was an adjunct professor (executive in residence) in the Marshall School of Business at the University of Southern California. He is currently the Managing Partner of Renken Enterprises, a family business providing consulting services to growing companies and real estate operations. Mr. Renken formerly served on the Board of Directors and Audit Committees of two other publicly held companies, East West Bancorp, Inc., from 2000 to 2018, and Limoneira Company, an integrated agribusiness, from 2009 to 2015, and one investment management company, Whittier Trust Company, since September 2006. He also served on East West Bancorp, Inc.'s compensation committee. Mr. Renken was also a member of the Board of Directors of 21st Century Insurance Group from 2002 until 2007, and he serves on the boards of directors and/or audit committees of several other private companies and non-profit organizations. Mr. Renken is a Certified Public Accountant in California (inactive). He received a B.S. in Business Administration in 1957 from the University of Arizona and an M.S. in Business Administration from the University of Arizona in 1959.

Steven A. Cohen joined our Board in 2015, and serves as the chairperson of our Strategy, Mergers and Acquisitions Committee and is a member of our Nominating and Governance Committee. He is the Senior Vice Dean and COO of the School of Professional Studies at Columbia University. The School of Professional Studies has almost 3,000 full-time students, 200 full-time administrative staff and an annual budget of \$200 million. He also directs the School's Master of Sustainability Management Program. Dr. Cohen is also a Professor in the Practice of Public Affairs at Columbia's School of International and Public Affairs and Director of its Master of Public Administration Program in Environmental Science and Policy. From 1985 to 1998, he served as Director of Columbia's Graduate Program in

Public Policy and Administration. Dr. Cohen began his career at Columbia in 1981 after working as a policy analyst for the U.S. Environmental Protection Agency for two years. Over the past three decades, he has served at different times as a consultant to the U.S. Environmental Protection Agency, the most recent being from 2005 to 2010. From 2001 to 2004, he also served on the United States Environmental Protection Agency's Advisory Council on Environmental Policy and Technology. Throughout his career, Dr. Cohen has written numerous articles on public management innovation, sustainability and environmental management. He received a B.A. in Political Science from Franklin College of Indiana in 1974, an M.A. in Political Science from State University of New York at Buffalo in 1977 and a Ph.D. in Political Science with a concentration in environmental policy and management from State University of New York at Buffalo in 1979. We believe Dr. Cohen's extensive background in government policy and environmental sciences, as well as his substantial knowledge of our company through his prior service as a senior advisor to Willdan Energy Solutions, provides our board strategic insight to shape our growth strategy.

Robert Conway joined our Board in April 2019, and serves as a member of our Audit Committee and our Strategy, Mergers, and Acquisitions Committee. Mr. Conway, 64, began his career as an auditor at KPMG LLP

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(“KPMG”) in 1978 and served as an Audit Partner at KPMG from 1987 to 2005. Mr. Conway retired from KPMG in 2005 to join the Public Company Accounting Oversight Board (“PCAOB”) as an Associate Director. In 2007, Mr. Conway was promoted to Regional Associate Director with leadership responsibilities for the PCAOB’s offices in Irvine and Los Angeles. Throughout his nine year tenure at the PCAOB, Mr. Conway led inspections of audits. During 2014 and 2015, Mr. Conway worked as an independent consultant on complex technical accounting matters, wrote various papers on audit quality, and lectured at the Merage School of Business at the University of California, Irvine. In 2015, Mr. Conway became the Professional Practice Director at CNM LLP, a technical accounting advisory firm, where he assisted public company clients with the application of generally accepted accounting principles and compliance with the Sarbanes-Oxley requirements applicable to internal controls over financial reporting. Mr. Conway has an active CPA license and is a member of the American Institute of Certified Public Accountants. Mr. Conway received a B.S. in Engineering in 1976 from Stanford University and an M.B.A in 1978 from the Tuck School of Business at Dartmouth College. We believe that Mr. Conway’s audit experience at KPMG, inspection experience at the PCAOB, and his Professional Practice Director responsibilities at CNM LLP make him an important contributor to our Board and its committees.

Debra Coy joined our Board in March 2018, and serves as a member of our Audit Committee and Strategy, Mergers and Acquisitions Committee. Ms. Coy is a partner with XPV Water Partners, a water-focused growth equity fund in North America, with primary responsibility for managing the firm’s external strategic relationships. Prior to becoming a partner in 2015, Ms. Coy served as an advisor to XPV Water Partners since 2010. Ms. Coy served as Non-Executive Director for Headworks International Inc., a wastewater treatment technology firm, from 2013 until 2016. From 2010 to 2015, Ms. Coy was a principal with Svanda & Coy Consulting, providing strategic advisory services for water and infrastructure investors, corporations and municipal utilities. Prior to 2010, Ms. Coy worked on Wall Street as an equity research analyst for more than 20 years, developing expertise in covering the global water sector. During this time, Ms. Coy served as the Managing Director leading coverage of the water sector for Janney Montgomery Scott’s Capital Markets group and held senior equity research roles with the Stanford Washington Research Group, Schwab Capital Markets, HSBC Securities and National Westminster Bank. Ms. Coy currently sits on the board of directors of the public company, Global Water Resources, Inc., and will stand for re-election on May 9, 2019. Ms. Coy was also appointed to the board of directors and as a member of the audit committee of AquaVenture Holdings Limited in February 2019 and will stand for reelection in 2020. Ms. Coy received a B.A. in English and Journalism from Southern Adventist University in Tennessee and an M.A. in Journalism from the University of Maryland. We believe that Ms. Coy’s extensive background in investing, equity research and infrastructure policy will provide the board with valuable insight as we execute our growth and capital markets strategies.

