

APPROVED BY
the Supervisory Board of
Private Joint Stock Company
“Ukrainian Financial Housing Company”

Minutes No. 1
dated September 15, 2022

REGULATION
on the Audit Committee of Private Joint Stock Company
“Ukrainian Financial Housing Company”

Kyiv
2022

UNOFFICIAL TRANSLATION
BY PJSC “UFHC”

1. General

1.1. This Regulation on the Audit Committee of the Supervisory Board of Private Joint Stock Company “Ukrainian Financial Housing Company” (hereinafter, “Regulation”) has been developed in accordance with the Commercial Code of Ukraine, the Articles of Association of Private Joint Stock Company “Ukrainian Financial Housing Company” (hereinafter, “the Articles of Association of the Company”), the Regulation on the Supervisory Board of Private Joint Stock Company “Ukrainian Financial Housing Company” (hereinafter, “the Regulation on the Supervisory Board of the Company”) and other regulations governing the Company’s activities.

1.2. The Audit Committee of the Supervisory Board of Private Joint Stock Company “Ukrainian Financial Housing Company” (hereinafter, “the Audit Committee”) shall be created upon decision of the Supervisory Board of the Company, and shall be a consultative and advisory body ensuring the efficient performance of functions by the Supervisory Board of the Company. The Committee is vested with the functions of an audit committee within the meaning of the Law of Ukraine “On Audit of Financial Reporting and on Auditing Activities.” The Audit Committee is not a governing body.

1.3. The Audit Committee shall act in accordance with the Regulation and be guided in its activities by the legislation of Ukraine, the Articles of Association of the Company, the Regulation on the Supervisory Board of the Company, decisions of the Supervisory Board of the Company, and other regulations.

1.4. For the purpose of ensuring the operation of the Audit Committee, the Supervisory Board of the Company may decide to introduce an office of a head of the internal audit unit (create an internal audit unit) in the Company. An internal auditor (internal audit unit) shall be appointed by the Supervisory Board of the Company, and shall be subordinated and directly accountable to the member of the Supervisory Board of the Company – Chairman of the Audit Committee.

2. Purpose of formation of the Audit Committee

2.1. The main purpose of formation of the Audit Committee is to ensure the efficient operation of the Supervisory Board of the Company in resolving matters falling within the competence of the Audit Committee, as well as the actual monitoring of the Company’s financial and economic activities by the Supervisory Board of the Company.

3. Competence of the Audit Committee

3.1. The list of matters referred to the Audit Committee for review and preparation (the competence of the Audit Committee) regarding the organization of internal audits shall include:

3.1.1. Monitoring the integrity of financial information provided by the Company, in particular, reviewing the conformity and consistency of accounting methods used by the Company and legal entities under its control (if any)

3.1.2. Reviewing the efficiency of internal audit, compliance, and risk management systems at least once a year

3.1.3. Giving recommendations for the selection, appointment, re-appointment, and dismissal of the head of the internal audit unit, head of compliance, and head of risk management.

3.2. The following issues shall fall within the competence of the Audit Committee in relation to the external auditor (audit firm) engaged by the Company:

3.2.1. Giving recommendations to the Supervisory Board of the Company for the selection, appointment, re-appointment, and dismissal of an external auditor (audit firm), as well as the terms of contract with them

3.2.2. Formation of transparent and non-discriminatory criteria for the subjects of auditing activities to provide services of mandatory audit

3.2.3. Evaluation of independence of the subjects of auditing activities providing services of mandatory audit

3.2.4. Organizing and conducting the selection competition for the subjects of auditing activities

3.2.5. Giving comments and recommendations following the selection competition for the subjects of auditing activities

3.2.6. Monitoring the independence and impartiality of an external auditor (audit firm) in accordance with the International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements

3.2.7. Establishing and applying an official definition of the policy, types of services that are not subject to audit, and are excluded or allowed after verification by the Audit Committee, or are allowed without the recommendation of the Audit Committee

3.2.8. Reviewing the efficiency of external audit and the speed of response by the Company management to the recommendations submitted in writing by an external auditor (audit firm)

3.2.9. Studying the problems that may serve the ground for any dismissal of an external auditor (audit firm), and giving recommendations on any necessary actions.

3.3. The Supervisory Board of the Company shall have the right to increase by their decision the list of matters falling within the competence of the Audit Committee without amending the Regulation. Decisions on the list of matters referred to the Audit Committee for examination and preparation shall be adopted by a simple majority vote of the members of the Supervisory Board of the Company, unless the Company's Articles of Association provide for a greater number of votes necessary to adopt such a decision.

