

Advanced Emissions Solutions, Inc.

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

- I. Purpose.** The Nominating and Governance Committee (“Committee”) is appointed by the Board of Directors of the Company (“Board”) to: (1) identify individuals qualified to become members of the Board, (2) recommend director candidates to the Board for nomination for election at the annual meeting of shareholders and to fill any vacancies on the Board that may occur between annual meetings of shareholders, and (3) develop, periodically review and recommend to the Board a Code of Conduct that will apply to the Company.
- II. Composition.** The Committee must be comprised of three or more Directors as determined by the Board. Committee members shall be appointed by the Board on an annual basis upon the recommendation of the Committee and may be removed by the Board at any time for any or no reason. The members of the Committee shall meet the independence requirements of applicable laws, regulations and rules of the Nasdaq Stock Market. In appointing Committee members, the Board must find that each member is a “non-employee director” as defined by Rule 16b-3 under the Securities Exchange Act of 1934 and an “outside director” as defined by Section 162(m) of the Internal Revenue Code. The Committee shall select a Chairperson from among its members who shall serve for a term of not less than one year.
- III. Meetings and Operations.** The Committee shall meet as often as may be deemed necessary or appropriate by the Chairperson and at such times and places and by such means as the Chairperson shall determine. The Committee may invite other Directors or executive officers to attend its meetings if in the opinion of the Committee such attendance would facilitate the purposes of the Committee and not compromise its independence. The Committee shall keep adequate and accurate minutes of all meetings and Committee members will be furnished with copies of the minutes of each meeting and any action taken by written consent. The Committee shall report regularly to the Board with respect to its activities (no less often than at each regularly scheduled meeting of the Board). A majority of the members of the Committee shall constitute a quorum. The Committee shall be governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) applicable laws.
- IV. Authority.**

 - A. Advisors.** The Committee has sole authority to retain and terminate outside counsel to the Committee, any search firm used to identify director candidates, or other experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. Any outside counsel and other

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advisors retained by the Committee shall be independent, as determined in the discretion of the Committee, to the extent required by applicable laws, regulations and rules of the Nasdaq Stock Market. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

The Committee shall receive appropriate funding from the Company, as determined by the Committee, to pay the fees of any such counsel and advisors.

B. Resources. The Committee will have the resources and authority necessary to discharge its duties and responsibilities. In furtherance thereof:

1. The Company shall provide the Committee with appropriate resources to ensure that Committee members receive appropriate orientation briefings and educational resources related to matters relevant to the responsibilities of the Committee.

2. The Company shall provide the funding that the Committee determines is appropriate to the Committee, including funding for ordinary administrative expenses of the Committee that are necessary or appropriate in connection with its duties.

V. Responsibilities and Procedures.

A. Nominating and Personnel Recommendation Functions. In furtherance of its role in the nominating and election processes, the Committee shall have the following responsibilities:

1. Identify and recommend to the Board the nominees to be submitted to the Company's shareholders for election as directors at each annual meeting of shareholders (including giving due consideration to any candidates properly recommended by shareholders), and consider and make recommendations to the Board regarding individuals to fill any vacancies occurring on the Board from time to time.
2. Promulgate and publish appropriate procedures to allow shareholders to suggest potential nominees to serve as directors of the Company.
3. Assist in interviewing and recruiting candidates for the Board.
4. Qualifications to be considered by the Committee in assessing director candidates shall include (but not necessarily be limited to) the following:
 - a. An understanding of business and financial affairs and the complexities of an organization that operates as a "public" company in the business of the Company. Although a career in business

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shall not be considered essential, a nominee should have a proven record of competence and accomplishments through leadership in industry, education, a profession or government, and should demonstrate a willingness to maintain a committed relationship to the Company as a director;

- b. A genuine interest in representing all of the Company's shareholders and the interests of the Company overall;
- c. A willingness and ability to spend the necessary time required to function effectively as a director;
- d. An open-minded approach to matters and the resolve and ability to independently analyze matters presented for consideration;
- e. A reputation for honesty and integrity that is above reproach;
- f. As appropriate, qualifications required of independent directors by the Nasdaq Stock Market and applicable law; and
- g. As to any candidate who is an incumbent director (who continues to be otherwise qualified), the extent to which the continuing service of such person would promote stability and continuity in the Boardroom as a result of such person's familiarity and insight into the Company's affairs, and such person's prior demonstrated ability to work with the Board as a collective body. Accordingly, the process of the Committee shall reflect the Company's practice of re-nominating incumbent directors who continue to satisfy the Committee's criteria for membership on the Board, whom the Committee believes will continue to make important contributions to the Board, and who agree to continue their service on the Board.

