

«APPROVED»

By the decision of the extraordinary General  
Meeting of Shareholders  
of the JSC «BIOKIMYO»  
of June 28, 2022

*STAMP*

**Charter**  
**of the joint-stock**  
**company**  
**«BIOKIMYO»**  
(new edition)

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## I. General rules

1.1. This Charter of the Joint Stock Company "BIOKIMYO" (hereinafter referred to as the Company) is developed in accordance with the Civil Code of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan dated May 6, 2014 "On joint stock companies" (hereinafter referred to as the Law). No. ZRU-370 "On joint-stock companies and protection of shareholders' rights" (hereinafter referred to as the Law), ZRU-387 "On securities market" Law (new edition) approved on June 3, 2015, Decree of the President of the Republic of Uzbekistan UP-101 dated April 8, 2022, Resolution of the Cabinet of Ministers PKM-166 dated March 29, 2021 "On approval of management and reforming strategy for state-owned companies 2021 - 2025", "Corporate Governance Code" (hereinafter referred to as the Code), approved by the minutes of the meeting of the Commission on enhancing the efficiency of joint stock companies and improving the corporate governance system dated December 31, 2015 №9 and "Corporate Governance Rules" (hereinafter referred to as the Rules) approved by the minutes №15 dated April 20, 2018, as well as other current legislative acts of the Republic of Uzbekistan.

1.2. Established in accordance with the orders of the Tashkent Regional Department of the State Property Committee of the Republic of Uzbekistan No. 271-O of May 30, 1994 and No. 994-O of July 17, 1995, through the reorganization of the Yangiyul Biochem Plant.

### I I. Name, location (postal address), e-mail address, legal status of the company

2.1. Full name of the Company:

In the official language in the Latin alphabet:

full name - "BIOKIMYO» Aksiyadorlik jamiyati;

Shortened name - "BIOKIMYO" AJ;

In the official language in Cyrillic:

full name - «БИОКИМЁ» Акциядорлик жамияти;

Shortened name - «БИОКИМЁ» АЖ;

in Russian:

Full name - Акционерное общество «БИОКИМЁ»;

Shortened name - АО «БИОКИМЁ»;

in English:

full name - Joint-stock company «BIOKIMYO»;

Abbreviated name - JSC "BIOKIMYO".

The company has the absolute right to use its own brand name.

2.2. The location of the postal address of the Company: The Republic of Uzbekistan, 112004, Tashkent region, city Yangiyul, Kimogar 1.

E-mail: [info@biokimyo.uz](mailto:info@biokimyo.uz)

The Company is obliged to notify the bodies of the state registration of legal entities about changes in its location (postal address) and e-mail address by sending a written notice, and shareholders - by publishing in the mass media.

2.3. The Company acquires the status of a legal entity from the moment of its state registration. The Company is created without time limit.

2.4. The Company is a legal entity and owns a separate property, including property transferred to it in the statutory fund accounted for on its own balance sheet, can acquire and exercise property and personal non-property rights in its own name, be liable, be a plaintiff and a defendant in court .

2.5. The Company is the owner of the property due to the acquisition of shares received and acquired as a result of the Company's own activities, as well as on other grounds not inconsistent with the legislation of the Republic of Uzbekistan.

2.6. In the process of financial and economic activities, the Company is entitled to perform all types of contractual relations in accordance with the current legislation.

2.7. The Company has the right to engage in various activities not prohibited by law, to be a founder of another legal entity or to participate in the statutory fund (charter capital) in another form, to create branches and open branches, to enter into unions and associations.

2.8. The company must have a round seal containing its full corporate name in the state language and the place of its location. The seal can be simultaneously indicated brand name in any other language.

2.9. The Company has the right to have stamps and letterheads with its name, its own logo, registered trademark and other means of individualization of participants in civil turnover, goods, works and services registered in the established order.

2.10. The Company shall have the right to open settlement sheets on the territory of the Republic of Uzbekistan and beyond its borders in the established order.

2.11. The Company is liable for its obligations with all property belonging to it.

Shareholders are not liable for the obligations of the company and bear the risk of losses associated with its activities, within the value of their shares.

Shareholders who do not fully pay for shares are jointly and severally liable for the obligations of the company within the unpaid portion of the value of their shares.

The Company is not liable for the obligations of its shareholders.

The state and its bodies do not bear responsibility for the obligations of the company, nor does the company bear responsibility for the obligations of the state and its bodies.

### **III. Sphere of activity (main directions) and goals of the Company. Types of additional activities**

3.1. The purpose of the Company's activity is to obtain profit as a result of its activities.

3.2. The scope of the company's activity (the basic direction) consists of the following:

Production and sale of food and technical alcohol,

Production and sale of thermal energy,

Production and sale of chemical and household products.

3.3. Together with the implementation of the above main activities, the Company can additionally perform the following activities:

Investment, innovasiya, external economic, scientific, design marketing intermediary activity,

Construction and installation works, commissioning and repair,

Service, purchase of products,

Rent of buildings, immovable and movable property;

Production and sale of agricultural, livestock and poultry products;

The Company has the right to carry out other types of activities that meet the objectives of the Company in the manner prescribed by law.

3.4. If it is necessary to license certain types of activities, they are carried out after obtaining the appropriate license in accordance with the established procedure.

### **IV. Statutory fund**

4.1. The statutory fund of the company is made up of the nominal value of the company's shares acquired by shareholders, and the statutory fund of the company determines the minimum amount of the company's property that guarantees the interests of its creditors.

4.2. The authorized capital of the Company is **9 569 744 000** (nine billion пятьсотшестьдесят nine million seven hundred fourty four thousand) UZS divided into **2 856 640** (two million

eight hundred fifty six thousand three hundred and forty) shares of common shares with par value of 3,350 (three thousand three hundred and fifty) ).

The Company's shares are distributed in the following order:

The share of the State Assets Management Agency - for the amount of **4 880 548 000** (four billion eight hundred eighty million five hundred forty eight thousand) UZS, total **1 456 880** (one million four hundred fifty six thousand eight hundred eighty) pieces of common shares, which amounts to 51 (fifty one) percent of the Company's Statutory Fund;

The share of individuals and legal entities - in the amount of **4 689 196 000** (four billion six hundred eighty nine million one hundred ninety six thousand), total **1 399 760** (one million three hundred ninety nine thousand seven hundred sixty) shares of common shares, which is 49 (forty-nine) percent of the Company's Charter Fund.

#### 4.3. Statutory fund of the company:

Can be increased by placing additional shares;

Can be reduced by reducing the nominal value of shares or reducing their total number, including by acquiring part of the shares of the Company with subsequent cancellation.

4.4. The increase of the Company's Charter Fund may be carried out at the expense of attracted investments, the company's own capital and accrued dividends in accordance with the procedure established by law.

4.5. Additional shares may be placed by the Company only within the limits of the number of declared shares established by the charter of the company. In this case, the number of declared shares of a certain type specified in the company's charter should be reduced by the number of additional shares of this type placed.

4.6. Decisions on increasing the Statutory Fund through the placement of additional shares and on making appropriate changes to the Charter of the Company shall be made by the Supervisory Board of the Company.

The decision to increase the Company's Charter Fund is a decision to issue additional shares, adopted by the Company's Supervisory Board.

4.7. The resolution on the increase of the Company's Statutory Fund shall specify the number of additional ordinary shares and preferred shares to be placed, the terms and conditions for their placement.

4.8. With the increase of the Company's Statutory Fund due to its own capital, additional shares are distributed among all shareholders. At the same time, each shareholder is allocated shares of the same type as shares that belong to him, in proportion to the number of shares owned by him.

4.9. It is not allowed to increase the Company's Statutory Fund, as a result of which the amount of the increase is not consistent with the nominal value of one share.

4.10. Decisions on the reduction of the Statutory Fund and the introduction of appropriate amendments and additions to the Charter of the Company are taken by the General Meeting of Shareholders.

When deciding to reduce the Company's Statutory Fund, the General Meeting of Shareholders indicates pricings for the reduction of the Statutory Fund and establishes the procedure for its reduction.

## V. Shares and other securities

According to the legislation and this Charter, the Company is entitled to issue and place shares, corporate bonds and other securities.

### 5.1. Shares

5.1.1. The shares issued and placed by the Company consist of the following:

The nominal value of the Company's shares is 3,350 (three thousand three hundred and fifty) UZS for the amount of **9 569 744 000** (nine milliard five hundred sixty nine million seven hundred forty four thousand) sum, **2 856 640** (two million eight hundred fifty six thousand six hundred forty) ordinary shares.

5.1.2. The Company has the right to place an additional **4 642 040** (four million six hundred forty two thousand fourty) pieces with a par value of 3,350 (three thousand three hundred and fifty) sums (declared) shares.

5.1.3. The Company may place additional shares only within the number of announced shares. The additional issue of shares is possible only after full payment of all shares previously placed by the Company.

In the decision to increase the Statutory Fund by placing additional shares (the decision to issue additional shares), the Company determines the number of additional shares to be placed, the terms and conditions for their placement.

5.1.4. The decision on introducing amendments and additions provided for in the legislation on shares placed by the Company is adopted by the General Meeting of Shareholders.

5.1.5. Conversion of common shares into preferred shares, corporate bonds and other securities is not allowed.

5.1.6. The owner of a share - a shareholder is a legal entity or an individual to whom the shares belong on the basis of ownership or other proprietary right.

5.1.7. The share is indivisible. If based on the right of common ownership the share belongs to several persons, they are all recognized as one shareholder and enjoy the rights certified by the share, through their common representative.

5.1.8. A share of one type grants each shareholder owning it the same amount of rights as the other owners of shares of this type.

5.1.9. A voting share of a company is a simple or preferred share that grants the shareholder - its holder the right to receive dividends and the right to manage the Company.

## **5.2. Shares placement**

5.2.1. The placement of shares, the issuance of securities by the company is carried out after the state registration in accordance with the terms of the securities issue.

5.2.2. The Company has the right to conduct an open subscription to the shares issued by it through public offering, taking into account the requirements of the legislation.

The Company has the right to conduct a closed subscription to the shares issued by it through private placement, except for cases when the possibility of holding a closed subscription is limited by the legislation and the charter of the company.

5.2.3. When placing the Shares through an open subscription, the Company shall, in accordance with the procedure established by law, prior to the commencement of the placement of shares at least two weeks, disclose the following information:

Information on the place and procedure for acquaintance with the text of shares of the prospectus;

Full and abbreviated name of the company, its location (postal address), bank details, state registration of legal entities, registration and identification numbers issued by state statistics and tax authorities;

The main directions of activity and the types of produced products (services);

An independent rating score, with relevant comments if such an assessment is available;

Terms of issue and placement of shares in accordance with the decision to issue shares.

