

**Charter of the Nominating and Corporate Governance Committee  
of the Board of Directors of  
The Ensign Group, Inc.**

**Adopted October 25, 2010  
Last Revised October 25, 2018**

**1. Purposes.**

The purposes of the Nominating and Corporate Governance Committee (the "**Committee**") of the Board of Directors (the "**Board**") of The Ensign Group, Inc. (the "**Company**") shall be to assist the Board in (a) establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; (b) identifying and evaluating individuals qualified to become Board members, consistent with criteria approved by the Board and Committee; (c) selecting, or recommending that the Board select, the director nominees for election at the next Annual Meeting of Stockholders, or to fill vacancies on the Board occurring between Annual Meetings of Stockholders; (d) management succession planning, and (e) developing, recommending to the Board, and assessing corporate governance policies for the Company.

**2. Composition.**

(a) At Least Three Members; Chairperson. The Committee shall consist of a minimum of three independent directors as defined in Section 2(b) below. The Board shall designate a Committee member as the Chairperson of the Committee, or if the Board does not do so, the Committee members shall appoint a Committee member as Chairperson by a majority vote of the authorized number of Committee members.

(b) Independence. All members of the Committee shall be "**independent**" as determined by the Board and as defined in the listing standards of NASDAQ or such other national securities exchange on which the Company's securities are then listed, as the same may be amended from time to time (the "**listing standards**"), the rules and regulations of the Securities and Exchange Commission (the "**SEC**") and any other laws applicable to the Company.

(c) Appointment. Subject to the requirements of the listing standards and the Bylaws of the Company, the Committee members shall be appointed by the Board for one year terms and until their successors are appointed and qualified, or until their earlier retirement, resignation or removal. The Board may fill any vacancies on the Committee and may remove any member of the Committee at any time, with or without cause.

**3. Meetings; Reports and Resources of the Committee.**

(a) Meetings. The Committee shall meet as often as it determines necessary or advisable, but not less than once a year. The Chairperson of the Committee or a majority of the Committee members may call meetings of the Committee. The Committee also may hold special meetings or act by unanimous written consent as the Committee may decide. The meetings may be in person or by telephone. The Committee shall keep written minutes of its

meetings and shall deliver a copy of such minutes to the Board and to the Corporate Secretary of the Company for inclusion in the Company's minute books. The Committee may meet separately with other directors, the Chief Executive Officer and other Company employees, agents or representatives invited by the Committee. The Chairperson of the Committee or a majority of the Committee members will circulate or discuss the agenda for the meeting in advance with each member of the Committee. The Committee may also request that members of management, legal counsel, or other advisors attend the meetings of the Committee.

(b) Procedures. The Committee may establish its own procedures in a manner not inconsistent with this Charter, the Company's Bylaws, applicable laws or regulations, or the listing standards. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at the meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this Charter, the Company's Bylaws, applicable laws or regulations, or the listing standards. The Committee may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee consists solely of independent members of the Committee.

(c) Reports. The Committee shall report its actions and recommendations to the Board after each Committee meeting, and shall report to the Board the director nominees for the Annual Meeting of Stockholders at an appropriate time prior to preparation of the Company's proxy statement for the Annual Meeting of Stockholders. The Committee shall disclose to the Board information regarding the category or categories of persons or entities that recommended, and persons or entities that caused to be recommended, each director nominee (for instance, security holder, non-management director, chief executive officer, other executive officer, third-party search firm, or other, specified source), specifically noting those instances where a nominee was recommended by the Chief Executive Officer of the Company. The Committee also shall disclose to the Board whether any third parties received compensation related to identifying and evaluating candidates.

(d) Committee Access and Resources. The Committee is at all times authorized to have direct, independent and confidential access to the Company's other directors, management and personnel, as well as to the Company's books, records and facilities, to carry out the Committee's purposes. The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain and terminate at the Company's expense any search firm to assist in identifying director candidates, and any independent legal counsel, accounting or other advisors selected by the Committee for matters related to the Committee's purposes. The Committee shall have sole authority to approve related fees and retention terms.

#### **4. Authority and Responsibilities.**

In furtherance of its purposes, the Committee shall have the following authority and responsibilities:

(a) To assist the Board in establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; to lead the search for and identify individuals qualified to become Board members, consistent with

criteria approved by the Board; and to select, or to recommend that the Board select, the director nominees to be presented for stockholder approval at the next Annual Meeting of Stockholders, and one or more director nominees for each vacancy on the Board that occurs between Annual Meetings of Stockholders, subject to legal rights, if any, of third parties to nominate or appoint directors. The Committee shall select or recommend individuals as director nominees who meet the minimum qualifications approved by the Board and who shall have high personal and professional integrity, who shall have financial literacy or other professional or business experience relevant to an understanding of the Company and its business, who shall have demonstrated an ability to think and act independently and with sound judgment and who shall be effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the Company and its stockholders.

