



## COMPASS GROUP DIVERSIFIED HOLDINGS LLC NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

This Charter (the “**Charter**”) of the Nominating and Corporate Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Compass Group Diversified Holdings LLC, a Delaware limited liability company (the “**Company**”), was adopted by the Board on July 28, 2022.

### I. Purpose

The purpose of the Committee is to carry out the responsibilities delegated to it by the Board relating to the Company’s director nominations process and procedures, Board organization, assisting management in developing, and maintaining the Company’s environmental, social and governance (“**ESG**”) policies, and any related matters required by the federal securities laws.

### II. Membership and Qualifications

Membership: The Committee shall consist of three (3) or more directors. Annually, members of the Committee, including its Chairperson, shall be designated by the Board, and shall serve until their successors shall be duly elected and qualified or until their earlier resignation, death or removal by the Board.

Qualifications: Members of the Committee shall be independent in accordance with the New York Stock Exchange (and any successor thereto, the “**NYSE**”) Listing Standards and shall qualify as “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

### III. Meetings and Other Actions

All meetings of and other actions by the Committee shall be held and taken pursuant to the Company’s Operating Agreement (as may be amended, supplemented or otherwise modified from time to time, the “**Operating Agreement**”). The Committee may invite any director who is not a member of the Committee, management, counsel, representatives of service providers or other persons to attend meetings and provide information as the Committee, in its sole discretion, considers appropriate.

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.



The Committee shall report regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate.

#### **IV. Responsibilities and Authority**

Nothing in this Charter shall be interpreted as diminishing or derogating the duties, responsibilities or obligations of the Board. Subject to the requirements of the Company's Operating Agreement, the Committee shall:

##### *Nominating Function*

1) Board Size. Annually assess the size and composition of the Board in light of the operating requirements of the Company, the requirements set forth in the Company's Operating Agreement, and other considerations the Committee deems appropriate.

2) Director Nominees. Identify and make recommendations to the Board with respect to candidates for election as directors by shareholders at the Company's annual meeting, review and evaluate director nominees suggested by the shareholders of the Company, and in the event there is a vacancy on the Board (or any Committee of the Board), following determination by the Board that such vacancy shall be filled, identify individuals that the Company believes are qualified to fill such vacancy and recommend such person or persons for appointment to the Board or Committee, as applicable; subject to the right of the Company's Allocation Member (as defined in the Company's Operating Agreement) to appoint board member(s).

3) Director Qualifications. Develop and reevaluate, at least annually, and modify as appropriate a set of specific considerations outlining the skills, experiences (whether in business or in other areas such as public service, academia or scientific communities), particular areas of expertise, specific backgrounds, and other characteristics for which there is a specific need on the Board and which would enhance the effectiveness of the Board and its committees given its current composition. It is the desire of the Company to select individuals for nomination to the Board, who, if elected, will best serve the interests of the Company and its shareholders. To accomplish this goal, each candidate should:

- possess fundamental qualities of intelligence, honesty, perceptiveness, good judgement, maturity, high ethics and standards, integrity, fairness and responsibility;
- have a genuine interest in the Company and a recognition that, as a member of the Board, each director is accountable to the Company's shareholders;
- have a background that demonstrates an understanding of business and financial affairs of other organizations of comparable or larger purpose, complexity and size, and subject to similar or greater legal restrictions and oversight;



- be able to contribute to the effective oversight of the Company, taking into account the needs of the Company and such factors as the individual's experience, perspective, skills and knowledge of the industries in which the Company and its subsidiaries operate;
- have no conflict of interest or legal impediment that would interfere with the duty of loyalty owed to the Company and its shareholders;
- have no relationships that might impair his or her independence, including but not limited to business, financial or family relationships with the Manager or the Company's management;
- have the ability and be willing to spend the time required to function effectively as a director;
- possess skills necessary for service on Board committees;
- be compatible and able to work well with other directors and executives in a team environment with a view to a long-term relationship with the Company as a director;
- have independent opinions and be able to state them in a constructive manner; and
- have qualities that will strengthen the Board and contribute to the overall mix of considerations identified above.

4) Chairperson Succession. In the event of death, incapacity, resignation or other absence (temporary or permanent) of the Chairperson of the Board, the Committee shall confer and recommend for election by the full Board an acting successor Chairperson.

5) Evaluation of the Manager. Oversee the annual evaluation of the individuals seconded to the Company by the Manager, including, the Chief Financial Officer and his/her staff, in conjunction with the Compensation Committee's annual review of the reimbursement of costs and expenses of the Manager incurred for services performed by the Chief Financial Officer and his/her staff, with input from the Board. It is recognized that the Chief Executive Officer and Chief Financial Officer of the Company will have primary responsibility for evaluating the performance of the Manager's employees, subject to the terms and conditions of the Management Services Agreement between the Company and the Manager.

