

PENNICHUCK CORPORATION
NOMINATING AND GOVERNANCE COMMITTEE
MINUTES OF DECEMBER 7, 2020 MEETING

A meeting of the Nominating and Governance Committee (“Committee”) of the Board of Directors of Pennichuck Corporation (“Company”) was held on Monday, December 7, 2020 at 9:00 a.m.

Due to the COVID-19 virus and in accordance with the state of emergency declared by Governor Sununu, the meeting was held electronically using the Microsoft Teams platform, for the safety of the Committee Members and Pennichuck employees. Telephone access to the meeting was provided for members of the public and any Committee members who are unable to connect through Microsoft Teams. Pursuant to Governor Sununu’s Emergency Order #12 dated March 23, 2020, the requirement under RSA 91-A:2, III(b) that a quorum be physically present at a meeting has been waived.

Written materials relating to items listed in the Agenda were provided to the Committee Members for their review prior to the meeting.

By roll call, the following Committee Members were present at the start of the meeting, constituting a quorum. Each Committee Member stated that they were alone.

Committee Members:	Elizabeth A. Dunn, Chairman Stephen D. Genest Thomas J. Leonard Jay N. Lustig Preston J. Stanley, Jr.
--------------------	---

The following persons were also present at the start of the meeting:

Pennichuck Corporation:	Mary V. DeRoche, HR Director Suzanne L. Ansara, Corporate Secretary
-------------------------	--

S. Ansara recorded the minutes of the meeting.

Election of Chairman

On motion duly made by S. Genest and seconded by J. Lustig, all of the Committee Members then voting by roll call, it was unanimously

Resolved: that Elizabeth A. Dunn is hereby elected Chairman of the Nominating and Governance Committee.

Approval of Minutes

There being no comments on the draft minutes of the March 3, 2020 Committee meeting, on motion duly made by S. Genest and seconded by J. Lustig, all of the Committee members then voting by roll call, it was unanimously

Resolved: that the minutes of the March 3, 2020 meeting of the Nominating and Governance Committee are hereby approved.

Corporate Code of Conduct

The Committee met with Mary DeRoche, the Company's compliance officer, to review the Company's system to educate employees on the Corporate Code of Conduct, and the procedures to monitor and enforce the Code. M. DeRoche stated that employee training on the Code of Conduct is held either in-house or on-line on a biannual basis. On-line training for employees was held in 2020 and each employee has acknowledged receipt of the Corporate Code of Conduct. New hires receive a copy of the Code of Conduct at onboarding.

M. DeRoche reported that the Company has a compliance reporting hotline in place for employees to report confidentially any conduct that they are aware of that may be in violation of the Code of Conduct. She indicated that there have been no concerns reported in 2020, and none reported over the past several years. There was a discussion concerning the willingness of employees to report safety concerns, especially those working out in the field.

There was a concern by a Committee Member that an employee filling out the Compliance Report Form (Attachment A to the Corporate Code of Conduct) may be confused as to where they should forward the form – HR, Audit, Finance & Risk Committee, or the Board. After discussion, it was agreed to have the Audit, Finance and Risk Committee review the Corporate Code of Conduct to get their input on the matter and to see if they have any other comments on the Code.

The Committee discussed specific language in Sections 5 and 11 of the Code. In Section 5, the Committee felt that the first sentence in the first paragraph of the section was contrary to the Company's mission statement. In Section 11, a reference to perishable goods was contrary to language in Attachment C to the Code.

On motion duly made by J. Lustig and seconded by T. Leonard, all of the Committee Members then voting by roll call, it was unanimously

Resolved: to recommend to the Pennichuck Corporation Board of Directors that the Corporate Code of Conduct be amended as follows:

- (1) Section 5. Financial Strength and Integrity. In the first paragraph of Section 5, (i) delete the first sentence "We are in business to create value for our shareholder.", and (ii) delete the word "investor" in the second sentence and replace it with the word "shareholder".
- (2) Section 11. Gifts, Meals, Services and Entertainment. Delete the sentence "If the gift consists of perishable goods, these goods should be donated to a charitable organization." in paragraph 3.