Raymond W. Holdsworth joined our Board in 2009, and serves as the chairperson of our Compensation Committee and is a member of our Strategy, Mergers and Acquisitions Committee. Mr. Holdsworth previously served as Vice Chairman of Corporate Development for AECOM from October 2005 through March 2009. Mr. Holdsworth joined AECOM in 1992 and held a number of positions, including President, before being named Vice Chairman in 2005. During his tenure at AECOM, he led a variety of outreach, growth and diversification activities. Mr. Holdsworth began his career at Peat Marwick Mitchell and worked in California’s Office of Transportation Planning and Research. He has also held senior management positions, including president, with DMJM, an engineering/architectural firm in the transportation and infrastructure industry. He worked for International Technology Corp. and Parsons Brinckerhoff Quade & Douglas Inc., a company that provides strategic consulting, planning, engineering and program and construction management services relating to infrastructure. Mr. Holdsworth received a B.A. in English in 1964 from Lake Forest College and an M.B.A. in 1969

from the University of Pennsylvania, Wharton School of Business. He is a director of the California Chamber of Commerce and the Los Angeles Economic Development Corporation and a former Vice Chairman of the Civil Engineering Research Foundation/International Institute. As a past trustee of the California State University system, he chaired the Audit committee for three consecutive years. We believe that Mr. Holdsworth's background in engineering and experience as the Vice Chairman of Corporate Development for AECOM during the time when it became a public company provides useful insight to the Board with regard to our growth strategy and strategic initiatives.

Douglas J. McEachern joined our Board in 2009, and serves as the chairperson of our Audit Committee and is a member of our Compensation Committee. He was an Audit Partner at Deloitte & Touche, LLP, or Deloitte, from August 1985 until May 2009. Mr. McEachern was a staff member and manager at Deloitte's predecessor, Touche Ross & Co., from 1976 to 1983. From 1983 to 1985, he was the Professional Accounting Fellow with the Federal Home Loan Bank Board in Washington D.C. Mr. McEachern was Chairman of the Board of Directors of Community Bank in Pasadena, California and a member of its Nominating and Governance and Audit Committees until

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his resignation in October 2015. In addition, Mr. McEachern joined the Board of Directors of Reading International in May 2012 and is chairman of its Audit and Conflicts Committee. He was a member of the Finance Committee and Board of Directors of the Methodist Hospital of Arcadia Foundation until his retirement in December 2017. Mr. McEachern was an auditing and accountancy instructor at Claremont McKenna College until his retirement in December 2015, and he has taught accounting at California State Polytechnic University at Pomona. Additionally, Mr. McEachern is a member of the American Institute of Certified Public Accountants, or AICPA. Mr. McEachern received a B.S. in Business Administration in 1974 from the University of California, Berkeley and an M.B.A. in 1976 from the University of Southern California. We believe that Mr. McEachern's significant audit experience at Deloitte makes him an important contributor to our Board and its committees, including the Audit Committee.

Vice Admiral Dennis V. McGinn, Ret. joined our Board in 2017, and serves as a member of our Strategy, Mergers and Acquisitions Committee and Nominating and Governance Committee. He served as Assistant Secretary of the Navy for Energy, Installations and Environment from September 2013 until January 2017. In this role, Vice Admiral McGinn, Ret., led the transformation of naval installations toward greater resiliency through energy efficiency, microgrids and other technologies. Previously, Vice Admiral McGinn, Ret., served in the United States Navy for 35 years attaining the rank of Vice Admiral. Vice Admiral McGinn, Ret., served as Deputy Chief of Naval Operations for Warfare Requirements and Programs, overseeing the development of future Navy capabilities, and previously commanded the United States Third Fleet. While in the Navy, he served as a naval aviator, test pilot, aircraft carrier commanding officer and national security strategist. Vice Admiral McGinn, Ret., is a former President of the American Council on Renewable Energy (ACORE) where he led efforts to communicate the economic, security and environmental benefits of renewable energy. Vice Admiral McGinn, Ret., is also a past member of the Steering Committee of the Energy Future Coalition, the United States Energy Security Council and the Bipartisan Center Energy Board and the past Co-Chairman of the CNA Military Advisory Board. He has also been an International Senior Fellow at the Rocky Mountain Institute. Vice Admiral McGinn, Ret., holds a BS in Naval Engineering from the U.S. Naval Academy. Vice Admiral McGinn, Ret., was also a participant in the National Security Program at Harvard University's Kennedy School of Government. We believe that Vice Admiral McGinn, Ret.'s background in the energy and engineering fields, as well as his extensive government and military experience, make him an important contributor to our Board.

Mohammad Shahidehpour joined our Board in 2015, and serves as the chairperson of our Nominating and Governance Committee and is a member of our Compensation Committee and Strategy, Mergers and Acquisitions Committee. He is the Bodine Chair Professor in the Electrical and Computer Engineering Department at the Illinois Institute of Technology (IIT) in Chicago, where he also serves as Director of the Robert W. Galvin Center for Electricity Innovation. He has been a faculty member at IIT since 1983 and is a recipient of IIT's Excellence in Teaching Award. Dr. Shahidehpour is the author of six books and 400 technical papers on electric power systems and has been awarded over \$50 million in federal research and development grants on electricity grid modernization issues. Dr. Shahidehpour is the founding chair of the Institute of Electrical and Electronics Engineers (IEEE) Great Lakes Symposium on Smart Grid and the New Energy Economy. He has served as Editor-in-Chief of the IEEE Transactions on Smart Grid journal since 2009. Dr. Shahidehpour is an IEEE Distinguished Lecturer and has delivered over 100 invited lectures in several countries on electricity restructuring and smart grid issues. He has been a keynote speaker in 20 International Conferences since 2007 and counseled governments on electricity grid modernization bills throughout the world. Dr. Shahidehpour received a B.S. in Electrical Engineering 1977 from Iran's Sharif University of Technology, an M.S. in Electrical Engineering in 1978 and a Ph.D. in 1981 from University of Missouri. We believe that Dr. Shahidehpour's more than 35 years of work with government agencies and electric

power companies provides the board valuable insight to guide our growth strategy and strategic vision.