If securities of the Company are included in the stock exchange's quotation list, it is required to publish on the official website of the stock exchange;

5.2.4. Open subscription for shares is carried out only on organized securities trading.

5.2.5 In case of public offering of shares in organized securities trading their issue shall be recognized as valid regardless of the volume of offering.

5.2.6 When making a decision on the placement of shares, including among shareholders, the price of placement (offering of securities in organized trading) shares shall be established by the Supervisory Board of the Company, based on the price situation on the platforms of securities trading organizers.

5.2.7. Payment of additional shares and other securities of the company upon their placement is made at a price not lower than that specified in the decision on their issue.

5.2.8. In case of payment of additional shares of the company with the increase of the company's charter fund at the expense of its own capital, as well as dividends for which a decision is made to pay them with additional shares, the placement of such shares is made at the nominal value of the company's shares.

5.2.9. When placing shares and other securities of the company, their payment is effected by cash and other means of payment, property, as well as rights (including property) that have a monetary value. The procedure for payment of additional shares is determined by the decision on their issue.

5.2.10. Monetary valuation of property contributed as payment for shares when establishing a company shall be made by the Supervisory Board. If nominal value of shares and other securities of a company paid by non-monetary funds is more than two hundredfold size of base calculation value established by the legislation, then it is necessary to have monetary assessment of property contributed as payment for shares and other securities of a company by appraisal organization.

5.2.11. Additional shares of the company must be paid during the placement period specified in the resolution on the issue of these shares.

5.2.12. The term for the company's placement of additional shares in the company shall not exceed one year from the date of state registration of their issue.

After the expiration of the period specified in this part, unplaced shares and other securities of the company are subject to cancellation in accordance with the procedure established by law.

5.2.13. Placement of shares specified in the company's decision to issue shares registered after the expiry of the date of their placement within the statutory time limits, if all shares were placed before the expiry of the period- after the day of placement of the last shares of this issue within the time period established by law, the notice is sent to the registering body .

### **5.3. The pre-emptive right to purchase shares and emissive securities convertible into shares upon placement by the company.**

5.3.1. The company's charter may stipulate that when a company places shares and issues securities convertible into shares paid for in cash, shareholders owning voting shares shall have the pre-emptive right to acquire them. A shareholder has the preemptive right to purchase shares and equity securities convertible into shares (hereinafter - the preemptive right) in an amount proportional to the number of shares of this type belonging to him.

5.3.2. The decision on the non-use of the pre-emptive right, as well as on the duration of such a decision, may be adopted by the general meeting of shareholders by a majority of votes of owners of voting shares participating in the general meeting of shareholders. The validity of such a decision can not be more than one year from the date of such a decision.

5.3.3. The list of persons having a pre-emptive right is compiled on the basis of the data of the Company's shareholders register as of the date of the decision to issue securities.

5.3.4. In the case of exercising the preemptive right, shareholders can only purchase an entire number of shares and equity securities convertible into shares.

5.3.5. The Company is obliged within ten days from the date of state registration of the issue of shares or equity securities convertible into shares, by publishing in the mass media, to offer its shareholders having a pre-emptive right to purchase shares or equity securities convertible into shares, on an equal basis proportionally to the number of shares they hold at

the placement price set by the Company's Supervisory Board that made the decision to issue securities.

The text of the notice must contain information on the number of placed shares and equity securities convertible into shares, the price of their placement, the procedure for determining the number of shares and equity securities convertible into shares, which each shareholder has the right to acquire, the term of validity and procedure for exercising this shareholder right.

5.3.6. The procedure and terms for the exercise of the preemptive right, the right to purchase shares sold by shareholders, are established by the company's charter, while the period for the use of the preemptive right can not be less than ten and more than thirty days from the time of the offer of shares for sale.

5.3.7. A shareholder with a pre-emptive right has the right to fully or partially exercise his pre-emptive right by submitting to the company a written application for the purchase of shares and securities convertible into shares containing the name (name) and place of residence (location) of the shareholder, the number of issuing shares securities, and payment documents. Such application must be submitted to the company during the term of this pre-emptive right.

5.3.8. The term of the pre-emptive right is terminated if, prior to its expiration, written statements were received from all shareholders of the company on the use or refusal to use the preemptive right.

5.3.9. The Company shall not have the right to place shares and issued securities convertible into shares before the end of the term of the pre-emptive right to persons who do not have the pre-emptive right to acquire them.

5.3.10. The shares and emissive securities convertible into shares that remain after the expiration of the preemptive right are sold by the company in the manner determined in the decision on their issue.

5.3.11. Assignment of the preemptive right is not allowed.

#### **5.4. Acquisition of outstanding shares by the company**

5.4.1. The Company has the right to purchase shares placed by it upon the decision of the General Meeting of Shareholders to reduce the Company's Charter Fund by acquiring part of the placed shares and reducing their total number, as well as by decision of the Company's Supervisory Board with the aim of their subsequent resale in accordance with the established procedure.

5.4.2. The Company shall not be entitled to take a decision to reduce the charter capital of the company by purchasing part of the offered shares in order to reduce their total number if the nominal value of shares remaining in circulation becomes less than the minimum amount of the statutory fund of the company provided for by law.

5.4.3. Shares acquired by the Company on the basis of a decision taken by the General Meeting of Shareholders to reduce the Company's Statutory Fund through the acquisition of shares with the aim of reducing their total number shall be annulled in accordance with the procedure established by law.

5.4.4. The decision on the acquisition of shares shall determine the types of shares to be acquired, the number of shares of each type to be acquired by the company, the purchase price, the form and period of payment, and the period during which shares are acquired.

5.4.5. Payment of shares upon their acquisition is carried out in cash. The period during which shares are acquired is determined by the decision to purchase shares, which can not be less than ten days. The purchase price of a company's common shares is determined in accordance with their market value. Redemption of shares by the company is carried out at the market value of these shares, determined without taking into account its change as a result of the company's action, which entailed the right of claim for redemption of shares.

5.4.6. Each shareholder - the owner of certain types of shares, on the acquisition of which a decision has been taken, has the right to sell these shares, and the Company must purchase



them. In the event that the total number of shares in respect of which the shareholders have applied for their acquisition by the Company exceeds the number of shares that can be acquired by the Company taking into account the restrictions established by Article 37 of the Law, shares are acquired from shareholders in proportion to the declared requirements.

5.4.7. Not later than ten days prior to the commencement of the period during which the shares are purchased, the Company is obliged, through publication in mass media and posting on its official web site, to notify shareholders - holders of certain types of shares on the acquisition of shares by the Company. The notification shall contain the information specified in part 5.5.4. of this Charter.

5.4.8. The shares placed at the disposal of the company do not provide voting rights, are not taken into account when counting votes, no dividends are accrued on them.

5.4.9. Shares acquired by the Company for subsequent resale should be sold no later than one year from the time they become available to the Company, otherwise the general meeting of shareholders must take a decision to reduce the Company's Charter Fund. The shares not sold in the specified period should be canceled.

5.4.10. Acquisition of own shares by the company is made independently or through professional participants of the securities market, unless otherwise stipulated by law.

5.4.11. The Company does not have the right to make transactions with shares issued by them with the condition of their redemption, as well as transfer the shares issued to them in trust management.

## **VI. Rights and obligations of Shareholders**

6.1. The rights and obligations of the Shareholders consist of the following:  
Including them in the register of shareholders of the Company;  
Receipt of an extract from the depo account;  
Receiving part of the company's profit in the form of dividends;  
Receiving a part of the property in case of liquidation of the company in accordance with the share owned by them;  
Participation in the management of the Company through voting at the General Meeting of Shareholders;  
Shareholders, including minority shareholders in the voting for the formation of their joint position, the conclusion of a share transaction;  
Obtaining in the established order full and reliable information on the results of financial and economic activities of the company;  
Free disposal of the dividend received;  
Protection of their rights in the authorized government body for regulating the securities market, as well as in court;  
Claim for compensation of losses caused to him in the established order;  
Joining associations and other non-governmental non-profit organizations with the purpose of representing and protecting their interests;  
Insurance of risks associated with possible losses, including lost profits in the acquisition of securities.

Shareholders may have other rights in accordance with the law and the charter of the company.

6.2. The exercise of rights by a shareholder should not violate the rights and legally protected interests of other shareholders.

6.3. The establishment of a restriction on the alienation of shares does not deprive the shareholder, the owner of these shares, of the right to participate in the management of the company and to receive dividends on them in the manner established by this Law.

6.4. Shareholders, owners of common shares may, in accordance with this Law and the company's charter, participate in the general meeting of shareholders with the right to vote on all matters falling within its competence, and also have the right to receive dividends, and in

case of liquidation of the company - the right to receive part of its property in accordance with their share.

6.5. Obligations of the Company's shareholders:

Do not allow actions that may harm the Company;

If possible, do not allow other bodies of the Company to act (inaction) restricting or impeding the adoption of decisions, except for the existence of shareholder rights provided for by law;

Pay for shares in a period, in accordance with the procedure provided for by legislation, this Charter and decisions on the placement of shares;

To comply with the requirements of the Charter and decisions of the Company's governing bodies;

The shareholder is required to promptly inform the depository of the services providing for the recording of rights to its shares, about changes in its data. In cases when the shareholder does not provide information on changes in his data, the Central Depository and the depository providing services for recording rights to its shares are not liable for losses incurred by the shareholder in connection with this;

Do not disclose information about the company or its activities, which constitutes official, commercial or other secret protected by law;

The Committee of Minority Shareholders has no right to interfere in the economic activities of the company.

Intervention in the activities of the committee of minority shareholders by the supervisory board or the executive body of the company is not allowed;

To fulfill other obligations stipulated by the legislation and this Charter, as well as other duties provided for by internal documents of the Company.

6.6. Shareholders may have other obligations stipulated by the legislation and this Charter.

## **VII. Procedure of distribution of income (profit), Payment of dividends and reimbursement of damages**

7.1. The distribution of income (profit) remaining at the disposal of the Company after payment of taxes and other mandatory payments is carried out in accordance with the recommendation of the Company's Supervisory Board based on the decision of the General Meeting of Shareholders.

