

*(unofficial translation)*

*REGULATIONS*  
*ON THE SUPERVISORY BOARD*  
*of the Joint Stock Company*  
*“UZBEKEXPERTIZA”*  
*(new edition)*

## **I. GENERAL PROVISIONS**

1.1. These Regulations have been developed in accordance with the Law of the Republic of Uzbekistan "On Joint-Stock Companies and the Protection of Shareholders' Rights," Decree of the President No. DP-101 dated April 8, 2022, the Resolution of the Cabinet of Ministers No. 166 dated March 29, 2021 "On the Approval of the Strategy for the Management and Reform of Enterprises with State Participation for 2021–2025," as well as the Charter of the Joint-Stock Company "Uzbekexpertiza" (hereinafter - the "Company") and other regulatory legal acts. These Regulations define the status, powers, rights, and obligations of the Company's Supervisory Board, as well as the procedure for electing its members and their activities.

1.2. The Supervisory Board of the Company exercises general management of the Company's activities, except for matters assigned to the competence of the General Meeting of Shareholders in accordance with applicable legislation and the Company's Charter.

1.3. The Supervisory Board of the Company carries out its activities in accordance with applicable legislation, the Company's Charter, and these Regulations.

## **II. POWERS OF THE SUPERVISORY BOARD**

2.1. The number of members of the Company's Supervisory Board is five (5) persons.

2.2. The powers of the Company's Supervisory Board include:

2.2.1. Determining the priority directions of the Company's activities by regularly hearing reports from the executive body on the implementation of business plan indicators and measures taken to achieve the development strategy;

2.2.2. Convening annual and extraordinary general meetings of shareholders, except as provided by law;

2.2.3. Preparing the agenda of the general meeting of shareholders, determining the date, time, and place of its holding;

2.2.4. Determining the date for forming the register of the Company's shareholders for notification of the general meeting of shareholders;

2.2.5. Organizing the valuation of the market value of property;

2.2.6. Approving amendments and additions to the Company's Charter or approving a new edition of the Company's Charter and submitting this matter for approval by the general meeting of shareholders;

2.2.7. Approving amendments and additions to the Company's organizational structure or approving a new edition of the organizational structure and submitting this matter for approval by the general meeting of shareholders;

2.2.8. Early termination of the powers of the Company's executive body;

2.2.9. Approving the regulations for conducting a competition for the position of the head of the executive body, announcing and conducting the competition;

2.2.10. Appointing an acting head of the Company's executive body until the head is approved by the general meeting of shareholders;

2.2.11. Approving payments and maximum remuneration amounts for the executive body and submitting them for approval by the general meeting of shareholders;

