

**«Approved»
by decision of the sole shareholder of
JSC DEKKHANABAD POTASH PLANT,
dated «14» December 2022y.**

**REGULATIONS
ON THE AUDIT COMMISSION OF
JSC «DEKKHANABAD POTASH PLANT»**

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I. GENERAL RULES

1.1. This regulation defines the status, powers and obligations of the inspector of "Dekhanabad Potash Plant" JSC (in the text "Company"), as well as the procedure for his election and work.

1.2. This regulation was developed in accordance with the Law of the Republic of Uzbekistan "On the Protection of Joint-Stock Companies and Shareholders' Rights", other normative legal documents, the Code and Rules of Corporate Governance, and the Charter of the Company.

1.3. The auditor is considered the control body of the Company and performs internal financial, economic and legal control functions over the activities of the Company, its departments and services, branches and representative offices.

1.4. In the course of his activity, the auditor shall follow the legal documents of the Republic of Uzbekistan, the legal documents of state administration bodies, the Charter of the Company, this regulation and other documents of the Company.

II. FUNCTIONS AND OBLIGATIONS OF THE INSPECTOR

2.1. Auditing (auditing) the financial and economic activities of the Company by the auditor, the general meeting of shareholders, the Supervisory Board of the Company, or at the request of the shareholder (shareholders) owning at least five percent of the voting shares of the Company, by notifying the Supervisory Board of the Company in advance, for one year or another period it is carried out according to the results of the activities inside.

2.2. During the performance of his functions, the inspector performs the following types of work:

Checking the company's financial documents, the conclusion of the commission on property inventory, comparing the specified documents with the primary accounting data;

Checking the legality of the contracts concluded on behalf of the company, the transactions carried out, settlements with counterparties;

analysis of the compliance of the current accounting and statistical accounting with existing regulations;

Analysis of the financial condition of the Company, its solvency, liquidity of assets, ratio of own and debt funds, determination of reserves for improvement of the economic condition of the Company and development of recommendations to the management bodies of the Company on issues of financial and economic activity;

checking whether payments, payments to the budget, interest on bonds, dividends on shares and wages are calculated and paid by suppliers of products and services, extinguishment of other obligations are carried out on time and correctly;

checking whether the Company's accounting balances, annual report and other reporting documents submitted to the tax inspectorate, statistical bodies, and state management bodies are correctly drawn up;

Verification of the Company's compliance with the legal requirements of the stock market and joint-stock companies, as well as the presence of large transactions and transactions with affiliated persons in the Company;

performing other tasks within the competence of the auditor, as well as tasks of the general meeting of shareholders.

2.3. The inspector is obliged to:

timely delivery of the results of audits and inspections to the attention of the general meeting of shareholders, the supervisory board, and the executive body in the form of conclusions, written reports, notices, and information at the meetings of the management bodies of the company;

Assessing the reliability of information in the annual report and annual balance sheet of the company;

Assessing the Company's vulnerability to risks and other situations affecting the Company's financial situation;

Auditing the financial and economic activity of the Company at the end of the year or for another period according to the initiative of individuals in accordance with the legislation, the charter of the Company and this regulation;

maintaining commercial secrecy, not disclosing confidential information when the auditor has access to confidential information in the course of performing his/her duties. If non-auditors are involved as experts in the auditor's work, they should be informed about the need to maintain commercial confidentiality. The auditor is responsible for their behavior;

Timely consideration of shareholders' complaints regarding the actions of the management bodies and officials of the company and the adoption of appropriate decisions against them;

to demand the convening of an extraordinary general meeting of shareholders and a meeting of the supervisory board in cases where violations of laws are detected in production-economic, financial, legal activities or in cases where there is a threat to the Company's interests;

according to the legal documents, the auditor has other obligations.

2.4. All documents and materials that are the subject of inspection should be carefully examined by the inspector during the inspection. The auditor is responsible for giving incorrect conclusions, and the standard of this responsibility is determined by the general meeting of shareholders and the current legislation of the Republic of Uzbekistan.

2.5. The auditor is obliged to participate in the general meeting of shareholders and answer the questions of the participants of the meeting within the scope of his authority.