7.2. A dividend is a part of the company's net profit distributed among shareholders.

7.3. The company is obliged to pay dividends declared for each type of shares.

7.4. According to the decision of the general meeting of shareholders, the dividend may be paid in cash or other legal means of payment or by securities of the company.

7.5. The dividend is distributed among shareholders in proportion to the number and type of shares owned by them.

7.6. The Company may decide to pay dividends on placed shares based on the results of the financial year.

7.7. Payment of dividends for each type of shares (based on the results of the financial year).

The decision on the payment of dividends, the amount of the dividend, the form and procedure for its payment for shares of each type is adopted by the general meeting of shareholders on the basis of the recommendation of the company's supervisory board, financial statement data in case of an audit opinion on its reliability. The amount of dividends can not be more than the recommended by the supervisory board of the company. The General Meeting of Shareholders has the right to take a decision on non-payment of dividends on shares of certain types, as well as on payment of dividends in partial size on preferred shares, the amount of

dividend on which is determined in the company's charter. The decision on the payment of dividends must specify the start and end dates for dividend payments.

7.8. Dividends are paid out of the net profit of the company remaining at the disposal of the company, and (or) retained earnings of previous years.

7.9. The term and procedure for paying dividends are determined by the charter of the company or by a resolution of the general meeting of shareholders. The dividend payment period can not be later than sixty days from the date of adoption of such a decision. Dividends are paid in accordance with the equal rights of shareholders to receive dividends.

The Joint-Stock Company shall have the right to pay dividends through the Central Depository and/or investment intermediaries in accordance with the concluded agreement

7.10. A dividend that is not claimed by the owner or his legal successor or heir within three years, at the decision of the general meeting of shareholders remains at the disposal of the company.

7.11. The Company is obliged, upon a written request of a non-resident shareholder of the Republic of Uzbekistan, to convert to the freely convertible currency the dividends accrued to it, with the transfer of funds to a bank account submitted by a non-resident shareholder.

The basis for the conversion is an extract from the company's shareholders register certified by the company and a statement of the company's accounting department on the amount of accrued dividends and the date of their accrual.

7.12. The persons registered in the register of shareholders of the company, formed for holding the general meeting of shareholders, at which the decision on paying dividends to shareholders were authorized to receive dividends on shares.

7.13. In case of non-payment (non-receipt) of dividends due to the company's fault within the terms established by the general meeting of shareholders, penalties shall be accrued on unpaid (not received) dividends based on the refinancing rate established by the Central Bank of the Republic of Uzbekistan.

A shareholder has the right to demand the payment of dividends and penalties accrued by the company in court. In case of non-payment of dividends by the company when the court satisfies the claims of the shareholder in relation to the company, the procedure for eliminating insolvency or declaring bankrupt in the manner prescribed by law is applied.

7.14. Company:

If at the time of payment of dividends there are signs of bankruptcy or these signs will appear in the company as a result of dividend payment;

If the value of the company's net assets is less than the amount of its statutory fund and the reserve fund, the Company shall not be entitled to pay and take decisions on dividend payment on shares:

Upon termination of the circumstances specified in this article, the company is obliged to pay to shareholders the accrued dividends.

7.15. The company announces the amount of dividends excluding taxes from them. The Company publishes data on the amount of dividends paid on media and official websites of the company on regulation of the securities market and the company within the time limits established by law.

7.16. Payment (coverage) of losses incurred in the course of the Company's operations is carried out at the expense of the Reserve Fund of the Company. In the event of a shortage of the Company's Reserve Fund to cover its losses, losses can be paid (covered) in accordance with the decision of the General Meeting at the expense of other funds of the Company permitted by law.

## **VIII. Reserve and other funds**

8.1. The Company creates a reserve fund in the amount stipulated by the Company's Charter, but not less than 15 (fifteen) percent of its authorized fund (authorized capital). The reserve fund of the Company is formed by mandatory annual deductions from net profit until it

reaches the amount established by the Company's Charter. The amount of annual allocations is provided by the charter of the company, but can not be less than 5 (five) percent of net profit until the amount established by the charter of the company is reached.

8.2. The reserve fund of the company is intended to cover its losses, repay corporate bonds of the company, pay dividends on preferred shares and redeem shares of the company in the absence of other funds.

The reserve fund of the company can not be used for other purposes.

8.3. In cases of full or partial expenditure of the Reserve Fund, it is restored from mandatory contributions.

8.4. The charter of the company may provide for the creation of other funds. Goals, size, sources of education and the procedure for using funds are determined by the General Meeting of Shareholders.

## **IX. Management bodies of the Company. Committee of Minority Shareholders. Control of the activities of the company.**

9.1. The Company is managed by the legislation according to the Corporate Governance Code "(hereinafter referred to as the " Code ") approved by the minutes of the meeting of the Commission on increasing the efficiency of joint-stock companies and improving the corporate governance system of December 31, 2015 No. 9b of this Charter, Corporate Governance Rules approved by No. 15 of April 20, 2018 (hereinafter referred to as the Rules and internal documents of the Company).

9.2. The Company is managed by the General Meeting of Shareholders, the Supervisory Board and the Executive Body - the Management Board.

**The General Meeting** of Shareholders is the supreme governing body of the company.

**Supervisory Board** - carries out general management of the Company's activities, except for resolution of issues, by the Charter of the Company to the exclusive competence of the General Meeting of Shareholders.

**Management Board** - the collegial Executive Body exercises management of the Company's day-to-day operations, with the exception of matters referred to the exclusive competence of the General Meeting or the Supervisory Board.

9.3. In order to protect the rights and legitimate interests of minority shareholders, a committee of minority shareholders may be established in their company.

9.4. Control of the Company's activities is carried out by the **Audit Commission** of the Company, the Internal Audit Service, the audit organization and the corporate consultant.

Control over financial and economic activities of the Company is exercised by the Audit Commission.

**Internal audit service** - monitoring and evaluation of the work of the Company's Management Board, branches and representative offices through inspections and monitoring of compliance with the Company's Management Board, branches and representative offices of legislation, the Charter of the Company and other internal documents, ensuring the completeness and reliability of accounting data in accounting and financial statements, rules and procedures for conducting business operations, the preservation of assets.

**The audit organization** appointed by the authorized body of the Company shall audit the financial and business activities of the Company and provide it with an audit report in accordance with the agreement concluded with the Company.

**The corporate consultant** is accountable to the Company's Supervisory Board and performs the functions of monitoring compliance with corporate legislation.

### **9.1. General Meeting of Shareholders**

9.1.1. The General Meeting of Shareholders is the supreme governing body of the company.

9.1.2. The General Meeting of Shareholders carries out its work in accordance with the legislation, this Charter and the Regulations "On the General Meeting of Shareholders" approved by the General Meeting of Shareholders.

9.1.3. The Company is obliged to hold the general meeting of shareholders (annual general meeting of shareholders) annually.

9.1.4. The annual general meeting of shareholders is held within the terms established by the company's charter, but no later than six months after the end of the fiscal year. The general meeting of shareholders is usually held in the second half of June every year.

At the annual general meeting of shareholders the issues on election of the Supervisory Board and the Audit Commission of the Company are resolved, as well as reports on measures taken to achieve the company's development strategy, according to the annual report of the company, and other documents in accordance with the Law.

Information and communication technologies may be used in holding general meeting of shareholders to enable registration for remote participation in general meeting, discussion of agenda items and taking decisions on issues put to vote. General procedure of remote participation in general meeting of shareholders and remote electronic voting with the use of information and communication technologies shall be established by the authorized state body on regulation of securities market.

9.1.5. General meetings held in addition to the annual general meetings of shareholders are extraordinary.

An extraordinary general meeting of shareholders is held by decision of the company's supervisory board on the basis of its own initiative, a written request of the audit commission (auditor), as well as a shareholder (shareholders) owning not less than five percent of the company's voting shares as of the date of the written request.

9.1.6. The competence of the General Meeting of Shareholders includes:

- introduction of amendments and additions to the Charter of the Company or approval of the Company's Charter in a new wording, exceptions are decisions making amendments and additions to the Company's Charter on increasing the Statutory Fund;
- reorganization of the company;
- liquidation of the company, appointment of a liquidator (liquidation commission) and approval of interim and final liquidation balances;
- determining the number of members of the Supervisory Board and the committee of minority shareholders of the company, electing their members and early termination of their powers;
- determination of the maximum amount of declared shares;
- Reduction of the Company's Charter Fund;
- acquisition of own shares;
- approval of the organizational structure of the company, election (appointment) of the Chairman of the company, here the election (appointment) of the Chairman of the company is carried out according to the competition. Foreign managers can also take part in the competition;
- election of members of the Company's Audit Commission and early termination of their powers;
- distribution of profits and losses of the company;
- hearing the reports of the Supervisory Board and the conclusions of the Company's Auditing Commission on matters within their competence, including compliance with the requirements for the management of the company, established by the legislation;
- decision-making on the non-use of the pre-emptive right provided for by this Law and the Charter;
- approval of the rules of the general meeting of shareholders;
- splitting and consolidation of shares;
- approval of the provisions on the General Meeting of Shareholders, the Supervisory Board, the Management Board and the Audit Commission and the order of their activities,

rights and obligations, as well as the procedure for taking decisions by these bodies of the Company;

- Approval of provisions on internal control, dividend policy, the Company's Conflict of Interest Procedure, the Compliance Service, and other internal corporate regulations;
- approval of the annual report and the annual business plan of the company, as well as the strategy for the development of the society for the medium and long term, with the definition of its specific terms based on the main directions and purpose of the company's activities;
- making a decision to conduct an annual analysis of the correspondence of business processes and projects to the development goals of the JSC with the involvement of independent professional consultancy organizations;
- determination of the procedure, conditions for making decisions on the provision (reception) and adoption by the Supervisory Board of decisions on charitable (sponsor) or gratuitous assistance;
- determination of transactions related to the current economic activity of joint-stock company, for independent fulfillment by the executive body of transactions with affiliated persons and large transactions;
- determination (approval) of the voting procedure by e-mail (with confirmation by an electronic digital signature), as well as by delegating one's authority to a representative or holding a general meeting in video-conferencing mode;
- determination (approval) of the procedure for attracting independent experts to provide practical assistance to the counting commission or the performance of its functions (for example, investment adviser and other professional participants of the securities market);
- determination (approval) of the procedure for covering expenses for the maintenance of the committee of minority shareholders at the expense of the JSC's funds (when creating a committee of minority shareholders);
- setting requirements for the form and content of the report of the Management and control bodies of the company reporting at the general meeting of shareholders, determination of the duration of the general meeting;
- Establishment of remunerations and compensations payable to the Supervisory Board, the Audit Commission and the Management Board of the Company, as well as their size limits;
- making decisions on the Company's transactions in cases provided for by the Law;
- resolving other issues in accordance with the law.

