

Covanta Holding Corporation
Nominating and Governance Committee Charter

**COVANTA HOLDING CORPORATION
NOMINATING AND GOVERNANCE
COMMITTEE CHARTER**

Purpose

The Nominating and Governance Committee is appointed by the Board of Directors (1) to assist the Board of Directors by identifying individuals qualified to become Board of Director members, and to recommend to the Board of Directors the director nominees for the next annual meeting of shareholders; (2) to identify individuals to fill vacancies on the Board of Directors; (3) to recommend to the Board of Directors the Corporate Governance Guidelines applicable to the Corporation; (4) to lead the Board of Directors in its annual review of the Nominating and Governance Committee's performance, the Board of Directors' performance and management's performance; and (5) to recommend to the Board of Directors nominees for each committee.

Committee Membership

The Nominating and Governance Committee shall consist of no fewer than three members. The members of the Nominating and Governance Committee shall each meet the applicable independence requirements of the New York Stock Exchange and applicable SEC rules and regulations.

The members of the Nominating and Governance Committee shall be appointed, removed or replaced by the Board of Directors.

Committee Authority and Responsibilities

1. The Nominating and Governance Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Nominating and Governance Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Nominating and Governance Committee shall actively seek and evaluate individuals qualified to become board members for recommendation to the Board of Directors.
3. The Nominating and Governance Committee shall evaluate and consider individuals recommended by the shareholders and qualified to become board members for recommendation to the Board of Directors, provided that the names of such nominees, accompanied by relevant biographical information, are submitted in accordance with the Corporation's organizational documents, New York Stock Exchange requirements, and SEC rules and regulations, each as in place from time to time.
4. The Nominating and Governance Committee shall receive comments from all Directors and report annually to the Board of Directors with an assessment of the Board of

Directors' performance, as well as the performance of each Committee of the Board of Directors.

5. The Nominating and Governance Committee shall review and reassess the adequacy of the Corporate Governance Guidelines of the Corporation and recommend any proposed changes to the Board of Directors for approval.
6. The Nominating and Governance Committee may form and delegate authority to subcommittees when appropriate.
7. The Nominating and Governance Committee shall make regular reports to the Board of Directors (including an annual report concerning succession planning).
8. The Nominating and Governance Committee shall prepare and publish any reports required pursuant to New York Stock Exchange Rules or SEC rules and regulations.
9. The Nominating and Governance Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval. The Nominating and Governance Committee shall annually review its own performance.
10. The Nominating and Governance Committee shall review and assess the adequacy of the Corporation's Policy of Business Conduct, and the Corporation's implementation of policies contained therein, and recommend any changes thereto to the Board of Directors for approval.
11. To provide risk oversight in areas of Board effectiveness, Board succession planning, and ethics and compliance (in conjunction with the Audit Committee).
12. To the extent the Corporation is legally required by contract or otherwise (including pursuant to the terms of preferred stock issued by the Corporation) to provide third parties with the ability to nominate board members, the selection and nomination of such members need not be subject to the Nominating and Governance Committee's nominating process.

This Nominating and Governance Committee Charter will be made available on the Corporation's website at www.covanta.com.