M. DeRoche left the meeting at 9:23 a.m.

Annual Review of Committee Charter

After discussion, it was agreed that the Committee's Charter was adequate for its purposes and no changes were necessary.

Annual Review of Corporate Governance Principles

After discussion, the Committee agreed that no changes were necessary to the Corporate Governance Principles.

Annual Board Survey

The Committee reviewed the draft form of Board Survey, which was the same form used in 2019. One revision to the Survey was made. The Survey will be forwarded to each member of the Board for completion. The Committee will review the results of the Survey at a future meeting of the Committee in 2021.

Move to Non-Public Session

T. Leonard moved that the Committee enter into non-public session to discuss (i) the promotion or compensation of an employee pursuant to RSA 91-A:3, II(a), (ii) matter which, if discussed in public, would likely affect adversely the reputation of a person, pursuant to RSA 91-A:3, II(c), (iii) the acquisition, sale or lease of real or personal property, pursuant to RSA 91-A:3, II(d), (iv) matters relating to preparation for and carrying out of emergency functions pursuant to RSA 91-A:3, II(i), and (v) confidential or financial information pursuant to RSA 91-A:3, II(j). S. Genest seconded the motion.

A roll call of the Committee members was taken, which resulted as follows:

Yea: E. Dunn, S. Genest, T. Leonard, J. Lustig, P. Stanley
Nay:

Motion was carried to enter into non-public session at 9:35 a.m.

Reconvene in Public Session

The non-public session ended at 10:21 a.m. and the Committee reconvened in public session. Present were Committee Members E. Dunn, J. Lustig and P. Stanley, and S. Ansara from the Company.

J. Lustig moved that the Committee seal that portion of the minutes of the non-public session which are not related to the unsealing of non-public session minutes of prior meetings, under RSA 91-A:3, II(c). P. Stanley seconded the motion. A roll call of the Committee Members was taken, which resulted as follows:

Yea: E. Dunn, J. Lustig, P. Stanley
Nay:

Motion was carried to seal a portion of the minutes of the non-public session.

Matter Addressed in Non-Public Session

One of the matters addressed at the non-public session was the review of certain non-public session minutes of prior meetings of the Ad Hoc Building Committee and the Pennichuck Corporation Board for possible unsealing. The Committee agreed to vote on the matter in public session.

Possible Unsealing of Non-Public Minutes

On motion duly made by J. Lustig and seconded by P. Stanley, all of the Committee Members present then voting by roll call, it was unanimously

Resolved: that the previously sealed redactions in the November 17, 2017 and December 15, 2017 non-public session minutes of the Pennichuck Corporation Board of Directors remain sealed.

On motion duly made by J. Lustig and seconded by P. Stanley, all of the Committee Members present then voting by roll call, it was unanimously

Resolved: to recommend that the Pennichuck Corporation Board of Directors approve the following:

- (a) to unseal in their entirety the minutes of the Ad Hoc Building Committee's February 22, 2013, July 11, 2013, August 15, 2013, April 4, 2016, April 12, 2017 and June 22, 2018 non-public sessions;
- (b) to unseal in their entirety the minutes of the Pennichuck Corporation Board of Directors' March 23, 2012, January 23, 2015, May 29, 2015, June 26, 2015, September 25, 2015, April 22, 2016, August 26, 2016, and February 24, 2017 non-public sessions; and
- (c) to unseal the minutes of the Pennichuck Corporation Board of Directors' March 27, 2015, April 24, 2015, August 28, 2015, September 22, 2017 and October 27, 2017 non-public sessions, except for those items that the Nominating and Governance Committee recommends be redacted from release.

There being no further business to come before the Committee, the meeting was adjourned at 10:22 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary