

“Approved”
According to 8-appendix
to protocol No. 15 dated
June 17, 2022 of the Supervisory
Board meeting of
“Uzkimyosanoat” JSC

REGULATION ON THE
APPOINTMENTS AWARD COMMITTEE”
UNDER THE SUPERVISORY BOARD
“UZKIMYOSANOAT”
JOINT STOCK COMPANY

Tashkent 2022

I. General rules

1.1. This Regulation (hereinafter referred to as the Regulation) is in accordance with the Law of the Republic of Uzbekistan "On the Protection of Joint-Stock Companies and Shareholders' Rights", the Decree of the President of the Republic of Uzbekistan "Stable economic growth through the improvement of the business environment and the development of the private sector" on the next reforms to create conditions for" to Decree No. PF-101 of April 8, 2022, of the Cabinet of Ministers "On approval of the management and reform strategy of state-owned enterprises in 2021-2025" "Strategy for management and reform of state-owned enterprises in 2021 - 2025" approved by Annex 1 of Resolution No. 166 of March 29, 2021, to the charter of "Uzkimyosanoat" joint-stock company (hereinafter - the Company), Monitoring was developed in accordance with the Regulation on the Board of Directors and other regulatory legal documents, and the Appointments and Rewards Department under the Supervisory Board of the Company determines the legal status, composition, powers and procedure of the Committee (hereinafter referred to as the Committee).

1.2. The committee is established based on the decision of the Supervisory Board of the Company to consider the most important issues and prepare recommendations to the Supervisory Board of the Company in the field of personnel and remuneration. The Committee is a permanent working body of the Supervisory Board of the Company.

1.3. The Committee performs its activities in accordance with the current legislation, the Charter of the Company, the Regulation on the Supervisory Board and this Regulation.

II. Composition of the Appointments and Rewards Committee

2.1. The committee will be formed by 3 (three) members of the Supervisory Board of the Company. The committee must include at least one independent member of the Supervisory Board.

2.2. The members of the committee are elected by the majority of the members of the Supervisory Board for their term of office based on the recommendation of the Chairman of the Supervisory Board of the Company. The Chairman of the Committee is approved by the Supervisory Board of the Company from among the members of the Committee. The chairman of the committee should not be the chairman of the Supervisory Board of the Company.

2.3. Members of the Supervisory Board elected to the committee may be re-elected without limitation.

2.4. During the election of committee members, in order for them to fully use their powers, it is necessary to take into account their education, professional skills, work experience in the field of committee activity and other special knowledge.

2.5. The chairman of the committee is responsible for leading and organizing the activities of the committee. During the temporary absence of the chairman of the committee, one of the members may be assigned to act as chairman.

2.6. The distribution of tasks among the members of the Committee is carried out by the Chairman of the Committee.

III. The main tasks of the appointment and awarding committee

3.1. The main tasks of the committee are as follows:

- Controlling the execution of decisions of the Supervisory Board and the Company's personnel policy and organizational development, as well as internal documents;

- Forming recommendations to the Supervisory Board regarding candidates for the positions of the head and members of the executive body of the Company;

- Forming recommendations on candidates to be elected to the Supervisory Board of the Company;

- Electing the head and members of the executive body of the Company, considering the issues of early termination of their powers, including early termination of the employment contract with them;

- Analyzing the professional qualifications and independence of persons nominated to the Supervisory Board of the Company based on all the information known to the Committee;

- Develop recommendations for improving the working procedures of the Supervisory Board and its committees;

- Forming recommendations to the Supervisory Board regarding candidates for the position of corporate advisor of the Company;

- to conduct an annual formalized procedure for self-evaluation or external evaluation of the members of the Supervisory Board of the Company and committees of the Supervisory Board, self-evaluation or external evaluation for inclusion in the annual report of the Company preparing a report on the evaluation results;

- Formation of training and professional development programs for some members of the board, taking into account the personal needs of the members

of the supervisory board, and supervision over the implementation of these programs;

- Development of the reward policy for the members of the Supervisory Board, the head and members of the executive body and other officials, and if necessary, making recommendations on its revision and amendments;

- Forming proposals (recommendations) on awarding the head and members of the executive body of the Company, members of the Supervisory Board and other officials;

- Analyzing and evaluating the activities of the head and members of the executive body of the Company and other officials;

- Preparation and inclusion of issues on the agenda of the general meeting of the Company's shareholders to make a decision on the payment of fees and (or) compensation to the members of the Supervisory Board of the Company;

- Preliminary review and preparation of proposals for approval of the organizational structure of the Company;

- preliminary assessment of the performance of the executive body and other management staff of the Company according to the results of the year based on the criteria provided for in the reward policy;

- preliminary evaluation of the activities of the corporate consultant based on the results of the year and development of proposals for rewarding the corporate consultant;

- Control over the timely disclosure of information on rewarding the members of the Supervisory Board of the Company, the head and members of the executive body and other officials;

- Prepare and submit a report on the results of the Committee's activities for inclusion in the annual report and other documents of the Company;

- Performing other tasks assigned by the Supervisory Board.

