

**AGL RESOURCES INC.  
NOMINATING, GOVERNANCE AND CORPORATE RESPONSIBILITY  
COMMITTEE**

**CHARTER**

The Nominating, Governance and Corporate Responsibility Committee (the “Committee”) of AGL Resources Inc., a Georgia corporation (the “Company”), is a committee of the Board of Directors of the Company, the composition and responsibilities of which are described in this Nominating, Governance and Corporate Responsibility Committee Charter (“Charter”).

The Committee shall have the responsibilities described in detail below. Three of the Committee’s primary responsibilities shall be as follows:

First, the Committee shall be responsible for identifying individuals qualified to serve on the Board of Directors and to recommend director nominees for selection by the full Board of Directors or shareholders of the Company in accordance with the Company’s certificate of incorporation and bylaws and with Georgia law.

Second, the Committee shall be responsible for evaluating the Company’s corporate governance policies, developing for adoption by the Board of Directors a set of formal, written guidelines for corporate governance and periodically re-evaluating such policies and guidelines for the purpose of suggesting improvements to them if appropriate.

Third, the Committee shall be responsible for oversight of the Company’s position on corporate social responsibilities and issues of public significance that affect customers, investors and other key stakeholders.

**I.           Composition**

In accordance with Article III of the Bylaws of the Company, the Board of Directors, by resolution adopted by a majority of the whole Board of Directors, may designate a Nominating, Governance and Corporate Responsibility Committee. The Committee shall consist of four (4) or more Directors. The Committee shall be composed entirely of independent directors, each of whom is determined by the Board of Directors to be independent under the rules of the New York Stock Exchange and under any applicable independence standards adopted by the Board of Directors.

The members of the Committee shall serve at the pleasure of the Board of Directors or until their successors shall be duly designated. Vacancies in the Committee shall be filled by action of the Board of Directors based on recommendations by the Executive Committee.

## **II. Responsibilities**

The Nominating, Governance and Corporate Responsibility Committee, subject to approval by the entire Board of Directors, where appropriate, shall:

### *Evaluation*

- Conduct an annual evaluation of its performance and oversee the annual evaluation of the Board.
- Conduct an annual evaluation of the independence of each Board member and the effect of any relationships that might impair independence and make a recommendation to the Board with respect to each Board member's independence.

### *Board Nominees*

- Recommend to the Board, and aid in attracting, qualified candidates to stand for election as directors. All candidates must be natural persons who have attained the age of 18 years, must own at least 100 shares of the common stock of the Company and need not be residents of the State of Georgia.
- Review, at least annually, the appropriate skills and characteristics of Board members in the context of the then current make-up of the Board. This assessment should include issues of diversity, age, business or professional background, financial literacy and expertise, availability and commitment, independence and other criteria that the Committee and Board find to be relevant. A diversity of skills, background and experience is desirable.
- Evaluate a candidate's independence and the effect of any relationships that might impair independence (e.g., business, financial or family relationships with the Company's management or other service providers) as well as make a recommendation to the Board with respect to each such candidate's independence.
- Determine, from time to time, the advisability of retaining any search firm or consultant to assist in the identification and evaluation of candidates for membership on the Board of Directors, with the sole authority to retain and terminate any such search firm or consultant, including sole authority to approve the fees to be paid to such firm or consultant and all other retention terms.

### *Board Member Education*

- The Committee, along with management, shall develop and maintain a director orientation program for new Board members.
- The Committee, along with management, shall arrange for appropriate educational programs for directors on an ongoing basis. Such programs may include:
  - presentations regarding the role and operation of the Board and Board members' responsibilities.
  - information about the industries in which the Company participates and about the Company's business and operations;
  - presentations by the Chief Financial Officer or other senior financial officer regarding the state of the Company's financial health;
  - meetings with senior management; and
  - visits to Company facilities.

### *Election of Executive Officers*

Recommend to the Board for election the executive officers of the Company.

### *Corporate Governance*

- The Committee is also responsible for evaluating, formulating and recommending to the full Board of Directors corporate governance policies designed to improve the Board's performance in its oversight function.
- The Committee shall, from time to time, review the governance structures and procedures of the Company and suggest improvements thereto. Such improvements, if adopted by the full Board of Directors, shall be incorporated into the written guidelines.
- The Committee shall review with management management's assessments, actions, processes and procedures with respect to certain risks, as identified from time to time by the Committee or by the Audit Committee.

### *Environmental and Corporate Responsibility*

- Review the Company's policies, programs and practices regarding its relationships with employees, shareholders, customers, competitors, suppliers and the countries, states and communities in which it operates, including, without limitation, those regarding:
  - environmental protection, health and safety issues;
  - legislative and regulatory issues affecting the Company's businesses and operations; and
  - community, government and regulatory relations, and charitable and philanthropic

contributions.

- Review the Company's policies, procedures, programs and practices regarding diversity in the Company's workforce and key relationships including those with its vendors, suppliers and key business partners.
- Review the Company's transition plans regarding any significant acquisition in an effort to facilitate successful integration of such acquired company into the Company's operations, with specific focus on the effect of the acquisition on the Company's relationships with employees, customers and regulators (both existing and those attributable to the acquired company).
- Review with management the Company's reputation among external constituencies.
- Bring to the attention of the Board, as appropriate, emerging political, social and environmental trends and public policy issues that may affect the business operations, performance or public image of the Company.

### **III. Reporting**

The Committee shall keep written minutes of each meeting, which shall set forth the Committee's actions as required by the Committee Charter, and shall be duly filed in the Company's records. Reports of meetings of the Committee, including a report of all actions taken, shall be made to the Board of Directors at its next regularly scheduled meeting, following the Committee meeting, accompanied by any recommendations to the Board of Directors approved by the Committee.