Vote Required for Election of Each Nominee

Election of each Nominee requires the affirmative vote of a plurality of all of the votes cast for the election of directors at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE ELECTION OF EACH OF THE NOMINEES. PROXIES RECEIVED WILL BE VOTED “FOR” EACH OF THE NOMINEES UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXY.

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Proposal 2:

**RATIFICATION OF THE APPOINTMENT OF CROWE LLP
AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Crowe LLP served as the Company's independent registered public accountants during the fiscal year ended December 28, 2018 and, in that capacity, audited the Company's consolidated financial statements for the fiscal year ended December 28, 2018. Although ratification by stockholders is not required by law, the Board has determined that it is desirable to request approval by the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote on the proposal at the Annual Meeting of the appointment of Crowe LLP as the Company's independent registered public accountants for the fiscal year ending December 27, 2019. If stockholders do not ratify this appointment, the Audit Committee will reconsider whether or not to retain Crowe LLP, and may decide to retain them notwithstanding the vote. Even if the appointment is ratified, the Audit Committee, in its discretion, may appoint a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its stockholders. A representative of Crowe LLP will be present at the Annual Meeting, will be given the opportunity to make a statement if he or she so desires and will be available to respond to appropriate questions from stockholders.

Change in Independent Registered Public Accounting Firm

KPMG served as the Company's independent registered public accounting firm for fiscal year 2017 and continued to serve until the Company first engaged Crowe LLP as its independent registered public accounting firm on July 11, 2018, which was the same day that the audit committee approved the dismissal of KPMG as the Company's independent registered public accounting firm.

The reports of KPMG on the Company's consolidated financial statements for the fiscal years ended December 29, 2017 and December 30, 2016 did not contain an adverse opinion or disclaimer of opinion, and such reports were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the Company's fiscal years ended December 30, 2016 and December 29, 2017, and the interim period from December 30, 2017 through and including July 11, 2018, the date of KPMG's dismissal, (i) there were no "disagreements" (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) between the Company and KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the satisfaction of KPMG, would have caused KPMG to make reference to the subject matter of the disagreement in connection with its reports on the Company's consolidated financial statements for such years or any subsequent interim period through the date of dismissal, and (ii) there were no "reportable events" (as defined in Item 304(a)(1)(v) of Regulation S-K).

In accordance with Item 304(a)(3) of Regulation S-K, the Company previously provided KPMG with a copy of the above disclosures and requested that KPMG provide the Company with a letter addressed to the SEC stating whether or not it agreed with the statements made above. A copy of such letter is filed as Exhibit 16.1 to the Company's Current Report on Form 8-K filed with the SEC on July 17, 2018.

Audit and Other Fees

Crowe LLP and KPMG

The following is a summary of the fees billed to us by Crowe LLP and KPMG for professional services for the fiscal years ended December 28, 2018 and December 29, 2017.

Fee Category	Crowe 2018	KPMG 2018	KPMG 2017
Audit Fees	\$ 632,650	\$ 97,650	\$ 1,106,000
Audit-Related Fees	—	—	6,780
Tax Fees	—	—	—
All Other Fees	77,400	210,000	—
Total Fees	\$ 710,050	\$ 307,650	\$ 1,112,780

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Audit Fees. Fees for audit services provided by Crowe LLP for fiscal 2018 consisted of professional services for the annual audit of our consolidated financial statements and for review of our interim condensed consolidated financial statements including quarterly reports. Fees for audit services provided by KPMG consisted of professional services for the annual audit of our fiscal 2017 consolidated financial statements and for review of our fiscal 2017 and first quarter of fiscal 2018 interim condensed consolidated financial statements including quarterly reports.

Audit-Related Fees. Fees for audit-related services provided by KPMG for fiscal 2017 consisted of professional services reasonably related to the performance of the audit of our consolidated financial statements or review of our interim condensed consolidated financial statements including quarterly reports and are not reported as audit fees.

All Other Fees. Fees paid for any other services provided by Crowe LLP and KPMG for fiscal 2018 consisted of professional services reasonably related to the Company's acquisition of Lime Energy Co. and the Company's equity offering in October 2018. There were no fees paid for any other services not described above in fiscal 2017.

The Company has been advised by Crowe LLP that neither Crowe LLP nor any member of Crowe LLP has any financial interest, direct or indirect, in any capacity in the Company or its subsidiaries. The Company has been advised by KPMG that neither KPMG nor any member of KPMG has any financial interest, direct or indirect, in any capacity in the Company or its subsidiaries.

Audit Committee Pre-Approval Policy

Consistent with SEC policies regarding independence, the Audit Committee has responsibility for appointing, setting compensation and overseeing the work of the Company's independent registered public accounting firm. In recognition of this responsibility, the Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm, including audit services, audit-related services, tax services and other services. In some cases, the full Audit Committee provides pre-approval for up to a year, related to a particular defined task or scope of work and subject to a specific budget. During the year, circumstances may arise when it becomes necessary to engage the independent registered public accounting firm for additional services not contemplated in the original pre-approval categories. In those instances, the Audit Committee requires specific pre-approval before engaging the Company's independent registered public accounting firm. The Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next regularly scheduled meeting.