5. Recommend annually (or more often if needed) to the Board an individual or individuals for appointment as Chairperson of the Board and Chief Executive Officer of the Company.
6. Review annually (or more often if needed) the Chief Executive Officer's recommendations for individuals to be appointed as executive officers of the Company, and to analyze and recommend, in turn, appropriate persons for such roles to the Board.

B. Governance. In furtherance of its role in assuring appropriate corporate governance, the Committee shall have the following responsibilities:

1. Develop and recommend to the Board the Company's Code of Conduct, review the Code of Conduct no less than annually, recommend any changes to the Board as are considered necessary and appropriate and

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ensure that the Code of Conduct is distributed to and acknowledged by all employees and directors of the Company.

2. Monitor, in conjunction with the Company's Audit Committee and any other appropriate committee, compliance with the Code of Conduct.
3. Evaluate annually and report to the Board concerning the performance and effectiveness of the Board in fulfilling their responsibilities in a manner that serves the interests of the Company's shareholders.
4. Periodically review (no less than annually or more often if appropriate) the size and composition of the Board and its committees, including charters, structure, operations and reporting of each of the committees, and recommend to the Board any changes thereto as are appropriate, following consultation with the Chairperson of any affected committee.
5. Establish a process for assessing director independence and make recommendations to the Board no less than annually regarding whether each non-management director is "independent" as defined by Nasdaq Stock Market rules and applicable laws and regulations and disclose this information in the proxy statement or annual report on Form 10-K, as applicable.
6. Recommend annually to the Board, after the review of each member's qualifications, the members for appointment to each of the committees of the Board, including the Chairperson for each committee, and recommend to the Board the removal of any member from a committee as appropriate.
7. Review any Director's change in primary activity, which change shall be reported to the Committee by the Director as soon as possible.
8. Review at least annually a list of the Board of Directors and management committees (or similar governing bodies) of any non-affiliated legal entity on which executive officers serve. The Chief Executive Officer shall submit recommendations as to all such proposed commitments of executive officers and the Committee shall approve in advance all such commitments of the Chief Executive Officer, who shall then convey such approvals to the executive officers.
9. Review and comment upon the Company's public disclosures with respect to corporate governance and related matters as to which the Committee has responsibility.
10. Review the manner and process by which major matters are brought to the Board for review and approval.

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11. Review annually the Company's directors' and officers' insurance policies, if any, and indemnification provisions and make recommendations to the Board as to any changes considered necessary and appropriate.
12. Approve any waivers from the Code of Conduct for executive officers and directors and oversee prompt disclosure of any such waivers to shareholders as required by the rules of the Nasdaq Stock Market and applicable law.
13. Review and assess annually the performance of the Committee and report the results of such evaluation to the Board.
14. Review and assess annually the adequacy of the Committee's Charter and recommend to the Board any proposed changes to the Committee Charter that the Committee considers necessary and appropriate.
15. Review periodically and recommend to the Board appropriate compensation (including annual retainers and meeting fees) for non-management directors; provided, however, that no member of the Committee shall act to fix his or her own compensation except for uniform compensation to directors for their services as such. The review to be conducted hereunder shall include assessment of the Company's Board compensation in relation to other comparable U.S. companies to ensure that the compensation offered by the Company is competitive and supports the ability of the Company to attract and retain the most qualified candidates.
16. Periodically review the adequacy of the succession plan for officers and recommend to the Board any changes and any candidates for succession under the plan.
17. Periodically review, and update as necessary, the Company orientation program for new directors and the continuing education program for current directors.