

APPROVED

by Minutes No. "4" of the Supervisory
Board Meeting of NMMC JSC dated
June 7, 2024

NAVOI MINING AND METALLURGICAL COMPANY Joint-Stock Company

REGULATION on the Audit Committee under the Supervisory Board

I. GENERAL PROVISIONS

1.1. This Regulation has been developed in accordance with the Laws of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of Shareholders' Rights" and "On Auditing Activities," Presidential Decree No. PD-101 of April 8, 2022, Cabinet of Ministers Resolution No. 166 of March 29, 2021, the Charter of NMMC JSC, the Regulation on the Supervisory Board, and other normative legal acts. It defines the legal status, composition, powers, and operating procedure of the Audit Committee under the Company's Supervisory Board (hereinafter – the Committee).

1.2. The Audit Committee is established by resolution of the Supervisory Board to review the most important matters and prepare recommendations for the Supervisory Board.

1.3. The Committee carries out its activities in accordance with applicable legislation, the Company's Charter, and this Regulation.

II. COMPOSITION OF THE AUDIT COMMITTEE

2.1. The Audit Committee is composed exclusively of Supervisory Board members – 3 persons.

2.2. Committee members are elected from Supervisory Board members by a majority vote based on the recommendation of the Supervisory Board Chairman, for the duration of their term. The Audit Committee Chair is approved by the Supervisory Board from among Committee members. The Audit Committee Chair must not be the Supervisory Board Chairman.

2.3. Supervisory Board members elected to the Audit Committee may be re-elected an unlimited number of times.

2.4. Experts and specialists with the necessary professional qualifications, knowledge, and skills may be involved in Committee work without voting rights.

2.5. Audit Committee members must have higher education and qualifications and experience relevant to the objectives and tasks of the audit service. At least one Committee member must have several years of experience in audit, accounting, and financial reporting.

2.6. An Audit Committee member may not simultaneously be an employee of the Company's auditing organization. Nor may close relatives of an Audit Committee member be employees of the Company's auditing organization.

2.7. The distribution of functions among Audit Committee members is carried out by the Audit Committee Chair.

2.8. The Company's Internal Audit Service is accountable to the Audit Committee in its activities.

III. MAIN TASKS OF THE AUDIT COMMITTEE

3.1. The main tasks of the Audit Committee are:

- Establishing oversight over the accuracy of financial reporting in the Company;
- Monitoring the selection of an independent auditing organization and the audit process;
- Receiving and studying the results of internal and external audits;
- Monitoring the submission, completeness, and reliability of supervisory, financial, and other reports;
- Preparing materials and reports for Supervisory Board meetings on matters within its competence;
- Reviewing matters of establishing the Internal Audit Service, appointing and dismissing its head and employees, and submitting proposals to the Supervisory Board;
- Reviewing the remuneration of Internal Audit Service employees or their additional material incentives;
- Approving the annual budget of the Internal Audit Service, including amendments;

- Reviewing and submitting quarterly Internal Audit Service reports to the Supervisory Board;
- Periodically (at least once a year) assessing the professional competence of each Internal Audit Service employee in terms of selecting information, conducting inspections, and preparing conclusions;
- Assessing the effectiveness and adequacy of the Company's internal control system and internal audit, reviewing internal audit plans and their periodicity, and participating in assessing the Internal Audit Service head's performance;
- Providing practical assistance to the Supervisory Board in evaluating proposals from auditing organizations, and preparing recommendations for selecting and appointing the external auditor;
- Submitting proposals to the Supervisory Board on the maximum fee for auditing services and the conclusion (termination) of contracts;
- Reviewing and submitting the auditing organization's reports and conclusions to the Supervisory Board;
- Providing recommendations to the Supervisory Board on replacing the auditing organization if its performance is assessed as unsatisfactory;
- Reviewing the sufficiency and accuracy of the Company's transparency and disclosure;
- Preparing reports on its own activities;
- Setting the conditions and requirements for tenders to engage auditing organizations;
- Reviewing matters submitted to the Supervisory Board and providing recommendations, including on determining the market value of Company assets, and on charity, sponsorship, and gratuitous assistance.

Other tasks assigned by the Supervisory Board or deemed necessary by the Audit Committee Chair.

3.2. To oversee the accuracy of financial reporting and ensure effective risk management, the Audit Committee:

- submits the Internal Audit Service's annual work plan to the Supervisory Board for approval;
- initiates audit inspections;
- reports to the Supervisory Board on audit matters.

IV. PROCEDURE FOR ORGANIZING AND HOLDING AUDIT COMMITTEE MEETINGS

4.1. Audit Committee meetings are convened by the Audit Committee Chair on their own initiative, at the request of Committee members, or at the written request of the head of the Company's Internal Audit Service.