Issues referred to the competence of the general meeting of shareholders can not be transferred to the executive body of the Company for resolution.

Issues referred by this Charter to the competence of the general meeting of shareholders can not be transferred to the resolution of the Company's supervisory board.

9.1.7. Except for the following issues:

Increase in the statutory fund of the company, as well as introduction of amendments and additions to the company's charter related to the increase in the statutory fund of the company and a decrease in the number of declared shares of the company;

Determination of the price of placement (placing on the exchange and organized over-the-counter securities market) of shares in accordance with Article 34 of this Law;

Reorganization of the company;

Liquidation of a company, appointment of a liquidator and approval of an interim and final liquidation balance sheet;

Formation of the board of the company, election (appointment) of its members, its head, early termination of his powers;

Setting the amount of remuneration and compensation paid to the company's management;

9.1.8. On the questions put to the vote on General shareholder meeting owners of common shares of Society shareholders have the right to vote.

9.1.9. The decision of the general meeting of shareholders on an issue put to a vote is adopted by a majority of votes of shareholders holding voting shares of the company (by a simple majority) and participating in the meeting, unless otherwise provided by this Law.

In particular, in the circumstances provided for by law, the decision on matters referred to in Section 88, Paragraph five of this Law shall be adopted by the General Meeting of Shareholders by a three-fourths majority vote of shareholders holding voting shares and participating in the General Meeting of Shareholders (qualified majority).

The decision on the formation or increase of the state share in the statutory fund (authorized capital) of the company due to the existing tax and other debt to the state is adopted by the general meeting of shareholders by a simple majority of shareholders' votes, with the consent of shareholders (other than the state), owners of at least two thirds of the placed voting shares of the company.

9.1.10. The General Meeting of Shareholders has no right to decide on issues not included in the agenda of the meeting, as well as to make changes to the agenda.

9.1.11. Consideration of the proposal on inclusion of issues on the agenda of the General Meeting of Shareholders, its convocation, as well as the procedure for adopting a decision by the General Meeting of Shareholders in the order of the General Meeting of Shareholders, is established in the Regulations "On the General Meeting of Shareholders" approved by the General Meeting in accordance with the Law.

Shareholders (shareholder) holding in aggregate at least one percent of the company's voting shares within a period not later than ninety days after the end of the financial year of the company shall be entitled to put issues on the agenda of the annual General Meeting of Shareholders and nominate candidates to the Supervisory Board and the Audit Commission of the company, the number of which can not exceed the quantitative composition of this body.

Shareholders (shareholder) have the right to amend the list of candidates nominated by them to the Supervisory Board and the Auditing Commission of the company not later than three working days from the date of publication of the notice on holding the annual general meeting of shareholders.

9.1.12. The date and procedure for holding the General Meeting of Shareholders, the procedure for informing shareholders about its conduct, the list of materials (information) provided to shareholders when preparing for the General Meeting of Shareholders is established by the Company's Supervisory Board.

9.1.13. The date of the general meeting of shareholders can not be set less than twenty-five and more than thirty days from the date of the decision to hold it.

9.1.14. The notice of the general meeting of shareholders is published on the official website of the company, in the media, and also sent to shareholders by e-mail no later than twenty-one days, but not earlier than thirty days before the date of the general meeting of shareholders.

9.1.15. The information (materials) to be provided to shareholders and state representative during preparation for general meeting of shareholders includes annual report of the company, conclusion of audit commission (auditor) of the company and auditing organization on results of audit of annual financial and economic activity of the company, conclusion of the Supervisory Board of the company on possibility to extend, renew or terminate contract with director (chairman of the board), trust manager, and also information on cad including the position of the supervisory board concerning the agenda of the general meeting.

At the general meeting of the shareholders the disclose remuneration and executive compensation and publish justification for the proposed distribution of net profit, the amount of dividends, assess their compliance with adopted dividend policy in the company, as well as, if necessary, an explanation and economic justification of directing some volumes of certain partial profits to the needs of company;

The list of additional information (materials) required to be provided to shareholders and the representative of the state in preparation for the general meeting of shareholders may be established by the authorized state body for regulating the securities market.

Information (materials) to be provided to shareholders shall be available to persons participating, including remotely using information and communication technologies, in the general meeting of shareholders before and during the meeting

9.1.16. Government bodies ensure equal treatment of all shareholders, regardless of their shares, income, sex, race, religion, nationality, language, religion, social origin, personal and social status;

9.1.17. Members of the management board, supervisory board and audit committee, as well as representatives of the audit organization should personally participate in the annual general meeting of shareholders with reports of their bodies;

9.1.18. The Chairman of the General Meeting of Shareholders has the right to allow audio and video recording and broadcasting of the General Meeting of Shareholders in the Internet.

9.1.19. To count votes, register shareholders for participation in the general meeting of shareholders, as well as issue ballots for voting, the Supervisory Board of the company creates a Counting Commission, the quantitative and personal composition of which is approved by the General Meeting of Shareholders.

The Counting Commission determines the existence of a quorum of the general meeting of shareholders, clarifies the issues arising in connection with the exercise by shareholders (their representatives) of the right to vote at a general meeting, clarifies the procedure for voting on issues put to a vote, ensures the established voting procedure and the rights of shareholders to participate in voting, Count votes and summarize the results of voting, draw up a protocol on the results of voting.

Based on the results of voting, the counting commission shall draw up a protocol on the results of voting, signed by the members of the counting commission. The protocol on the results of voting includes information on the presence of a quorum of the general meeting of shareholders, including those held remotely using information and communication technologies.

After the minutes on the results of voting and signing of the minutes of the general meeting of shareholders, voting ballots of shareholders in paper form or in electronic form shall be sealed by the counting commission and handed over to the company's archive for storage.

9.1.20. The right to participate in the general meeting of shareholders is held by shareholders registered in the register of shareholders of the company, formed three business days before the date of the general meeting of shareholders.

At the request of the shareholder, the company is obliged to provide him with information on including it in the register of shareholders of the company formed for the general meeting of shareholders.

9.1.21. The right to participate in the general meeting of shareholders is exercised by the shareholder in person or through his representative. The right to participate in the general meeting of shareholders of the representative of the state is exercised by him personally.

The representative of the shareholder at the general meeting of shareholders acts on the basis of a power of attorney, drawn up in writing. The power of attorney must be formalized in accordance with article 67 of the Law.



The shareholder has the right at any time to replace his representative at the general meeting of shareholders or personally participate in it.

9.1.22. The General Meeting of Shareholders is eligible (has a quorum) if, at the time of the end of registration, shareholders (their representatives) holding in aggregate more than fifty percent of the votes of the placed voting shares of the company were registered for participation in the General Meeting of Shareholders.

The repeated general meeting of shareholders convened instead of the failed one is eligible if at the time of the registration there are registered shareholders (their representatives) holding in aggregate more than forty percent of the votes of the placed voting shares of the company.

9.1.23. Voting at a general meeting of shareholders is carried out on the principle of "one voting share of the company - one vote", except for cases of cumulative voting on the election of members of the supervisory board of the company.

9.1.24. Voting at the general meeting of shareholders on the items on the agenda shall be by ballots or remotely using information and communication technologies.

When voting on items on the agenda at the General Meeting of Shareholders remotely using information and communication technologies, voting ballots shall not be used. In this case, the competence of the resolution adopted on the items put to the vote shall be confirmed by the electronic digital signature used when registering the shareholder for participation in the General Meeting of Shareholders.

A person who participated in the general meeting of shareholders is given the opportunity to make a copy of his completed ballot at the expense of such person.

9.1.25. The decisions made by General shareholder meeting and also results of vote are brought to the attention of shareholders at General shareholder meeting, and also after closing of General shareholder meeting by the announcement of the report on vote results in the terms established by the law.

9.1.26. The minutes of General shareholder meeting is constituted no later than ten days after closing of general shareholder meeting in duplicate. Both copies are signed by the chairman of the general meeting and its secretary.

The minutes of general shareholder meeting specifies:

date, time and venue of general shareholder meeting;

total quantity of voices which are possessed by shareholders – owners of voting shares of society;

number of votes which are possessed by the shareholders participating in general meeting;

chairman and secretary of general meeting, agenda of a meeting.

The minutes of general shareholder meeting shall contain the basic provisions of performances, questions put to the vote, and vote results on them, the decisions made by a meeting.

## **9.2. Supervisory board of the company**

9.2.1. The supervisory board of the company performs the common directorship of activities of company, except for the solution of the questions carried by this Law and the charter of society to competence of general shareholder meeting.

9.2.2. The supervisory board of Company performs the activities according to the legislation, to recommendations of the corporate code, this Charter and the provision "About the Supervisory Board" of the General meeting of shareholders of the company approved by the decision.

9.2.3. The supervisory board of company consists of seven people.

The members of the Supervisory Board of the Company are elected by the General Meeting of Shareholders in accordance with the procedure provided for by this Law and the Articles of Association of the company for a period of three years.

The nomination and voting of an independent member of the supervisory board shall be carried out by representatives of the state and (or) business association. An independent member of the Supervisory Board, is elected according to the criteria reflected in the "Regulations on the Supervisory Board" of the company.

9.2.4. The persons chosen in structure of the Supervisory Board of the company can be re-elected beyond all bounds.

Board members of company can't be elected in the Supervisory Board of Company.

The Members of the board and director society, person, working on labor agreement (the contract) in his(its) affiliated and hung economic society, and members management body data society can be not elected in observant advice society..

Qualification requirements for persons elected to the Supervisory Board of the Company are established by this Charter and the "Regulations on the Supervisory Board" or the decision approved by the General Meeting of Shareholders.

Establish qualification requirements for candidates, the Supervisory Board, including the availability of a qualification certificate corporate manager issued by the Scientific and Educational Center for Corporate Governance (except as required by law). Nomination of candidates to the supervisory board, in terms of the state share, is carried out according to the established procedure by the Cabinet of Ministers of the Republic of Uzbekistan;

Elections of members of the Supervisory board of Company are performed by cumulative vote.

In cumulative voting, the number of votes belonging to each shareholder is multiplied by the number of persons who are to be elected to the Company's Supervisory Board, and the shareholder is entitled to give back the votes thus obtained in full for one candidate or distribute them among two or more candidates.