IV. Procedure for organizing and holding meetings of the Appointments and Rewards Committee

4.1. The meeting of the Committee is convened by the Chairman of the Committee at his own initiative, at the request of the members of the Committee, as well as at the written request of the head of the executive body of the Company.

4.2. The committee should hold its meetings at the end of every quarter, monthly if necessary, with the personal participation of committee members or by using other communication networks. The Committee may invite the executive body of the Company and other persons to participate in the meetings of the Committee, as well as request information from them if necessary.

4.3. Members of the Committee may request an urgent meeting of the Committee in case of violations of the rules requiring immediate resolution of a specific issue.

4.4. The committee holds its meetings before the meetings of the Supervisory Board of the Company.

4.5. The chairman of the committee creates opportunities for all participants in the meeting of the committee to properly prepare for it and to actively participate in the discussion of the issues raised in it. The members of the Committee should allocate enough time to prepare for the holding of the Committee's meetings and to participate in them.

4.6. If at least 2/3 of its members participate in the meeting of the committee, the meeting is considered authorized, and the chairman of the committee must participate in it.

4.7. Decisions at the meeting of the committee are made by majority vote of those present at the meeting.

4.8. Each member of the Committee shall have one vote when the issues are resolved at the meeting of the Committee. In the event of an equality, the vote of the Chairman of the Committee is decisive. A member of the Committee who does not agree with the decision of the Committee has the right to record his special opinion, which is attached to the minutes of the meeting in a mandatory manner, and to bring it to the attention of the Supervisory Board.

4.9. The decision of the Committee is formalized with the minutes of the Committee meeting. This report is kept by the secretary of the Committee and signed by the members of the Committee who participated in the voting.

4.10. The secretary of the committee meetings is performed by the head of the human resources department of the Company.

4.11. The chairman of the committee:

- organizes the work of the committee;
- convenes the meetings of the Committee and presides over them;
- organizes the keeping of minutes at the meetings of the Committee;

- The Company implements internal regulatory documents and other actions provided for in this Regulation.

4.12. Secretary of the Committee:

- Keeps and formalizes minutes of Committee meetings;
- Prepares and presents materials on agenda items for consideration by the Committee;
- Delivers the decisions, conclusions and reports of the committee to the recipients.

4.13. All decisions made within the scope of the Committee's authority are mandatory for the executive body and other officials of the Company to be implemented from the day of their adoption. The officials specified in these decisions are personally responsible for the timely and appropriate implementation of the decision.

Control of the implementation of the decisions of the Committee is carried out by the Chairman of the Committee.

V. Rights and obligations of members of the Appointments and Rewards Committee

5.1. The member of the committee has the following rights:

- to demand from the members of the executive body of the Company and other officials of the Company to provide all the necessary documents and materials for their activities;
- to demand the convening of a meeting of the executive body if violations of the rules that have caused or may cause serious material damage to the Company are detected;
- To request comments on the issues under consideration from the employees of the structural units of the Company, including their leaders;
- presenting issues of disciplinary, property and other types of accountability of guilty employees to the management for consideration;
- Use of the initial accounting, financial and other documents of the Company;
- Periodically or regularly invite the leading persons of the Company and other members of the Supervisory Board of the Company by the decision of the Chairman of the Committee in cases where it is necessary to fulfill the decisions and assignments within the scope of the Committee's powers, to participate in the Committee's meetings;

- If, according to the opinion of the Committee, it is necessary to study the issue in depth, to request the opinion of other committees of the Supervisory Board of the Company on its own initiative on the issue related to the powers of the Committee;

- to speak on the issue discussed at the meeting of the Committee within the time allotted by the regulation, to demand to include his special opinion on the issues on the agenda, the decisions being made in the minutes of the meeting of the Committee;

- Making proposals for amendments and additions to this Regulation for approval by the Supervisory Board of the Company;

- based on the submitted documents, develop appropriate conclusions and suggestions and submit them to the discussion of the Supervisory Board of the Company;

- Proposing issues to be included in the agenda of the committee meeting.

5.2. Responsibilities of the committee members:

- introducing the reward policy to the Supervisory Board for approval and monitoring its implementation;

- To fulfill the tasks assigned to him and conduct his activities seriously based on the laws of the Republic of Uzbekistan, the Charter, the Charter of the enterprise and internal documents;

- To operate based on the principles of protecting the rights, interests and interests of the company's shareholders;

- Non-disclosure of commercial and service secrets of the Company and fulfillment of confidentiality requirements.

5.3. Members of the Committee must attend the Committee meeting in person.

If it is not possible to participate in the meeting, the member of the Committee shall inform the Committee about this, indicating the reasons.

VI. Responsibilities of members of the Appointments and Rewards Committee

6.1. The members of the committee should act in the interest of the Company in exercising their rights and fulfilling their obligations and be responsible in the prescribed manner.

6.2. Members of the Committee who did not participate in voting on the decision that caused damage to Company or voted against this decision shall not be held responsible.

VII. Final provisions

7.1. This Regulation shall enter into force on the date of its approval by the Supervisory Board of the Company.

7.2. This Regulation, as well as amendments and additions to it, are approved by the Supervisory Board of the Company. Proposals for amendments and additions to the Charter may be made by the Chairman of the Supervisory Board of the Company and the members of the Committee.