



REGULATION OF THE BOARD OF DIRECTORS REMUNERATION AND NOMINATION COMMITTEE

JANYARY 2019

1. Recommendation

The Remuneration and Nomination Committee was set up in accordance with the FF Group's Board of Directors' decision dated 13.11.2018.

2. Composition

The Chairman and the members of the Remuneration and Nomination Committee are appointed by the Company's Board of Directors. The Committee consists of non-executive members of the Board of Directors, the majority of which, including the Chairman, are independent non-executive members of the FF Group's Board of Directors. Participation in the Remuneration and Nomination Committee does not exclude the possibility of participation in other committees of the Board of Directors.

3. Purpose

The Remuneration and Nomination Committee is intended to assist the Board of Directors in:

1. the general principles governing the management of the Company's human resources, in particular the remuneration policy, benefits and incentives for the members of the Board of Directors and the Company's executives, in accordance with market and economic conditions in general, as well as
2. strengthening the administrative centers of the Company and ensuring the effective management of the Company by identifying, presenting and indicating suitable candidates for the filling of positions of the Board of Directors, as well as the recruitment or promotion of top management.

4. Operation

The Remuneration and Nomination Committee shall congregate on invitation of its Chairman as often as it deems necessary for the performance of its tasks. Commission meetings may also be held using conference technologies. Each member of the Commission has the right to request in writing the Commission's meeting to discuss specific issues. The Secretary of the Commission is appointed by the Commission.

A quorum of at least two of its members is required for a Commission decision. Subject to a quorum in accordance with the above, a member of the Commission may, in the event of an impediment, authorize another member in writing to represent him at a meeting and to vote on his behalf on the items of the agenda. No member can represent more than one member of the Commission. The Commission is entitled to invite any employees, executives or advisers of FF Group to its meetings as appropriate or useful. The decisions of the Commission shall be taken by a majority of the members present.

To assist its work, the Commission is supported by the Human Resources and Internal Audit Departments and is entitled to recruit external consultants and to determine the terms of cooperation with them, the remuneration of which will be charged to the management budget.

The Commission shall annually reassess its operating rules and supplement or revise them with those amendments which it considers useful.

5. Tasks and Responsibilities

The main responsibilities of the Remuneration and Nomination Committee are:

5.1 Define Remuneration

Submitting proposals to the Board of Directors for any policy related to fees. In particular, the Remuneration Committee:

(a) Prepares decisions for remuneration of the members of the Board of Directors, which must be in accordance with the powers, duties, expertise, performance and responsibilities of its members, and have an impact on the risks incurred and the management thereof; and supervises compliance with these decisions.

(b) Suggests corrective actions in case weaknesses which have been formed in the implementation of the remuneration policy are observed or discrepancies in its implementation occur.

(c) Submits proposals to the non-executive members of the Board of Directors regarding the remuneration of Management, in particular for the executive members of the Board of Directors as well as for FF Group's executives with high remuneration.

(d) Informs, advises and assists non-executive members of the Board of Directors on matters concerning the formulation, review and supervision of the implementation of remuneration policy.

The Chief Executive Officer and the Deputy CEO of the FF Group do not participate and do not attend the meeting of the Commission when their remuneration is discussed. The above prohibition does not apply for decisions concerning the definition of policies, programs, terms or criteria for benefits or remuneration or other matters of general application.

5.2 Appointment of Candidates

The Remuneration and Nomination Committee identifies and proposes, for approval by the Board of Directors or by the General Assembly, candidates for vacant positions of the Board of Directors, evaluates the combination of broader knowledge and skills, competence, and experience of the Board members. It also describes the individual skills and qualifications which, at its discretion, are required to fill the positions of the members of the Board of Directors.



In carrying out its tasks, the Commission takes into account, on a regular basis and to the extent possible, the need to ensure that decisions taken by the BoD, do not materially affect the will of a person or a small group in a way that may negatively affect the interests of FF Group as a whole.