The Audit Committee has considered whether provision of the services described under "Crowe LLP—Audit and Other Fees—Audit-Related Fees" above is compatible with maintaining the Company's independent public accounting firm's independence and has determined that such services have not adversely affected Crowe LLP's independence. All of

the services described in the table above under “Audit-Related Fees” and “All Other Fees” for fiscal year 2017 and fiscal year 2018 were pre-approved by the Audit Committee.

Vote Required for Ratification of the Appointment of Crowe LLP as the Company’s Independent Registered Public Accounting Firm

Ratification of the appointment of Crowe LLP as the Company’s independent registered public accounting firm for the year ending December 27, 2019, requires the affirmative vote of a majority of all the votes cast on the matter at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE RATIFICATION OF THE APPOINTMENT OF CROWE LLP AS THE COMPANY’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 27, 2019. PROXIES RECEIVED WILL BE VOTED “FOR” RATIFICATION UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXY.

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PROPOSAL 3:

APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF NAMED EXECUTIVE OFFICER
COMPENSATION

In accordance with Section 14A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which was amended pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”), we are asking stockholders to approve a non-binding advisory resolution approving our executive compensation as reported in this Proxy Statement.

Our executive compensation decisions are made in the context of our executive compensation plan statement.

Under our executive compensation plan statement, our executive compensation philosophy is to:

- Ø Align the interests of our executives with those of the stockholders;
- Ø Attract, motivate, reward and retain the top contributors upon whom, in large part, our success depends;
- Ø Be competitive with compensation programs for companies of similar size and complexity with whom we compete for talent, including direct competitors;
- Ø Provide compensation based upon the short-term and long-term performance of both the individual executive and the Company; and
- Ø Strengthen the relationship between pay and performance by emphasizing variable, at-risk compensation that is dependent upon the successful achievement of specified corporate and individual goals.

We urge stockholders to read the “Executive Compensation” section beginning on page 36 of this Proxy Statement, including the “Compensation Discussion and Analysis” section, which describes in more detail our executive compensation plan statement and the key elements of our executive compensation program. The Compensation Committee and the Board believe that our executive compensation program is appropriately designed to achieve the objectives of our executive compensation philosophy.

We are asking stockholders to approve the following advisory resolution at the Annual Meeting:

RESOLVED, that the stockholders of the Company approve, on an advisory basis, the compensation of the Company's Named Executive Officers set forth under "Executive Compensation," including the Compensation Discussion and Analysis, Summary Compensation Table and the related compensation tables and narratives in the Proxy Statement for the 2019 Annual Meeting of Stockholders.

This vote is an advisory vote only and will not be binding on us, our Board or the Compensation Committee and will not be construed as overruling a decision by, or creating or implying any additional fiduciary duty for, the Board or the Compensation Committee. However, the Compensation Committee, which is responsible for designing and administering our executive compensation program, values the opinions expressed by stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for Named Executive Officers.

The Company's current policy is to provide stockholders with an opportunity to approve the compensation of the Named Executive Officers each year at the annual meeting of stockholders. It is expected that the next such vote will occur at the 2020 Annual Meeting of Stockholders.

Vote Required for Approval of the Non-Binding Advisory Resolution Approving Executive Compensation

Approval of the non-binding advisory resolution approving our executive compensation requires the affirmative vote of a majority of all the votes cast on the matter at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL, ON A NON-BINDING ADVISORY BASIS, THE COMPANY'S NAMED EXECUTIVE OFFICER COMPENSATION. PROXIES RECEIVED WILL BE VOTED "FOR" APPROVAL UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXY.

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proposal 4:

Approval, ON a NON-BINDING ADVISORY basis, of the frequency of future ADVISORY VOTES ON named EXECUTIVE officer COMPENSATION

In accordance with the requirements of Section 14A of the Exchange Act and the related rules of the SEC, we are asking stockholders to vote, on a non-binding, advisory basis, for their preference as to how frequently we should seek future advisory votes on the compensation of our named executive officers. By voting with respect to this Proposal No. 4, stockholders may indicate whether they would prefer that we conduct future advisory votes on executive compensation once every one, two, or three years. Stockholders also may, if they wish, abstain from voting on this proposal.

After careful consideration, the Board currently believes that advisory votes on executive compensation should continue to be conducted every year so that stockholders may annually express their views on our executive compensation program.

We recognize that stockholders may have different views as to the best approach for the Company, and therefore we look forward to hearing from our stockholders as to their preferences on the frequency of future advisory votes on executive compensation.

This vote is advisory and not binding on us or the Board. However, the Board and the Nominating and Governance Committee will take into account the outcome of the vote when considering the frequency of future advisory votes on executive compensation. The Board may decide that it is in the best interests of stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the frequency receiving the most votes cast by stockholders.

The proxy card provides stockholders with the opportunity to choose among four options (holding the vote every one, two or three years, or abstaining) and, therefore, stockholders will not be voting to approve or disapprove the recommendation of the Board.

Vote Required for Approval of the Non-Binding Advisory Resolution Approving the Frequency of Executive Compensation Advisory Votes

Approval of the non-binding advisory resolution approving the frequency of our executive compensation advisory votes requires the affirmative vote of a majority of all the votes cast on the matter at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE OF "ONE YEAR" AS THE FREQUENCY FOR FUTURE ADVISORY VOTES ON THE COMPANY'S NAMED EXECUTIVE OFFICER COMPENSATION. PROXIES RECEIVED WILL BE VOTED "ONE YEAR" APPROVAL UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXY.

