

“REGISTERED”

No. \_\_\_\_\_  
dt. “\_\_\_\_\_” \_\_\_\_\_ 2019

Single center for the provision of public services to  
the business entities of Almalyk city

“APPROVED”

Decision of the Sole Shareholder – the owner of all  
ordinary shares of  
JSC “Almalyk MMC”  
No. 6/2018  
dt. “18” December 2019

## **CHARTER**

### **of the Joint Stock Company “ALMALYK MINING AND METALLURGICAL COMPLEX”**

**(JSC “Almalyk MMP”)**

(new version)

**ALMALYK – 2018**

**ARTICLE 1.**  
**NAME, LOCATION OF THE COMPANY,**  
**LEGAL STATUS OF THE COMPANY**

1.1. Name of the Company:

1.1.1. Full company name:

- in the state language: " Olmaliq kon-metallurgiya kombinati" aksiyadorlik jamiyati;
- in Russian language: Акционерное общество «Алмалыкский горно-металлургический комбинат»;
- in English language: "Almalyk Mining and Metallurgical Complex" joint-stock company.

1.1.2. Abbreviated company name:

- in the state language: «Olmaliq KMK» AJ;
- in Russian language: АО «Алмалыкский ГМК»;
- in English language: “Almalyk MMC” JSC.

1.2. The company was established on the basis of the resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated February 10, 1997 No.71 "On corporatization of Almalyk mining and metallurgical Complex", the order of the State Property Committee of the Republic of Uzbekistan "On transformation of Almalyk mining and metallurgical complex (AMMC) into the open Joint-Stock Company" from May 19, 1997 No.86 K-PR.

In accordance with the decree of the President of the Republic of Uzbekistan dated 10.08.2016 No.PP-2573 "On the establishment of Scientific and Production Association for the production of rare metals and hard alloys" Joint Stock Company "Uzbek plant of refractory and heat-resistant metals" (JSC "UzKTZhM") was reorganized by its accession to JSC "Almalyk MMC".

JSC "Almalyk MMC" is the successor of the reorganised joint-stock company "UzKTZhM", is responsible for all treaties and commitments previously made by JSC "UzKTZhM".

In accordance with the resolution of the Cabinet of Ministers of the Republic of Uzbekistan sated April 6, 2017 No. 188 "On amendments to the resolution of the Cabinet of Ministers of may 29, 2013 №146" on measures for the implementation of the investment project "Organization of production of copper pipes of different diameters in the territory of FIZ "Angren" the unitary enterprise "Angren pipe plant" was reorganized by joining to JSC “Almalyk MMC”.

JSC "Almalyk MMC" is the legal successor of the reorganized unitary enterprise "Angren pipe plant" is responsible for all treaties and commitments previously made by JSC "UzKTZhM".

1.3. JSC "Almalyk MMC" (hereinafter - the Company) is a legal entity and operates on the basis of current legislation of the Republic of Uzbekistan and the present Charter.

1.4. The Company was established for an indefinite period and acquired the status of a legal entity from the moment of its state registration.

1.5. The Company has an independent balance sheet, has the right to open settlement and other accounts in banks in the territory of the Republic of Uzbekistan and abroad in accordance with the established procedure, has a round seal containing its full company name in the state language and an indication of its location. Media can simultaneously indicate the company name in any other language.

1.6. The Company has the right to have stamps and forms with its name and location, its own emblem, as well as a trademark registered in the prescribed manner and other means of individualization of participants of civil turnover, goods, works and services.

1.7. The Company owns separate property, including property transferred to the Authorized capital, accounted for on its independent balance sheet, may acquire and exercise property and personal non-property rights, bear responsibilities, be a plaintiff and defendant in the court.

1.8. The Company has the right to make decisions on issues referred by this Charter and the legislation to the competence of the General meeting of shareholders by issuing a written decision, which is taken by the Sole shareholder – the owner of all ordinary shares of the Company (hereinafter – the Main shareholder).

1.9. Location and postal address of the Company: 110100, Republic of Uzbekistan, Tashkent region, Almalyk, Amir Temur street, house 53.

1.10. Official website and email address of the Company [www.agmk.uz](http://www.agmk.uz), [info@agmk.uz](mailto:info@agmk.uz)

## **ARTICLE 2.**

### **THE MAIN TASKS, DIRECTIONS AND OBJECTIVES OF THE COMPANY**

2.1. The main tasks and directions of the Company are:

2.1.1. Implementation of the unified technical policy in the field of expanding the mineral resource base and exploration of new deposits of ores of nonferrous and rare metals, aimed at ensuring the introduction of modern methods of organization of mining production, extraction of minerals and their further processing, the increase in the production of finished export-oriented products on the basis of deep processing of non-ferrous and rare metals;

2.1.2. Further deepening of structural reforms, modernization and diversification of production to ensure high and stable growth of production, increase exports of industrial products with high added value, including through the development of new markets, targeted to reduce costs and improve product quality;

2.1.3. Implementation of an active investment policy that ensures stable attraction of investments, including foreign ones, in the implementation of major investment projects, providing for the construction and commissioning of new high-tech industries, the creation of new jobs, the introduction of modern methods of project management aimed at improving the efficiency and transparency of the processes of development and implementation of investment projects;

2.1.4. Further deepening of the processes of localization of production, import substitution and saturation of the domestic market with the necessary goods and components, expansion of inter-sectorial industrial cooperation on the basis of priority use of products of domestic producers in order to gradually reduce the import of certain types of goods and services;

2.1.5. Organization of research works, including that within the framework of the program of applied research in the field of non-ferrous, precious, rare metals and hard alloys, participation in the development and implementation of new technologies and innovative developments;

2.1.6. Wide introduction of modern information and communication technologies and software products, providing on this basis of improving management efficiency, reducing production costs and cost of production, improving its competitiveness, as well as transparency of financial and economic activities of the complex;

2.1.7. Strengthening the personnel potential of the complex, improving the skills of engineering, technical and managerial personnel, organizing their retraining by strengthening cooperation with higher secondary special, professional educational and scientific institutions, attracting young and talented professionals who are able to ensure the effective operation of the industry in a competitive environment.