2.2.12. Appointing the head of the corporate secretariat and approving regulations governing its activities;

2.2.13. Approving the Company's annual business plan no later than December 1 of the current year;

2.2.14. Organizing the internal audit service, appointing its employees, and reviewing its reports quarterly;

- 2.2.15. Having unrestricted access to any documents related to the activities of the Company's executive body and obtaining these documents to fulfill the duties assigned to the Supervisory Board. Members of the Supervisory Board may use the obtained documents exclusively for official purposes;
- 2.2.16. Developing recommendations on the amount, form, and procedure for dividend payments;
- 2.2.17. Using the Company's reserve fund and other funds in accordance with the established procedure and for designated purposes;
- 2.2.18. Establishing subsidiary and dependent business entities (in the form of a joint-stock company or a limited liability company);
- 2.2.19. Creating branches and opening representative offices of the Company;
- 2.2.20. Making decisions on concluding major transactions and transactions with affiliated persons in cases provided for by law;
- 2.2.21. Concluding transactions related to the Company's participation in commercial and non-commercial organizations in accordance with established legislation;
- 2.2.22. Making decisions on the issuance of corporate bonds, including those convertible into shares;
- 2.2.23. Making decisions on the repurchase of the Company's corporate bonds;
- 2.2.24. Making decisions on increasing the Company's authorized capital, as well as amending and supplementing the Company's Charter in connection with an increase in authorized capital and a reduction in the number of authorized shares of the Company;
- 2.2.25. Determining the share placement price (issuance of securities on the stock and over-the-counter markets) in accordance with the established legislation;
- 2.2.26. Making decisions on the issuance of derivative securities;
- 2.2.27. Providing sponsorship (charitable) or gratuitous assistance;
- 2.2.28. Making decisions on concluding transactions in cases provided for by law;
- 2.2.29. Controlling the information disclosed by the Company;
- 2.2.30. Organizing an assessment of the corporate governance system in the Company, selecting an independent organization with the right to conduct such an assessment on a competitive basis;
- 2.2.31. Establishing committees on strategy and investments, audit, appointments and remuneration, anti-corruption, and ethics, as well as other committees as needed from among the members of the Supervisory Board;
- 2.2.32. Accelerating the Company's transition to a "green" economy;
- 2.2.33. Effectively organizing transformation processes in the Company, optimizing the Company's external debt, implementing a modern procurement system, and attracting alternative sources of financing for investment projects;
- 2.2.34. Appointing special remuneration or applying measures of responsibility to the head of the Company's executive body for the quality and timely implementation of privatization processes, including the public offering of shares (IPO);
- 2.2.35. Considering the feasibility of acquiring or constructing new real estate objects, as well as purchasing shares in the authorized capitals of business entities in accordance with the Company's core activities and engaging in additional activities;
- 2.2.36. Preliminary consideration of decisions on the sale of the Company's property, determining the form and mechanism of its implementation, and coordinating with third parties on investments in the authorized capital of enterprises with state participation;
- 2.2.37. Addressing other matters within the competence of the Supervisory Board in accordance with legislation and the Company's Charter.
- 2.4. Matters within the competence of the Supervisory Board may not be transferred to the Company's executive body.

### **III. ELECTION OF THE MEMBERS OF THE SUPERVISORY BOARD AND EARLY TERMINATION OF THEIR POWERS**

3.1. The members of the Supervisory Board of the Company are elected by the General Meeting of Shareholders in accordance with the legislation and the Charter of the Company for a term of three (3) years. According to the criteria for an independent member established in the Corporate Governance Code and the Corporate Governance Rules for organizations with state participation, at least one (but no less than 20% of the total number of members of the Supervisory Board, as specified in the Charter) of the members of the Supervisory Board must be independent. The candidate for an independent member is proposed by the Supervisory Board for consideration by the General Meeting of Shareholders on a competitive basis.

3.2. Individuals elected to the Supervisory Board of the Company may be re-elected an unlimited number of times.

3.3. The General Director of the Company, individuals employed under an employment contract in its subsidiaries and affiliated companies, as well as members of the governing bodies of these companies, cannot be elected to the Supervisory Board of the Company.

3.4. Individuals employed in the Company under an employment contract cannot be members of the Supervisory Board.

3.5. The election of the members of the Supervisory Board is conducted by cumulative voting.

3.6. In cumulative voting, the number of votes belonging to each shareholder is multiplied by the number of members of the Supervisory Board to be elected. A shareholder may allocate all obtained votes to one candidate or distribute them among two or more candidates.

3.7. Candidates who receive the highest number of votes are considered elected to the Supervisory Board of the Company.

3.8. A member of the Supervisory Board is recognized as an affiliated person of the Company from the moment of election. Accordingly, they must notify the Company in writing of their affiliation within three working days from the date of election, providing the necessary data in the prescribed form.

3.9. The early termination of the powers of members of the Supervisory Board is carried out by the General Meeting of Shareholders in accordance with the legislation and the Charter of the Company. A member of the Supervisory Board may be dismissed in the following cases:

- If they have caused damage to the Company by using their official position for personal interests or the interests of other persons;
- If they act dishonestly or unreasonably to the detriment of the interests of the Company and its shareholders;
- If they disclose confidential information about the Company, including insider information, or allow its use by third parties for personal purposes;
- If they systematically fail to attend meetings of the Supervisory Board and its committees;
- If they conceal information about transactions in which they may be recognized as interested persons;
- If a shareholder proposes another candidate for their position.