4.2. The Committee holds its meetings quarterly, and monthly if necessary, either with members personally present or using other communication means. The Committee may invite representatives of the Company's executive body and other persons to meetings and may request information from them.

4.3. Committee members may demand an urgent meeting when violations requiring immediate resolution are identified.

4.4. The Audit Committee Chair provides all participants with adequate preparation opportunities and conditions for active participation in discussions. Committee members must allocate sufficient time for preparation and participation.

4.5. A Committee meeting is competent if at least 2/3 of its members participate, with the chair's participation being mandatory.

4.6. Resolutions are adopted by a majority vote of those present.

4.7. Each Audit Committee member has one vote. In the event of a tie, the chair's vote is decisive. A Committee member who disagrees with a resolution is entitled to record their

separate opinion, which must be attached to the meeting minutes and brought to the Supervisory Board's attention.

4.8. Audit Committee resolutions are formalized in meeting minutes maintained by the Committee secretary and signed by members who participated in voting.

4.9. Secretarial duties at Audit Committee meetings are performed by a Company employee appointed by the Committee.

4.10. The Audit Committee Chair organizes the Committee's work, convenes and chairs meetings, organizes minute-keeping, and carries out other actions provided by Company internal documents and this Regulation.

4.11. The Audit Committee Secretary maintains and formalizes meeting minutes, prepares and submits materials on agenda items, and delivers resolutions, conclusions, and minutes to recipients.

4.12. All resolutions adopted within the Audit Committee's competence are mandatory for execution by the Company's executive body and other officials from the date of adoption. Officials named in resolutions are personally responsible for timely and proper execution. The Audit Committee Chair supervises the execution of resolutions.

4.13. The head and employees of the Company's Internal Audit Service may attend Audit Committee meetings without voting rights.

V. RIGHTS AND OBLIGATIONS OF AUDIT COMMITTEE MEMBERS

5.1. An Audit Committee member is entitled to:

- demand and receive all documents and materials necessary for their activities from the executive body members and other Company officials;
- request and use documents and materials from the auditing organization and Internal Audit Service;
- demand convening of an executive body meeting if violations causing or capable of causing serious material harm to the Company are identified;
- demand explanations from employees and heads of Company structural divisions on matters under consideration;
- submit matters of disciplinary, property, and other liability of guilty employees to management for consideration;
- use primary accounting, financial, and other documents of the Company;
- invite heads and other Supervisory Board members periodically or regularly by decision of the Committee Chair;
- request the opinion of other Supervisory Board committees on matters within the Audit Committee's competence, on own initiative, if deeper study is required;
- speak on matters under discussion within the allotted time and request that their separate opinion be recorded in the minutes;
- submit proposals for amendments to this Regulation for approval by the Supervisory Board;
- develop and submit appropriate conclusions and proposals to the Supervisory Board;
- propose matters for inclusion in the Audit Committee meeting agenda.

5.2. Obligations of Audit Committee members:

- submit accounting policies for Supervisory Board approval and supervise their implementation;
- submit nominations of Internal Audit Service employees for Supervisory Board approval and propose their dismissal;
- perform assigned tasks based on legislation, this Regulation, the Company's Charter and internal documents, and carry out activities in good faith;

- supervise purchases made by the Company in amounts provided by legislation;
- supervise the work of the Internal Audit Service, including by analyzing its reports and assessing effectiveness;
- analyze and supervise financial reporting, including consolidated reporting, for compliance with accounting standards and accounting policies;
- act based on the principles of protecting shareholders' rights, interests, and concerns;
- maintain confidentiality of the Company's commercial and official secrets;
- ensure external audit is conducted.

5.3. Audit Committee members must attend Committee meetings personally. If unable to attend, a member must notify the Audit Committee with reasons.

5.4. The Audit Committee, at the request of the Company's auditing organization, is obliged to provide oral and written explanations on matters arising during the audit and to provide additional information necessary for the audit.

5.5. The Audit Committee must be notified in writing by the Company's auditing organization of identified violations of accounting legislation or facts clearly confirming corruption-related offenses.

VI. LIABILITY OF AUDIT COMMITTEE MEMBERS

6.1. Audit Committee members must act in the Company's interests when exercising their rights and performing obligations, and shall be liable in the established manner.

6.2. Audit Committee members who did not participate in voting or voted against a resolution that caused harm to the Company are not liable.

VII. FINAL PROVISIONS

7.1. This Regulation enters into force from the date of its approval by the Supervisory Board.

7.2. This Regulation and amendments and additions thereto are approved by the Supervisory Board. Proposals for amendments may be submitted by the Supervisory Board Chairman and Audit Committee members.