

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

Minutes No. 1
dated September 15, 2022

REGULATION
on the Committee of the Supervisory Board
of Private Joint Stock Company “Ukrainian Financial
Housing Company” on Nomination and Remuneration of the
Company’s Officials

Kyiv
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UNOFFICIAL TRANSLATION
BY PJSC “UFHC”

1. General

1.1. This Regulation on the Committee of the Supervisory Board of Private Joint Stock Company “Ukrainian Financial Housing Company” (hereinafter, PJSC “UFHC” or the Company) on Nomination and Remuneration of the Company’s Officials (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 Committee of the Supervisory Board of Private Joint Stock Company “Ukrainian Financial Housing Company” on Nomination and Remuneration of the Company’s Officials (hereinafter, “the Nomination and Remuneration 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 Nomination and Remuneration Committee is not a governing body.

1.3. The Nomination and Remuneration 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.

2. Purpose of formation of the Nomination and Remuneration Committee

2.1. The main purpose of formation of the Nomination and Remuneration Committee is to ensure the efficient operation of the Supervisory Board of the Company in resolving matters falling within the competence of the Nomination and Remuneration 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 Nomination and Remuneration Committee

3.1. The list of matters referred to the Nomination and Remuneration Committee for review and preparation (the competence of the Nomination and Remuneration Committee regarding the organization of personnel management) shall include:

3.1.1. Searching for and providing recommendations to the Chairman of the Supervisory Board regarding candidates for the position of Chairman of the Management Board, First Deputy Chairman of the Management Board, and Deputy Chairmen of the Management Board of the Company

3.1.2. Developing principles for determining remuneration (bonuses, additional payments, allowances) for the Chairman of the Management Board, First Deputy Chairman of the Management Board, and Deputy Chairmen of the Management Board

3.1.3. Submitting proposals to the competent governing body regarding the termination of powers of the Company’s Supervisory Board members

3.1.4. Engaging an independent external adviser to evaluate the performance of the Company’s Supervisory Board members

3.1.5. Determining the Company’s standards and policies in the field of human

resources and remuneration, including for the proper selection of Company personnel to attract qualified specialists to the Company

3.1.6. Developing and implementing incentive systems, etc.

3.1.7. Other tasks assigned by the Company's Supervisory Board or defined in the Regulation on the Committee on Nomination and Remuneration for the Company's Officials.

4. Rights of the Nomination and Remuneration Committee

4.1. For the purpose of implementing its functions, the Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration Committee.

4.2. The members of the Nomination and Remuneration Committee shall have access to the information about the Company's personnel (including their work record books, employment orders etc.), their salary, as well as to all information related to the competence of the Nomination and Remuneration Committee.

5. Responsibilities of the Nomination and Remuneration Committee

5.1. The Nomination and Remuneration Committee shall:

5.1.1. Perform duties falling within its competence, as specified in clause 3.1. 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 Nomination and Remuneration Committee at least once every six months.

Information on the activities of the Nomination and Remuneration Committee provided in the reports shall include information on the its members, number of its meetings, and their core activities

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 Nomination and Remuneration 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. Appointment, Scope and Qualification of Members of the Nomination and Remuneration Committee

6.1. Upon decision of the Supervisory Board of the Company, the Nomination

and Remuneration Committee shall consist of no more than five (5) persons.

6.2. Members of the Nomination and Remuneration 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 Nomination and Remuneration Committee shall be chaired by a member of the Supervisory Board of the Company elected to the Nomination and Remuneration Committee by the Supervisory Board of the Company. The Chairman of the Nomination and Remuneration Committee shall be elected from among independent members of the Supervisory Board of the Company.

6.4. The majority of members of the Nomination and Remuneration Committee shall be independent members of the Supervisory Board of the Company.

6.5. The same person may chair the Nomination and Remuneration Committee and any other committee of the Supervisory Board of the Company at the same time.