#### **IV. REQUIREMENTS FOR CANDIDATES FOR THE SUPERVISORY BOARD**

4.1. Candidates for the Supervisory Board must have an impeccable business reputation, knowledge, skills, and experience necessary for decision-making within the competence of the board and for the effective performance of their functions. A member of the Supervisory Board may be a candidate who meets the following qualification requirements:

- Higher education or an academic degree, or additional education in management;
- Work experience in government or business administration, as well as in an industry related to the Company's activities;
- Experience in managerial positions, including participation in Supervisory Boards;
- Specialized skills related to working in collegial bodies (strong communication skills, ability to work transparently, objectively, constructively, and professionally);

- A corporate governance certificate issued by the Higher School of Business and Entrepreneurship under the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan.

## **V. CHAIRMAN OF THE SUPERVISORY BOARD**

5.1. The Chairman of the Supervisory Board is elected from among its members by a majority vote.

5.2. The members of the Supervisory Board have the right to re-elect the Chairman by a majority vote.

5.3. The Chairman of the Supervisory Board:

- Organizes the work of the board;
- Convenes and presides over board meetings;
- Ensures the recording of meeting minutes;
- Chairs the General Meeting of Shareholders;
- Has the right to issue orders and send letters on matters related to the implementation of decisions of the General Meeting of Shareholders and the Supervisory Board.

5.4. In the absence of the Chairman, their functions are performed by one of the members of the Supervisory Board.

## **VI. ORGANIZATION AND CONDUCT OF SUPERVISORY BOARD MEETINGS**

6.1. Meetings of the Supervisory Board are convened at the initiative of its Chairman, as well as at the request of board members, the executive body of the Company, or other persons determined by the Charter.

6.2. Meetings may be held based on a pre-approved plan.

6.3. The Chairman of the board ensures that all participants have the opportunity to prepare for the meeting in advance.

6.4. Meetings are held at least once a quarter, with mandatory consideration of:

- Reports from the executive body on the implementation of the business plan and development strategy;
- Reports on transformation issues;
- Internal audit reports;
- Conclusions and recommendations of board committees (strategy and investment, audit, appointments and remuneration, anti-corruption, and ethics).

6.5. A meeting is considered valid if at least 75% of the members of the Supervisory Board are present.

6.6. If the number of board members falls below 75%, an extraordinary General Meeting of Shareholders must be convened to elect a new board composition.

6.7. Decisions are made by a majority vote. Each board member has one vote.

6.8. Certain decisions are made by unanimous vote (changes in authorized capital, major transactions, transactions with affiliated persons, etc.).

6.9. The transfer of voting rights to another board member is not allowed.

6.10. In case of a tie, the Chairman's vote is decisive.

6.11. The results of the meeting are recorded in minutes, signed by all members present.

6.14-6.15. Meetings may be held remotely using videoconferencing and other communication means.

## **VII. RIGHTS AND OBLIGATIONS OF SUPERVISORY BOARD MEMBERS**

**7.1.** A member of the Supervisory Board has the following rights:

- Personally participate in meetings of the Supervisory Board, speak within the time allocated by regulations on discussed issues;
- Receive complete and reliable information about the company's performance and development plans for a certain period, in accordance with the Supervisory Board's decision;
- Request and receive from the executive body any information (documents and materials) related to the company, as well as its subsidiaries and affiliates;
- Demand that their special opinion be recorded in the minutes of the Supervisory Board meeting regarding the discussed issues and decisions made;
- Propose items for inclusion in the agenda of the Supervisory Board meetings;
- Review the minutes of Supervisory Board meetings and other collegial bodies of the company, as well as receive their copies;
- Receive remuneration and/or expense reimbursement for work in the Supervisory Board as established by legislation and internal company regulations.

**7.2.** Members of the Supervisory Board, when exercising their rights and performing their duties, must act in good faith and reasonably, based on the interests of the company, maintain confidentiality, and not disclose documents containing official and commercial secrets.

**7.3.** Supervisory Board members must not use their position or information about the company's activities for personal gain or allow third parties to use this information for personal purposes.

