

APPROVED BY
Resolution of the Supervisory Board of
Bekabadcement JSC
dated 30 November 2016

REGULATIONS
ABOUT COMMITTEES OF THE SUPERVISORY BOARD
OF BEKABADCEMENT JSC

I. GENERAL PROVISIONS

1. These Regulations in accordance with the Civil Code of the Republic of Uzbekistan, the Law of Joint-Stock Companies and Protection of the Rights of Shareholders, the Regulations of Internal Audit Service at the Enterprises approved by the Decree of the Cabinet of Ministers No. 215 dated 16.10.2006, and the Code of Corporate Management approved by the Minutes of Meeting of the Commission for increasing the efficiency of activity of joint-stock companies and improvement of corporate management system No. 9 dated 31.12.2015, determine the procedure of operation of the Committee for Nominations, Audit Committee, Committee for Solving Conflict Situations, Committee for Compensations, the Committee for Code of Corporate Management, the Committees at the Supervisory Board (the Committees).

2. The Committees:

are consultative and deliberative assemblies providing effective discharge of the functions of the Supervisory Board;

act in accordance with the applicable legislation, instructions of the Supervisory Board and these Regulations;

are not separate body of the Company and is not entitled to act on behalf of the Company;

give their recommendations to the Supervisory Board for making decision;

don't take responsibility for the consequences of the decisions taken by the Supervisory Board.

II. PURPOSE AND FUNCTIONS OF COMMITTEE

3. The purpose of establishment of the Committees is ensuring effective operation of the Supervisory Board of the Company in solving the problems related to its competence.

4. The functions of the Committees include the issues directly related to the field of activity of relevant Committees.

III. COMPETENCE, RIGHTS AND OBLIGATIONS OF COMMITTEE

5. The competence of the Committees include preliminary review, analysis and making recommendations in the issues directly related to the field of activity of relevant Committees.

6. For realization of the entrusted functions, a relevant Committee is entrusted with the following rights:

conduct research in the issues included in its competence;

request and obtain information necessary for implementation of its activity, documents and comments to them from the head and members of the executive body;

involve the employees, the management of the Company, the members of other Committees of the Supervisory Board to participation at the face-to-face meetings of the Committee.

7. Committee should:

implement the functions vested in the Committee in accordance with these Regulations, the requirements of the legislation of the Republic of Uzbekistan, the Articles of Association and the internal documents of the Company;

give the Supervisory Board economically effective and legally substantiated recommendations in the issues of the competence of the Supervisory Board of the Company assigned to the competence of the Committee;

timely inform the Supervisory Board of the Company about the risks which the Company is subjected to, in the issues of the competence of the Supervisory Board of the Company assigned to the competence of the Committee;

observe the confidentiality requirements, not disclose information of the Company constituting commercial and/or service secret.

IV. COMPOSITION OF COMMITTEE AND PROCEDURE OF ITS FORMATION, RIGHTS AND OBLIGATIONS OF COMMITTEE MEMBERS

8. Number of members of Committee is to be determined by resolution of the Supervisory Board of the Company as at least 3 (three) and no more than 7 (seven) persons.

9. Members of Committee are elected by the Supervisory Board of the Company by majority of votes of the members participating in a meeting of the Supervisory Board, from the number of candidates presented by the members of the Supervisory Board of the Company. Each member of the Supervisory Board of the Company is entitled to propose no more than 3 (three) candidates to members of Committee.

10. Committee Members should meet the following requirements:

have higher education;

Committee members and/or close relatives should not be sole executive body and/or members of collective executive body of the Company.

11. Chairman of Committee, in addition to paragraph 10, should meet the following requirements:

not to be an officer or employee of the Company at the time of election and within one year preceding to the election;

not to be an officer of another business entity in which any of the officers of that company are members of the Supervisory Board committee for rewards and nominations;

not to be spouse, parent, son/daughter, brother or sister of the Company officers.

12. Committee Members are elected in accordance with the conditions of these Regulations for a term till convening first meeting of the Supervisory Board with new members elected.

13. Powers of any member of Committee can be terminated earlier by a resolution of the Supervisory Board of the Company.

14. In case if the quantity of members of Committee becomes less than half of elected members, the Chairman of the Supervisory Board should convene an extraordinary meeting of the Supervisory Board for election of Committee members or include the issue of electing Committee members into the agenda of a nearest scheduled meeting of the Supervisory Board of the Company.

V. HOLDING A MEETING OF COMMITTEE

15. Committee meetings are convened by Chairman of Committee.

16. Committee can approve work plan of Committee at first meeting of Committee no later than in 30 (thirty) days after meeting of the Supervisory Board of the Company at which the new members of the Committee had been approved.

17. Meetings of Committee may be in form of joint presence of Committee members (meeting in presentia) or in form of absentee voting on the issues of meeting agenda (meeting in absentia).

18. Meeting in presence of Committee shall be opened by meeting chairman – the Chairman of Committee, or in his absence – Deputy Chairman.

19. Meeting in presence of Committee is to be attended by Committee members as well as invited persons.

20. Committee meeting shall be deemed as eligible (having quorum) if no less than half of elected members of Committee attend at the meeting.

21. Secretary of Committee shall determine presence of quorum for holding a meeting in presence of Committee. Chairman of meeting shall advise the attendees about presence of quorum for holding a meeting of Committee and announce the agenda.

22. Secretary of Committee shall prepare the minutes of meeting no later than 5 (five) business days after a meeting of Committee.

23. Minutes of meeting of Committee shall be signed by Chairman of meeting and Secretary of Committee. Minutes of meeting or extract from minutes on the issues of agenda of a meeting of Supervisory Board shall be sent within 1 (one) business day after signing by the Secretary of Committee to the Supervisory Board of the Company with attachment of materials and recommendations prepared for it. Copies of minutes, prepared materials and recommendations shall be sent to all the members of Committee.

24. Chairman of meeting and Secretary of Committee shall be responsible for correctness of Minutes of meeting. Secretary of Committee is responsible for keeping of minutes, questionnaires, materials and recommendations of Committee.

25. Minutes of meeting of Committee shall contain:

- 1) form of holding a meeting;
- 2) date, venue and time of meeting (date and time of end of receipt of questionnaires);
- 3) list of Committee members present at meeting (participating in absentee voting, voting in person and absence);
- 4) agenda;
- 5) proposals of Committee members on the issues of agenda;
- 6) issues put for voting, results of voting on them, indicating the nature of voting of each Committee member.

VI. FINAL PROVISIONS

26. Committee is established on the basis of recommendations of the Code of Corporate Management.

27. Non-observance of the provisions of these Regulations doesn't imply imposition of sanctions in relation to Committee members.