III. RIGHTS AND AUTHORITIES OF THE INSPECTOR

3.1. The inspector has the following rights (authorities) in order to properly perform his functions:

Verification of any financial documents of the company, including documents of the commission on the inventory of the company and comparison of these documents with primary accounting data;

Request and receive documents necessary for the inspector's work from the management bodies of the Company, its departments and services, officials.

The specified documents and materials must be provided to the inspector upon his written request within two days;

demand to convene a general meeting of shareholders in cases where violations are detected in production-economic, financial, legal activities or when there is a threat to the interests of the Company;

demand to convene a meeting of the supervisory board. The chairman of the supervisory board does not have the right to refuse the request of the auditor to call a meeting of the supervisory board;

participation in meetings of the supervisory board at the suggestion of any member of the supervisory board;

To raise the issue of liability of the Company's employees, including officials, in case of violation of the statutes, rules and guidelines adopted by the Company before the management bodies of the Company, its departments and services;

Participation in the work of the working group on the organization of the transition to publishing the company's financial statements in accordance with the International Financial Reporting Standards (IFRS);

receiving a reward and (or) expenses related to the performance of the auditor's duties for the period of performing his duties in accordance with the procedure established by the legislation and the internal documents of the Company;

based on legal documents, the inspector has other rights (authorities).

3.2. A quarterly reward is paid to the Auditor of the Company for his participation in the inspection (audit) of the financial and economic activities of the Company. The bonus payment is determined by an internal document approved by the general meeting of shareholders.

IV. PROCEDURE OF INSPECTION (INSPECTION).

4.1. The audit of financial and economic activities of the Company is carried out according to the results of one year of activity.

4.2. A conclusion confirming or rejecting the veracity of the information included in the annual report of the company and reflected in the annual accounting balance, as well as the auditor's report on the verification (auditing) of the financial and economic activity of the company, the inspection by the auditor three days before the day of the meeting of the supervisory board on the initial approval of the annual report of the company must be presented to the board.

4.3. An unscheduled inspection (audit) of the company's financial and economic activities is carried out in the following cases:

- based on the decision of the general meeting of shareholders;
- based on the decision of the supervisory board;
- At the request of a shareholder (shareholders) holding not less than five percent of the Company's voting shares;
- on the auditor's own initiative.

4.4. The decision to conduct an unscheduled inspection (inspection) is adopted by the general meeting of shareholders with the majority (simple majority) of shareholders participating in the meeting who are the owners of voting shares of the Company.

The auditor starts the investigation after receiving the relevant minutes of the general meeting of shareholders.

4.5. The decision to conduct an unscheduled inspection (inspection) is made by the supervisory board with a majority vote of the members participating in the meeting, and in cases of absentee voting by all members of the supervisory board unanimously.

The decision is signed by all members of the supervisory board who voted for this decision and sent to the auditor.

4.6. In case of detection of a violation, the inspector organizes an inspection (inspection) and starts conducting it.

4.7. Submission of a request for an unscheduled inspection (inspection) by the Company's shareholders:

a) The initiator of the inspection (inspection) sends a written application to the auditor of shareholders, which includes the following:

- Shareholder's F.I.Sh. or name;
- information about shares belonging to them (number and type);
- the basis for this application.

The application is signed by the shareholder or his representative. In cases where the application is signed by a representative, the representative's power of attorney must be attached. If the initiative was issued by a legal entity - a

shareholder, the signature of the representative of the legal entity (the representative who has the right to act without a power of attorney based on the charter of the legal entity) must be confirmed with the seal of the legal entity. If the application is signed by a representative acting on the basis of a power of attorney on behalf of a legal entity, a power of attorney must be attached to the application.

b) The application for conducting an inspection (inspection) is submitted to the auditor at the address of the Company by mail (with a confirmation of delivery) or to the office of the Company.