The candidates who obtained the largest number of votes are elected to the Supervisory Board of the Company.

The Chairman of the Company's Supervisory Board is elected by the members of the supervisory board from among his members by a majority of votes of the total number of members of the Supervisory Board.

9.2.5. The competence of the Company's Supervisory Board includes:

determination of priority directions of the company's activity with a regular hearing of the report of the company's management board on measures taken to achieve the development strategy of the company;

delegate to the supervisory board the right to determine the order, terms of providing (receiving) and making decisions on charitable (sponsor) or gratuitous assistance only within the limits established by the general meeting of shareholders and legislation, with disclosure of information about it to all shareholders;

Ensuring that the organizational structure of the company is developed, implemented and continuously evaluated in accordance with the requirements established by law;

to assess the corporate governance system according to the decision of the supervisory board of the company, the involvement of an independent organization on a competitive basis;

resolution of issues related to the increase of the Company's Statutory Fund, as well as issues related to the introduction of amendments and additions to the company's charter related to the increase of the company's charter capital and the reduction in the number of authorized shares of the company;

In making a decision on the placement of shares, the price of placement (placing on the stock exchange and organized over-the-counter securities market) of shares is determined on the basis of the price conjuncture that is formed on the platforms of the organizers of trading in securities;

approval of the decision to issue shares;

approval of the prospectus;

decision-making on the issuance by the company of corporate bonds, including those convertible into shares;

decision-making on the issue of derivative securities;

adoption and approval of the decision to amend and / or additions to the decision to issue securities and (or) and the prospectus and the suspension of placement on the circulation of securities;

decision-making on the acquisition of the shares placed by it for the decision of the purposes of their subsequent resale in the established order;

decision-making on the repurchase of corporate bonds;

convocation of annual and extraordinary general meetings of shareholders, except for cases stipulated by part one of the eleventh article 65 of this Law;

preparation of the agenda of the general meeting of shareholders;

determination of the date, time and place of the general meeting of shareholders;

determination of the date of formation of the register of shareholders of the Company for notification of the General Meeting of Shareholders;

including on the agenda of the General Meeting of Shareholders the issues to be solved on introducing amendments and additions to the Company's Charter or issues of approval of a new version of the Company's Charter;

organization of the establishment of the market value of the property;

determination of the number of members of the Management Board of the company and election (appointment) of members of the company's management board, early termination of their powers, where the election (appointment) of the chairman of the management board is held on a competitive basis with the possibility of participation of candidates from among foreign managers;

establishment of payments, remuneration and (or) compensation paid to the Chairman of the Management Board and members of the Management Board of the company, as well as their maximum amounts, in cases where the business plan indicators are not met or important performance indicators are found to be "low" or "unsatisfactory" to consider returning to the Company the bonus paid to the members of the Management Board as a whole for the last reporting year;

decision-making on the possibility of extending the term, renewing or terminating contracts with the Chairman of the Management Board and members of the Management Board;

approval of the company's annual business plan and approval no later than December 1 of the current year;

creation of the internal audit service, cost estimates, approval of the work plan and appointment of its employees, as well as quarterly hearing of its reports;

appointment of a corporate consultant and approval of a provision defining the procedure for its activities;

The rules for the competitive selection for the executive positions describing the procedures for declaring a competition, objective selection criteria, the hiring of new, modern thinking, highly qualified managers who meet modern requirements, as well as foreign managers.

approval of the "Regulations on Information Policy" of the company;

create committees (working groups) under the supervisory council of the society on relevant issues, including for identification and conflict situations, from among the members of the supervisory board, Executive body, staff of the company and attracted experts (Specialists of the appropriate profile, teaching staff of Profile higher education institutions and others);

to evaluate the corporate governance system of the company, attracting an independent organization;

ensuring control over the timely implementation of measures in the implementation of the corporate governance code;

regulate cases and order of holding meetings of Supervisory board by poll, as well as in the Video conferencing;

determine (appoint) an employee or division, responsible for the relationship with shareholders and investors;

the decision to conduct an audit (except for the mandatory audit), the definition of an audit organization, the maximum amount of payment for its services and the conclusion (termination) of an agreement with it

access to any documents relating to the activities of the executive body of the company and obtaining them from the executive body for the performance of the duties assigned to the

supervisory board of the company. Received documents can be used by the supervisory board of the company and its members exclusively for business purposes;

decision-making on carrying out of audit, on definition of the auditor organization and the limiting size of payment of its services;

approval of key performance and productivity indicators for the deputy chairman of the board;

hearing reports based on performance, based on the results of measures to develop localization of production and industrial cooperation in the company;

introduction of a mechanism for quarterly external audit of import purchases and effective use of foreign exchange resources, taking into account the transparency and validity of the procurement process, including compliance of domestic products, established quality and price parameters;

consideration of the annual and quarterly schedule of planning public procurement and planned goods (work, services);

approval of the cost estimates of the Chairman of the Management Board on transformation issues;

establishment of a separate remuneration (in addition to the incentives provided for by this regulation) to the head of the Company's executive body for the implementation of privatization processes, including public placement of shares (IPO) qualitatively within the established time limits or determination of liability measures for non-compliance;

consideration of the expediency of acquiring or constructing new real estate objects characteristic of the activities of enterprises, acquisition of a share in the authorized capital of the main economic entities, as well as consideration and adoption of appropriate decisions on the introduction of additional types of activities in addition to their main activities;

mandatory preliminary consideration of agreements on the alienation of property by the company, the form and mechanism of its sale, investment by third parties in the authorized capitals of enterprises with the participation of the state and enterprises in their composition (transactions, contracts, memoranda, etc.)

Adoption of an appropriate decision on an announcement compiled in accordance with International Financial Reporting Standards, following an external audit in accordance with International Standards on Auditing.

giving recommendations on the amount of remuneration and compensation paid to the members of the Audit Commission;

giving recommendations on the size of the dividend, the form and the procedure for its payment;

use of reserve and other funds of the company;

establishing branches and opening representative offices of the company;

establishment of subsidiaries and dependent business entities;

decision-making on transactions in cases provided for by Chapters 8 and 9 of this Law;

□ conclusion of transactions related to the participation of the company in commercial and non-profit organizations, in accordance with the procedure established by law;

□ acceleration of the transition to a green economy;

organization of the transformation process in society, optimization of external debts of the enterprise, introduction of a modern procurement system, attraction of alternative funds for financing investment projects;

The competence of the Supervisory Board of the Company may be referred to the resolution of other issues in accordance with the Law, the Code of Corporate Governance and this Charter of the Company.

The Supervisory Board implements the requirement for the independent decision by the executive bodies of issues within their competence for the unconditional fulfillment of the tasks set by the supervisory board, the general meeting of shareholders, the charter and plans for the development of society.

The Supervisory Board coordinates the activities of the executive body, internal control bodies of the company, collegial bodies established in the company and, if necessary, involves experts to organize the development of plans for the development of the company and monitor the achievement of the goals outlined in them.

As the strategic objectives of the company, the Supervisory Board defines the maintenance of financial stability, the increase of labor productivity, the competitiveness of products, the growth of production, export and energy efficiency, the modernization, technical and technological renovation of production, leading to an increase in the value of shares.

The issues referred to the competence of the Company's Supervisory Board can not be transferred to the decision of the Company's Management Board.

9.2.6. The Chairman of the Supervisory Board of the Company organizes its work, convenes meetings of the Supervisory Board and presides over them, organizes the minutes at the meetings, presides at the General Meeting of Shareholders. In the absence of the Chairman of the Company's Supervisory Board, its functions are exercised by one of the members of the Supervisory Board

9.2.7. The meeting of the Supervisory Board of the Company shall be convened by the Chairman of the Supervisory Board on his own initiative, at the request of a member of the Supervisory Board, the Audit Commission, a member of the Management Board of the Company, as well as the shareholder (shareholders) owning of at least 1% of ordinary shares of the company, to call a meeting of the supervisory council and submit proposals on the agenda, distribution of profits, candidatures for members of management and control bodies, (with the possibility of replacing them before the general meeting of shareholders);

Meetings of the Supervisory Board will be held at least once a quarterly. If necessary, the Supervisory Board may meet more than once a quarter.

Meetings of the Supervisory Board shall be held by its Chairman, at least once a quarterly by notifying other members of the Supervisory Board. If necessary, the Supervisory Board may meet more than once a quarter.

The first meeting of the Supervisory Board of the Company elected for a new term of three years is held by one of the members of the Supervisory Board of the Company with notification of the members of the Supervisory Board about the convening of the meeting. At this meeting of the Supervisory Board, the issue of electing the Chairman of the Supervisory Board should be raised.

In case of receipt of a written request to convene a meeting of the Supervisory Board on behalf of the person specified in the first paragraph of this Regulation, the Chairman of the Supervisory Board is obliged to consider the request. In the request to hold a meeting of the Supervisory Board of the Company, indicating the proposals included in the agenda, specifying the reason for their entry and description should be the e-mail address of the person who requires the convocation of the meeting. The Chairman of the Supervisory Board of the company is obliged to consider the proposals received and to take a decision on their inclusion in the agenda of the General Meeting of Shareholders or on refusal to include in the agenda not later than ten days after the end of the term. In the event that a decision is taken to convene a meeting of the Supervisory Board upon receipt of a relevant demand from the Chairman of the Supervisory Board, no more than thirty days must be given for consideration of the issue (s) specified in the request. The decision of the Chairman of the Supervisory Board of the company to convene a meeting or a reasoned decision to refuse his convocation is sent to the person demanding his convocation, no later than three working days from the moment of its adoption.

9.2.8. The quorum for holding a meeting of the company's supervisory board is determined by the company's charter, but at least seventy-five percent of the number of elected members of the supervisory board of the company.

In the event that the number of members of the supervisory board becomes less than seventy-five percent of the amount provided for in the charter, the company must convene an extraordinary general meeting of shareholders to elect a new composition of the supervisory board of the company. The remaining members of the Supervisory Board have the right to decide on the convocation of such an extraordinary General Meeting of Shareholders, and, in the event of early termination of the powers of the Chairman of the Management Board of the Company, have the right to appoint a temporary acting member.

