



AMERICAN WATER

**AMERICAN WATER WORKS COMPANY, INC.**

**NOMINATING/CORPORATE GOVERNANCE COMMITTEE**

**OF THE BOARD OF DIRECTORS**

**CHARTER**

**I. PURPOSE OF THE COMMITTEE**

The Nominating/Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of American Water Works Company, Inc. (the “Company”) represents and assists the Board in establishing and maintaining appropriate and sufficient standards of corporate governance by:

- A. identifying and evaluating individuals qualified to become members of the Board, and recommending to the Board the nominees for membership on the Board;
- B. developing and recommending to the Board corporate governance principles applicable to the Company (the “Corporate Governance Guidelines”), and annually reviewing and recommending to the Board such changes in the Corporate Governance Guidelines as the Committee deems appropriate;
- C. recommending to the Board the members of the Board to serve as (i) Chairman of the Board and (ii) chairs and members of the committees of the Board;
- D. overseeing the annual evaluation of the Board and other committees of the Board and members of management;
- E. reviewing the composition and performance of each committee of the Board and recommend appropriate changes to the committees of the Board and each committee chair as the Committee deems necessary and advisable; and
- F. otherwise taking a leadership role in shaping the corporate governance of the Company.

**II. STRUCTURE AND OPERATIONS**

Composition and Qualifications

The Committee consists of at least three members of the Board. Each member of the Committee shall be independent. In each case the Board shall determine “independence” in accordance with the rules of the New York Stock Exchange and the Corporate Governance Guidelines.

Appointment and Removal

The members of the Committee shall be appointed by the Board from among its members and shall serve until such member’s successor is duly elected and qualified or

until such member's earlier death, resignation or removal. The actual number of members shall be determined from time to time by resolution of the Board.

#### Chair/Secretary

The Board shall designate a chair of the Committee from among its members. The Committee chair will preside at, and prepare an agenda for, each Committee meeting. The Committee chair shall appoint a secretary (who need not be a member of the Committee) to take written minutes of the meetings. In the absence of the chair during any Committee meeting, the Committee may designate a chair pro tempore.

### **III. MEETINGS**

The Committee shall meet at least twice annually, or more frequently as circumstances require. The Chairman of the Board, the Chair of the Committee, or in the absence of the Chair, any member of the Committee, may call meetings of the Committee. Meetings of the Committee may be held by any means of remote communication through which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting. At least two members constitute a quorum and a quorum is required for the transaction of all Committee business. Notice of a meeting of the Committee, if required, may be made by any means consistent with the provisions of the Amended and Restated Bylaws of the Company with respect to the meetings of the Board, including via e-mail. Notice of a meeting shall be given to each member of the Committee (and to each member of the Board) at least two days in advance of such meeting unless notice is waived by all members of the Committee. The Committee shall act only on the affirmative vote of a majority of its members at a meeting or by unanimous written consent.

Subject to the last sentence of this paragraph, all independent directors who are not members of the Committee may attend meetings of the Committee, but may not vote. Additionally, the Committee may invite to its meetings any director, member of management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons (other than a member of the Committee) it deems appropriate in order to carry out its responsibilities.

### **IV. RESPONSIBILITIES AND DUTIES**

The following functions are the recurring activities of the Committee in carrying out its responsibilities outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board that are related to the purposes of the Committee outlined in Section I of this Charter.

The Committee shall:

