

## CHINA EVERBRIGHT INTL LTD

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|-------------------------|---------------------------------------------------------------------------------------------------------------|-------------|-----|-------------------|-------------------------------------------------------------------------------------|
| <b>MEETING DATE</b>     | Wed, 24 May 2017 15:00 pm                                                                                     | <b>TYPE</b> | AGM | <b>ISSUE DATE</b> | Mon, 08 May 2017                                                                    |
| <b>MEETING LOCATION</b> | Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong |             |     |                   |  |
| <b>CURRENT INDICES</b>  | PIRC SE Asia                                                                                                  |             |     |                   |                                                                                     |
| <b>SECTOR</b>           | Water, sewer, pipeline, and communications and power line construction                                        |             |     |                   |                                                                                     |

| <b>PROPOSALS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>ADVICE</b> |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| <b>1</b>         | <b>Receive the Annual Report</b><br>Disclosure is considered adequate and the report was made available sufficiently before the meeting. The financial statements have been audited and certified. Triodos supports this resolution.                                                                                                                                                                                                                                                                                                        | <b>For</b>    |
| <b>2</b>         | <b>Approve the Dividend</b><br>A final dividend of HKD 13.0 per share is proposed which, together with the interim dividend of HKD 7.50, brings the total dividend for the year under review to HKD 20.50 per share. This payment is covered by earnings.                                                                                                                                                                                                                                                                                   | <b>For</b>    |
| <b>3.A</b>       | <b>Re-elect Cai Yunge</b><br>Newly appointed Executive Chairman. It is a generally accepted norm of good practice that the Chairman of the Board should act with a proper degree of independence from the Company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this, Triodos opposes this resolution. He is newly appointed to the Board and his appointment does not improve the gender balance on the Board which Triodos does not support. | <b>Oppose</b> |
| <b>3.B</b>       | <b>Re-elect Wang Tianyi</b><br>Executive Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>For</b>    |
| <b>3.C</b>       | <b>Re-elect Cai Shuguang</b><br>Executive Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>For</b>    |
| <b>3.D</b>       | <b>Re-elect Tang Shuangning</b><br>Non-Executive Director. Not considered independent as he serves as Chairman of China Everbright Group, the ultimate controlling shareholder of the Company. He was re-designated as a Non-Executive Director and ceased to be the Chairman of the Board with effect from 12 December 2016. There is insufficient independent representation on the Board.                                                                                                                                                | <b>Oppose</b> |
| <b>3.E</b>       | <b>Re-elect Zhai Haitao</b><br>Independent Non-Executive Director. He is chair of the Nomination Committee and less than 20% of the Board are women which Triodos does not support.                                                                                                                                                                                                                                                                                                                                                         | <b>Oppose</b> |
| <b>3.F</b>       | <b>Authorise Board Fees</b><br>Standard proposal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>For</b>    |
| <b>4</b>         | <b>Appoint the Auditors</b><br>EY proposed. Non-audit fees represented 11.88% of audit fees during the year under review. Auditor rotation is considered a positive factor. Acceptable proposal.                                                                                                                                                                                                                                                                                                                                            | <b>For</b>    |
| <b>5.I</b>       | <b>Approve General Share Issue Mandate</b><br>The authority is limited to 20% of the share capital and expires at the next AGM. The authority exceeds recommended limits. Triodos opposes this resolution.                                                                                                                                                                                                                                                                                                                                  | <b>Oppose</b> |
| <b>5.II</b>      | <b>Authorise Share Repurchase</b><br>The authority is limited to 10% of the share capital and expires at the next AGM. This is within recommended limits. Triodos supports this resolution.                                                                                                                                                                                                                                                                                                                                                 | <b>For</b>    |

**5.III Extend the General Share Issue Mandate to Repurchased Shares**

**Oppose**

The directors seek authority to re-issue under the authority granted in proposal 5.I those shares repurchased under the authority granted by proposal 5.II. The effect of the proposal, if approved, would be to extend the limit for issuance of shares from 20% to 30% of issued share capital. Given the concerns over dilution of the shareholder rights, Triodos opposes this resolution.

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**SUPPORTING INFORMATION FOR RESOLUTIONS**

**Proposal 1 - Receive the Annual Report**

As part of good corporate governance, it is recommended that there should be sufficient female representation on the Board. As there is no female representation on the Board, the Company is encouraged to address this issue.

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Researcher: Immad Riaz  
Email: [pircresearch@pirc.co.uk](mailto:pircresearch@pirc.co.uk)

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Pensions & Investment Research Consultants Limited  
8th Floor, Suite 8.02, Exchange Tower  
2 Harbour Exchange Square  
E14 9GE

Tel: 020 7247 2323  
Fax: 020 7247 2457  
<http://www.pirc.co.uk>

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