**SUNLIGHT FINANCIAL HOLDINGS INC.**

**NOMINATING, GOVERNANCE & ESG COMMITTEE CHARTER**

**(Adopted, effective and last updated: May 10, 2022)**

1. **Purpose**

The purpose of the Nominating, Governance & ESG Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Sunlight Financial Holdings Inc. (together with its direct and indirect subsidiaries, the “**Company**”) is to:

* Assist the Board with its oversight of and identification of individuals qualified to become members of the Board in accordance with criteria approved by the Board and select or recommend to the Board specified individuals as the director nominees for each meeting of stockholders at which directors are to be elected;
* Determine qualifications required and recommend members of the Board to fill positions on the established Committees of the Board;
* Develop, evaluate and maintain corporate governance guidelines applicable to the Company;
* Oversee the evaluation of the Board and management; and
* Review ESG management committee (the “**ESG Management Committee**”) recommendations for, and establish the ESG objectives for the Company, evaluate the ESG business plan and generally provide oversight to the ESG Management Committee.

1. **Composition**
   1. **Membership and Appointment.** The Committee shall consist of at least three (3) members. Members of the Committee shall be appointed by the Board and may be removed with or without cause at any time by the Board in its discretion. The initial Committee shall be established with three (3) members.
   2. **Qualifications.** The members of the Committee must meet the independence requirements of the listing standards of the New York Stock Exchange (the “**NYSE**”), any relevant laws and regulations promulgated by the SEC, as well as such other qualifications as may be established by the Board in its business judgment from time to time, including that each member of the Committee must qualify as a non-employee director as defined under Rule 16b-3 promulgated under Section 16 of the Exchange Act of 1934, as amended.
   3. **Chairperson.** The Board may designate a chairperson of the Committee (the “**Chairperson**”). In the absence of that designation, the Committee may perform such other functions as are consistent with its purpose and applicable law, rules and regulations and as the Board may request.
2. **Meetings and Procedures** 
   1. **Meetings.**

* The Committee shall meet at least four (4) times per year at such times and places as the Committee determines and shall meet at such additional dates and times as reasonably necessary to accomplish the purposes of the Committee. The Chairperson shall preside at each meeting. The Chairperson shall approve the agenda for the Committee’s meetings and any member may suggest items for consideration. If the Chairperson is not designated or present, an acting chair may be designated by a majority of the Committee members present.
* The Committee may act by unanimous written consent (which may include electronic consent) in lieu of a meeting in accordance with the Company’s bylaws. The Committee shall be governed by the same rules that are applicable to the Board (including rules related to notice, waiver of notice, quorum, and voting).
* The Corporate Secretary shall maintain written minutes of its meetings and actions by unanimous written consent. Minutes of each meeting of the Committee shall be distributed by the Corporate Secretary or any Assistant Corporate Secretary to each member of the Committee for review in advance of the next scheduled meeting of the Committee and shall be approved by the Committee. Such minutes and actions by unanimous written consent shall be filed with the minutes of the meetings of the Board.
* The Committee may invite to its meetings any director, officer or employee of the Company and such other persons, including external consultants and advisors, as it deems necessary or appropriate in order to carry out its responsibilities. The Committee may also exclude from it meetings any persons it deems appropriate to carry out its responsibilities, including non-management directors who are not members of the Committee.   
  1. **Reporting to the Board of Directors.** The Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.
  2. **Authority to Retain Advisors.** 
     + The Committee shall have the authority to select and retain any internal or external consultants or advisors (each an “**Advisor**”) to assist with the execution of its duties and responsibilities hereunder, as it deems necessary or appropriate in its sole discretion. The Committee shall set the compensation and oversee the work of the Advisor. The Committee shall provide advance notice to the Company of the compensation to be paid to any such Advisor in order to provide the opportunity for the Company to discuss any related concerns with the Committee. The Company will pay all reasonable expenses, as determined by the Committee, of such Advisors and any administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities hereunder.
     + Prior to selecting, retaining and receiving advice from an Advisor (other than the Company’s in-house legal counsel), the Committee must take into consideration the independence factors set forth in the listing standards of the NYSE and the applicable rules of the SEC and other considerations of law, as in effect from time to time.
     + The Committee may retain, or receive advice from, any Advisor it prefers, including Advisors that are not independent, after considering the requisite independence factors.
     + The Committee shall not be required to implement or act consistently with the advice or recommendations of any Advisor, and the authority granted to the Committee pursuant to this charter shall not affect the ability or obligation of the Committee to exercise its own judgment in the fulfillment of its duties under this charter.
  3. **Subcommittees.** The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to any such subcommittee such power and authority as the Committee deems appropriate in its sole discretion. If any such subcommittee is formed, such subcommittee shall establish its own schedule and maintain written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board. The Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Committee as a whole.
  4. **Compensation.** Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board in its sole discretion.

1. **Responsibilities**

The following are the principal recurring responsibilities and duties of the Committee. The Committee may perform such other functions as are consistent with its purpose and applicable law, rules and regulations and as the Board may request from time to time.

