



**APPOINTMENT OF NON-EXECUTIVE DIRECTORS POLICY
MHP S.A.**

Kiev 2017

Definition

The Board of Directors (the “Board”) maintains the responsibility for the selection of non-executive directors and has decided to put in place this policy and procedure for both the selection of new non-executive directors and the re-appointment of the existing non-executive directors. Following the selection procedure as provided hereto, the Board shall recommend to the general meeting of shareholders of MHP S.A. the candidates for the position of the non-executive director, who should be further elected, re-appointed or removed (in the case of retiring non-executive directors) by the general meeting of shareholders of MHP S.A. in accordance with the Luxembourg law and the articles of association of MHP S.A..

Determination

The Board is annually reviewing its composition against criteria set out by English law and in accordance with the Corporate Governance Charter of MHP S.A..

New non-executive directors and retiring non-executive directors will be subject to the MHP S.A.’s procedure for selection of non-executive directors as set out in this policy. Retiring directors are eligible for reelection subject to this policy.

Non-executive directors appointed during the year will be subject to the procedure for re-appointment of directors before the next annual general meeting of shareholders of MHP S.A. approving the annual accounts after their casual appointment in accordance with the articles of association of MHP S.A. .

Non-executive directors are not appointed for any specific term.

Procedure for the appointment of new non-executive directors

Based on the regular review of the Board’s composition, the Board’s evaluation procedure and its necessary and desirable competencies, the Board may resolve to increase the number of non-executive directors to match the need for those competencies.

The Board will use the following procedure when selecting a new non-executive director and when reviewing potential candidates:

1. Review the current Board skills (on annual basis);
2. Assess the skills, experience, expertise and levels of independence necessary that will best complement Board effectiveness both currently and in the foreseeable future (on annual basis);

3. Discuss and agree on the criteria for selection;
4. Where appropriate, utilise the services of an independent executive search organization to seek out appropriate candidates that meet the selection criteria;
5. Where appropriate, the Board will include in the list of candidates persons who were proposed by the existing members of the Board;
6. Identify any potential conflicts of interest and assess the independence of the candidate.
This includes, excluding from the selection process, the candidates who are restricted from being appointed as an officer of MHP S.A. because of their previous association with the MHP S.A.'s audit firm and who (where applicable) have not served the relevant two years cooling off period;
7. Assess detailed background information in relation to each potential candidate and carry out any appropriate background checks;
8. Assess the final candidature list against the selection criteria;
9. Prepare the final list and agree on the candidate(s);
10. The Chairman of the Board will approach the selected candidate(s);
11. The Board will meet the candidate(s);

12. The candidate is selected in accordance with the decision of the Board; and

13. The selected candidate is recommended for the nomination to the general meeting of shareholders of MHP S.A., which is further voting on appointment of the proposed candidate in accordance with the provisions of the articles of association of MHP S.A..

Procedure for Board recommendations in relation to the re-appointment of non-executive directors

In relation to the re-appointment of a non-executive director who is eligible for re-election, the Board will:

1. Assess the retiring director's skill against the current Board criteria and in line with the MHP S.A.'s Performance Evaluation Questionnaire ; and
2. Consider and make recommendations to the annual general meeting of shareholders of MHP S.A. as to the reappointment or removal of the non-executive director.

Terms and conditions of appointment

1. The appointment as a non-executive director is a contract for services and is not a contract of employment.

2. Non-executive directors are expected to bring an objectivity and independence of view to the Board's discussions, and to help provide the Board with effective leadership in relation to MHP S.A.'s strategy, performance, risk and people management as well as ensuring high standards of financial probity and corporate governance of MHP S.A.. They will be expected to advise on papers submitted to the Board meetings, to attend the Board meetings, the MHP S.A.'s annual general meetings of shareholders and any extraordinary general meetings of shareholders, and generally to use their best endeavours to promote and advance the interests of MHP S.A. and its subsidiary undertakings. The prior consent of the Chairman of the Board must be sought before accepting additional commitments that might affect the time they are able to devote to the role.

3. In addition to the requirements set out in contract for services, they are required to serve on a committee or committees of the Board. They will be given copies of the terms of reference and of any specific responsibilities involved in serving on such committees.

4. By accepting the appointment they undertake that they have sufficient time to carry out their duties and have declared to the Board the details of all other significant business and other interests and a broad

indication of the time spent devoted to such commitments. They must inform the Board of any subsequent changes to these commitments.

5. All director's fees will cease to accrue with effect from the date of ceasing, for whatever reason, to be a non-executive director of MHP SA. In addition to non-executive director's fees MHP S.A. will pay all reasonable and properly documented travel, hotel and other incidental expenses incurred in the performance of their duties.

6. MHP S.A. will use its reasonable endeavours to obtain appropriate directors' and officers' liability insurance for their benefit and to maintain the cover in force for so long as they are a non-executive director, subject to the provisions governing such insurance and on such terms as the Board may from time to time decide.

7. During their appointment as a non-executive director, they must not put themselves in a position of conflict with their duties to MHP S.A..

8. Circumstances may arise where it is necessary to seek professional advice about the performance of their duties. They will be entitled to obtain at MHP S.A.'s expense such external independent professional advice as is reasonably necessary to enable them to carry out their duties.

9. The appointment and any subsequent re-appointment as a non-executive director are at all times subject to and in accordance with the articles of association of MHP S.A. and subject to any necessary shareholder ratification.

