



## SUNLIGHT FINANCIAL HOLDINGS INC.

### CORPORATE GOVERNANCE GUIDELINES

(Adopted, effective and last updated: July 9, 2021)

#### I. Purpose

The Board of Directors (the “**Board**”) of Sunlight Financial Holdings Inc. (the “**Company**”) has adopted the following Corporate Governance Guidelines (these “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders in a manner that is consistent with its fiduciary duties.

#### II. The Board

- a. Role.** It is the principal duty of the Board to exercise its powers in accordance with its fiduciary duties to the Company and its stockholders and in a manner it reasonably believes to be in the best interests of the Company and its stockholders. It is also the Board’s duty to oversee executive management (“**Executive Management**”) in the competent and ethical operation of the Company. To satisfy this duty, the directors will take a proactive, focused approach to their position, and set standards to ensure that the Company is committed to business excellence, ethical and honest conduct, and the highest levels of integrity. Directors bring to the Company a wide range of experience, knowledge, judgment and perspective, and will use their skills and competencies in the exercise of their duties as directors of the Company.
- b. Size.** The number of directors that constitutes the Board will be fixed from time to time by a resolution adopted by the Board in conformity with the Company’s Second Amended and Restated Certificate of Incorporation (the “**Certificate**”) and Amended and Restated Bylaws (the “**Bylaws**”). The Nominating and Corporate Governance Committee of the Board (the “**Nominating Committee**”) periodically reviews the size of the Board to ensure that the current number of directors most effectively supports the Company.
- c. Composition.** There will at all times be a majority of independent directors on the Board. An “independent director” is a person who meets the definition of independent director under the listing standards of the New York Stock Exchange (the “**NYSE**”) and does not have any other relationship with the Company that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out director responsibilities in conformity with director fiduciary duties (each such director, an “**Independent Director**”).
- d. Lead Independent Director.** If the Board does not have an independent Chairperson, a lead independent director (“**Lead Independent Director**”) will be appointed by a

majority of the Independent Directors of the Board. The Lead Independent Director, if any, will be responsible for calling separate meetings of the Independent Directors, determining the agenda and serving as chairperson of meetings of Independent Directors, reporting to the Company's Chief Executive Officer ("CEO") and Chairperson of the Board regarding feedback from executive sessions, serving as spokesperson for the Company as requested, and performing such other responsibilities as may be designated by a majority of the Independent Directors from time to time. If a Lead Independent Director is appointed, his or her identity will be disclosed in the Company's annual proxy statement or published on the investor relations page of the Company's website.

**e. Executive Sessions.** The non-employee directors will meet in executive sessions without management directors or management present after each regularly-scheduled meeting. "Non-employee directors" are all directors who are not Company employees, including both Independent Directors and such directors who are not Independent Directors by virtue of a material relationship, former status or family membership, or for any other reason. In addition, if the non-employee directors include directors who are not Independent Directors, the Independent Directors will also meet on a periodic basis but no less than one time a year in an Independent Director executive session. The Lead Independent Director shall preside over all executive sessions.

**f. Director Qualifications.**

- The Nominating and Corporate Governance Committee (the "**Nominating Committee**") works with the Board to determine periodically, as appropriate, the desired Board qualifications, expertise and characteristics, including such factors as business experience, competencies, perspectives and diversity; and, with respect to perspectives, the Nominating Committee may consider such factors as differences in professional background, education, skill, ethnic and gender diversity and other individual qualities and attributes that contribute to the total mix of viewpoints and experience represented on the Board.
- The Nominating Committee and the Board evaluate each director candidate in the context of the membership of the Board as a group, with the objective of having a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of background and experience in various areas. Each director should be an individual of high character and integrity. In determining whether to recommend a director for re-election, the Nominating Committee also considers the director's past attendance at meetings, participation in and contributions to the activities of the Board and the Company and other qualifications and characteristics as the Nominating Committee deems relevant and advisable and consistent with the charter of the Nominating Committee.