**7.4.** Supervisory Board members must personally attend board meetings. If attendance is not possible, they must notify the board with reasons and may submit their written opinion on the agenda items.

**7.5.** A Supervisory Board member who is an affiliated person must notify the company in writing of their affiliation when concluding a transaction, specifying details about its parties, subject, and key terms.

**7.6.** Supervisory Board members may not directly or indirectly receive compensation for influencing board decisions.

**7.7.** Supervisory Board members may not use company resources (property and non-property rights, business opportunities, information about activities and plans) for personal enrichment.

**7.8.** Supervisory Board members must perform their duties honestly and in the best interest of the company.

**7.9.** Supervisory Board members must adhere to the following fiduciary obligations:

- Act in good faith and with diligence;
- Show loyalty and avoid conflicts of interest, prioritizing the company's interests;
- Make decisions with due care;
- Use independent judgment, making decisions without external influence.

## **VIII. LIABILITY OF SUPERVISORY BOARD MEMBERS**

**8.1.** Supervisory Board members must act in the interests of the company and bear responsibility as established by law.

**8.2.** If multiple members are responsible, their obligations to the company are joint and several.

**8.3.** Board members who did not participate in voting or voted against a decision that caused harm to the company are not held liable.

**8.4.** A shareholder (or shareholders) holding at least 1% of the company's voting shares has the right to file a lawsuit for damages caused to the company by a Supervisory Board member's actions.

**8.5.** A Supervisory Board member is liable for damages caused to the company due to:

- Providing misleading or knowingly false information;
- Violating the procedure for disclosing information as required by law;
- Proposing significant or affiliated transactions that resulted in company losses, including for personal gain.

## **IX. SUPERVISORY BOARD COMMITTEES**

**9.1.** Committees are formed from among Supervisory Board members to review key issues and prepare recommendations for the Board.

**9.2.** The following committees may be created by the Supervisory Board:

- Strategy and Investment Committee;
- Audit Committee;
- Nomination and Remuneration Committee;
- Anti-Corruption and Ethics Committee.

**9.3.** The activities of the committees are regulated by internal documents defining their composition, powers, work procedures, rights, and responsibilities.

**9.4.** Committees consist of Supervisory Board members. If necessary, executive body members, company employees, and external experts may be involved.

**9.5.** The Chairperson of the Strategy and Investment Committee is appointed from independent Supervisory Board members and is responsible for managing the company's transformation and privatization processes.

**9.6.** Committee members are elected by a majority vote for their term in office based on the recommendation of the Supervisory Board Chairperson. The committee chairperson is appointed from among the committee members.

**9.7.** A committee meeting is valid if at least two-thirds of its members, including the chairperson, are present. Decisions are made by a simple majority vote.

**9.8.** Committee decisions are documented in minutes, maintained by the committee secretary, and signed by all voting members.

## **X. INDEPENDENT SUPERVISORY BOARD MEMBER**

**10.1.** The Supervisory Board must include at least one independent member, who may be re-elected annually. If the state or an economic association holds a controlling stake, their representatives nominate candidates and vote on the independent member.

**10.2.** An independent Supervisory Board member is a person who meets the requirements of Article 76 of the Law "On Joint-Stock Companies and Protection of Shareholders' Rights."

**10.3.** Candidates for the independent member position may include:

- Members of professional associations or organizations;
- Employees of higher education institutions and research organizations;
- Leaders of unaffiliated companies with corporate governance expertise;
- Retired executives with extensive experience managing the company;
- Foreign specialists with experience in financial analysis and strategic planning.

**10.4.** An independent member performs the same functions as other board members while ensuring independence in decision-making.

## **XI. FINAL PROVISIONS**

- 11.1.** These Regulations come into force upon approval by the General Meeting of Shareholders.
- 11.2.** The Corporate Governance Secretary maintains records of Supervisory Board decisions and directives.
- 11.3.** If necessary, the secretary may issue extracts from documents.
- 11.4.** Amendments and additions to these Regulations are approved by the General Meeting of Shareholders. If legal provisions change, conflicting provisions lose force until amendments are made.