2.2. The purpose of the Company is to make a profit. The Company also carries out its activities for the purposes of:

2.2.1. Implementation of the state policy in the field of mining and metallurgical production;

2.2.2. Expansion of sales markets and export deliveries of products, ensuring the formation of a portfolio of orders and guaranteed sales of products;

2.2.3. Wide attraction of investments, organization of joint ventures and enterprises with leading foreign firms and companies on the basis of modern technologies and providing new competitive advantages;

2.2.4. Development and implementation of a common strategy for the development of all structural units of the Company.

2.2.5. Development and implementation of scientific and technical policy and introduction of new progressive types of equipment and technologies;

2.2.6. Implementation of diversification of production, development of products with a higher degree of processing and value added;

2.2.7. Reduction of the range of imported products on the basis of expansion of sectorial and inter-sectorial cooperation;

2.2.8. Deepening the localization of the main production and reducing the import component in production.

2.3. The main activity of the Company is the organization of production for the extraction and enrichment of ores of non-ferrous, precious, rare and other metals, the production of refined copper, zinc metal, precious and rare metals and their alloys, sulfuric acid and other related products.

2.4. The subject of the Company's activity is also:

2.4.1. Preservation and processing of secondary resources and waste containing non-ferrous and precious metals;

2.4.2. Geological exploration for non-ferrous metals and related minerals throughout the republic, additional exploration and operational exploration of precious metals;

2.4.3. Processing of raw materials coming from the enterprises of the Republic of Uzbekistan, as well as on the terms of tolling;

2.4.4. Implementation of research, development, design and survey, geological exploration;

2.4.5. Design, installation, commissioning and maintenance of automatic process control systems, security and fire automatic alarm systems and TV surveillance, as well as data transmission networks;

2.4.6. Repair and technical inspection of oxygen, nitrogen, argon, carbon dioxide and propane cylinders.

2.4.7. Road and rail transport of goods and passengers;

2.4.8. Development, production, transportation of explosives and explosive devices;

2.4.9. Blasting operations;

2.4.10. Production of building materials, structures and products, including construction and white (Portland) cement;

2.4.11. Organization of production and sale of copper pipes of different diameters;

2.4.12. Provision of services in the field of storage, warehousing of materials, goods and products for industrial purposes;

2.4.13. The organization of public catering;

2.4.14. The development of rural subsistence farming, cooperatives, promote the development of collective gardening, truck farming and partnerships;

2.4.15. Maintenance and operation of communication systems, telephony, television, as well as local computer systems;

2.4.16. Carrying out repair and construction, construction, installation, emergency works, works to ensure fire and radiation safety, including installation, commissioning and maintenance of radioisotope devices;

2.4.17. Installation and commissioning of special production lines and equipment, metal structures, instrumentation and automation, sanitary, electrical, insulation and chemical protection works in the mining and metallurgical industries, construction of production facilities, transport and engineering infrastructure;

2.4.18. Implementation of the entire complex of construction, installation and special works by the "turnkey" method within the approved programs in the mining and metallurgical industries, as well as programs of territorial development;

2.4.19. Production of consumer goods, including garments and personal protective equipment;

2.4.20. Production of various products for industrial purposes, including non-standard equipment, spare parts and billets from casting;

2.4.21. Implementation of wholesale and retail trade of goods of the wide range, creation of own network of wholesale, commercial, grocery, Department stores and supermarkets;

2.4.22. Provision of all types of household services to the population;

2.4.23. Advertising activity, manufacture of advertising production according to customer orders;

2.4.24. Leasing and rent;

2.4.25. Production and sale of heat and electricity;

2.4.26. Production of mining and capital works;

2.4.27. Provision of housing and communal services and hotel services;

2.4.28. Production, preservation, storage, processing and sale of agricultural products, livestock and fish farming;

- 2.4.29. Production and realization of the manufactured products, works and services, and also consumer goods, food in the order established by the legislation;
- 2.4.30. Informing the population about the most important events of the enterprise, city, region and republic through television and print media;
- 2.4.31. Foreign economic activity in accordance with the legislation of the Republic of Uzbekistan;
- 2.4.32. Organization of work of houses and recreation areas, medical and health institutions, pre-school education institutions, children's health camps, recreation parks, attractions and other institutions for social and cultural services;
- 2.4.33. Implementation and acquisition of "know-how" in the field of technology and other areas at home and abroad;
- 2.4.34. Organization and participation in exhibitions, fairs, auctions and other similar events within the republic and abroad;
- 2.4.35. Investment activity in the securities market;
- 2.4.36. Implementation of training, retraining, advanced training of personnel at the expense of the Company, and at the expense of individuals and legal entities on a contractual basis.
- 2.4.37. Carrying out applied research and new developments in the field of production and processing of rare metals, active study and introduction of modern advanced technologies for the use of rare metals, semi-finished products, alloys and other high-tech products;
- 2.4.38. Development and industrial development of modern technologies of processing of rare metals to produce pure metals, alloys and composite powders of a given chemical and phase composition;
- 2.4.39. Introduction of modern technologies of production of tungsten, molybdenum, deep processing of rare metals and production of products from them, the hard-alloy tool, chemical catalysts, composite materials and other production with the high added value demanded in domestic and foreign markets;
- 2.4.40. Ensuring deep processing of rare metals with the production of industrial semi-finished products and products in demand in foreign markets, as well as processing of semi-finished products of rare metals obtained from other enterprises of the republic.
- 2.4.41. Production and sale of copper pipes of different diameters.
- 2.4.42. Other activities that are not prohibited by the current legislation of the Republic of Uzbekistan and meeting the main directions, objectives and tasks provided for in this Charter.

### **ARTICLE 3.**

#### **AUTHORIZED FUND OF THE COMPANY**

- 3.1. The Authorized Fund of the Company is made up of the nominal value of the Company's shares acquired by shareholders and is expressed in the national currency of the Republic of Uzbekistan. The nominal value of all shares issued by the Company should be the same.
- 3.2. The Authorized Fund of the Company determines the minimum size of the Company's property, which guarantees the interests of its creditors.
- 3.3. Along with ordinary shares, the Company has the right to place preferred shares.
- 3.4. The size of the Authorized Fund of the Company is **356 129 920 532.00** (three hundred and fifty-six billion one hundred twenty nine million nine hundred twenty thousand five hundred thirty-two) UZS divided by **90 988 738** (ninety million nine hundred eighty-eight thousand seven hundred and thirty eight) shares, including:
- 3.4.1. **97,53%**, 347 325,150 520.00 (three hundred forty-seven billion three hundred twenty five million one hundred fifty-one thousand five hundred twenty) UZS divided by **88 739 180** shares – share of the state (placed);
- 3.4.2. **2,47%**, 8 804 770 012.00 (eight billion eight hundred four million seven hundred seventy thousand twelve) UZS divided by **2 249 558** shares – share of physical and legal persons (placed).
- 3.5. The Authorized Fund of the Company may be increased by placing additional shares in the manner prescribed by law and this Charter.
- 3.6. The Authorized Fund of the Company may be reduced by reducing the nominal value of shares or reducing their total number, including through the acquisition of shares by the Company with their subsequent cancellation in compliance with the law.

