

**COVANTA HOLDING CORPORATION**  
**PUBLIC POLICY COMMITTEE CHARTER**  
(As of October 5, 2005)

**Purpose and General Responsibilities**

The primary purpose of the Public Policy Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for matters relating to public policy. In furtherance of this purpose, the Public Policy Committee shall have the following responsibilities:

- providing general oversight with respect to matters of public policy affecting the Corporation domestically and internationally;
- providing general oversight of developments in the renewable energy industry and evaluating the public implications of such developments on the Corporation and its businesses;
- providing general oversight of the Corporation's interaction with municipal governments and political action groups;
- providing general oversight regarding investor, consumer and community relations issues;
- providing general oversight regarding employee safety programs, policies and procedures;
- providing general oversight with respect to charitable and political contributions by the Corporation;
- providing general oversight concerning major legislative proposals and proposed regulations involving matters outside the substantive coverage area of any other committee of the Board of Directors;
- coordinating the response of the Board of Directors to major legislative proposals and proposed regulations outside the substantive coverage area of any other committee of the Board of Directors; and
- performing such other functions as shall be designated herein or in future resolutions of the Board.

**Composition**

The Public Policy Committee shall consist of a minimum of two directors. Members of the Public Policy Committee shall be appointed annually by the Board of Directors upon the recommendation of the Nominating and Governance Committee and may be removed or replaced by the Board of Directors in its discretion.

**Meetings, Reports and Procedures**

The Public Policy Committee shall meet at such times as the Chairman of the Public Policy Committee shall designate and notice of such meetings shall be given to the Committee's members in accordance with the bylaws of the Corporation. In advance of every meeting, the Chairman of the Public Policy Committee, with the assistance of the Secretary of the Corporation, shall prepare and distribute to the Committee's members and others, as deemed appropriate by the Chairman, an agenda of matters to be addressed at the meeting.

Directors not on the Public Policy Committee may attend meetings of the Public Policy Committee at their discretion. At the invitation of the Chairman of the Public Policy Committee, members of management or outside consultants may also attend Public Policy Committee meetings. Members of the Public Policy Committee may participate in meetings through the use of conference telephones or similar communications equipment, as long as all members participating in such meeting can hear one another, and such participation shall constitute presence at such meetings. Minutes of each meeting of the Public Policy Committee shall be filed with the records of the Corporation.

Unless the members of the Public Policy Committee determine otherwise by resolution, any action required or permitted to be taken by the Public Policy Committee may be taken without a meeting if all of its members consent thereto in writing and the writing(s) are filed with the minutes of the proceedings of the Committee.

The Public Policy Committee shall periodically or as required by the nature of its duties report on its activities to the Board of Directors and shall make recommendations to the Board of Directors as its members deem appropriate.

The Public Policy Committee, as it may deem appropriate, shall have the authority to cause investigations to be made of such matters within the scope of its purpose and responsibilities. Such investigations may be made by the Corporation's employees or such other persons or firms that the Public Policy Committee shall select.

The Public Policy Committee shall have authority to retain such outside counsel, experts and other advisors as the Public Policy Committee may deem appropriate in its sole discretion. The Public Policy Committee shall have sole authority to approve and receive funding for related fees and retention terms.

The Public Policy Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval. The Public Policy Committee shall also review its own performance annually.

The Public Policy Committee may adopt such additional procedures, consistent with this Charter, as its members deem appropriate.

The Public Policy Committee Charter will be made available on the Corporation's website at [www.covantaholding.com](http://www.covantaholding.com).