Remuneration

Fees

Non-executive directors will be paid fees out of the maximum aggregate amount approved by shareholders for the remuneration of non-executive directors. Additional fees may be paid for participation on the Board's committees; however, the total fees paid to the non-executive directors, including fees paid for participation on the Board's committees, will be kept within the total amount approved by shareholders.

Expenses

All reasonable expenses incurred in connection with a non-executive director's duties on behalf of MHP S.A. will be reimbursed.

No entitlement to performance based remuneration.

Non-executive Directors are not entitled to participate in equity schemes of MHP S.A., and are not entitled to receive performance-based bonuses.

Duties

Responsibilities of a non-executive director will entail such duties in connection with the business of MHP S.A. and the best interests of MHP S.A. and its shareholders as agreed from time to time and will include:

- membership in the Board and its committees to which a non-executive director might be appointed, as well as attendance at all meetings of the Board and such committees unless unavoidably prevented from attending. A non-executive director will be expected to consider the Board's and committees' documents in advance of each meeting;
- bringing independent judgement to bear on issues of strategy, performance, resources and standards of conduct;
- sharing responsibility with other directors and non-executive directors (if any) for the effective control and development of MHP S.A.;
- discharging other duties and responsibilities of a director with care and skill.

A non-executive director undertakes that he will commit such time (not being less than 24 days per annum) as is necessary for the proper discharge of duties as a non-executive director of MHP S.A..

MHP S.A. will give to a non-executive director a reasonable notice of the dates of all meetings of directors or shareholders to which he will be required to attend and will forward to him the relevant documents in reasonable time before the meeting.

MHP S.A. will provide a non-executive director with such facilities and assistance, including site visits, copies of principal business documents and meetings with key executives, as is reasonably necessary and agreed between a non-executive director and MHP S.A. in the connection with the performance of a non-executive director's duties.

For the avoidance of doubt, a non-executive director will not be an employee of MHP S.A. and will not fulfil any executive role.

Confidentiality

A non-executive director maintains highest standards of confidentiality and does not disclose to any person or company (whether during the course of his mandate or at any time after its termination) any confidential information concerning MHP S.A. and any group companies with which come into contact by virtue of position as a non-executive director.

At times a non-executive director may be privy to unpublished price sensitive information concerning MHP S.A. or its subsidiaries. A non-executive director undertakes to not disclose such information to any third party without prior permission of MHP S.A.. Further, MHP S.A. expects from a non-executive director to adhere to the provisions of internal regulations while a non-executive director is in possession of any unpublished price sensitive information. Any enquiries a non-executive director may receive from any of the shareholders, analysts and media may be directed to MHP S.A. for necessary action.

On expiry term of its mandate, MHP S.A. expects a non-executive director to return to MHP S.A. all books, document, papers and other property of or relating to the business of MHP S.A. which is in his possession, custody or power by virtue of position as a non-executive director.

Meetings

The Board will meet annually and more frequently as necessary to review and consider the composition and competencies of the Board in accordance with this policy.

Outside interests

It is understood that a non-executive director has the business interests other than those of MHP S.A.. However, it is expected that a non-executive director would not hold or accept any appointment, or have or acquire any interest, which might involve a direct or indirect conflict of interest between MHP S.A. and any of those other appointments or interests which a non-executive director might have. A non-executive director confirms that he has disclosed all such appointments and interests to MHP S.A. prior to acceptance of his appointment as a non-executive director of MHP S.A..

If in future a non-executive director anticipate that any such conflict of interest might arise, he will immediately disclose this to the Board, which may require such further information as is reasonable. If any such conflict does in fact arise, a non-executive director will immediately disclose this to the Board and abide by any decisions taken by the Board in this respect.

During the term of his mandate, a non-executive director will comply with all codes of conduct and/or policies of MHP S.A. relevant to a non-executive director.

General

A non-executive director agrees that (i) the terms of appointment shall be governed by

and interpreted in accordance with the Luxembourg law and (ii) to submit to the exclusive jurisdiction of the courts of the country of domicile but acknowledge that this agreement may be enforced by MHP S.A. in any court of competent jurisdiction.

In the event that a non-executive director needs to disclose information to the Board, to seek clarification of any aspect of his responsibilities as a non-executive director or to seek prior authorisation of expenses for which a non-executive director will claim reimbursement, he should notify the MHP S.A.'s company secretary at the below address:

158, Akademika Zabolotnogo Str, Kyiv, UKRAINE, 03143

In the event that a non-executive director considers it necessary in the course of duties as a non-executive director of MHP S.A. to seek independent legal advice, a non-executive director should consult with the MHP S.A.'s company secretary before incurring any liability.

Warranties and indemnities

MHP S.A. warrants to a candidate for a non-executive director that:

all necessary resolutions of the Board and formalities required by law or any regulatory authority for a non-executive director's

appointment as a director and the entry of MHP S.A. into this letter of appointment have been passed or otherwise complied with.

Board's objectives and responsibilities, as well as the interests of MHP S.A. and the shareholders of MHP S.A..

MHP S.A. undertakes to a non-executive director that:

the appropriate filings and notifications in connection with his appointment will be made within the relevant time limits;

MHP S.A. will (so far as it lawfully may do so) indemnify a non-executive director in respect of liabilities incurred by him in the exercise of or in connection with his mandate and he will be covered by the MHP S.A.'s directors' and officers' insurance from time to time.

Review of this policy

The Board will review this policy annually to ensure that it remains consistent with the