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proposal 5:

AMENDMENT TO 2008 PERFORMANCE INCENTIVE PLAN

General

The Company's long-term incentive compensation program is implemented under the Willdan Group, Inc. 2008 Performance Incentive Plan (the "2008 Plan"). The 2008 Plan emphasizes achievement of long-term performance and stockholder value creation.

On April 18, 2019, the Company's Board of Directors approved amending and restating the 2008 Plan, subject to approval by our stockholders. At the Annual Meeting, our stockholders will be asked to approve the following amendments set forth in the amended and restated 2008 Plan:

- Increase in Aggregate Share Limits. The 2008 Plan currently limits the aggregate number of shares of Common Stock that may be delivered pursuant to all awards granted under the 2008 Plan to 2,711,167 shares (plus shares subject to options granted under the Willdan Group, Inc. 2006 Stock Incentive Plan (the "2006 Plan") which expire or are cancelled or terminated). The proposed amendments would increase this limit by an additional 955,000 shares so that the new aggregate share limit for the 2008 Plan would be 3,666,167 shares (plus shares subject to options granted under the 2006 Plan which expire or are cancelled or terminated). The proposed amendments would also increase the limit on the number of shares that may be delivered pursuant to "incentive stock options" granted under the 2008 Plan by 950,000 shares for a new limit of 3,925,000 incentive stock options. For purposes of clarity, any shares that are delivered pursuant to incentive stock options also count against (and are not in addition to) the aggregate 2008 Plan share limit described above.
- Extension of Plan Term. The 2008 Plan is currently scheduled to expire on April 17, 2027. The proposed amendments provide for the term of the 2008 Plan to be extended until April 18, 2029 ten years from the date the plan was approved by the Board.

As of March 29, 2019, a total of 1,499,756 shares of the Company's Common Stock were then subject to outstanding awards granted under the 2008 Plan, and there were then 48,747 available shares for new award grants under the 2008 Plan. The proposed amendments would increase the reserved shares under the plan by 955,000 shares. Based solely on the closing price of the Company's common stock as reported by the NASDAQ Stock Market on March 29, 2019, the maximum aggregate market value of the additional 955,000 new shares that could be issued under the 2008 Plan is \$34,401,850.

The Company believes that incentives and stock-based awards focus employees on the objective of creating stockholder value and promoting the success of the Company, and that incentive compensation plans like the 2008 Plan are an important attraction, retention and motivation tool for participants in the plan. The Board believes that the number of shares currently available under the 2008 Plan does not give the Company sufficient authority and flexibility to adequately provide for future incentives. The Board believes that the additional shares give the Company greater flexibility to structure future incentives and better attract, retain, and award key employees.

If stockholders do not approve this 2008 Plan proposal, the current share limits under the 2008 Plan will continue in effect and the 2008 Plan term will not be extended.

Summary Description of the 2008 Performance Incentive Plan

The principal terms of the 2008 Plan are summarized below. The following summary is qualified in its entirety by the full text of the 2008 Plan, which appears as Exhibit A to this Proxy Statement.

Purpose. The purpose of the 2008 Plan is to promote the success of the Company and to increase stockholder value by providing an additional means for us to attract, motivate, retain and reward selected employees and other eligible persons through the grant of awards. Equity-based awards are also intended to further align the interests of award recipients and our stockholders.

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Administration. Our Board or one or more committees appointed by our Board will administer the 2008 Plan. Our Board of Directors has delegated general administrative authority for the 2008 Plan to the Compensation Committee. A committee may delegate some or all of its authority with respect to the 2008 Plan to another committee of directors, and certain limited authority to grant awards to employees may be delegated to one or more officers of the Company. (The appropriate acting body, be it the Board of Directors, a committee within its delegated authority, or an officer within his or her delegated authority, is referred to in this proposal as the “Administrator”).

The Administrator has broad authority under the 2008 Plan, including, without limitation, the authority:

- to select eligible participants and determine the type(s) of award(s) that they are to receive;
- to grant awards and determine the terms and conditions of awards, including the price (if any) to be paid for the shares or the award and, in the case of share-based awards, the number of shares to be offered or awarded;
- to determine any applicable vesting and exercise conditions for awards (including any applicable performance-based targets) and the extent to which such conditions have been satisfied, or determine that no delayed vesting or exercise is required (subject to the minimum vesting requirement described below), and to accelerate or extend the vesting or exercisability or extend the term of any or all outstanding awards;
- to cancel, modify, or waive the Company’s rights with respect to, or modify, discontinue, suspend, or terminate any or all outstanding awards, subject to any required consents;
- subject to the other provisions of the 2008 Plan, to make certain adjustments to an outstanding award and to authorize the conversion, succession or substitution of an award;
- to determine the method of payment of any purchase price for an award or shares of the Company’s common stock delivered under the 2008 Plan, as well as any tax-related items with respect to an award, which may be in the form of cash, check, or electronic funds transfer, by the delivery of already-owned shares of the Company’s common stock or by a reduction of the number of shares deliverable pursuant to the award, by services rendered by the recipient of the award, by notice and third party payment or cashless exercise on such terms as the Administrator may authorize, or any other form permitted by law;
- to modify the terms and conditions of any award, establish sub-plans and agreements and determine different terms and conditions that the Administrator deems necessary or advisable to comply with laws in the countries where the Company or one of its subsidiaries operates or where one or more eligible participants reside or provide services;
- to approve the form of any award agreements used under the 2008 Plan; and

- to construe and interpret the 2008 Plan, make rules for the administration of the 2008 Plan, and make all other determinations necessary or advisable for the administration of the 2008 Plan.