(b) To review annually with the Board the composition of the Board as a whole, including whether the Board reflects the appropriate balance of experience, skills, diversity, and other qualifications.

(c) To review and recommend to the Board a determination with respect to each director's "independence" under the listing standards, the rules and regulations of the SEC and any other laws applicable to the Company.

(d) To receive, review and respond to director nominations submitted in writing by the Company's stockholders.

(e) To review and evaluate the Board's committee structure. To recommend to the Board for its approval qualified directors to serve as members of each committee, giving consideration to the criteria for service on each committee as set forth in the charter for such committee. The Committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.

(f) To consider and recommend changes in the size or composition of the Board and matters relating to the retirement of Board members.

(g) To determine the reasons for the resignation of any director.

(h) To review and assist the Board in developing succession plans for the executive officers and ensure that a qualified successor to the Company's Chief Executive Officer is at all times identified, in the event of an emergency or the retirement of the Chief Executive Officer. The Committee shall also assist the Board in evaluating potential candidates for executive officers of the Company. To assist the Committee, the Chief Executive Officer and management shall report to the Committee at least annually on succession planning and management development. The Chief Executive Officer and management shall also provide the Committee with an assessment at least once each year of persons considered potential successors to certain senior management positions.

(i) The Committee shall oversee risks related to the leadership structure of the Board and corporate governance of the Company, including risks related to the process for nominating directors, the functioning and effectiveness of the Board, the performance of the chief executive officer, and the development plans for senior management.

(j) To annually evaluate its own performance as a committee, including its effectiveness and compliance with its Charter, and report to the Board the results of such evaluation and any recommended changes. To review and reassess, at least annually, the adequacy of this Charter and submit any recommended changes to the Board for its consideration.

(k) To perform any other activities, consistent with this Charter, the Company's Bylaws and applicable listing standards and laws, as the Committee or the Board deems necessary or appropriate.

(l) To develop, assess annually, and make recommendations to the Board concerning, appropriate corporate governance policies, including the Company's Code of Conduct. To regularly review issues and developments related to matters of corporate governance. To monitor compliance with the Company's Code of Conduct and other corporate governance policies.

(m) To oversee an annual review of the performance of the full Board and management, and to oversee the annual self-evaluation process of each Board committee.

(n) Review and make recommendations to the Board with respect to proposals properly presented by shareholders for inclusion in the Company's annual proxy statement. The Committee may, as appropriate in light of the proposal's subject matter, refer any proposal to any other committee of the Board for purposes of review and recommendations.

(o) To perform any other functions required by applicable law, rules or regulations, including the rules of the SEC and the rules of any exchange or market on which the Company's securities are traded. The Committee shall also perform such other functions as are delegated to it by the Board from time to time.

## **5. Procedures Regarding Director Nominations by Stockholders.**

The Committee will consider nominees for the Board recommended by stockholders who meet the eligibility requirements for submitting stockholder proposals for inclusion in the Company's next proxy statement. If an eligible stockholder wishes to recommend a nominee, he or she should submit such recommendation in writing to the Chair, Nominating and Corporate Governance Committee, care of the Corporate Secretary of the Company, by the deadline for stockholder proposals set forth in the Company's last proxy statement, specifying the following information: (a) the name and address of the nominee, (b) the name and address of the stockholder making the nomination, (c) a representation that the nominating stockholder is a stockholder of record of the Company's stock entitled to vote at the next annual meeting and intends to appear in person or by proxy at such meeting to nominate the person specified in the notice, (d) the nominee's qualifications for membership on the Board, (e) all of the information that would be required in a proxy statement soliciting proxies for the election of the nominee as a director, (f) a description of all direct or indirect arrangements or understandings between the nominating stockholder and the nominee and any other person or persons (naming such person or persons) pursuant to whose request the nomination is being made by the stockholder, (g) all other companies to which the nominee is being recommended as a nominee for director, (h) a signed

consent of the nominee to cooperate with reasonable background checks and personal interviews, and to serve as a director of the Company, if elected, and (i) such additional information as the Board, this Committee, or similar committee appointed by the Board may require pursuant to resolutions of the Board or such committee's charter. All such recommendations will be brought to the attention of the Committee, and the Committee shall evaluate such director nominees in accordance with the same criteria, set forth in this Charter or otherwise approved by the Committee or the Board, applicable to the evaluation of all director nominees.