9.2.9. In case there is a quorum of the Supervisory Board meeting, the Supervisory Board of the Company is authorized. The meeting of the Supervisory Board is opened by the Chairman of the Supervisory Board, in his absence, it is opened by one of the members of the Supervisory Board, who announces the agenda of the meeting and holds a meeting. On the agenda of the meeting, the Chairman of the Supervisory Board, members of the Supervisory Board or the report of the invited person on the agenda item are heard. Following the speeches, the issue of the agenda is being discussed. A vote is taken on the question put to the vote. The Chairman of the Supervisory Board, in case of his absence, one of the members of the Supervisory Board, read out the results of voting and the taken decision. Following the results of consideration of the tasks put on the Agenda, the indicated person declares the meeting closed.

9.2.10. Decisions at a meeting of the Supervisory Board of the company shall be taken by a majority vote of those present, unless otherwise provided by this Law, the charter of the company defining the procedure for convening and holding a meeting of the Supervisory Board. When resolving issues at a meeting of the Supervisory Board of the company, each member of the Supervisory Board has one vote. The transfer of a vote by one member of the Supervisory Board of the Company to another member of the Supervisory Board is not allowed. The Chairman of the Supervisory Board of the Company has the right of a decisive vote when the Supervisory Board makes a decision in case of equality of votes of the members of the Supervisory Board.

The decision on the issues specified in Article 18 of the Law and 4.6. paragraph of this Charter is adopted by the Supervisory Board of the Company unanimously.

Meetings of the Supervisory Board of the Company may be conducted by means of a survey, as well as in the video-conference mode and adopted unanimously by all members of the Supervisory Board of the Company;

A meeting of the Supervisory Board of the Company may be held remotely using information and communication technologies, including videoconferencing - a communication system in which members of the Supervisory Board participating in the meeting can discuss

issues on the agenda and vote on them. If a meeting of the Supervisory Board of the Company is held remotely using a videoconferencing system, this is indicated in the minutes of the meeting, this meeting is not recognized as held by absentee voting.

It is not allowed to hold meetings of the Supervisory Board by absentee voting (upon request) to hear the quarterly report of the executive body.

9.2.11. The minutes is kept at the meeting of the Company's Supervisory Board. The minutes of the meeting of the Supervisory Board shall be drawn up not later than ten days after its holding. The minutes of the meeting include:

Date, time and place of its holding;

persons participating in the meeting, including remotely using information and communication technologies;

Agenda of the meeting;

Issues put to vote, results of voting;

Decisions taken.

The minutes of the meeting of the Company's Supervisory Board are signed by the members of the Company's Supervisory Board participating in the meeting who are responsible for the correct execution of the minutes of the meeting. An extract from the minutes of the meeting of the Company's Supervisory Board is signed by the Chairman of the Company's Supervisory Board, he is responsible for the veracity of the minutes of the meeting.

9.2.12. The minutes of the meeting of the Company's Supervisory Council shall be submitted for execution to the executive body of the company on the date of its signing. If the Supervisory Board makes a decision to convene a General Meeting of Shareholders, information on this decision shall be forwarded to the Company's Management on the day of the meeting of the Supervisory Board.

9.2.13. By decision of the General Meeting of Shareholders, members of the Supervisory Board of the Company for the period of their duties may be paid remuneration and (or) reimbursement of expenses related to the performance of the functions of members of the Supervisory Board within the limits approved by law. The amount of such remuneration and compensation is established by the "Regulations on the remuneration of members of the Supervisory Board, the Audit Commission and the Board" approved by the decision of the General Shareholders Meeting.

9.2.14. From among the members of the supervisory board of the company, committees may be established to consider the most important issues and prepare recommendations to the supervisory board.

The company is obliged to create an audit committee consisting exclusively of members of the supervisory board of the company. The company's internal audit service is accountable in its activities to the audit committee, if available.

The order of formation and work of the committees, their number and composition shall be established by the regulation on the supervisory board of the company.

9.2.15. The members of the supervisory board of the company, in exercising their rights and fulfilling their duties, should act in the public interest and bear responsibility in the prescribed manner.

A member of the supervisory board is required to disclose interest in any matters or transactions involving state-owned enterprises.

In the event that several persons are liable, their responsibility to the society is joint and several.

At the same time, members of the Supervisory Board of the Company who did not participate in the voting or who voted against the decision that caused losses to the Company are not liable.

A company or a shareholder (shareholders), owning in the aggregate at least one percent of the placed common shares of the Company, has the right to go to court with a claim against a member of the Supervisory Board for compensation of losses caused to the Company.



The powers of a member of the supervisory board of a company may be terminated by a court decision, with the prohibition to hold a managerial position in business societies for a period of at least one year, if the court finds him guilty of causing property damage to the company.

A member of the supervisory board, as well as a trustee may be held liable for damages caused to the society as a result of providing misleading information, or deliberately false information or suggestion to conclude and (or) make decisions on concluding a major transaction and (or) transaction with affiliates for the purpose of obtaining profit (income) by them or their affiliates

### **9.3. Management Board**

9.3.1. The daily business of the Company is managed by the collegial executive body - the Management Board of the Company.

9.3.2. The Management Board of the Company carries out its activities in accordance with the legislation, the Corporate Governance Code, this Charter and the Regulation "On the Management Board" approved by the decision of the General Meeting of Shareholders of the Company.

9.3.3. Members of the Management Board of the Society consist of nine people. The Chairman of the Management Board is considered to be the Chairman of the Management Board.

The composition and structure of the Management Board of the Company is elected in accordance with the decision of the Supervisory Board.

The members of the Management Board are elected by the Supervisory Board and a contract is concluded with them for a period of three years. The Chairman of the Management Board and his deputies are elected (appointed) by the decision of the General Meeting on the recommendation of the Supervisory Board. A person appointed (reassigned) by the Chairman of the Management Board may not be appointed by the Chairman of the Management Board for more than two terms. The Chairman of the Management Board and his deputies are appointed on the basis of competitive selection and are recommended for approval at the general meeting.

The supervisory board elects the members of the board and concludes a contract with them for a period of three years. The chairman of the board and his deputies are elected (appointed) by decision of the general meeting on the recommendation of the supervisory board. Recommendation is carried out, as a rule, on the basis of competitive selection in which foreign managers can take part. Nomination and approval of candidates for the chairman of the board and his deputies at the general meeting is carried out on the basis of conditions and in the order specified in the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 356 of April 26, 2019.

Qualification requirements for members of the board are established in the "Regulations on the Board" or may be approved by decision of the general meeting of shareholders and the supervisory board of the company.

Rights and duties of the members of the Management Board of the Company, including the Chairman of the Management Board, are established by the Law and other legislative acts, this Charter and the "Regulations on the Management Board", as well as in the contract of each of them concluded with the Company.

The concluded contract with the Chairman of the Management Board of the company shall include their obligations to increase the efficiency of the company's activities and the frequency of their reports to the General Meeting of Shareholders and the Company's Supervisory Board on the implementation of the company's annual business plan. The size of the remuneration of the members of the Management Board of the company is directly dependent on the effectiveness of the company's activities and must be determined by the contract. In case of breach of the terms of the contract made with the members of the Management Board of the Company, which rudely violates the Charter of the company or by

its actions (inaction), the Company's Supervisory Board has the right to terminate (cancel) the contract ahead of schedule. The Supervisory Board has the right to terminate the contract concluded with the Chairman of the Company ahead of schedule if he has committed gross violations or failed the fulfillment of the approved parameters of the Company's annual business plan.

The Supervisory Board of the company has the right to terminate (cancel) the contract concluded with the members of the Management Board of the company if they violated the terms of the contract, grossly violated the Charter of the company or suffered damage to the company due to their actions (inaction).

The issue of the expediency of continuing the employment relationship with the Chairman of the Management Board, in case the Company has debts for which taxes and other payments to the state budget of the Republic of Uzbekistan, state trust funds, wages and dividends are overdue, as well as non-fulfillment of the main parameters of the business plan in the last two quarters is considered at a meeting of the Supervisory Board of the company.

The decision on termination or early termination of the contract with the Chairman of the Management Board is made:

- by a majority vote of shareholders - owners of shares - voting shareholders of the company participating in the general meeting;
- by a majority of the members of the Supervisory Board participating in the meeting of the Supervisory Board.

If a decision is made to terminate the powers of the Chairman of the Management Board, the issue of transferring his powers to another person may be resolved either at the same meeting itself, or left for consideration at the next general meeting of shareholders, appointing an interim person.

The Supervisory Board every year makes a decision to extend the term or the possibility of canceling the contract of the Chairman of the Management Board and members of the Company.

9.3.4. The combination of tasks of the Chairman of the Management Board of the Company with a position in the management bodies of other organizations is allowed only with the consent of the Company's Supervisory Board.

9.3.5. The competence of the Company's Management Board includes all issues related to the management of the Company's day-to-day operations, exceptions are matters within the authority of the General Meeting of Shareholders or the Supervisory Board.

The competence of the Management Board of the Company includes:

Organization of implementation of decisions of general meetings of shareholders and the supervisory board;

Approval of internal regulatory documents of the company, with the exception of issues referred to the competence of the general meeting of shareholders or the Supervisory Board of the company;

Development and approval for a period of more than five years of a long-term development strategy for determining the long-term outlook for the development strategy and objectives of the company and introducing it for approval to the supervisory board of the company;

Develops the business plan of the company;

on an ongoing basis prepare a report on the measures taken by the company to achieve its development strategy, reports on the results of measures based on performance, on the development of localization of production and industrial cooperation in the company for consideration at the Supervisory Board meeting;

approval by the first deputy head for localization, expansion of industrial cooperation and information technology of import contracts (additional agreements to them) for the purchase of products and their technical specifications;

introduction of software aimed at the widespread use of modern information technologies and improvement of production efficiency at enterprises;

On a regular basis prepares a report on the measures taken by the company to achieve the development strategy for consideration at a meeting of the supervisory board;

As a strategic goal determines the maintenance of financial sustainability, increase in labor productivity, product competitiveness, growth in production, export and energy efficiency, modernization, technical and technological development of production, leading to an increase in the value of shares;

Determines the procedure for voting on behalf of the company of its representatives in the management bodies of enterprises belonging to the company;

Improves qualification of the Company's officials through their participation in training courses, seminars and other events;

Approval of the cost of products;

Conclusion of transactions for the removal from the accounting, as well as alienation of real estate, securities, production equipment, motor vehicles;

Submitting a proposal to the Supervisory Board for the preparation of recommendations on the distribution of the company's profit;

Resolution of issues brought by the Chairman of the Board;

make bulk purchase and conclusion of the deals within the framework of Law of the Republic Uzbekistan "About state bulk purchase" ZRU-684 from April 22 2021

Solution of other issues in accordance with legislation, the Corporate Governance Code and this Charter.