* 1. **Board Composition, Evaluation and Nominating Activities.** The Committee shall:
* Determine the qualifications, qualities, skills and other expertise required to be a director, which shall include consideration of factors such as business experience and diversity in professional background, education, skill and other individual qualities and attributes that contribute to the total mix of viewpoints and experience represented on the Board, and to develop, and recommend to the Board for its approval, criteria to be considered in selecting nominees for director (the “**Director Criteria**”).
* Evaluate the current composition, organization and governance of the Board and its committees, determine future requirements and make recommendations to the Board for approval consistent with the Director Criteria.
* Search for, identify, evaluate and recommend for selection by the Board, candidates to fill new positions or vacancies on the Board consistent with the Director Criteria.
* Review and consider any nominations of director candidates validly made by stockholders in accordance with applicable laws, rules and regulations and the provisions of the Company’s certificate of incorporation and bylaws.
* Evaluate the performance of individual members of the Board eligible for re-election, and recommend for the selection by the Board, the director nominees by class for election to the Board by the stockholders at the annual meeting of stockholders or any special meeting of stockholders at which directors are to be elected.
* Consider the Board’s leadership structure, including the separation of the chairman and chief executive officer (“**CEO**”) roles and/or appointment of a lead independent director of the Board, either permanently or for specific purposes, and make such recommendations to the Board with respect thereto as the Committee deems appropriate.
* Develop and review periodically the policies and procedures for considering stockholder nominees for election to the Board.
* Evaluate and recommend termination of membership of individual directors for cause or for other appropriate reasons.
* Evaluate the independence of directors and director nominees against the independence requirements of the NYSE, the applicable rules and regulations promulgated by the Securities and Exchange Commission, and other applicable laws, and make recommendations related to the determination thereof to the Board.
  1. **Board Committees.** The Committee shall:
* Review annually the structure and composition of each committee of the Board and make recommendations, if any, to the Board for changes to the committees of the Board, including changes in structure, composition or mandate of committees, as well as the creation or dissolution of committees.
* Recommend to the Board persons to be members and chairpersons of the various committees.
  1. **Corporate Governance.** The Committee shall:
* Develop and annually review the Company’s corporate governance guidelines approved by the Board and their application, and recommend any changes deemed appropriate to the Board for its consideration.
* Oversee the Company’s corporate governance practices, including reviewing and recommending to the Board for approval any changes to the Company’s corporate governance framework, including its certificate of incorporation and bylaws.
* Develop, subject to approval by the Board, a process for an annual evaluation of management, the Board and its committees, and oversee the conduct of this annual evaluation.
* Conduct a periodic review of the Company’s succession planning process for the CEO and any other members of the Company’s executive management team (the “**Executive Officers**”), report its findings and recommendations to the Board, and assist the Board in evaluating potential successors to the CEO or other Executive Officers.
* Evaluate the participation of members of the Board in orientation and continuing education activities in accordance with the listing standards of the NYSE or pursuant to other requirements of law.
* Review the disclosure included in the Company’s proxy statement regarding the Company’s director nomination process and other corporate governance matters and provide any recommendations for edits to the Board and the Company management.
* Review any proposals properly submitted by stockholders for action at the annual meeting of stockholders and make recommendations to the Board regarding action to be taken in response to each such proposal.
* Oversee the Company’s process for stockholder communications with the Board.
* Review and discuss with management the disclosure regarding the operations of the Committee and director independence, and recommend that this disclosure be included in the Company’s proxy statement or annual report on Form 10-K.
* Annually review and reassess the Company’s policies related to environmental, social and governance (“**ESG**”) risk assessment and mitigation and reporting metrics.
* Review and evaluate the Company’s proposed annual business plan related to ESG and other corporate responsibility matters of significance to the Company and related to mitigation of ESG related risks.
* Review the Company’s ESG annual report and make recommendations to the Company management for edits.
* Oversee the Company’s commitment to inclusion and diversity (“**I&D**”), including the Company’s I&D policies and programs, and conduct a periodic review of the Company’s I&D efforts with the Company’s Head of People.
* Review and monitor compliance with the Company’s Code of Business Conduct and Ethics.
* Review periodically the Code of Business Conduct and Ethics and recommend that the Board approve any changes deemed appropriate.
* Oversee the governance-related matters involving the Company’s indirect subsidiary, Sunlight Financial LLC.
  1. **Conflicts of Interest.** The Committee shall:
* Consider questions of possible conflicts of interest of Board members and of corporate officers.
* Review actual and potential conflicts of interest of, and related party transactions involving, Board members and corporate officers, other than transactions with related persons reviewed by the Audit Committee of the Board, and recommend to the Board the approval or prohibition of any involvement of such persons in matters that may involve a conflict of interest or the taking of a corporate opportunity.
  1. **Committee Charter Review.** The Committee shall review and reassess the adequacy of this charter annually and shall submit any recommended changes to the charter to the Board for approval.
  2. **Performance Review.**  The Committee shall review and assess the performance of the Committee on at least an annual basis.