## **ARTICLE 4.**

### **STOCKS, BONDS AND OTHER SECURITIES OF THE COMPANY**

4.1. The order of issue, registration, placement and settlement under securities of the Company, as well as the transfer of rights to shares is determined by the legislation of the Republic of Uzbekistan and this Charter.

4.2. The Company has the right to issue shares, bonds and other types of securities not prohibited by the legislation of the Republic of Uzbekistan.

4.3. The Company has issued ordinary and preferred registered shares with a nominal value of 3 914 UZS each in non-cash form in the amount of 90 988 738 pieces, including:

4.3.1. ordinary registered shares in the amount of 88 739 180 pieces;

4.3.2. preferred registered shares in the amount of 2 249 558 pieces.

4.4. The Company has the right to place additional 127 746 555 announced ordinary shares in the amount of 500 000 016 270.00 UZS with a nominal value of 3 914 UZS to the placed shares.

4.5. The Company has the right to issue and place corporate bonds and other securities in accordance with the legislation. The Company issues corporate bonds by decision of the Supervisory Board.

4.6. When placing shares and other securities of the Company, their payment shall be made by monetary and other means of payment, property, as well as rights (including property rights) having a monetary value. The order of payment for additional shares and other securities is determined by the decision on their issue.

4.7. Placement of shares and other securities by the Company can be carried out in the following types:

- private placement of securities (closed subscription among a previously known limited number of investors without public announcement and advertising campaign);

- public placement of securities (open subscription of a limited number of investors using advertising).

4.8. When the Company places shares and issue – grade securities convertible into shares paid for in cash, the shareholders-owners of voting shares have a preferential right to purchase them.

4.9. The Company has the right to purchase the shares placed by it by the decision of the General meeting of shareholders on reduction of the Authorized Fund of the Company by purchasing a part of the placed shares and reducing their total number, as well as for their subsequent resale, taking into account the norms and restrictions established by the legislation.

Payment of shares upon their acquisition is carried out in cash in the national currency.

Acquisition of preferred shares is carried out at a price determined by the Supervisory Board of the Company, but not lower than their nominal value.

4.10. The Company has the right to consolidate or split the outstanding shares. At the same time, this Charter shall be amended accordingly with respect to the nominal value and the number of outstanding shares of the Company.

## **ARTICLE 5.**

### **DIVIDENDS OF THE COMPANY**

5.1. The Company has the right to make decisions on payment of dividends on the placed shares based on the results of the first quarter, half-year, nine months of the financial year and (or) the results of the financial year. The Company's decision to pay dividends based on the results of the first quarter, half-year and nine months of the financial year may be made within three months after the end of the relevant period.

The General meeting of shareholders of the Company has the right to decide on non-payment of dividends, as well as on payment of dividends in an incomplete amount on preferred shares, the amount of dividends on which is defined in this Charter.

5.2. The source of payment of dividends is the Company's profit after tax (net profit of the Company). Net profit of the Company is determined according to the Company's financial statements.

5.3. When paying dividends, dividends on preferred shares are paid first, followed by dividends on ordinary shares. The dividend per preferred share is 25% of the nominal value of the share.

5.4. Payment of accrued dividends on ordinary shares by the Company is carried out in compliance with equal rights of shareholders to receive dividends;

- 5.5. For ordinary shares, the dividend is determined at the General meeting of shareholders.
- 5.6. If at the end of the year the amount of dividends on ordinary shares is higher than on preferred shares, the payment on them can be made at higher interest rates on the basis of the decision of the General meeting of shareholders.
- 5.7. Dividends on preferred shares in case of insufficient profit or loss of the Company may also be paid at the expense and within the Reserve Fund of the Company established for this purpose. Dividends may be paid in cash or other legal means of payment or securities of the Company. Payment of dividends by securities on preferred shares of the Company is not allowed.
- 5.8. The amount of dividends, the form, term and procedure for payment of dividends are determined by the decision of the General meeting of shareholders on the basis of the recommendation of the Supervisory Board of the Company, the financial statements in the case of an audit opinion on its reliability. The amount of dividends may not exceed the amount recommended by the Supervisory Board of the Company, and the term of payment of dividends may not be later than sixty days from the date of such decision.
- 5.9. The shareholders registered in the register of shareholders of the Company formed for carrying out the General meeting of shareholders at which the decision on payment of dividends or created three working days prior to the moment of adoption of the sole decision by the Main shareholder on payment of dividends is made have the right to receipt of dividends.

#### **ARTICLE 6.**

#### **FUNDS OF THE COMPANY**

- 6.1. The Company creates a Reserve Fund and other funds not prohibited by law at the expense of net profit.
- 6.2. The Reserve Fund of the Company is intended to cover its losses, repayment of the Company's corporate bonds, payment of dividends on preferred shares and redemption of the Company's shares in the absence of other funds. The Reserve Fund may not be used for other purposes. The reserve Fund is formed in the amount of 25% of the Authorized Fund. The Company annually makes contributions to the Reserve Fund in the amount of not less than 5% of the net profit before reaching the amount established by this Charter. Mandatory contributions are renewed if the Reserve Fund is used up in part or in full.
- 6.3. The composition, purpose, sources of formation and use of other funds of the Company shall be determined by the Supervisory Board.

#### **ARTICLE 7.**

#### **RIGHTS AND OBLIGATIONS OF SHAREHOLDERS**

- 7.1. Shareholders of the Company have rights in accordance with the legislation.
- 7.2. Shareholders - owners of ordinary shares have the right to participate in the General meeting of shareholders with the right to vote on all matters 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 shares.
- 7.3. Shareholders-the owners of preferred shares do not have the right to vote at the General meeting of shareholders, except as provided by the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights" and this Charter. Shareholders- the owners of preferred shares participate in the General meeting of shareholders with the right to vote in matters of reorganization and liquidation of the Company. Shareholders- the owners of preferred shares acquire the right to vote at the General meeting of shareholders on amendments and additions to this Charter, limiting the rights of shareholders - owners of preferred shares. Shareholders- the owners of preferred shares have the right to participate in the General meeting of shareholders with the right to vote on matters within its competence, starting with the meeting following the annual General meeting of shareholders, at which it was not decided to pay dividends or it was decided to pay dividends on preferred shares. The right of shareholders – the owners of

preferred shares to participate in the General meeting of shareholders is terminated from the moment of the first payment of dividends on these shares in full.