No Repricing. In no case (except due to an adjustment to reflect a stock split or other event referred to under “Adjustments” below, or any repricing that may be approved by stockholders) will the Administrator (1) amend an outstanding stock option or stock appreciation right to reduce the exercise price or base price of the award, (2) cancel, exchange, or surrender an outstanding stock option or stock appreciation right in exchange for cash or other awards for the purpose of repricing the award, or (3) cancel, exchange, or surrender an outstanding stock option or stock appreciation right in exchange for an option or stock appreciation right with an exercise or base price that is less than the exercise or base price of the original award.

Eligibility. Persons eligible to receive awards under the 2008 Plan include officers or employees of the Company or any of its subsidiaries, directors of the Company, and certain consultants and advisors to the Company or any of its subsidiaries. As of March 29, 2019, approximately 1,260 officers and employees of the Company and its subsidiaries (including all of the Company’s Named Executive Officers), and each of the Company’s eight non-employee directors, were considered eligible under the 2008 Plan.

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Minimum Vesting Requirement. All awards granted under the 2008 Plan will be subject to a minimum vesting requirement of one year, and no portion of any award may vest earlier than the first anniversary of the grant date of the award. This minimum vesting requirement will not apply to 5% of the total number of shares available under the 2008 Plan.

Authorized Shares; Limits on Awards. The maximum number of shares of the Company's common stock that may be issued or transferred pursuant to awards under the 2008 Plan equals the sum of: (1) 2,711,167 shares, plus (2) the number of any shares subject to stock options granted under the 2006 Plan and outstanding as of June 9, 2008 which expire, or for any reason are cancelled or terminated, after June 9, 2008 without being exercised. If stockholders approve this 2008 Plan proposal, the maximum number of shares of the Company's common stock that may be issued or transferred pursuant to awards under the 2008 Plan will equal the sum of: (1) 3,666,167 shares, plus (2) the number of any shares subject to stock options granted under the 2006 Plan and outstanding as of June 9, 2008 which expire, or for any reason are cancelled or terminated, after June 9, 2008 without being exercised.

The following other limits are also contained in the 2008 Plan:

- The maximum number of shares that may be delivered pursuant to options qualified as incentive stock options granted under the plan is 2,975,000 shares, however if stockholders approve this 2008 Plan proposal, the maximum number of shares that may be delivered pursuant to options qualified as incentive stock options granted under the plan will be 3,925,000 shares.
- The maximum number of shares subject to those options and stock appreciation rights that are granted under the plan during any one calendar year to any one individual is 300,000 shares.
- The maximum grant date fair value for awards granted to a non-employee director under the 2008 Plan during any one calendar year is \$200,000 except that this limit will be \$400,000 as to (1) a non-employee director who is serving as the Independent Chair of the Board or the Lead Independent Director at the time the applicable grant is made or (2) any new non-employee director for the calendar year in which the non-employee director is first elected or appointed to the Board. For purposes of this limit, the "grant date fair value" of an award means the value of the award on the date of grant of the award determined using the equity award valuation principles applied in the Company's financial reporting. This limit does not apply to, and will be determined without taking into account, any award granted to an individual who, on the grant date of the award, is an officer or employee of the Company or one of its subsidiaries. This limit applies on an individual basis and not on an aggregate basis to all non-employee directors as a group.

Shares that are subject to or underlie awards which expire or for any reason are cancelled or terminated, are forfeited, fail to vest, or for any other reason are not paid or delivered under the 2008 Plan will not be counted against the share limit and will again be available for subsequent awards under the 2008 Plan. To the extent that shares are delivered pursuant to the exercise of an option or stock appreciation right granted under the 2008 Plan, the number of underlying shares as to which the exercise related will be counted against the share limit. (For purposes of clarity, if a

stock appreciation right relates to 100,000 shares and is exercised at a time when the payment due to the participant is 15,000 shares, 100,000 shares shall be charged against the share limit with respect to such exercise.) Shares that are exchanged by a participant or withheld by the Company as full or partial payment in connection with any award granted under the 2008 Plan, as well as any shares exchanged or withheld to satisfy the tax withholding obligations related to any award, will be counted against the share limit and will not be available for subsequent awards under the 2008 Plan. To the extent that an award is settled in cash or a form other than shares, the shares that would have been delivered had there been no such cash or other settlement will not be counted against the share limit and will again be available for subsequent awards under the 2008 Plan. In the event that shares are delivered in respect of a dividend equivalent right, the actual number of shares delivered with respect to the award shall be counted against the share limit. (For purposes of clarity, if 1,000 dividend equivalent rights are granted and outstanding when the Company pays a dividend, and 50 shares are delivered in payment of those rights with respect to that dividend, 50 shares shall be counted against the share limit.) In addition, the 2008 Plan generally provides that shares issued in connection with awards that are granted by or become obligations of the Company through the assumption of awards (or in substitution for awards) in connection with an acquisition of another company will not count against the shares available for issuance under the 2008 Plan. The Company may not increase the applicable share limits of the 2008 Plan by repurchasing shares of common stock on the market (by using cash received through the exercise of stock options or otherwise).

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Types of Awards. The 2008 Plan authorizes stock options, stock appreciation rights, and other forms of awards granted or denominated in the Company's Common Stock or units of the Company's Common Stock, as well as cash bonus awards. The 2008 Plan retains flexibility to offer competitive incentives and to tailor benefits to specific needs and circumstances. Any award may be structured to be paid or settled in cash.

