

中國廣核電力股份有限公司
CGN Power Co., Ltd.*

**TERMS OF REFERENCE FOR
THE NUCLEAR SAFETY COMMITTEE
UNDER THE BOARD OF DIRECTORS**

Chapter 1 Generality

Article 1 These terms of reference (these “Terms”) are formulated by CGN Power Co., Ltd. (the “Company”) for the nuclear safety committee (the “Committee”) under its board of directors (the “Board”) in accordance with the Articles of Association of CGN Power Co., Ltd. (the “Articles”), the Company Law of the People’s Republic of China, the Production Safety Law of the People’s Republic of China and other relevant regulations in order to set down the composition, responsibilities and rules of procedure of the Committee.

Article 2 The Committee is an internal committee specifically established by and is responsible to the Board.

Chapter 2 Composition

Article 3 The Committee shall comprise five members, including a chairman who shall be the Chairman of the Board. The members of the Committee shall be non-executive directors, executive directors and independent non-executive directors of the Company. When the chairman of the Committee is unable to or fails to perform his/her duties, a member who is an independent non-executive director of the Company shall perform the duties on his/her behalf.

The Committee shall establish an administrative office in the Safety and Quality Assurance Department of the Company which is responsible for undertaking routine business of the Committee. The Committee may appoint one advisory member who shall be responsible for assisting in the daily work of the Committee.

Article 4 Members of the Committee shall:

- (1) have integrity and the courage to review and criticism;
- (2) be objective and make the valutaion or judgement based on facts;
- (3) be rational and have the ability of analysis and judgment by logical approach;

- (4) come from different backgrounds and specializations;
- (5) promise to use collective wisdom and judgment;
- (6) strictly comply with the Laws, proactively perform their duties and safeguard the rights and interests of the Company and all its shareholders in accordance with applicable laws and regulations and the Articles;
- (7) maintain strict confidentiality of the trade secrets of the Company and refrain from abuse of power for personal gains.

Article 5 Members of the Committee shall be nominated by the Chairman of the Board, or by more than half of the independent non-executive directors, or by more than one third of all directors, and shall be appointed by the Board.

Article 6 The term of office of a member of the Committee shall be the same as the term of office of his directorship. If a member of the Committee ceases to be a director of the Company, such member shall automatically cease to be a member of the Committee. A member of the Committee may resign prior to the expiry of his term of office by submitting a written resignation report to the Board, which shall include a statement of the reason thereof and if necessary the matters that should be brought to the attention of the Board. If a member of the Committee is disqualified to act or his resignation has been accepted, the Company shall fill in the vacancy by appointing a successor member in accordance with Articles 3, 4 and 5 above.

Article 7 A member of the Committee may concurrently serve as a member of other supervisory committees under the Board, provided that such member is able to concurrently perform such duties.

Chapter 3 Duties and Responsibilities

Article 8 The Committee shall perform the following duties and responsibilities:

The Committee is accountable to the Board, focuses on nuclear safety and reliability of nuclear power plants and, primarily through reviewing the relevant reports, communications with internal and external parties and field research etc., understands and studies the status and trends of nuclear safety of the Company, and provides the Board with appropriate advices and supports accordingly.

- (1) Listens to reports of the Company relating to status of nuclear safety;
- (2) Listens to independent nuclear safety assessment reports by third-party organizations acquired by the Company;
- (3) Implements independent nuclear safety oversight;
- (4) Reports observations and recommendations to the Board;
- (5) Gives appropriate response to the shareholders' meeting on nuclear safety issues of concern;
- (6) Fulfills such other duties and responsibilities delegated by the Board;
- (7) Fulfills other duties and responsibilities delegated by the regulatory authorities in the jurisdiction where the Company is listed.

Article 9 The Committee shall report its work to the Board at least once every half year.

Article 10 The Committee's costs shall be covered by the budget of the Company. When performing its duties, the Committee may invite or engage legal counsels, certified nuclear safety engineers, certified safety engineers and other professional advisors from international and domestic qualified associations, consulting firms and other institutions in the relevant industries at a reasonable cost of the Company.

Article 11 The Chairman of the Committee shall perform the following duties and responsibilities:

- (1) convene and preside over the meetings of the Committee;
- (2) take charge of the daily business of the Committee;
- (3) approve and sign the reports and other important documents of the Committee;
- (4) confirm the implementation of the resolutions and proposals of the Committee;
- (5) report to the Board on behalf of the Committee; and
- (6) fulfill such other duties and responsibilities as assigned to the Chairman of the Committee.

Chapter 4 Working Practices, Meetings and Rules of Procedure

Article 12 Work Process

- (1) The Committee shall convene once half of a year to discuss the internal nuclear safety plan and listen to the reports of the Company's relevant departments. The Committee may engage professional consultants, if necessary, and make proposals to the Board after taking into account the opinions of the professional consultants.

- (2) Based on authorization of the Board, the Committee is responsible for the independent nuclear oversight and implements necessary review of the effectiveness of operation of the nuclear safety management and important nuclear safety issues.
- (i) nuclear safety management and other related policies for the Company.
 - (ii) the gap between important performance indicators of the Company and those of leading nuclear power groups or companies;
 - (iii) analysis and review of the status of site selection, design, construction, commissioning, operation, decommissioning, spent fuels disposal, radioactive waste disposal and nuclear fuel management etc., of nuclear power plants, so as to identify potential nuclear safety risks and related management deficiencies;
 - (iv) independent investigations of important nuclear safety or quality incidents of nuclear power plants;
 - (v) independent analysis of results of external reviews;
 - (vi) independent review of all kinds of working plans, corrective action plans and improvement plans as well as their results;

regarding the above mentioned matters shall be reported to the Board in written form.

Article 13 Meetings and Rules of Procedure

- (1) The meetings of the Committee shall be convened, and the notice thereof shall be issued, by the Chairman. The notice of the meeting and the meeting agenda shall be delivered to all members of the Committee five business days before the date of the meeting. Subject to the consent of all members of the Committee, the foregoing requirement of notification period may be waived;

(2) The quorum for a meeting of the Committee requires the presence of a majority of the membership of the Committee (including those represented by another member with a written proxy). Any resolution or advice of the Committee is subject to the approval by a majority of the members present at a meeting with a quorum. All resolutions and advice of the Committee shall be signed by all of its members present at the meeting. In case of a tie, the Chairman of the Committee shall have a casting vote.

Article 14 The draft and final versions of the meeting minutes of the Committee shall be sent to all members of the Committee for their comment and records, respectively, within a reasonable time after the meeting. The meeting minutes, upon signing by the members of the Committee present at the meeting, shall be circulated to all members of the Board.

Article 15 Members present at a meeting of the Committee shall keep confidential all the matters discussed at such meeting, and may not disclose such information without prior authorization.

Article 16 The administrative office of the Committee shall be responsible for the preparation and maintenance of all files and materials of meetings.

Chapter 5 Supplementary Provisions

Article 17 These Terms shall be interpreted by the Committee.

Article 18 In the event of any conflict between these Terms and any provision of applicable laws and regulations, regulatory documents or regulations in the jurisdiction where the Company is listed and which may have been promulgated from time to time, the latter shall prevail.

Article 19 These Terms and any amendments hereto shall take effect upon approval by the Board.