7.4. The Company's preferred shares cannot be converted into ordinary shares.

7.5. Preferred shares give their owner a preferential right to receive dividends and priority participation in the distribution of the Company's property in the event of its liquidation.

The value paid upon liquidation of the Company (liquidation value) on preferred shares is 100% of the nominal value of preferred shares.

In cases where the size of the distributed property exceeds the nominal value of the Company's shares, the owners of preferred shares receive an additional payment to the value of the property received on ordinary shares.

7.6. Shareholders may exercise their rights either directly, in person or through their representative. Any third party, including another shareholder, as well as an official of the Company may act as a representative. The procedure for appointing a representative is determined by law.

7.7. Shareholders, including minority shareholders, have the right to enter into joint-stock agreements to form their joint position in the voting.

7.8. When the Company places shares and issue-grade securities convertible into shares paid for in cash, shareholders- the owners of voting shares have a preferential right to purchase them in an amount proportional to the number of shares of this type owned by them.

7.9. Shareholders also have other rights provided by this Charter and the legislation of the Republic of Uzbekistan.

7.10. The rights of shareholders are protected by the legislation, as well as by the management bodies of the Company by performing the duties provided for in this Charter.

7.11. Shareholders of the Company in exercising their right are obliged to:

- comply with the provisions of the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights" and this Charter;

- fulfill the obligations assumed in accordance with the established procedure in relation to the Company;

- not to disclose confidential information on issues related to the Company's activities;

- exclude their actions causing losses to the Company and damage to its image;

- obey the decisions of the Company's management bodies within the limits provided by the legislation of the Republic of Uzbekistan, this Charter and the decision of the General meeting of shareholders;

- not to violate the rights and legally protected interests of other shareholders.

7.12. The shareholder is obliged to inform the Depository providing services in accounting of the rights to its shares on changes of the data in due time.

7.13. Minority shareholders should not interfere with the activities of the Company's management bodies by unreasonably demanding documents and using confidential information and trade secrets.

7.14. A person who has become the owner of 50 percent or more of the Company's shares, within thirty days is obliged to announce an offer to the owners of the remaining shares to sell the shares at market value, if the person did not own shares or owned less than 50 percent of the shares of the Company. In case of receipt within thirty days from the date of announcement of the written consent of the shareholder on sale of the shares belonging to it, the owner of 50 and more percent of shares of the Company is obliged to buy these shares.

## **ARTICLE 8.**

### **STRUCTURE OF COMPANY'S MANAGEMENT**

8.1. The Company's management bodies are:

8.1.1. General meeting of shareholders - Supreme governing body;

8.1.2. The Supervisory Board is the body responsible for the overall management of the Company's activities;

8.1.3. The Management Board is a collegial executive body that manages the current activities of the Company



8.1.4. The Head of the Executive body: the Chairman of the Board provides operational management of the current activities of the Company.

8.2. The Supervisory bodies of the Company are:

8.2.1. The Audit Commission is a body exercising control over the financial and economic activities of the Company.

8.2.2. The internal audit service of the Company monitors and evaluates the work of the executive body, branches and representative offices of the Company.

8.2.3. Corporate consultant is a specialist in monitoring compliance with corporate legislation in the Company.

8.3. The Committee of minority shareholders is a body established to protect the rights and legitimate interests of minority shareholders.

## **ARTICLE 9.**

### **GENERAL MEETING OF THE COMPANY'S SHAREHOLDERS**

9.1. The General meeting of shareholders is the Supreme governing body of the Company.

Except for cases when owners of preferred shares in accordance with the legislation and this Charter acquire the right to vote at General meetings of shareholders, the functions of the Supreme governing body of the Company are performed by the Main shareholder.

9.2. Chairman of the General meeting of shareholders is the Chairman of the Supervisory Board of the Company, which conducts the meeting and organizes the minutes of the meeting.

If it is impossible, for valid reasons, to perform the duties of the Chairman of the Supervisory Board, the Chairman of the meeting is one of the members of the Supervisory Board appointed by the Supervisory Board in accordance with the "Regulations on the Supervisory Board".

9.3. The Company is obliged to hold an annual General meeting of shareholders (annual General meeting of shareholders), which is held no later than six months after the end of the financial year.

The regular (annual) General meeting of shareholders is usually held in May or June of each year.

9.4. The General meetings of shareholders held in addition to the annual meeting are extraordinary.

9.5. The date and procedure of the General meeting of shareholders, the procedure for informing shareholders about its holding, the list of materials (information) provided to shareholders in preparation for the General meeting of shareholders shall be established by the Supervisory Board of the Company.

9.6. The competence of the General meeting of shareholders includes:

1) amendments and additions to the Charter of the Company or approval of the Charter of the Company in a new edition;

2) reorganization of the Company;

3) liquidation of the Company, appointment of Liquidation Commission, approval of interim and final liquidation balance sheets

4) increase in the Authorized Fund of the Company by placing additional shares in the manner prescribed by law;

5) determination of the maximum size of the declared shares;

6) reduction of the Charter Fund of the Company by reducing the par value of shares, by purchase by the company of the shares to reduce their total number, by redemption of acquired or repurchased by the company shares, as well as the establishment of a procedure to decrease the Charter Fund of the Company;

7) acquisition of own shares;

8) approval of the organizational structure of the Company, appointment of the head of the Executive body of The Chairman of the Board, extension of the term of office, appointment of members of the Board and extension of their terms of office, as well as early termination of the powers of The Chairman of the Board and members of the Board;

9) election of members of the Supervisory Board and members of the audit Commission of the Company, as well as early termination of their powers;

10) establishment of requirements for persons elected to the Supervisory Board of the Company,

