



## **NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

The Board of Directors of ReliabilityFirst Corporation (“ReliabilityFirst”) has established a Nominating and Governance Committee (the “Committee”) with general responsibility and specific duties as described below.

### **COMPOSITION**

The Committee shall be comprised of at least four (4) directors, of whom one (1) shall be an independent director according to independence standards established under the governance guidelines adopted by the Board (the “Governance Standards”). Committee members shall be elected by the Board at its annual meeting and shall serve until their successors are duly elected and qualified. The Committee shall have a chair and a vice chair. The vice chair shall assume the duties of the chair in the absence of the chair at any meeting. The Committee’s chair and vice-chair shall be designated by the full Board upon the recommendation of the Committee.

### **RESPONSIBILITY**

The primary purpose of the Committee is to (i) recommend to the Board corporate governance principles applicable to ReliabilityFirst and any organization groups established by the Board under the Bylaws; (ii) identify individuals qualified to become at-large and independent Board members and make recommendations for directors’ assignments to the committees of the Board; and (iii) appoint members to serve on the Hearing Body for disputes relating to noncompliance with Reliability Standards in accordance with ReliabilityFirst’s hearing procedures.

The Committee is empowered, without seeking Board approval, to retain persons having special competence, including outside firms and other advisors, as necessary and to approve the fees to assist the Committee in fulfilling its responsibilities.

### **ATTENDANCE AND VOTING**

The Committee shall meet as often as it deems necessary in order to fulfill its duties and responsibilities. Meetings may be called either by the Committee Chair or by a majority of the members of the Committee. Members of the Committee should endeavor to be present, in the designated format, (i.e., in-person or virtual), at all meetings. Three (3) of the voting members of the Committee shall constitute a quorum. Each member of the Committee, including the chair and vice-chair, shall be entitled to one vote on each matter presented before the Committee. Action by the Committee may be taken at any duly called meeting at which a quorum is present

upon the vote of a majority of the members present.

## **MINUTES OF MEETINGS**

Minutes of each meeting shall be prepared and sent to Committee members and presented to Directors who are not members of the Committee at the next regularly scheduled Board meeting. The Committee's minutes will be kept by the person so designated by the Chair with a copy retained by the Secretary of ReliabilityFirst.

## **SPECIFIC DUTIES**

The Committee will:

1. Facilitate the assessment of (a) an individual sector director's performance in that director's fifth year of service, and every third year thereafter; and (b) an individual at-large or independent director's performance in that director's second year of service, and every third year thereafter.
2. Evaluate the qualifications and performance of incumbent at-large and independent directors and determine whether to nominate them for re-election to the Board.
3. Search for, recruit, screen, interview and select candidates for new at-large and independent directors as necessary to fill vacancies or the additional needs of the Board, and consider management's recommendations for at-large and independent director candidates.
4. Nominate for election at-large and independent director candidates.
5. Appoint members to serve on the Hearing Body for disputes relating to noncompliance with Reliability Standards in accordance with ReliabilityFirst's hearing procedures.
6. Establish and periodically reevaluate criteria for Board membership and selection of new at-large and independent directors including independence standards; and determine as necessary the portfolio of skills, experience, perspective, and background required for the effective functioning of the Board considering ReliabilityFirst's strategy, and its regulatory, geographic and market environments.
7. At least annually, report to the Board describing the number of candidates considered and other matters of interest relating to nominations to the Board as the Committee shall determine to be appropriate for the Board.
8. At least annually, in connection with the annual meeting of the Board of Directors, recommend at least one candidate to serve as the Chair of the

Board of Directors, at least one candidate to serve as the vice-chair of the Board of Directors, and at least one candidate to serve as the Independent Lead Director.

9. At least annually, in connection with the annual meeting of the Board of Directors, make recommendations for the election of the directors to the Committees of the Board of Directors, and the designation of a chair and vice-chair, if applicable, for each Committee.
10. Recommend to the Board removal of an at-large or independent director where appropriate (the power to remove a director elected by a specific industry sector is reserved in the Bylaws to that industry sector electing such director).
11. Work with staff to ensure that satisfactory background checks have been conducted for all directors prior to their service on the Board in accordance with the Governance Standards and to review any potential director conflicts.
12. Initiate and oversee a periodic evaluation of (a) the quality, sufficiency and currency of information furnished by management to the directors in connection with Board and Committee meetings and other activities of the directors, (b) the Board's effectiveness, (c) the composition, organization (including its Committee structure, membership and leadership) and practices of the Board, (d) tenure and other policies related to the directors' service on the board, and (e) corporate governance matters generally; and recommend action to the Board where appropriate.
13. Develop, periodically review, and recommend to the Board corporate governance principles for ReliabilityFirst and any organizational groups established by the Board under the Bylaws.
14. Monitor the orientation and training needs of directors and recommend action to the Board, individual directors, and management where appropriate.
15. Review and approve, prior to acceptance, the service of the President of ReliabilityFirst on any other company's board of directors.
16. Recommend to the Board Membership Application changes, as needed.
17. Perform other functions within the scope of the foregoing, which the Committee deems appropriate to undertake from time to time.
18. Conduct an evaluation of the Committee's performance and charter at least annually, and adopt such Committee Charter changes, as the Committee deems appropriate, subject to approval by the Board.

19. Report regularly to the Board regarding the Committee's activities.

As adopted on August 23, 2023 by the Nominating & Governance Committee and approved by the Board of Directors on August 24, 2023.