A stock option is the right to purchase shares of the Company's Common Stock at a future date at a specified price per share (the "exercise price"). The per share exercise price of an option generally may not be less than the fair market value of a share of the Company's Common Stock on the date of grant. The maximum term of an option is ten years from the date of grant. An option may either be an incentive stock option or a nonqualified stock option. Incentive stock option benefits are taxed differently from nonqualified stock options, as described under "Federal Income Tax Consequences of Awards Under the 2008 Plan" below. Incentive stock options are also subject to more restrictive terms and are limited in amount by the U.S. Internal Revenue Code and the 2008 Plan. Incentive stock options may only be granted to employees of the Company or a subsidiary.

A stock appreciation right is the right to receive payment of an amount equal to the excess of the fair market value of a share of the Company's Common Stock on the date of exercise of the stock appreciation right over the base price of the stock appreciation right. The base price will be established by the Administrator at the time of grant of the stock appreciation right and generally may not be less than the fair market value of a share of the Company's Common Stock on the date of grant. Stock appreciation rights may be granted in connection with other awards or independently. The maximum term of a stock appreciation right is ten years from the date of grant.

The other types of awards that may be granted under the 2008 Plan include, without limitation, stock bonuses, restricted stock, performance stock, stock units or phantom stock (which are contractual rights to receive shares of stock, or cash based on the fair market value of a share of stock), dividend equivalents which represent the right to receive a payment based on the dividends paid on a share of stock over a stated period of time, or similar rights to purchase or acquire shares, and cash awards.

Subject to the minimum vesting requirement described above, any awards under the 2008 Plan (including awards of stock options and stock appreciation rights) may be fully-vested at grant or may be subject to time- and/or performance-based vesting requirements.

Dividend Equivalents; Deferrals. The Administrator may provide for the deferred payment of awards, and may determine the other terms applicable to deferrals. Subject to the following provisions, the Administrator may provide that awards under the 2008 Plan (other than options or stock appreciation rights), and/or deferrals, earn dividends or dividend equivalents based on the amount of dividends paid on outstanding shares of Common Stock.

Dividends on Unvested Equity Awards. If the Company pays an ordinary cash dividend, the cash dividend will not be paid on a current basis with respect to any awards granted under the 2008 Plan that are not vested as of the record date for the ordinary cash dividend. This restriction on paying ordinary cash dividends with respect to unvested equity awards does not limit or restrict the administrator's ability (1) for restricted stock or performance stock awards, to pay the ordinary cash dividend upon (and subject to) the vesting of such shares subject to these awards, (2) for stock unit awards, to credit dividend equivalents in the form of additional units that are subject to the same vesting terms as the underlying units to which the dividend equivalents relate, and (3) to make equitable adjustments to preserve the intrinsic value of awards in the event of a transaction as described below.

Assumption and Termination of Awards. If an event occurs in which the Company does not survive (or does not survive as a public company in respect of its common stock), including, without limitation, a dissolution, merger, combination, consolidation, exchange of securities, or other reorganization, or a sale of all or substantially all of the business, stock or assets of the Company, awards then-outstanding under the 2008 Plan will not automatically become fully vested pursuant to the provisions of the 2008 Plan so long as such awards are assumed, substituted for or otherwise continued. However, if awards then-outstanding under the 2008 Plan are to be terminated in such circumstances (without being assumed or substituted for), such awards would generally become fully vested (with any performance goals applicable to the award in each case being deemed met at the "target" performance level, unless otherwise provided in the award agreement), subject to any exceptions that the Administrator may provide for in an applicable award agreement. The Administrator also has the discretion to establish other change in control provisions with respect to awards granted under the 2008 Plan. For example, the Administrator could provide for the acceleration of vesting or payment of an award in connection with a corporate event or in connection with a termination of the award holder's

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employment. For the treatment of outstanding equity awards held by the Named Executive Officers in connection with a termination of employment and/or a change in control of the Company, please see the “Potential Payments Upon Change in Control and Termination” below in this Proxy Statement.

Transfer Restrictions. Subject to certain exceptions contained in Section 5.7 of the 2008 Plan, awards under the 2008 Plan generally are not transferable by the recipient other than by will or the laws of descent and distribution and are generally exercisable, during the recipient’s lifetime, only by the recipient. Any amounts payable or shares issuable pursuant to an award generally will be paid only to the recipient or the recipient’s beneficiary or representative. The Administrator has discretion, however, to establish written conditions and procedures for the transfer of awards to other persons or entities, provided that such transfers comply with applicable federal and state securities laws and are not made for value (other than nominal consideration, settlement of marital property rights, or for interests in an entity in which more than 50% of the voting securities are held by the award recipient or by the recipient’s family members).

Adjustments. As is customary in incentive plans of this nature, each share limit and the number and kind of shares available under the 2008 Plan and any outstanding awards, as well as the exercise or purchase prices of awards, and performance targets under certain types of performance-based awards, are subject to adjustment in the event of certain reorganizations, mergers, combinations, recapitalizations, stock splits, stock dividends, or other similar events that change the number or kind of shares outstanding, and extraordinary dividends or distributions of property to the stockholders.

No Limit on Other Authority. The 2008 Plan does not limit the authority of the Board or any committee to grant awards or authorize any other compensation, with or without reference to the Company’s common stock, under any other plan or authority.

Discretion to Accelerate. The minimum vesting requirement under the 2008 Plan, as described above, does not limit or restrict the Administrator’s discretion to accelerate the vesting of any award in any circumstances it determines to be appropriate.