4. Rights of the Audit Committee

4.1. For the purpose of implementing its functions, the Audit Committee shall be vested with the following rights:

4.1.1. To receive information and documents related to the Company's activities

4.1.2. To hear reports and request explanations from the Company head and other Company employees

4.1.3. To examine and study the matters falling within the competence of the Audit Committee

4.1.4. To submit proposals to the Supervisory Board of the Company regarding the suspension of a decision or order issued by the Company head in case such decision or order was adopted in breach of the legislation of Ukraine or the Articles of Association of the Company, can cause harm to the Company, or is in conflict with the subject matter and

the objective of the Company's activities

4.1.5. To submit other proposals to the Supervisory Board of the Company on the matters falling within the competence of the Audit Committee.

4.2. The members of the Audit Committee shall have access to the Company's accounting information (including source accounting documents), information about its financial activities, as well as to all information related to external audit.

5. Responsibilities of the Audit Committee

5.1. The Audit Committee shall:

5.1.1. Perform duties falling within its competence, as specified in clauses 3.1. and 3.2. of the Regulation and individual decisions of the Supervisory Board of the Company.

5.1.2. Report, in accordance with the procedure established by the Supervisory Board of the Company, on the performance results of the Audit Committee at least once every six months.

The information provided in the performance reports of the Audit Committee shall contain information about the Audit Committee's personnel, number of meetings of the Audit Committee and their core activities, as well as on comments (if any) on the independence of external audit.

5.1.3. Not disclose confidential information and trade secret of the Company discovered in the course of performing their functions.

5.1.4. Should a member of the Audit Committee receive any restricted information, such person must ensure the observance of the procedure for using and disclosing such information, as established by law.

6. Composition and Formation of the Audit Committee. Rights and Responsibilities of Audit Committee Members

6.1. Upon decision of the Supervisory Board of the Company, the Audit Committee shall consist of no more than five (5) persons.

6.2. Members of the Audit Committee shall be elected by the Supervisory Board of the Company from among candidates (members of the Supervisory Board of the Company) nominated by the members of the Supervisory Board of the Company, by a simple majority vote of the Company's Supervisory Board members who participate in the meeting.

6.3. The Audit Committee shall be chaired by a member of the Supervisory Board of the Company elected to the Audit Committee by the Supervisory Board of the Company.

6.4. The same person may chair the Audit Committee and any other committee of the Supervisory Board of the Company at the same time.

6.5. When electing members of the Audit Committee, their education, professional training, expertise in the field of activities of the Audit Committee, and other special knowledge necessary for the members of the Audit Committee to exercise their authority shall be taken into account.

6.6. Members of the Audit Committee shall be elected for the period until a new Supervisory Board of the Company is elected. The powers of the Audit Committee, as well as of any member of the Audit Committee, may be terminated ahead of time by decision of the Supervisory Board of the Company.

6.7. The powers of a member of the Audit Committee, including its chair, shall be

terminated without the decision of the Supervisory Board of the Company:

6.7.1. At their own will, by giving a written notice thereof to the Company two weeks in advance

6.7.2. If a member of the Audit Committee cannot perform their duties due to the state of health

6.7.3. Upon entry into force of a court judgment or decision convicting the Committee member, which makes their performance of duties impossible

6.7.4. In case of their death, declaration as legally incapable or partially capable, missing, or dead.

6.8. The members of the Audit Committee within the competence of the Committee shall have the right to:

6.8.1. Request documents and information from the head of the Company, heads of Company's structural units, as may be necessary for adopting decisions within the competence of the Audit Committee

6.8.2. Submit written proposals on the formation of the work plan of the Audit Committee

6.8.3. Propose items to the agenda of meetings of the Audit Committee

6.8.4. Request convening a meeting of the Audit Committee

6.8.5. Exercise other rights provided for by the Regulation.

6.9. The members of the Audit Committee, when exercising their rights and performing their duties, shall act solely in the interests of the Company.

6.10. The Audit Committee and/or its members shall have the right to request explanations and clarifications from the Company employees.

7. Rules of Procedure of the Audit Committee

7.1. The organizational form of work of the Audit Committee shall be a meeting.

7.2. Meetings of the Audit Committee shall be held when necessary, and shall be deemed duly constituted if more than a half of its members participate in them.

7.3. Meetings of the Audit Committee shall be conducted by its Chairman or one of the members of the Audit Committee elected at the respective meeting in the absence of the Chairman of the Audit Committee.

7.4. A member of the Audit Committee shall be deemed present at a meeting of the Committee, and therefore participating in it, even if they are not physically located at the meeting venue, provided that, through communication tools, they are able to hear all other members of the Audit Committee participating in the meeting, communicate with them, receive explanations, review documents, and obtain all information necessary for adopting decisions on the agenda items.

7.5. The members of the Audit Committee shall take part in its work and vote personally.

7.6. Meetings of the Audit Committee shall be convened at the request of:

- The Chairman of the Supervisory Board of the Company
- The Chairman of the Audit Committee
- Any member of the Supervisory Board of the Company and/or the Audit Committee
- Head of the Company.