9.3.6. The Chairman of the Management Board of the Company organizes meetings of the Company's Management Board, signs all the documents on behalf of the Company, and signs the minutes of the meetings of the Management Board of the Company, according to the taken decisions, he carries out work on behalf of the Company without power of attorney.

Meetings of the Management Board of the Company, if necessary, are convened by its Chairman by notifying other members of the Management Board.

The Management Board of the Company is considered to be authorized in case of quorum of the meeting of the Management Board of the Company. Quorum for holding a meeting of the Management Board is valid, if at least 60 (sixty) percent of elected members of the Management Board participate in the meeting.

If another rule is not provided for in the documents of the law, the decision at the meeting of the Management Board is adopted by a majority of votes present at the meeting.

When resolving issues at a meeting of the Company's Management Board, each member of the Management Board of the Company has one vote. The transfer of the vote of one member of the Company's Management Board to another member of the Management Board is not allowed. In the event of a tie in the votes, the decision of the members of the Management Board, the Chairman of the Management Board shall have the casting vote.

The minutes is kept at the meeting of the Company's Management Board. The minutes of the meeting of the Management Board shall be drawn up no later than three days after the meeting. The minutes of the meeting indicate the following.

- the place and time of the meeting;
- persons present at the meeting;
- agenda of the meeting;
- Issues put to vote, results of voting;
- taken decisions.

The minutes of the meeting of the Board of Directors of the Company are signed by the Chairman of the Board, he is responsible for the correctness of the protocol. An extract from the minutes of the meeting of the Management Board of the Company's Board is signed by the Chairman of the Management Board, he is responsible for the reliability of the protocol.

9.3.7. The Chairman of the Management Board of the Company has the following powers:

Ensuring stable and efficient operation of the Company within its authority, directs its current activities

Without a power of attorney acts on behalf of the Company, including, protection of its interests;

Signs documents on behalf of the company;

Conclusion of transactions, contracts on behalf of the company;

Appointment of heads of branches and representative offices of the Company,

Approval of the staff and makes appropriate changes to it, formalizes the employment of employees of the Company, signs employment contracts with them and terminates them, applies measures to encourage employees or disciplinary punishments, ensures employees' compliance with labor and executive discipline;

establishment of salaries (with all types of allowances and participation rates) for employees of the company in accordance with labor legislation and regulatory documents of the Republic of Uzbekistan;

approval of regulations of structural divisions of the company and approval of job descriptions of employees;

Issues powers of attorney for carrying out actions on behalf of the Company;

Opens settlement and other accounts in banks;

Issues orders and gives instructions binding on all employees of the Company;

Distribution of obligations among deputies and approval of job descriptions of employees;

Insurance of business risks of the Company and responsibility of executive bodies.

Ensuring cooperation on the basis of the principles of trust, respect, accountability and control among shareholders, management and supervisory bodies

Approve the internal regulatory documentation of the Company not included in the authority of the General Meeting of Shareholders of the Company, the Supervisory Board or the Management Board;

Ensures the current activities of the Company and resolves issues not related to the competence of the General Meeting of Shareholders and the Company's Supervisory Board;

#### 9.3.8. The Chairman of the Management Board shall:

Ensure implementation of the decisions of the General Meeting of Shareholders and the Supervisory Board;

Provide the Society with qualified personnel, take measures for the best use of knowledge, qualifications, experience and abilities of employees;

Ensure observance of social guarantees of employees and protection of their labor;

Ensure compliance with the requirements of legislation in the Company's activities by the Company and its employees;

Improve qualification of the Company's officials through their participation in training courses, seminars and other events;

Ensuring the organization, due status and reliability of accounting and reporting in the company, including the aim of declaring the transformation into international financial reporting standards, announcement in due time in legislative documents.

mandatory coordination with the supervisory board of the alienation of state property, the form and nature of its sale, agreements on investment by third parties in the authorized capital of enterprises with the participation of the state and enterprises in their composition (agreements, agreements, memoranda, etc.);

the acquisition or construction of new real estate objects characteristic of the company's core business, as well as the acquisition of a share in the authorized capital of business entities, as well as further activities in addition to its core business, are carried out only when the relevant decision of the Supervisory Board is made;

ensuring the sale and lease of real estate, motor vehicles and other fixed assets of the company on the e-auction platform “E-auksion”;

fulfill other obligations in accordance with internal documents, current legislation and other regulations;

Submission of an annual report, a report on the measures taken to achieve the development strategy, once a year at the General Meeting of Shareholders;

Report quarterly to the Supervisory Board on the status of implementation of the Company's annual business plan and measures taken to achieve the development strategy of the society;

reports quarterly to the Supervisory Board on the status of implementation of the annual business plan of the Company and the measures taken to achieve the development strategy of the company, on the results of measures based on the effectiveness of work, on the development of localization of production and industrial cooperation in the company;

Control over the timely provision of relevant information to the relevant authorities, shareholders, creditors and the media and the publication of information on the annual financial and other report of the Company, on activities;

Ensuring the protection of the rights granted to the shareholders under the law;

Acquisition of property and implementation of expenses within the framework of approved administrative and other expenses;

Ensuring the fulfillment of obligations under contracts;

other obligations under the legislation, the Charter of the Company and the “Regulations on the Management Board of the Company.

9.3.9. By decision of the Supervisory Board, the Chairman of the Management Board and other members of the Management Board may be paid remuneration and (or) reimbursed for expenses related to the performance of the functions of the members of the Management Board for the period of performance of their duties. The amount of such remuneration and compensation is established by the decision of the Supervisory Board.

The amounts of such payments and remuneration and (or) compensation are set out in the regulation "On incentives for members of the Supervisory Board, the Audit Commission and the Executive Body", approved by the decision of the General Meeting of Shareholders within the norms established by law. Any additional types of payments other than the established payments are prohibited in this provision.

9.3.10. Members of the Management Board of the Company in the exercise of their rights and their obligations must act in the interests of the Company and are liable in the prescribed manner.

A board member is required to disclose interest in any matter or transaction involving government-owned businesses

If several persons bear responsibility, their liability to the Company is solidary.

Representatives of the Management Board who participate as representatives of shareholders do not have the right to vote on issues related to the election of members of the management board.

At the same time, members of the Management Board who did not take part in voting or voted against the decision that caused the Company to incur losses are not liable.

The Company or a shareholder (shareholders) owning in aggregate at least one percent of the Company's outstanding ordinary shares has the right to apply to the court with a claim against the members of the Management Board for compensation of losses caused to the company.

The powers of a member of the company's Management Board may be terminated by a court decision, with the prohibition to hold a managerial position in business companies for a period of at least one year, if the court finds him guilty of causing property damage to the company.

A member of the Board may be held liable for damage caused to the society as a result of providing misleading information, or knowingly false information or a proposal to conclude

and (or) make decisions about concluding a major transaction and (or) transactions with affiliates with profit (income) received by them or their affiliates

#### **9.4. Committee of Minority Shareholders.**

9.4.1. In order to protect the rights and legitimate interests of minority shareholders, a committee of minority shareholders may be established in their company.

The expenses for maintaining the Committee of Minority Shareholders are covered at the expense of the Company's funds.

9.4.2. Proposals for candidacies to the committee of minority shareholders are made to the company in the manner and terms provided for submitting proposals for candidacies to the supervisory board of the company.

The shareholders present at general shareholder meeting who didn't propose candidates for the supervisory board of society or the candidates from whom nobody were chosen in the supervisory board at the held general shareholder meeting, participate in election of members of the committee of minority shareholders.

Also, for the aim of formation of their joint position, shareholders can conclude a share dealing in the voting of minority shareholders.

9.4.3. The number of members of the committee of minority shareholders consists of 3 people.

The Committee of Minority Shareholders can not include the chairman of the board, members of the management board of the company, as well as persons elected to the supervisory board of the company and the audit commission.

9.4.4. The competence of the committee of minority shareholders includes:

Participation in the preparation of proposals on issues related to the conclusion of major transactions and transactions with affiliated persons submitted to the general meeting of shareholders or the supervisory board of the company;

Consideration of applications of minority shareholders related to the protection of their rights and legitimate interests;

Making appeals to the authorized state body for regulation of the securities market to protect the rights and legitimate interests of minority shareholders;

Consideration of other issues in accordance with the law and the charter of the company.

9.4.5. Decisions of the committee of minority shareholders are made by a simple majority of votes. The meetings of the committee of minority shareholders are eligible if at least three-quarters of the elected persons are present at the meeting from its quantitative composition.

The Committee of Minority Shareholders annually reports to the general meeting of shareholders on taken decisions.

9.4.6. The Chairman of the Committee of Minority Shareholders is elected by members of the Committee of Minority Shareholders from its composition by a majority of votes.

The Chairman of the Committee of Minority Shareholders has the right of access to the company's documents on all matters falling within the competence of the committee of minority shareholders.

9.4.7. The procedure for the activity of the committee of minority shareholders is approved by the authorized state body for regulating the securities market.

9.4.8. The Committee of Minority Shareholders has no right to interfere in the economic activities of the company, without reason to demand documents and to interfere with the activities of the Company's Management Board through the use of classified information, commercial secrets.

9.4.9. Intervention in the activities of the committee of minority shareholders by the supervisory board or the executive body of the company is not allowed.

#### **9.5. Audit committee**

9.5.1 In order to exercise control over the financial and business activities of the company, the general meeting of shareholders shall elect an audit commission of **three members** for a term of three years in accordance with the charter of the company.

9.5.2. The Audit Commission of the Company carries out its activities in accordance with the law, this Charter and the Regulations approved by the General Meeting of Shareholders.

9.5.3. Qualification requirements for the auditor or members of the company's audit commission are established by the general meeting of shareholders. The same person can not be elected to the Audit Commission of the same company more than three times in a row.

Members of the audit commission of the company can not simultaneously be members of the supervisory board of the company, and also work under an employment contract (contract) in the same company.

9.5.4. The competence of the company's audit committee is determined by this Law and the company's charter.

9.5.5. The powers of the Auditing Commission of Shareholders include the following:

It is free to use the company's documents on the financial and economic activities of the company and upon a written request of the company's audit commission, persons holding posts in the company's executive body are required to submit to the Commission the documents on the financial and economic activities of the company.

Received documents can be used by the Audit Commission of the company and its members exclusively for business purposes;

Based on the results of the audit of the financial and business activities of the company, drawing up a conclusion and providing them to the annual General Meeting of Shareholders;

The Audit Commission submits to the meeting of the Company's Supervisory Board a conclusion on the existence of transactions with affiliated persons or major transactions in the Company, as well as compliance with the requirements of the legislation and internal documents of the Company for the performance of such transactions.