- The Nominating Committee shall use its best efforts to ensure, through operation of its processes, that the Board is at all times at least 30% diverse based on the ethnicity and gender of the members of the Board.
- Each director must ensure that other existing and anticipated future commitments do not materially interfere with such individual's service as a director. Any employee director must submit his or her offer of resignation from the Board in writing upon termination of employment with the Company. Upon change of his or her principal employer, any non-employee director must submit his or her offer of resignation from the Board in writing to the Chairperson of the Nominating Committee. The Nominating Committee will make a recommendation to the Board as to whether to accept or reject the offer of resignation, or whether other action should be taken.

**g. Limitations on Other Board Service.** Directors should advise the Nominating Committee of any invitations to join the board of directors of any other public company prior to accepting the other directorship. No director should serve on more than three public company boards (including serving on the Board of the Company), and no director who holds a position on the Audit Committee of the Board (the "**Audit Committee**") should serve on the Audit Committees of more than two additional public companies, without the approval of the Board. The Board, through the Nominating Committee, will have the opportunity to review the appropriateness of the continued service of a director who changes the role, position or areas of responsibility that he or she held when he or she was elected to the Board. Service on other boards and/or committees should be consistent with the Company's conflict of interest policies set forth below and as otherwise set forth in the Company's Code of Business Conduct and Ethics.

**h. Selection of New Directors.** Our Board is divided into three classes. As a result, approximately one third of the Board will stand for election for a three-year term by the stockholders of the Company each year at the Company's annual meeting of stockholders. Each year, at the Company's annual meeting of stockholders, the Board will recommend a slate of directors for election by the stockholders. In accordance with the Company's Bylaws, the Board will also be responsible for filling vacancies or newly-created directorships on the Board that may occur between annual meetings of stockholders. The Nominating Committee is responsible for identifying and screening candidates for Board membership and recommending candidates to the entire Board for membership.

**i. Directors Who Become Aware of Circumstances that May Adversely Reflect Upon the Director or the Company.** When a director, including any director who is currently an officer or employee of the Company, becomes aware of circumstances that may adversely reflect upon the director, any other director, or the Company, the director should notify the Nominating Committee of such circumstances. The Nominating Committee will consider the circumstances and may in certain cases

request the director to cease the conflicting activity, or in more severe cases, request that the director submit his or her resignation from the Board. This may occur if, for example, the Board member no longer meets the qualification requirements of a director or the requirements to continue as a director as described herein. . The Board does not believe that directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. Promptly following such an event, the director must notify the Nominating Committee, which shall review the continued appropriateness of the affected director remaining on the Board. The affected director is expected to act in accordance with the Nominating Committee's recommendation following such review.

- j. Term Limits.** The Board's policy is that each non-employee director must retire from the Board by not standing for re-election at the next annual meeting of stockholders following the earlier of their: (i) 15th anniversary of service on the Board or (ii) 75th birthday, unless the Board determines that due to unique or extenuating circumstances it is in the best interests of the Company and its stockholders to extend the director's service for an additional period of time.
- k. Compensation.** The compensation of directors will be approved by the Board upon recommendation of the Compensation Committee of the Board (the "**Compensation Committee**"), which will consider the directors' independence status. Senior management of the Company or a compensation consultant will report once a year to the Compensation Committee regarding the status of the Company's director compensation in relation to comparable companies. This report will include consideration of independence, employee status and both direct and indirect forms of compensation to the Company's directors, including any charitable contributions by the Company to organizations in which a non-employee director is involved. Following a review of the report, the Compensation Committee will recommend any changes in director compensation to the Board, which will then be responsible for reviewing and, if determined appropriate, approve the director compensation. The Company's employees will not receive additional compensation for their service as directors.
- l. Conflicts of Interest.** Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, including with respect to the director, a member of the director's family or a company in which the director has a personal interest, amongst other potential conflicts, the director will report all facts regarding the matter to the General Counsel, who will direct the matter to the Nominating Committee. Any material conflict, as determined in each case by the Nominating Committee, may require that the director recuse himself or herself from all related debates and votes regarding both the potential conflict and underlying matter of interest, or that the conflict must be resolved or else the director must resign.