Limitation on Golden Parachute Payments. To the extent any award or payment under the 2008 Plan would trigger the golden parachute payment excise taxes provided for under Sections 280G and 4999 of the Code, the 2008 Plan provides that such award or payment will automatically be “cut back” to avoid triggering these excise taxes.

Clawback Policy. Awards granted under the 2008 Plan are generally subject to the terms of any Company clawback policy in effect from time to time.

Termination of or Changes to the 2008 Plan. The Board may amend or terminate the 2008 Plan at any time and in any manner. Stockholder approval for an amendment will be required only to the extent then required by applicable law or deemed necessary or advisable by the Board. Unless terminated earlier by the Board and subject to any extension that may be approved by stockholders, the authority to grant new awards under the 2008 Plan will terminate on April 17, 2027. If stockholders approve this 2008 Plan proposal, the term of the 2008 Plan will be extended to April 18, 2029. Outstanding awards, as well as the Administrator's authority with respect thereto, generally will continue following the expiration or termination of the plan. Generally speaking, outstanding awards may be amended by the Administrator (except for a repricing), but the consent of the award holder is required if the amendment (or any plan amendment) materially and adversely affects the holder.

U.S. Federal Income Tax Consequences of Awards under the 2008 Plan

The U.S. federal income tax consequences of the 2008 Plan under current federal law, which is subject to change, are summarized in the following discussion of the general tax principles applicable to the 2008 Plan. This summary is not intended to be exhaustive and, among other considerations, does not describe the deferred compensation provisions of Section 409A of the U.S. Internal Revenue Code to the extent an award is subject to and does not satisfy those rules, nor does it describe state, local, or international tax consequences.

With respect to nonqualified stock options, the Company is generally entitled to deduct and the participant recognizes taxable income in an amount equal to the difference between the option exercise price and the fair market value of the shares at the time of exercise. With respect to incentive stock options, the company is generally not entitled

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to a deduction nor does the participant recognize income at the time of exercise, although the participant may be subject to the U.S. federal alternative minimum tax.

The current federal income tax consequences of other awards authorized under the 2008 Plan generally follow certain basic patterns: nontransferable restricted stock subject to a substantial risk of forfeiture results in income recognition equal to the excess of the fair market value over the price paid (if any) only at the time the restrictions lapse (unless the recipient elects to accelerate recognition as of the date of grant); bonuses, stock appreciation rights, cash and stock-based performance awards, dividend equivalents, stock units, and other types of awards are generally subject to tax at the time of payment; and compensation otherwise effectively deferred is taxed when paid. In each of the foregoing cases, the Company will generally have a corresponding deduction at the time the participant recognizes income.

If an award is accelerated under the 2008 Plan in connection with a “change in control” (as this term is used under the U.S. Internal Revenue Code), the Company may not be permitted to deduct the portion of the compensation attributable to the acceleration (“parachute payments”) if it exceeds certain threshold limits under the U.S. Internal Revenue Code (and certain related excise taxes may be triggered). Furthermore, the aggregate compensation in excess of \$1,000,000 in any calendar year may not be permitted to be deducted by the company in certain circumstances pursuant to Section 162(m) of the U.S. Internal Revenue Code.

Specific Benefits under the 2008 Performance Incentive Plan

The Company has not approved any awards that are conditioned upon stockholder approval of the 2008 Plan. The Company is not currently considering any other specific award grants under the 2008 Plan. If the proposed amendments to the 2008 Plan had been in existence in fiscal 2018, the Company expects that its award grants for fiscal 2018 would not have been substantially different from those actually made in that year under the 2008 Plan. For information regarding stock-based awards granted to the Company’s Named Executive Officers during fiscal 2018, see the material under the heading “Executive Compensation” below.

Overhang as of March 29, 2019

The following paragraphs include additional information to help stockholders assess the potential dilutive impact of the Company’s equity awards and the 2008 Plan. As of the date hereof, the Company has outstanding awards under the 2008 Plan, the 2006 Plan, and the Company’s Employee Stock Purchase Plan (the “ESPP”). There are no remaining shares available for grant under the 2006 Plan. The ESPP is intended as a qualified employee share purchase plan under Section 423 of the Code. The ESPP generally provides for broad-based participation by employees of the Company (and certain of its subsidiaries) and affords employees who elect to participate an opportunity to purchase shares of the Company’s common stock at a discount. Certain information regarding the number of shares of

Company common stock available for issuance under the ESPP is included under the heading “Equity Compensation Plan Information” below. The discussion that follows in this “Potential Dilution” section does not include any shares that have been purchased under, may be purchased in the current purchase period under, or that remain available for issuance or delivery under the ESPP.

“Overhang” refers to the number of shares of the Company’s common stock that are subject to outstanding awards or remain available for new award grants. The following table shows the total number of shares of the Company’s common stock that (i) were subject to outstanding restricted stock or unit awards granted under the 2008 Plan, (ii) were subject to outstanding stock options granted under the 2006 Plan and the 2008 Plan, including the weighted-average exercise price and remaining life of such outstanding stock options, and (iii) were then available for new award grants under the 2008 Plan as of December 28, 2018 and as of March 29, 2019. The number of shares subject

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to outstanding performance-based restricted stock units and the shares available for new award grants assume that all performance-based awards will pay out at the maximum performance level.

	As of December 28, 2018	As of March 29, 2019
Shares subject to outstanding restricted stock and unit awards	344,907	271,971
Shares subject to outstanding stock options	1,252,035	1,227,785