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

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

6.8. The powers of a member of the Nomination and Remuneration Committee, including its chair, shall be terminated without the decision of the Supervisory Board of the Company:

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

6.8.2. If a member of the Nomination and Remuneration Committee cannot perform their duties due to the state of health

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

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

6.9. The members of the Nomination and Remuneration Committee within the competence of the Committee shall have the right to:

6.9.1. Request in writing documents and information from the executive body of the Company, heads of Company's structural units, as may be necessary for adopting decisions within the competence of the Nomination and Remuneration Committee

6.9.2. Submit written proposals on the formation of the work plan of the Nomination and Remuneration Committee

6.9.3. Propose items to the agenda of meetings of the Nomination and Remuneration Committee

6.9.4. Request convening a meeting of the Nomination and Remuneration Committee

6.9.5. Exercise other rights provided for by the Regulation.

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

6.11. The Nomination and Remuneration Committee and/or its members shall have the right to request explanations and clarifications from the Company employees.

7. Rules of Procedure of the Nomination and Remuneration Committee

7.1. The organizational form of work of the Nomination and Remuneration Committee shall be a meeting.

7.2. Meetings of the Nomination and Remuneration 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 Nomination and Remuneration Committee shall be conducted by its Chairman or one of the members of the Nomination and Remuneration Committee elected at the respective meeting in the absence of the Chairman of the Nomination and Remuneration Committee.

7.4. A member of the Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration Committee shall take part in its work and vote personally.

7.6. Meetings of the Nomination and Remuneration Committee shall be convened at the request of:

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

7.7. A written request to convene a meeting shall be submitted to the Chairman of the Nomination and Remuneration Committee (or to the Chairman of the Supervisory Board of the Company, in the absence of the Chairman of the Nomination and Remuneration Committee), and shall contain the list of matters to be considered at a meeting of the Nomination and Remuneration Committee.

7.8. A notice of convening a meeting of the Nomination and Remuneration Committee shall be sent (given) to its members by the Corporate Secretary of the Company.

7.9. The notice of convening a meeting of the Nomination and Remuneration Committee shall be accompanied by all necessary documents related to the agenda of the meeting of the Nomination and Remuneration Committee.

7.10. The necessary documents related to the agenda of the meeting of the Nomination and Remuneration Committee may be submitted by the head or the Corporate Secretary of the Company.

7.11. Should it be necessary to resolve urgent issues of the Company's activities, subject to the consent of the Nomination and Remuneration 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.

7.12. The agenda of the meeting of the Nomination and Remuneration Committee must include issues proposed for consideration by the persons requesting convening a meeting of the Nomination and Remuneration Committee.

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

7.14. Issues that are not included in the notice of the meeting of the Nomination and Remuneration 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.

7.15. Decisions of the Nomination and Remuneration 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 Nomination and Remuneration Committee shall have one vote when voting at a meeting. In the event of an equal distribution of votes among the members of the Nomination and Remuneration Committee in adopting decisions, the Chairman of the Nomination and Remuneration Committee shall have the casting vote.

7.16. If the Chairman of the Nomination and Remuneration Committee is absent, their functions at the meeting shall be performed by a member of the Nomination and Remuneration 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.

7.17. Decisions of the Nomination and Remuneration Committee shall be documented in minutes. The requirements for drawing up the minutes of a meeting of the Nomination and Remuneration 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.

7.18. Members of the Nomination and Remuneration 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 Nomination and Remuneration Committee.

7.19. The Corporate Secretary of the Company shall send notices of holding meetings of the Nomination and Remuneration 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.

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

7.21. The Nomination and Remuneration 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.

7.22. The decision to adopt a decision by means of absentee voting shall be made by the Chairman of the Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration 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 Nomination and Remuneration Committee shall be documented in a respective draft decision of the Supervisory Board of the Company.

8.5. Proposals (conclusions) of the Nomination and Remuneration 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 Nomination and Remuneration Committee at which it was approved. The proposal (conclusion) shall be signed by the Chairman of the Nomination and Remuneration Committee or by a person performing their duties at the Committee meeting.

8.6. Proposals (conclusions) of the Nomination and Remuneration 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 Nomination and Remuneration Committee of Ukraine shall be guided by the legislation of Ukraine until the Regulation is amended respectively.