Require the convocation of an extraordinary General Meeting of Shareholders in accordance with the legislation and this Charter;

Require the convening of a meeting of the Supervisory Board in accordance with the legislation and this Charter;

The powers of the Audit Commission under the legislation and this Charter may include the solution of other tasks.

9.5.6. The audit of the financial and business activities of the company is carried out based on the results of activities for a year or other period on the initiative of the audit commission, the general meeting of shareholders, the supervisory board of the company or at the request of a shareholder (shareholders) owning at least five percent of the company's voting shares by prior notice to the supervisory Council of society.

9.5.7. Based on the results of the audit of the financial and economic activities of the company, the audit commission of the company draws up a conclusion, which must contain:

The assessment of the reliability of the data contained in the reports and other financial documents of the company;

Information on the facts of violation of the order of accounting and presentation of financial statements, as well as legislation in the implementation of financial and economic activities.

9.5.8. The Audit Commission quarterly submits to the meeting of the Company's Supervisory Board a conclusion on the existence of transactions with affiliated persons or large transactions in the company, as well as compliance with the requirements of the legislation and internal documents of the company to perform such transactions.

9.5.9. Access to any documents related to the activities of the executive body of the company and receive them from the executive body to perform the duties assigned to the company's supervisory board. Received documents can be used by the supervisory board of the company and its members exclusively for business purposes;

Making a decision on conducting an audit, on determining the audit organization and the maximum amount of payment for its services, if the company's charter does not refer it to the competence of the general meeting of shareholders;

By decision of the General Meeting of Shareholders, members of the Audit Commission may be paid remuneration and (or) reimbursed expenses related to the performance of the functions of the members of the Audit Commission for the period when they perform their duties. The amount of such remuneration and compensation according to the recommendation of the Supervisory Board is determined by the decision of the General Meeting of Shareholders.

## **9.6. Internal Audit Service**

9.6.1. The main tasks of the Internal Audit Service of the Company are established in the IX section of Part 9.4. in the third paragraph of this Charter.

9.6.2. The Internal Audit Service of the Company carries out its activities, if other rules are not provided by the law, according to the procedure established by the Cabinet of Ministers of the Republic of Uzbekistan, the Corporate Governance Code, and the Regulation on the Internal Audit Service approved by the General Meeting of Shareholders.

9.6.3. The Internal Audit Service carries out internal control, including operations conducted with legal entities, more than 50% of the authorized capital of which belongs to the Company.

9.6.4. The Internal Audit Service is accountable to the Company's Supervisory Board.

## **9.7. Audit organization**

9.7.1. The audit organization is a legal entity that has a license for auditing.

9.7.2. To check and approve the annual financial report, the Company is obliged to involve the audit organization that does not have any material interest with it or with its shareholders.

To conduct an audit, the choice of the audit organization is carried out in accordance with the law.

A shareholder holding at least 5% of shares has the right to initiate an external audit to review the company's activities

9.7.3. The audit organization shall audit the financial and business activities of the company and provides an audit report in accordance with the procedure established by law in accordance with the concluded contract.

9.7.4. The audit organization is liable to the company for causing damage as a result of drawing up an audit report containing an incorrect conclusion about the financial statements and other financial information of the company.

## **9.8. Corporate consultant**

9.8.1. The Company's corporate consultant is accountable to the Company's Supervisory Board and performs functions to monitor compliance with corporate legislation.

9.8.2. The activities of the Company's corporate consultant are carried out on the basis of the Corporate Governance Code, the Regulation "On Corporate Consultant" of the company approved by the Supervisory Board.

## **X. Accounting and reporting**

10.1. The Company is required to maintain accounting records and provide financial statements in accordance with the procedure established by law.



10.2. Responsibility for the organization, condition and reliability of accounting in the company, the timely submission of the annual report and other financial statements to the relevant authorities, as well as information on the Company's activities provided to shareholders, creditors on the Company's official website and in the media, shall be borne by the Company's Management Board .

10.3. The reliability of the data contained in the financial statements of the Company and provided to the General Meeting of Shareholders, the balance sheet, the profit and loss account, must be confirmed by an audit organization that is not related to the property interests of the Company or its shareholders.

10.4. The annual and quarterly reports on the financial and economic activities of the Company are prepared by the Chairman of the Management Board.

10.5. The annual and quarterly reports on the financial and economic activities of the Company are compiled in accordance with the requirements of the law.

10.6. The annual report of the company is subject to preliminary approval by the Supervisory Board of the Company not later than ten days before the date of the annual General Meeting of Shareholders.

10.7. The Company is obliged not later than two weeks before the date of the annual General Meeting of Shareholders to publish its annual financial statements prepared in accordance with International Financial Reporting Standards after its external audit in accordance with International Standards on Auditing.

## **XI. Records management of the company**

11.1. The company must store:

The charter of the company, amendments and additions made to the charter, registered in accordance with the established procedure, a decision to establish a company, a certificate of state registration of the company;

Documents confirming the company's rights to property on its balance sheet;

Documents approved by the general meeting of shareholders and other management bodies of the company;

Provision about the branch or representative office of the company;

The annual report of the company;

Decisions on the issue of equity securities;

prospectus of shares;

Accounting documents;

Financial reporting to the relevant authorities;

Minutes of the General Meetings of Shareholders, meetings of the Supervisory Board, the Audit Commission and Minutes of the meetings of the Management Board of the Company, as well as orders of the Chairman of the Company's Management Board;

Lists of affiliated persons of the company;

Registers of shareholders of the company;

Conclusions and reports of the audit commission of the company, the audit organization, acts of inspections of state control bodies.

The Company is obliged to store other documents in accordance with the legislation and the charter of the company.

## **XII. Providing shareholders with access to the company's documents**

12.1. The Company provides an opportunity for shareholders to use documents provided for in Article 11.1. Of this Charter, the exception is made by documents on accounting, minutes of Board meetings, as well as orders of the Chairman of the Management Board of the Company and the register of shareholders of the Company.

12.2. Upon a written request of the shareholder, the Company must provide him with a copy of the documents provided for in this Charter for a fee.

The amount of the fee is set by the Company and can not exceed the cost of expenses for making copies of documents and payment of costs associated with sending documents by mail.

The Company has the right to provide the shareholder with the requested documents in electronic form.

12.3. At the request of the shareholder or any interested person, the company is obliged within three working days to provide them with an opportunity to familiarize themselves with the charter of the company, including changes and additions to it.

The Company is obliged to provide a shareholder with a copy of the company's charter upon request.

12.4. A shareholder (shareholders) during the consideration in court of a claim for recognition of a major transaction or a transaction with an affiliate as invalid shall receive from the company and from witnesses all documents that may be relevant to the case before the court, with the exception of documents constituting state secrets or other protected the law of the secret.

### **XIII. Information about the Company and affiliates of the Company**

13.1. The Company is obliged to disclose information about the company in the manner and terms established by the legislation.

A company whose shares are listed on the stock exchange quotation list is obliged to publish on the official website of the stock exchange the text of the Company's Charter, including changes and additions to it, as well as other information subject to mandatory disclosure, in accordance with the procedure established by law.

Disclosure of information on the official website of the stock exchange does not exempt the Company from the obligation to provide it on written request of state bodies in cases provided for by law.

The Company is obliged to publish on the Single portal of corporate information and on the official website of the company information on the ownership of 5 or more percent of shares (shares, shares) of other legal entities. At the same time, such information should be published within 72 hours from the moment of purchase of shares (shares, shares).

13.2. An affiliated person of the Company is obliged to notify the company in writing about its affiliation with a detailed indication of the information established by the authorized state body for regulating the securities market of the Company, no later than three business days from the moment of the emergence of grounds for affiliation.

If as a result of failure to provide the specified information through the fault of the affiliated person or untimely submission of the information to the Company, property damage is caused to the Company, the affiliated person bears responsibility to the Company in the amount of the damage caused.

13.3. The Company is obliged to keep records of its affiliated persons and to report on them in accordance with the requirements of the law. The Company is obliged to publish annually the list of affiliated persons in the order and terms established by the authorized state body for regulation of the securities market.

### **XIV. Making major transactions by society**

13.1. A major transaction is a transaction (including a credit, a loan, a pledge, a suretyship) or several interrelated transactions connected with the acquisition or alienation or the possibility of alienation by the Company of property if the book value of the alienated property or the value of the acquired property is more than fifteen percent of the net assets of the Company on the date of making a decision to enter into such transactions, with the

exception of transactions made in the course of the current economic activity and transactions, connected with the placement of shares and other securities.

13.2. A major transaction is made by the Management Board of the Company after the decision of the General Meeting of Shareholders or the Supervisory Board of the Company on it.

13.3. The decision to commit a major transaction is made in accordance with the Law.

#### **XV. Transactions with affiliated entities of the company**

14.1. Persons interested in making a deal by a company are those who are affiliated to the company.

14.2. Affiliated persons of the Company are recognized in accordance with the law.

14.3. The procedure for taking decisions on approval of a transaction (transactions) with an affiliated person that may be committed

The affiliated person is obliged to inform the Company of its affiliation in the transaction by the company, the examination of the expected transaction with this person and the procedure for making a decision to approve the transaction (deals) with the affiliated person, as well as exceptions in the course of transactions with the affiliated person established by law.

14.4. In the event that a transaction with an affiliate is simultaneously a major transaction, then the provisions for concluding a major transaction established in the Law apply to the procedure for its execution.

14.4. It is prohibited to conclude transactions using insider information

#### **XVI. Reorganization and liquidation of the company**

15.1. Reorganization of the company is carried out in the form of merger, accession, division, separation and transformation, and it is carried out in cases and in the order established by the legislation.

15.2. The liquidation of a company is carried out by decision of the general meeting of shareholders or a court decision. The liquidation of the company is carried out in cases and in accordance with the procedure established by law.

#### **XVII. Final provisions**

16.1. This Charter comes into force after state registration in accordance with the procedure established by the legislation of the Republic of Uzbekistan.

16.2. Issues not reflected in this Charter are regulated by the Law and regulatory legal documents of the Republic of Uzbekistan.

16.3. If the law rules other than those provided for in this Charter, the rules of law are applied.

**Chairman of the Board  
Joint Stock Company  
«BIOKIMYO»**

*STAMP*

*(signature)*

**U.A.Xaydarov**