- 11) election of members of the Committee of minority shareholders and early termination of their powers;
  - 12) approval of internal documents regulating the activities of the company bodies (General meeting of shareholders, Supervisory Board, collegial executive body, the Committee of minority shareholders, the Audit Committee), including approval of the regulations on the amount and procedure of remuneration payments to members of the Supervisory Board, the Audit Committee, the secretaries of the management bodies of the Company;
  - 13) hearing reports of the Supervisory Board and conclusions of the Audit Commission of the Company on matters within their competence, including compliance with statutory requirements for the management of the Company and measures taken to achieve the development strategy;
  - 14) approval of annual reports, annual financial statements, including profit and loss statements of the Company;
  - 15) the decision to conduct an audit, to determine the audit organization and the maximum amount of payment for its services;
  - 16) distribution of profits and losses of the Company, including the decision not to pay or pay (declare) dividends for the first quarter, six months, nine months of the financial year and (or) for the financial year, with the determination of the amount of dividends, terms, form and order of payment of dividends;
  - 17) decision on non-application of the pre-emptive right provided for by article 35 of the Law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights";
  - 18) approval of the quantitative and personal composition of the Counting Commission;
  - 19) approval of the rules of the General meeting of shareholders and determination of the order of the General meeting of shareholders;
  - 20) making decision on issue of derivative securities;
  - 21) share split and consolidation;
  - 22) determination of the placement price (placing on the exchange and organized over-the-counter securities market), purchase price (redemption) of shares and other securities of the Company in accordance with the legislation;
  - 23) setting limits on the amount of remuneration and compensation paid to the Executive body of the Company;
  - 24) making a decision on the Company's transactions in the cases provided for in chapters 8 and 9 of the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights";
  - 25) approval of the annual business plan of the Company, as well as the Company's development strategy for the medium and long term with the definition of its specific terms based on the main directions and objectives of the Company;
  - 26) resolving other issues in accordance with the legislation.
- 9.7. The issues referred to the competence of the General meeting of shareholders may not be transferred to the decision of the Supervisory Board of the Company except for the issues referred to the competence of the Supervisory Board under paragraph 10.10. this constitution.
- 9.8. Issues referred to the competence of the General meeting of shareholders may not be transferred to the Executive body of the Company.
- 9.9. The General meeting of shareholders shall not have the right to consider and make decisions on issues not within its competence by law.
- 9.10. The decision of the General meeting of shareholders on the issue put to the vote shall be taken by the majority of shareholders – the owners of voting shares of the Company (simple majority) participating in the meeting.
- 9.11. Decision on matters specified in subparagraphs 1, 2, 3, 5, 13, 24 paragraph 9.6. this Charter shall be adopted by the General meeting of shareholders by a three – quarters majority vote of shareholders-the owners of voting shares participating in the General meeting of shareholders (qualified majority).

9.12. The procedure for making a decision by the General meeting of shareholders on the procedure for conducting the General meeting of shareholders is defined by the "Regulation on the General meeting of shareholders".

9.13. The requirements for the content of the notice of the General meeting of shareholders, the composition of information (materials) to be provided to shareholders in preparation for the General meeting of shareholders, as well as the procedure for the General meeting are established by law and the "Regulation on the General meeting of shareholders".

9.14. The shareholders (shareholder) being in aggregate the owners of not less than one percent of the voting shares of the company, not later than one hundred fifty days after the end of the financial year of the Company shall be entitled to contribute issues to the agenda of the annual General meeting of shareholders, proposals on the distribution of profit of the company and to nominate candidates to the Supervisory Board, Audit Commission and the Committee of minority shareholders in order and on conditions, stipulated by the legislation.

9.15. The extraordinary General meeting of shareholders of the Company shall be convened and held in accordance with the provisions of the law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights", this Charter and "Regulations on the General meeting of shareholders".

9.16. In the absence of a quorum for the annual General meeting of shareholders, the date of the annual General meeting of shareholders with the same agenda shall be announced.

In the absence of a quorum for an extraordinary General meeting of shareholders, a repeated General meeting of shareholders with the same agenda may be held.

Determination of quorum, convocation and holding of the second General meeting of shareholders instead of the failed one is carried out taking into account the peculiarities of article 68 of the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights".

9.17. The voting conditions, the form of voting ballots, as well as the procedure for counting votes and processing voting results at the General meeting of shareholders shall be established in accordance with the legislation, the "Regulation on the General meeting of shareholders" and the "Regulation on the counting board".

9.18. Unless preferred shares of the Company acquire the right to vote in accordance with the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights", General meetings of shareholders are not held. Decisions on the issues referred by this Charter and the legislation to the competence of the General meeting of shareholders shall be made by one shareholder – the sole owner of all ordinary shares of the Company (the Main shareholder) and shall be issued in writing. At the same time, the provisions of the law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights", defining the procedure and terms of preparation, convening and holding of the General meeting of shareholders, shall not be applied, except for the provisions concerning the terms of the annual General meeting of shareholders.

9.19. Consideration of issues referred to the competence of the General meeting of shareholders may be carried out by the main shareholder independently on its own initiative or by the decision of the Supervisory Board of the company.

9.20. Decisions adopted by the General meeting of shareholders, as well as the results of voting shall be announced at the General meeting of shareholders, during which voting was held, or shall be brought to the attention of shareholders not later than 10 days after the minutes of the General meeting of shareholders (by the sole decision of the main shareholder) by publishing the report on the results of voting.

9.21. Minutes of the General meeting of shareholders (the sole decision of the main shareholder) shall be drawn up no later than ten days after the closure of the General meeting of shareholders (after the decision of the main shareholder) in duplicate. Both copies shall be signed by the Chairman and the Secretary of the General meeting (the main shareholder or its authorized representative).

9.22. Other issues on the procedure for convening and holding the General meeting of shareholders of the Company are regulated by the legislation, the "Regulation on the General meeting of

shareholders and the regulation on the accounts Commission approved by the General meeting of shareholders.

## **ARTICLE 10.**

### **SUPERVISORY BOARD OF THE COMPANY**

10.1. The Supervisory Board of the Company carries out general management of the Company's activities, except for the issues referred to by the law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights" and this Charter to the competence of the General meeting of shareholders.

10.2. The following person may not be a member of the Supervisory Board:

- member of the Management Board or Audit Commission of the Company;
- involved in activities that may interfere with the performance of its duties or are incompatible with the status of a member of the Supervisory Board of the Company;
- combining its employment in the Company.

10.3. Additional requirements for persons elected to the Supervisory Board of the Company may be established by the decision of the General meeting of shareholders and are reflected in the Regulations on the Supervisory Board of the Company.

10.4. The Supervisory Board consists of 9 members elected by the General meeting of shareholders for one year.

10.5. According to the decision of the General meeting of shareholders, members of the Supervisory Board of the Company shall be paid remuneration in accordance with the regulations on remuneration approved at the General meeting of shareholders.

10.6. The order of activity of the Supervisory Board of the Company is established by the "Regulations on the Supervisory Board", which is approved by the General meeting of shareholders.

10.7. The Supervisory Board hears the report of the Board:

- on the implementation of the annual business plan, measures taken to achieve the Company's development strategy - quarterly;
- on the implementation of transactions approved by the Supervisory Board - based on the results of their implementation.

10.8. The Supervisory Board has the right to engage specialists of the Company, as well as audit, evaluation and other organizations on a contractual basis for the exercise of its powers and performance of its duties.

