

**(Effective on 1 January 2016)**

**CHINA EVERBRIGHT INTERNATIONAL LIMITED**

**TERMS OF REFERENCE  
OF THE NOMINATION COMMITTEE**

**China Everbright International Limited**  
**Terms of Reference of the Nomination Committee**

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***Formation***

1. The Nomination Committee (the “Committee”) was formed on 1 April 2012 pursuant to the board resolutions of China Everbright International Limited (the “Company”) passed on 13 January 2012.

***Objectives***

2. The formation of the Committee is to enhance the corporate governance of the Company and further optimize the composition and structure of the Board. The Committee shall, having regard to the qualification and competence of the candidates, make recommendations to the Board on appointment of the directors, so as to ensure that all nominations are fair and transparent.

***Members***

3. The Committee shall comprise not less than three members, a majority of which shall be independent non-executive directors of the Company.
4. The chairman and the members of the Committee shall be appointed by the Board.
5. The Committee shall have a chairman, who shall be an independent non-executive director of the Company.
6. The terms of office of the members of the Committee shall be consistent with the terms of office of the director. During the terms of office, any member ceases to hold office as a Board member will automatically disqualified as a member of the Committee and the Board shall appoint replacement in accordance with paragraph 4 above.

***Frequency and Proceedings of meetings***

7. The Committee shall hold at least one meeting each year. The meeting shall be chaired by the chairman of the Committee. In the absence of the chairman of the Committee, the other members present shall elect one of them to chair the meeting.
8. The meetings and proceedings of the Committee are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of the Board.
9. Only members of the Committee have the right to attend the Committee meetings. However, any director, executive or other person(s) may be invited to attend the meetings when the Committee considers that their attendance can assist it to discharge its duties.

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10. The quorum of meetings of the Committee shall be two or more members present in person or by telephone conference or by some other means the Committee thinks fit. Each member shall have one vote and the resolutions made by the meeting must be approved by a majority of all members who attend the meeting.

***Duties***

11. The duties of the Committee shall be :
- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
  - (b) to review and report to the Board diversity to the Board;
  - (c) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorship;
  - (d) to assess the independence of the independent non-executive directors of the Company;
  - (e) to make recommendations to the Board on the appointment or re-appointment or re-designation of directors and succession planning for directors, in particular the chairman and the chief executive officer;
  - (f) to make recommendations to the Board on the membership of Board Committees;
  - (g) to make recommendations to the Board on any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the law and their service contracts;
  - (h) to ensure that on appointment to the Board, non-executive directors including independent non-executive directors receive a formal letter of appointment setting out clearly the terms of office and duties and powers etc;
  - (i) to report to the Board on its decisions or recommendations made, unless there are legal or regulatory restrictions to do so; and
  - (j) to consider other topics as defined by the Board.

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***Authority***

12. The Committee is authorized to seek any information it requires from any employee of the Company in order to perform its duties; and
13. The Company should provide the Committee sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

***Secretary***

14. The Company Secretary of the Company shall act as the secretary of the Committee.

***Others***

15. The chairman of the Committee or in his absence, another member of the Committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Committee's activities and their responsibilities.