7.7. A notice of convening a meeting of the Audit Committee shall be sent (given) to its members by the Corporate Secretary of the Company.

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7.8. The notice of convening a meeting of the Audit Committee shall be accompanied by all necessary documents related to the agenda of the meeting of the Audit Committee.

7.9. The necessary documents related to the agenda of the meeting of the Audit Committee may be submitted by the head or the Corporate Secretary of the Company.

7.10. Should it be necessary to resolve urgent issues of the Company's activities, subject to the consent of the Audit Committee members to the urgent meeting, such meeting may be convened within a period of time less than specified in clause 7.2. of the Regulation.

7.11. The agenda of the meeting of the Audit Committee must include issues proposed for consideration by the persons requesting convening a meeting of the Audit Committee.

7.12. No later than one day before the date of the meeting of the Nomination and Remuneration Committee any member of the Audit Committee may propose amendments or supplements to the agenda of the meeting subject to submitting necessary documents to all members of the Audit Committee.

7.13. Issues that are not included in the notice of the meeting of the Audit Committee may not be considered at the Committee meeting, except in cases where more than half of the Committee members present at the meeting vote in favor of considering an issue not specified in the notice.

7.14. Decisions of the Audit Committee shall be adopted collectively, by a simple majority of votes of the Committee members who participate in the meeting and have the right to vote. Each member of the Audit Committee shall have one vote when voting at a meeting. In the event of an equal distribution of votes among the members of the Audit Committee in adopting decisions, the Chairman of the Audit Committee shall have the casting vote.

7.15. If the Chairman of the Audit Committee is absent, their functions at the meeting shall be performed by a member of the Audit Committee elected by the Committee members present at the meeting in accordance with clause 7.3 of the Regulation; this member shall have the casting vote in the event of a tie during voting.

7.16. Decisions of the Audit Committee shall be documented in minutes. The requirements for drawing up the minutes of a meeting of the Audit Committee shall be similar to the requirements for drawing up the minutes of a meeting of the Supervisory Board of the Company, with due regard for the requirements of the legislation of Ukraine.

7.17. Members of the Audit Committee who disagree with a decision adopted at a meeting may express a dissenting opinion, which shall be recorded in the minutes of the meeting of the Audit Committee.

7.18. The Corporate Secretary of the Company shall send notices of holding meetings of the Audit Committee, and organize the record-keeping, execution, and storage of the minutes of Committee meetings, as well as the preparation of other documents related to the Committee's activities.

7.19. The Corporate Secretary of the Company shall execute extracts from the minutes of the meeting of the Audit Committee and certify them with their signature.

7.20. The Audit Committee may adopt decisions on matters submitted for its consideration by means of absentee voting (polling) of the Committee members, in the manner established for absentee voting by the members of the Supervisory Board of the Company.

7.21. The decision to adopt a decision by means of absentee voting shall be made

by the Chairman of the Audit Committee, or by the Chairman of the Supervisory Board of the Company in the absence of the Committee Chairman.

8. Procedure for Submitting Proposals (Conclusions) by the Audit Committee and Their Consideration by the Supervisory Board of the Company

8.1. The Supervisory Board of the Company shall adopt decisions on matters preliminarily prepared by the Audit Committee on the basis and within the scope of the Committee's proposals.

8.2. A justified decision of the Supervisory Board of the Company to reject a proposal of the Audit Committee shall be provided by the Supervisory Board to the Committee for the purpose of re-preparing the proposal by the latter.

8.3. In the absence of proposals from the Audit Committee the Supervisory Board of the Company shall have no right to adopt decisions on the matters prepared by the Committee for consideration by the Supervisory Board of the Company.

8.4. The proposal of the Audit Committee shall be documented in a respective draft decision of the Supervisory Board of the Company.

8.5. Proposals (conclusions) of the Audit Committee shall be approved at the Committee meeting with the execution of the respective minutes. The proposal (conclusion) shall bear the number and date of the minutes of the meeting of the Audit Committee at which it was approved. The proposal (conclusion) shall be signed by the Chairman of the Audit Committee or by a person performing their duties at the Committee meeting.

8.6. Proposals (conclusions) of the Audit Committee shall be considered by the Supervisory Board of the Company in the manner prescribed by the legislation of Ukraine and the Company's Articles of Association for the adoption of respective decisions by the Supervisory Board of the Company.

9. Final Provisions

9.1. The issues not governed by the Regulation shall be governed by the Company's Articles of Association, the Regulation on the Supervisory Board of the Company, the legislation of Ukraine, and decisions of the Supervisory Board of the Company.

9.2. If, as a result of amendments in the legislation of Ukraine, certain clauses of the Regulation become conflicting with such amendments, such clauses shall become null and void, and the members of the Audit Committee of Ukraine shall be guided by the legislation of Ukraine until the Regulation is amended respectively.