- m. Interaction with the Press, Members and Others.** The Board believes that management speaks for the Company. Each director should refer all inquiries from the press, members or others regarding the Company's operations to management. Individual directors may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should in most circumstances come from the Chairperson, the Company's Head of Investor Relations should be notified, and in all cases the comments should follow the Company's protocols with respect to media relations.
- n. Board Access to Senior Management.** The directors are encouraged to seek engagement with management and management is available to the Board in order to ensure that directors can ask any questions and receive all information necessary to perform their fiduciary duty of care and related duties. Directors should exercise judgment to ensure that their contact with management is in the best interest of the Company and does not distract managers from their jobs or materially disturb the business operations of the Company.
- o. Board Access to Independent Advisors.** The Board committees may hire independent advisors, such as auditors, compensation consultants, legal counsel and other advisors. The Board shall have access to these advisors and other independent advisors as the Board considers necessary or advisable in performing its responsibilities. In the event the full Board determines a need for professional advice, the Board shall inform the Company in advance of hiring such party and provide the Company an opportunity to discuss budgetary concerns. In the event the Board determines it is in the best interest of the Company and Stockholders, the Board may limit its notice to the General Counsel of the Company. All fees of third parties providing professional advice to the Board shall be borne by the Company.
- p. Director Orientation and Continuing Education.** The Company is committed to ensuring that all directors receive orientation related to Board responsibilities and fiduciary duties, training as to the business objectives and strategies of the Company as well as continuing education. The Company will also provide the Board with all regulatorily-mandated training.
- q. Annual Self-Evaluation.** The Nominating Committee will oversee a periodic self-evaluation by the Board, each committee of the Board and each director. The Nominating Committee will be responsible for establishing the evaluation criteria and implementing the process for this evaluation, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

### **III. Board Meetings; Stockholder Meetings; Involvement of Senior Management**

- a. Board Meeting Attendance.** The Board will meet on a periodic basis, in person or by teleconference or video-conference, at such times and places as the Company reasonably requests or the Board determines. In addition, special meetings may be called from time to time. Directors are expected to attend each meeting (and in no event fewer than 75% of the meetings), to invest the time and effort necessary to understand the Company's business and financial strategies and challenges. The basic duties of the directors include being prepared for and attending Board meetings and actively participating in Board discussions. Directors are also expected to make themselves available outside of Board meetings for advice and consultation. A director who is unable to attend a Board or committee meeting should notify the Chairperson of the Board or Lead Independent Director for Board meetings, if any, committee chairperson for committee meetings, and in each case the CEO in advance of the meeting.
- b. Board Member Attendance at the Annual Meeting of Stockholders.** Directors are strongly encouraged to attend the Company's annual meeting of stockholders.
- c. Attendance of Non-Directors.** The Board encourages invitations to management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) make presentations and provide insight into items being discussed by the Board that involve the invitee or with respect to which the invitee may provide valuable information or advice and (ii) bring senior managers with high potential into contact with the Board. Attendance of any non-directors at Board meetings is at the discretion of the Board.
- d. Advance Receipt of Meeting Materials.** The CEO will circulate a proposed meeting agenda to the Chairman in advance of each Board meeting. The CEO and the Chairman will agree on the topics to be addressed. Whenever possible, the Company will circulate information to the directors regarding the topics to be considered at a meeting sufficiently in advance of the meeting to provide the directors time to review the materials in preparation for discussion at the meeting. The Company believes that providing such materials in advance is essential to the Board's understanding of the business, strategies and challenges and the preparation of the directors for a productive meeting. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

#### **IV. Committee Matters**

- a. Number, Name, Responsibilities and Independence of Committees.** The Board currently has three standing committees: the Audit Committee, the Compensation Committee and the Nominating Committee. The Audit Committee, Compensation Committee and Nominating Committee are each composed of independent directors as required by the listing standards of the NYSE and rules and regulations of the Securities

and Exchange Commission and as required by the applicable committee charter. From time to time, the Board may form or disband an ad hoc or standing Board committee as the Board may deem necessary or advisable. Each committee will perform its duties as assigned by the Board in compliance with the Bylaws and the committee's charter. Each committee shall report to the Board following meetings of the committee or as otherwise requested by the Board.