10.9. The competence of the Supervisory Board of the Company includes:

- 1) determination of priority directions of the Company's activities with regular hearing of the report of the Company's Executive body on the measures taken to achieve the Company's development strategy;
- 2) definition of the Company's investment, scientific and technical policy;
- 3) convocation of annual and extraordinary General meetings of shareholders, except as provided by law and this Charter;
- 4) determination of the date, time and place of the General meeting of shareholders, as well as other issues related to the convening and preparation for the General meetings of shareholders in accordance with the legislation;
- 5) preparation of the agenda of the General meeting of shareholders, except as provided by law and this Charter;
- 6) determination of the date of formation of the register of shareholders of the Company for notification of the General meeting of shareholders;
- 7) submission of issues stipulated by the legislation to the decision of the General meeting of shareholders;
- 8) organization of establishment of the market value of the Company's property;
- 9) identification of persons authorized to sign the agreement on behalf of the Company with the Chairman of the Board and members of the Board of the Company;
- 10) determination of an official of the Company acting as the Chairman of the Board of the Company in case of impossibility by the Chairman of the Board to perform its duties for a long or indefinite

period of time, as well as in case of early termination of powers of the Chairman of the Board on any grounds;

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

12) creation of the Internal Audit Service and appointment of its employees, as well as quarterly hearing of its reports;

13) approval of internal documents defining the procedure of activity of the Company's management bodies, except for internal documents, the approval of which is within the competence of the General meeting of shareholders, as well as other internal documents of the Company, the approval of which by this Charter or the decision of the Supervisory Board is within the competence of the Executive body of the Company.

14) access to any documents relating to the Company's activities and obtaining them from the Management Board for the performance of the duties assigned to the Supervisory Board of the Company;

15) initiation of audit of financial and economic activities of the Company by the Audit Commission;

16) quarterly review the conclusion of the Audit Commission on the presence of transactions with affiliates or major transactions in the Company, as well as compliance with the requirements of the legislation and internal documents of the Company to perform such transactions;

17) giving recommendations on the amount of remuneration paid to the members of the audit Commission of the Company, as well as determining the amount of remuneration paid to the Company's control bodies and secretaries of management bodies in accordance with the "Regulations on remuneration" approved at the General meeting of shareholders;

18) preliminary approval of annual reports, annual financial statements, including profit and loss statements, giving recommendations on the size of the dividend, the form and procedure for its payment;

19) making a decision on the use of the Reserve Fund as well as on the size, procedure for the formation and use of other funds of the Company;

20) establishment (liquidation) of branches and opening (closing) of representative offices of the Company;

21) establishment of subsidiaries and affiliates;

22) making a decision on transactions in cases provided for in chapters 8 and 9 Of the Law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights";

23) making a decision on participation and termination of the Company's participation in commercial and non-commercial organizations;

24) making a decision on concluding transactions (including a loan, credit, pledge, surety) related to the acquisition or alienation or the possibility of alienation of property by the Company, if the book value of the alienated property or the value of the acquired property is more than fifteen percent, but not more than fifty percent of the amount of the company's net assets at the date of the decision to enter into such transactions;

25) giving instructions to the Board on the development and approval of internal use documents, guidelines, manuals, recommendations, standards related to the procedure for allocating funds in excess of the established standards for business trips, representative purposes, for payment of long-distance and international telephone conversations, advertising, training and retraining, as well as for the provision of material, sponsorship, humanitarian and other assistance, contributions to charitable foundations and other purposes;

26) making a decision on the execution of decisions of the President and the Cabinet of Ministers of the Republic of Uzbekistan (Decrees, Resolutions, Orders, Protocol decisions, orders, etc.) on the provision of sponsorship;

27) except for the cases of decision-making on the execution of decisions of the President and the Cabinet of Ministers of the Republic of Uzbekistan (Decrees, Resolutions, Orders, Protocol decisions, orders, etc.) on the provision of sponsorship, decision-making on the conclusion of gratuitous transactions (including charity, donations, sponsorship), making membership fees (implementation

of other expenses) related to the participation of the Company in commercial and non-profit organizations, if the total amount of all payments during the quarter exceeds 15,000 minimum wages established in the territory of the Republic of Uzbekistan;

28) making a decision on the issue of corporate bonds by the Company, including those convertible into shares, as well as on the redemption of the Company's corporate bonds;

29) determination of the amount of remuneration paid to the Executive body of the Company in accordance with the "Regulations on remuneration";

30) appointment of the Secretary of the Supervisory Board of the Company;

31) approval of the Company's annual business plan. At the same time, the company's business plan for the next year should be approved at the meeting of the Supervisory Board of the Company no later than December 1 of the current year;

32) establishment of committees (working groups) under the Supervisory Board on relevant issues.

10.10. The competence of the Supervisory Board of the Company by the decision of the General meeting of shareholders may include:

- approval of the Company's annual business plan;

- resolution of issues related to the increase in the authorized capital of the Company, as well as issues on amendments and additions to the present Charter related to the increase in the authorized capital of the company and the decrease in the number of declared shares of the company;

- determination of the price of placing (placing on the stock exchange and organized over-the-counter securities market) of shares;

- decision to issue derivative securities;

- formation of the Executive body of the Company, appointment (election) of members of the Board of the Company (except its Chairman), early termination of their powers.

The competence of the Supervisory Board of the Company may include the decision of other issues in accordance with the legislation and this Charter.

Issues referred to the competence of the Supervisory Board of the Company may not be transferred to the decision of the Executive body of the Company.

10.11. Decisions at the meeting of the Supervisory Board of the Company shall be taken by a majority of votes of those present, except in cases when otherwise is established in accordance with the Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders' rights" and this Charter.

Decision on the issues defined in sub-paragraph 23 of paragraph 10.9. this Charter shall be adopted by the Supervisory Board unanimously, and the votes of the retired members of the Supervisory Board shall not be taken into account.

When resolving issues at the meeting of the Supervisory Board of the Company, each member of the Supervisory Board has one vote. One member of the Supervisory Board may not transfer the vote to another member of the Supervisory Board.

In case of equality of votes of the members of the Supervisory Board, the vote of the Chairman of the Supervisory Board shall be decisive.

10.12. Nomination of candidates to the Supervisory Board of the Company is carried out in accordance with the legislation.

10.13. In case of absence or insufficient number of candidates proposed by the shareholders for the formation of the Supervisory Board, the Supervisory Board of the Company or the Main shareholder has the right to form or Supplement the list of candidates at its discretion.

10.14. Election of members of the Supervisory Board of the Company shall be carried out by cumulative voting, in which the number of votes belonging to each shareholder shall be multiplied by the number of persons to be elected to the Supervisory Board of the Company, and the shareholder shall be entitled to cast the votes thus obtained in full for one candidate or to distribute them between two or more candidates.

