China Everbright Limited

(the "Company")

Director Nomination & Succession Policy

(Version Date: 22 June 2026)

1. Purpose

The purpose of this Director Nomination & Succession Policy is to set the direction for the Nomination Committee to select and nominate suitable candidates for consideration by the Board of Directors or at the shareholders' meeting for appointment as Directors of the Company or to fill casual vacancies and to ensure the continuous and effective operation of the Company's Board of Directors. Through reasonable planning and arrangements, it guarantees the smooth replacement of Board members, enabling the Board to possess diversified professional knowledge, skills and experience to meet the needs of the Company's business development and safeguard the long-term interests of shareholders.

2. Scope of Application

This policy applies to the nomination and succession arrangements of all Directors of the Company, including Executive Directors, Non-executive Directors and Independent Non-executive Directors.

3. Policy Principles

3.1 Diversity Principle

- During the Director nomination process, it fully considers the diversity of candidates in terms of professional background, industry experience, age, gender, culture, etc., to enhance the comprehensiveness and scientific nature of Board decision-making.

3.2 Competency and Experience Matching Principle

- Give priority to selecting candidates with professional capabilities, rich industry experience and outstanding leadership skills relevant to the Company's business, ensuring that they can provide strong support for the Company's strategic development.

3.3 Independence Principle

- For the succession of Independent Non-executive Directors, strictly follow the independence requirements to ensure that they can exercise their powers independently and objectively and monitor the Company's management.

3.4 Transparency Principle

- The nomination, selection, and appointment processes of Director succession are highly transparent. Relevant information is disclosed to shareholders and the market in a timely manner and is subject to public supervision.

4. Nomination and Selection

4.1 Responsibilities of the Nomination Committee

- The Company has established a Nomination Committee, which is responsible for leading the nomination and selection work of Director succession. The Nomination Committee regularly assesses the composition and needs of the Board of Directors and formulates a Director succession plan.

4.2 Sources of Candidates

- Widely search for potential candidates through various channels, including but not limited to internal recommendations within the Company, recommendations from professional headhunting agencies, recommendations from industry associations, and public recruitment.

4.3 Selection Criteria

- Professional Competence: Possess professional knowledge and skills related to the Company's business, such as finance, law, industry technology, marketing, etc.

- Industry Experience: Have rich work experience in the Company's industry or related fields and be familiar with industry trends and development trends.

- Leadership Skills: Have outstanding leadership, decision-making ability and teamwork spirit and be able to effectively participate in Board decision-making.

- Integrity and Ethics: Uphold high integrity and professional ethics and have no adverse records.

- Independence: Candidates for Independent Non-executive Directors must meet the independence requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and have no conflicts of interest that may affect their independent judgment.

4.4 Nomination process (nominated by the Nomination Committee)

- The Nomination Committee must review the structure, number, and composition of the Board of Directors (including skills, knowledge and experience) at least annually, and make recommendations on any changes to the Board of Directors that are in line with the Company's corporate strategy.

- If there is a need to appoint additional Directors or fill vacancies on the Board, the Nomination Committee may solicit opinions from Board members to recommend candidates. The Nomination Committee may also nominate other candidates who are not nominated by Board members.

- If necessary, the Nomination Committee may recommend hiring external personnel consultants to look for Director candidates, and the cost will be paid by the Company.

- The Nomination Committee should refer to the criteria set out in the "Selection Criteria" section of this policy to determine whether the proposed candidate is qualified and suitable to become a Director of the Company, and provide opinions to the Board of Directors for consideration by the Board of Directors to approve the appointment of the proposed candidate as a Director of the Company or recommend him to run as a Director of the Company at the shareholders' meeting.

4.5 Nomination process (nominated by shareholders)

- Shareholders may nominate candidates for election as Directors of the Company in accordance with the applicable provisions of the Listing Rules and the Company's articles of association. The specific procedures are set out in the "Procedures for Director's Nomination by Shareholders" compiled and adopted by the Company from time to time.

5. Training and Development

5.1 Onboarding Training

- After new Directors join the Company, the Company provides them with comprehensive onboarding training, including the Company's business, governance structure, strategic planning, listing rules, etc., to help new Directors quickly become familiar with the Company's situation and responsibilities.

5.2 Continuous Training

- Regularly organize Directors to participate in various training courses and seminars, covering areas such as corporate strategy, risk management, internal control, corporate governance and ESG, and continuously improve Directors' professional qualities and performance capabilities. Encourage Directors to learn independently and pay attention to the latest industry trends and changes in laws and regulations.

6. Term of Office and Re-election

6.1 Term of Office Provisions

- The term of office of each Director is specified in the Company's articles of association, generally 3 years, and they can be re-elected for consecutive terms upon expiration of their term.

6.2 Expiration of Term and Re-election

- Before the expiration of a Director's term of office, the Nomination Committee evaluates their performance during the term, and the evaluation results serve as an important basis for whether to recommend re-election. For Directors with excellent performance and who meet the Company's development needs, re-election can be recommended; for Directors with poor performance or who do not meet the Company's development needs, re-election will not be recommended.

7. Resignation and Removal

7.1 Resignation Procedure

- Directors who resign should submit a written resignation report to the Board of Directors in advance, stating the reasons for resignation and the leaving time. After receiving the resignation report, the Board of Directors should deliberate on it in a timely manner and handle relevant procedures in accordance with the Company's articles of association and relevant laws and regulations.

7.2 Removal Conditions

- If a Director violates laws, regulations, the Company's articles of association, or damages the interests of the Company or shareholders, such Director can be removed by resolution of the Board of Directors or by a vote of the shareholders' meeting.

7.3 Filling of Casual Vacancies

- When a Director's resignation or removal leads to a casual vacancy on the Board of Directors, the Nomination Committee should promptly initiate the succession process, recommend suitable candidates to fill the vacancy, and ensure the normal operation of the Board of Directors.

8. Information Disclosure

The Company strictly complies with the requirements of the Listing Rules and discloses relevant information on Director succession in a timely and accurate manner, including the composition and operation of the Nomination Committee, the nomination and selection process of candidates, the appointment and change of Directors, the training and development of Directors, etc., to ensure the right of shareholders and the market to know.

9. Policy Review and Update

The Nomination Committee reviews and evaluates the implementation of this Director Nomination & Succession Policy annually. Based on factors such as the Company's development strategy, business needs, changes in laws and regulations, and the market environment, the policy is revised and improved in a timely manner to ensure its effectiveness and adaptability.