- b. Assignment and Rotation of Committee Members.** Based on the recommendation of the Nominating Committee, the Board appoints committee members and committee chairpersons in accordance with applicable law and according to criteria set forth in the applicable committee charter and other criteria that the Board determines to be relevant to the responsibilities of each committee. Committee membership and the position of committee chairperson will be rotated at the discretion of the Board.
- c. Frequency of Committee Meetings and Agendas.** The committee chairpersons and appropriate members of Executive Management or other members of senior management, in accordance with the committee's charter and, as appropriate, in consultation with the committee members, will determine the frequency and length of the committee meetings and develop the meeting agendas. Committee chairpersons will summarize committee discussions and actions in a report at the following meeting of the full Board.
- d. Committee Charters.** Each committee will periodically review its charter and evaluate the performance of the committee in the context of its obligations thereunder and provide a report to the Board, including a recommendation of any changes to the charter as the committee deems necessary. In addition, on at least an annual basis, the Board shall review each committee charter and related reports to ensure that all committee charter obligations have been met and discuss and/or implement any changes to the charters of the committee deemed advisable.

## V. Leadership Development

- a. Annual Review of Chief Executive Officer.** The Compensation Committee, with input from the non-employee directors, will conduct a review at least annually of the performance of the CEO in connection with the determination of the CEO's compensation. The Compensation Committee will establish the evaluation process and determine the specific criteria on which the performance of the CEO is evaluated in accordance with the charter and principles of the Compensation Committee. In addition, the Nominating Committee will review the CEO's performance and provide feedback to the CEO and the Compensation Committee for consideration in connection with a determination of the CEO's annual merit compensation.

- b. Succession Planning.** The Nominating Committee will work with the CEO to plan for CEO succession, as well as to develop plans for interim succession for the CEO in the event of an unexpected occurrence. The Nominating Committee will also work with the CEO and the other members of Executive Management to plan for succession of each of the executives as well as to develop plans for interim succession of each of the executives in the event of an unexpected occurrence. In connection with such succession planning, the Nominating Committee shall periodically report to the Board on such developments and make recommendations.

## **VI. Stockholder Communications with Directors Policy and Procedures**

The Board welcomes communications from the Company's stockholders and other interested parties. Stockholders and any interested parties may send written communications to the Board, any committee of the Board, the Chairperson of the Board, the Lead Independent Director, if any, or any other director to the attention of the Company's Corporate Secretary at:

**Sunlight Financial Holdings LLC**  
**101 N. Tryon Street, Suite 1000**  
**Charlotte, NC 28246**  
**Attn: Corporate Secretary**

Each communication should (i) be clearly labelled on the envelope containing the communication and on the communication itself as "Stockholder Communication with Directors", (ii) should clearly identify the intended recipient(s), (iii) should set forth the name and address of the stockholder, as it appears on the Company's books, and if the Company's common stock is held by a nominee, the name and address of the beneficial owner of the Company's common stock, and (iv) should specify the class and number of shares of the Company's common stock that are owned of record by the record holder and beneficially by the beneficial owner. Stockholder proposals submitted for consideration at the annual meeting must also meet the requirements specified in Section 2.2 of the Company's Bylaws in order to be considered for inclusion at the Company's annual meeting. The Company's Corporate Secretary will, in consultation with appropriate directors as reasonably necessary, screen such communications to identify communications that are solicitations for products and services, relate to matters of a personal nature not relevant for the Company's stockholders to act on or for the Board to consider, or that are matters of a type that render them improper or irrelevant to the functioning of the Board or the Company. The acceptance and forwarding of communications to and from directors or an Executive Officer does not imply or create any fiduciary duty of such director or Executive Officer to the person submitting the communications.

## **VII. Interpretation**

These Guidelines should be interpreted and construed in the context of all applicable laws and the Certificate, Bylaws and other corporate governance documents of the Company.

### **VIII. Amendment**

The Company is committed to continuously reviewing and updating our policies, and the Company therefore reserves the right to amend these Guidelines at any time, for any reason, subject to applicable law.