#### Board Selection, Composition, Evaluation and Continued Service

1. establish, as part of the Corporate Governance Guidelines, criteria for the selection of new directors to serve on the Board;
2. identify qualified candidates to serve on the Board and recommend their election to the Board, whether such directorship is to be filled by the Board or by the shareholders at an annual or special meeting;
3. when identifying candidates for membership on the Board, take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity and the extent to which the candidate would fill a present need on the Board;
4. conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates for directorships;
5. review and make recommendations to the Board, or determine, whether members of the Board should stand for re-election;
6. consider matters relating to the retirement of Board members, including term limits or age limitations for service on the Board;
7. recommend to the Board a member of the Board to serve as the Chairman of the Board;
8. establish policies, principles and procedures, based upon objective criteria, for the evaluation of the Chairman of the Board;
9. review the appropriateness of continued service on the Board of members whose circumstances, including business or professional affiliations or responsibilities, have changed;
10. determine whether a member of the Audit, Finance and Risk Committee can continue to serve effectively on the Audit, Finance and Risk Committee if such director simultaneously serves on the audit committees of more than two other public companies;
11. if the Board is classified into groups, recommend to the Board the class of directors in which each nominee for election to the Board should serve;
12. consider, and make recommendations to the Board on, questions of Board member independence;
13. review and make recommendations, as the Committee deems appropriate, regarding the composition and size of the Board in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds;
14. recommend to the Board whether to accept or reject a director resignation, or take other action, if a director fails to receive a majority vote as specified under the Company's Bylaws and Corporate Governance Guidelines;
15. coordinate and oversee, at least annually, the evaluation of each Director and the Board as a whole to determine whether they are functioning effectively and meeting their goals and objectives;
16. oversee a continuing education program for the members of the Board;

## Corporate Governance

17. develop and recommend to the Board the Corporate Governance Guidelines, assess those guidelines annually and make recommendations to the Board in light of such assessments as may be appropriate;
18. consider the adequacy of the Certificate of Incorporation and Bylaws of the Company and make such recommendations for changes as the Committee deems appropriate;
19. consider matters relating to the procedural aspects of meetings of the Board;

## Committee Selection, Composition, Evaluation and Continued Service

20. recommend members of the Board to serve as chair and members of each committee of the Board, giving consideration to the criteria for service on each committee as set forth in the charter for such committee and to any other factors the Committee deems relevant, and, where appropriate, make recommendations regarding the removal of any member of any committee;
21. establish, monitor and recommend the purpose, structure and operations of the various committees of the Board, the qualifications and criteria for membership on each committee of the Board and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the committees and impose any term limitations of service on any Board committee member;
22. ensure that each committee of the Board periodically reviews the charter, composition and performance of such committee and reports thereon to the Board;
23. make recommendations to the Board for the creation of additional committees or the elimination of Board committees;

## CEO Succession Planning Process

24. oversee the process of planning for succession of the Chief Executive Officer, including (i) developing a list of suitable internal and external candidates (based upon (A) existing executive development plans with respect to internal candidates and (B) chief executive officer leadership attributes approved by the Board with respect to external candidates), (ii) conducting interviews of such candidates with participation by the full Board to the extent possible, and (iii) based upon (i) and (ii) above, providing the Board a slate of such qualified candidates for its review and approval, and throughout such process obtaining input from the Chairman of the Board and the current Chief Executive Officer on all aspects of the process; and

## Reports

25. report regularly to the Board (i) the matters discussed at regular or special meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to such

recommendations as the Committee may deem appropriate; all such reports to the Board may take the form of an oral report by the Committee chair or any other member of the Committee designated by the Committee to make such a report.

## **V. ANNUAL PERFORMANCE EVALUATION**

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.

## **VI. RESOURCES AND AUTHORITY OF THE COMMITTEE**

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company. The Committee shall have the sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors or the Chief Executive Officer of the Company, including sole authority to approve the fees payable to such search firm and any other terms of retention. The Committee also has the authority to (i) retain outside advisors, including legal counsel, as it deems appropriate in its sole discretion, (ii) approve the fees and expenses of such advisors and (iii) incur such other ordinary administrative expenses as are necessary or appropriate in carrying out its duties.

## **VII. DISCLOSURE OF CHARTER**

This Charter shall be made available on the Company's website.

## **VIII. DATE OF ADOPTION**

This Charter was adopted by the Board effective September 14, 2007, and amended on August 18, 2009, November 6, 2009, January 4, 2010, February 25, 2011, July 24, 2015, April 21, 2017, December 8, 2017, April 17, 2019, April 29, 2020 and April 28, 2021.