The date of submission of the application is the date of its submission to the Company or the date of submission to the Company's office.

v) Within ten working days from the date of submission of the application, the decision of the inspector to conduct an unscheduled inspection (audit) of the financial and economic activities of the Company must be accepted or a refusal to conduct an inspection must be given.

g) A refusal to conduct an inspection (inspection) can be given in the following cases:

if the shareholder (shareholders) who submitted the application does not have the number of voting shares on all issues included in the authority of the general meeting of shareholders on the day of submitting the application;

if the person submitting the application is not registered in the register of shareholders of the Company or does not have the authority of the representative (representatives) of the shareholder (shareholders);

if the request for inspection (inspection) is not substantiated;

if an inspection (inspection) has been conducted on the facts that are the basis for the inspection (inspection) and the inspector has confirmed the conclusion on these circumstances;

if the information is not fully specified in the application;

if the application contradicts the legislation and normative legal documents of the Republic of Uzbekistan or the Charter of the Company.

4.8. All existing and received documents and materials related to the subject of the inspection should be examined by the inspector during the inspection (inspection).

4.9. According to the results of the audit of the financial and economic activity of the Company, the auditor of the Company draws up a conclusion, which should reflect the following:

Assessment of the reliability of the information presented in the company's reports and other financial documents;

it is necessary to provide information about the violation of the procedure of accounting and financial reporting, as well as the violation of legal documents during the implementation of financial and economic activities.

This conclusion is considered at the annual general meeting of shareholders.

4.10. The persons who submitted an application for the inspection (audit) of the financial and economic activity of the Company before the decision of the inspector to conduct an inspection (inspection) have the right to withdraw their application at any time, provided that they notify the inspector in writing.

4.11. The inspector shall bring to the meeting of the Supervisory Board of the Company quarterly the conclusion on the presence of transactions or large transactions concluded with affiliated persons in the Company, as well as compliance with the requirements of the laws and the internal documents of the Company regarding the conclusion of such transactions.

V. ELECTION OF THE INSPECTOR AND EARLY TERMINATION OF HIS AUTHORITIES

5.1. The procedure for submission of proposals for auditor candidates, consideration of these proposals and decision-making by the Supervisory Board is carried out in accordance with Articles 63 and 65 of the Law of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of Shareholders' Rights" and the Company's Charter.

5.2. The invitation to submit candidates for inspection shall be sent in writing to the address of the Company by mail or submitted to the Company's office.

The date of entry of the proposal is determined by the date of mailing or the date of filing with the Clerk of the Company.

The proposal is signed by the shareholder or his representative. In cases where the application is signed by a representative, the representative's power of attorney must be attached.

If the initiative was issued by a legal entity - a shareholder, the signature of the representative of the legal entity (the representative who has the right to act without a power of attorney based on the charter of the legal entity) must be confirmed with the seal of the legal entity. If the proposal is signed by a representative acting on the basis of a power of attorney on behalf of a legal entity, a power of attorney must be attached to the proposal.

5.3. The auditor is elected by the general meeting of shareholders for a period of one year by the majority (simple majority) of the shareholders participating in the meeting who are the owners of voting shares of the company. An inspector cannot be a member of the company's supervisory board at the same time, as well as work in the same company under an employment contract (contract). The same person cannot be elected as an inspector of the same Company more than three times in a row. The election of the inspector is carried out by voting separately for each candidate.

5.4. Persons being elected to the inspectorate must have a higher education.

5.5. The auditor has the right to withdraw from the audit at any time at his will, provided that he notifies the supervisory board of the Company one month

before the day of termination of his activity as an auditor. In this case, the general meeting of shareholders will elect an auditor at its next meeting.

5.6. If the inspector is elected as a member of the supervisory board or executive body or has started working in the same company under an employment contract (contract), then this person must stop his activity as an inspector. In this case, the general meeting of shareholders will elect a new auditor at its next meeting.

5.7. The authority of the auditor may be terminated early by the general meeting of shareholders by a majority (simple majority) vote of the shareholders who own voting shares of the Company, participating in the meeting, in the following cases:

failure to participate in the inspector's work more than three times without good reason;

gave incorrect conclusions due to insufficient study of all documents and materials during the inspection;

5.1 of this regulation by the inspector. failure to fulfill the requirements of paragraph;

that due to other actions (inaction) of the inspector brought negative consequences to the Company.

This Regulation is translated from Uzbek into English. If there are differences between the English and Uzbek versions, the Uzbek version shall prevail.