Candidates with the highest number of votes shall be deemed elected to the Supervisory Board of the Company.

10.15. The Chairman of the Supervisory Board of the Company is elected (re-elected) by the members of the Supervisory Board from its composition by a majority vote of the total number of members of the Supervisory Board.

The Chairman of the Supervisory Board of the company organizes its work, convenes meetings of the Supervisory Board and presides over them, organizes minutes at meetings, presides at the General meeting of shareholders.

In the absence of the Chairman of the Supervisory Board, one of the members of the Supervisory Board performs its functions.

10.16. The meeting of the Supervisory Board of the Company shall be convened by the Chairman of the Supervisory Board on its own initiative, at the request of a member of the Supervisory Board, the Audit Commission, the Executive body of the Company, shareholders (shareholder) who collectively own at least one percent of the voting shares of the Company, other persons defined by this Charter, in accordance with the approved work plan of the Supervisory Board, as well as considering the date (terms) and agenda of the subsequent meeting determined by the Supervisory Board at one of the previous meetings.

Meetings of the Supervisory Board are held as required, but at least once a quarter.

10.17. The quorum for holding a meeting of the Supervisory Board of the Company shall be not less than seventy-five percent of the number of elected members of the Supervisory Board.

When due to disposal on the grounds specified in paragraph 10.19. this Charter, the number of members of the Supervisory Board becomes less than 7 people, an extraordinary General meeting of shareholders is convened to elect a new composition of the Supervisory Board of the Company. The remaining members of the Supervisory Board may decide to convene such an extraordinary General meeting of shareholders, as well as in case of early termination of the powers of the head of the Executive body to appoint a temporary acting Executive body.

10.18. Meetings of the Supervisory Board may be held both in person (by the joint presence of the members of the Supervisory Board) and in absentia (by questioning). In case of a meeting of the Supervisory Board in absentia, the decisions of the Supervisory Board shall be adopted by all members of the Supervisory Board unanimously.

10.19. In cases when in accordance with the present Charter of the Company and/or the current legislation the decision of the Supervisory Board is adopted unanimously by all members of the Supervisory Board, the votes of the members of the Supervisory Board who have left on the following grounds shall not be considered:

- persons who voluntarily resign from the powers of the members of the Supervisory Board for health reasons, in case of a conflict of interest, as well as in other cases on the written application of the outgoing member of the Supervisory Board, in this case the day of departure is the date of receipt of the relevant application to the Company;

- persons whose powers as members of the Supervisory Board have been terminated or suspended due to the entry of law enforcement decisions into force;

- persons who are unable to perform their duties on other documented grounds.

10.20. The procedure for preparation of the meeting of the Supervisory Board and execution of decisions made is determined by the legislation and the "Regulations on the Supervisory Board of the Company".

## **ARTICLE 11.**

### **EXECUTIVE BODY (BOARD) OF THE COMPANY**

11.1. The current activities of the Company are managed by the management Board. The management Board of the Company consists of 12 members elected (appointed) in accordance with this Charter for a period of one year.

11.2. The Board is headed by the Chairman of the Board, in the absence of which he is replaced by the first Deputy Chairman of the Board. President

JSC "Almalyk MMC" is elected by the General meeting of shareholders shall be appointed to office by the Cabinet of Ministers of the Republic of Uzbekistan in coordination with the President of the Republic of Uzbekistan and is equivalent in status to the Minister, the Deputy Chairman of the

management Board are appointed by the Supervisory Board of the company in the prescribed manner and are equal in status to the Deputy Minister.

The appointment of the Chairman of the Board is based on competitive selection, in which foreign managers can participate.

The procedure and conditions of competitive selection Of the Chairman of the Board shall be carried out in accordance with the established procedure.

11.3. Agreement (contract) on employment or its termination with the Chairman of the management Board is carried out by the decision of the General meeting of shareholders.

Contracts (contracts) for employment or termination (completion of work) with the members of the management Board are implemented by the decision of the Supervisory Board of the Company.

11.4. The agreement (contract) with the Chairman of the management Board and members of the management Board on behalf of the Company shall be signed by the Chairman of the Supervisory Board or a person authorized by the Supervisory Board.

11.5. In case of early termination of the powers of the Chairman of the Board of the company, the temporary performance of his duties by a person determined by the decision of the Supervisory Board of the Company for the period until the next General meeting of shareholders in which the new Chairman of the Board is elected is allowed.

11.6. The management Board of the Company carries out its activities in accordance with the legislation, this Charter, as well as the "Regulations on the Executive body" approved by the General meeting of shareholders.

11.7. The competence of the management Board of the Company includes all issues of management of the current activities of the Company, except for issues within the competence of the General meeting of shareholders and the Supervisory Board.

The management Board of the Company implements and organizes implementation of decisions of the General meeting of shareholders and the Supervisory Board.

11.8. The competence of the Board also includes:

- development and submission to the Supervisory Board of the Company's priorities and long-term plans for their implementation, as well as the Company's development strategy for the medium and long term with the definition of its specific terms based on the main directions and objectives of the Company;
- development and implementation of the current economic policy of the Company in order to improve its profitability and competitiveness;
- formation and approval of the production program developed on the basis of the Company's business plan and determination of production volumes of the Company's structural units;
- consideration and development of recommendations on the organization of the implementation of the Social development program;
- ensuring the safety of workers and compliance with environmental requirements;
- preparation of information, materials and proposals on issues submitted to the Supervisory Board and the General meeting of shareholders;
- development of business plans and other programs of financial and economic activities of the Company
- development and submission to the Supervisory Board of annual forecasts of the Company, annual balance sheets, profit and loss reports and other necessary reporting documents;
- submission to the Supervisory Board and the General meeting of shareholders of proposals on the distribution of profit and loss;
- participation in the preparation of materials for consideration by the General meeting of shareholders and the Supervisory Board of issues and documents, decision-making on which is within their competence;
- determination of the composition and volume of information constituting a trade secret (which is confidential information), the procedure for their protection;
- preliminary consideration of major innovative and investment projects and programs implemented by the Company;



- making a decision on the conclusion of transactions (contracts), including those related to the acquisition, alienation or the possibility of alienation of property by the Company, provided that the value of such transactions (contracts) is from three to fifteen percent of the value of the Company's net assets determined according to its financial statements at the date of the decision;
- execution of decisions of the President and the Cabinet of Ministers of the Republic of Uzbekistan (Decrees, resolutions, orders, Protocol decisions, orders, etc.) on the provision of sponsorship;
- except for the execution of decisions of the President and the Cabinet of Ministers of the Republic of Uzbekistan (Decrees, Resolutions, Orders, Protocol decisions, orders, etc.) on the provision of sponsorship, decision-making on gratuitous transactions of the Company (including charity, donations, donation, other sponsorship), on the payment of membership fees (implementation of other expenses) related to the participation of the Company in commercial and non-profit organizations, if the total amount of all payments during the quarter does not exceed 15,000 minimum wages established in the territory of the Republic of Uzbekistan;
- preparation and justification of proposals to improve the internal organizational and management structure of the Company;
- approval of internal documents of the Company on issues within the competence of the Board;
- resolution of other issues of the Company's current activities submitted for its consideration by the Chairman of the Board.