#### *Governance Function*

1) Board Evaluation. Develop and administer, subject to approval by the Board, a process for an annual evaluation of the performance, authority, operations, and composition of



the Board and oversee the conduct of this annual evaluation. Make recommendations to the Board as appropriate.

2) Committee Composition. Annually review the composition of each committee of the Board and present to the Board annually (and at any additional times that any committee members are to be selected) recommendations regarding candidates for each committee of the Board, including chairpersons of such committees.

3) Director Independence and Financial Literacy. Annually review director independence for all committees and the financial literacy expertise of Audit Committee members and nominees who may be asked to serve on the Audit Committee and make recommendations to the Board relating to such matters.

4) Company Policies. Develop, periodically review and monitor compliance with the Company's corporate governance framework, including its Certificate of Organization, Operating Agreement, Corporate Governance Guidelines, Code of Ethics and Anti-Corruption Policy, recommend any changes to the Board; provided that, the Committee will review the Company's Corporate Governance Guidelines at least annually.

5) Required Disclosures. Review and discuss with management disclosure of the Company's corporate governance practices, including the operations of the Committee and other Board committees, director independence, and the director nomination process, and recommend that this disclosure be included in the Company's proxy statement or annual report on Form 10-K, as applicable.

#### *Environmental, Social and Governance*

1) Public Policy Trends and Issues. The Committee may identify, evaluate and monitor the social, political and environmental trends, issues, concerns, legislative proposals and regulatory developments, domestic and foreign, which could significantly affect the public affairs of the Company. In addition, from time to time, the Committee may report and make recommendations to the Board relating to activities, policies and programs with respect to such matters, without limitation as follows: (i) matters of local, national and international public policy affecting the Company's business; (ii) relations with regulators, government agencies, public interest groups, other stakeholders and countries in which the Company does business; (iii) the Company's policies with respect to corporate social responsibility and global corporate citizenship; and (iv) general guidelines for political contributions.

2) Diversity. The Company believes that differences in experiences, knowledge, skills and viewpoints enhance the Board's overall performance, as such, the Committee shall consider diversity in selecting, evaluating and recommending proposed director candidates.



*Other Matters*

- 1) Shareholder Rights Issues. Assess and make recommendations to the Board regarding shareholder rights plans and other shareholder protections, as appropriate.
- 2) Shareholder Proposals. Review, in conjunction with the Chief Executive Officer, proposals of shareholders and make recommendations to the Board regarding responses.
- 3) Related Person Transactions. Establish policies and procedures for the review and approval of related person transactions with members of the Board and senior executive leadership. Conduct ongoing reviews of potential related person transactions (as defined in Item 404 of Regulation S-K) and conflicts of interest in accordance with established policies and procedures.
- 4) Manager Transactions. Authorize and approve transactions with the Manager and its affiliates, including management services agreements and/or integration services agreements. Review conflicts of interest that may arise between the Company and the Manager.
- 5) Orientation Program. Develop, periodically evaluate, and oversee the initial orientation guidelines the Company provides to new directors and make recommendations regarding continuing education programs for directors, which may relate to corporate governance trends relevant to the Company, his or her responsibilities as a director generally and as a member of any applicable committee of the Board, or other appropriate topics.
- 6) Self-Evaluation. Perform an annual self-evaluation of the Committee's performance and annually reassess the adequacy of and, if appropriate, propose to the Board, any recommended changes to this Charter.
- 7) Committee Charter Review. Confirm that each standing committee of the Board has a charter in effect and that such charter is reviewed at least annually by its committee.
- 8) Stock Ownership Guidelines. From time to time, the Committee will review, amend if necessary, and monitor compliance with the guidelines for the ownership of the Company's stock by directors, as appropriate, and monitor compliance with such guidelines.
- 9) Other Assigned Duties. Perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board and/or the Chairperson of the Board, or as designated in the Operating Agreement. The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its duties.



## **V. Additional Resources**

Subject to the approval of the Board, the Committee has the right to use reasonable amounts of time of the Company's independent accountants, outside lawyers and other internal staff and to hire independent experts, lawyers, search firms and other third-party advisors, as the Committee deems advisable, to identify and/or evaluate director candidates and to assist and advise the Committee in connection with any of its responsibilities. The Committee shall have sole authority to approve the fees and retention terms for any such third-party advisors and shall keep the Company's Chief Financial Officer advised as to the general range of anticipated expenses for outside consultants.

## **VI. Amendments**

Any amendments to this Charter must be approved or ratified by a majority vote of the Company's Board, including a majority of independent directors.

## **VII. Disclosure of Charter**

This Charter will be made available on the Company's website at [www.compassdiversified.com](http://www.compassdiversified.com).

*Adopted by the Board of Directors of Compass Group Diversified Holdings LLC  
Effective: July 28, 2022*