11.9. The Chairman of the Management Board is responsible for managing the activities of the management Board.

11.10. Chairman of the Board:

- organizes the activities of the Board, distributes duties among the members of the Board, ensures the adoption of reasonable and effective decisions by the Board, presides at meetings of the Board, resolves other issues provided for in this Charter, as well as the "Regulations on the Executive body";
- without a power of attorney conducts business on behalf of the Company, represents its interests, approves the staff, issues orders binding on employees, gives orders;
- makes decisions on the conclusion of transactions (contracts), including those related to the acquisition, alienation or the possibility of alienation of property by the Company, provided that the value of such transactions (contracts) does not exceed three percent of the value of the Company's net assets determined according to its financial statements at the date of the decision on the transaction;
- responsible for the production and financial activities of the Company;
- independently makes decisions on all issues of the Company's current activities that are not within the competence of the General meeting of shareholders, the Supervisory Board and the Management Board of the Company.

11.11. The competence of the Chairman of the Board also includes:

- conclusion of contracts in the Republic of Uzbekistan and abroad, banking and financial operations, as well as the issuance of a power of attorney to other persons to carry out these operations;
- organization of implementation of financial, investment and production programs of the Company;
- management of the Company's assets and funds;
- decision-making on behalf of the company on claims against legal entities and individuals of the Republic of Uzbekistan and other states;
- opening of settlement, currency and other accounts in the Bank;
- addressing social development issues;
- performance of other functions in order to perform the tasks assigned to the Company;
- implementation of the rights and obligations of the employer in labor relations with employees of the Company in accordance with the labor legislation;
- determination of the size of official salaries of the Company's employees, determination of the size of bonuses to the Company's employees, in accordance with the internal acts of the Company;
- nomination for the position of corporate consultant of the Company;
- ensuring and control over the execution of decisions of the Company's management bodies;

- performance of other functions that may be assigned to the Chairman of the Management Board by the legislation, the General meeting of shareholders, the Supervisory Board and the Management Board of the Company.

11.12. The rights and obligations of the Chairman of the Management Board and members of the Management Board shall be determined by the legislation, this Charter, internal documents of the Company and contracts concluded with the Company.

11.13. The procedure for convening and holding meetings of the Board, the procedure for making and formalizing its decisions, as well as the responsibility of the members of the Board is established by the "Regulations on the Executive body of the Company".

11.14. Members of the Management Board in exercising their rights and performing their duties shall act in the interests of the Company and shall be liable to the Company in accordance with the legislation.

11.15. Members of the Management Board, acting as a representative of shareholders, are not entitled to vote on the election of members of the Management Board.

## **ARTICLE 12.**

### **COMMITTEE OF MINORITY SHAREHOLDERS**

12.1. In order to protect the rights and legitimate interests of minority shareholders, a Committee of minority shareholders may be established in the Company.

12.2. Proposals for nominations to the Committee of minority shareholders shall be submitted to the Company in the manner and within the time provided for submitting proposals for nominations to the Supervisory Board of the Company.

12.3. The Committee of minority shareholders is elected by the General meeting of shareholders from among the minority shareholders in the amount of 5 persons for a period of one year.

12.4. The Committee may not include the Chairman of the Board and members of the Board, as well as persons elected to the Supervisory Board and the audit Commission of the Company.

12.5. 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 affiliates 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;

- appeal to the authorized state body for regulation of the securities market on the protection of the rights and legitimate interests of minority shareholders;

- consideration of other issues in accordance with the legislation.

12.6. The procedure for nomination and election of members of the Committee of minority shareholders, as well as the procedure for its activities is developed by the Company, taking into account the legislation and submitted for approval to the authorized state body for regulation of the securities market.

12.7. Members of the Committee of minority shareholders are paid remuneration in accordance with the "Regulations on the Committee of minority shareholders" by the decision of the General meeting of shareholders.

12.8. The expenses for the maintenance of the Committee of minority shareholders are covered by the Company.

## **ARTICLE 13.**

### **CONTROL OVER THE COMPANY'S ACTIVITY**

13.1. Audit Commission.

13.1.1. To control the financial and economic activities of the Company, the General meeting of shareholders elects the audit Commission of the Company in the amount of 7 persons for a period of one year.

13.1.2. Qualification requirements for members of the audit Commission shall be established by the General meeting of shareholders. The same person may not be elected to the audit Commission more than three times in a row.

13.1.3. Proposals for candidates to the Audit Commission shall be made in the manner and within the time provided for the submission of proposals for candidates to the Supervisory Board of the Company in accordance with the legislation and this Charter.

13.1.4. If the number of nominated candidates to the Audit Commission exceeds its quantitative composition determined by this Charter, the election of members of the audit Commission of the Company shall be carried out by cumulative voting, in which the number of votes belonging to each shareholder shall be multiplied by the number of persons to be elected to the audit Commission of the Company, and the shareholder shall be entitled to give the votes thus obtained in full for one candidate or to distribute them between two or more candidates.

Candidates with the highest number of votes shall be deemed elected to the Audit Commission of the Company.

13.1.5. The procedure of activity of the Audit Commission is determined by the "Regulations on the Audit Commission of the Company", approved by the General meeting of shareholders.

13.1.6. The competence of the Audit Commission of the Company includes:

- check (audit) of financial, accounting, payment and settlement, and other documentation of the Company related to the Company's financial and economic activities, for its compliance with the current legislation, the Charter and internal documents of the Company;
- verification of the correctness and timeliness of calculation and payment of dividends on the Company's shares, interest on bonds, income on other securities;
- checking the validity of the Company's accounts payable;
- analysis of the financial position of the Company, its solvency, liquidity and efficiency of use of assets, the ratio of own and borrowed funds;
- identification of reserves to improve the financial condition of the Company and development of recommendations for the management bodies of the Company;
- control over the formation and use of reserve and other special funds of the Company;
- checking for transactions with affiliates or major transactions in the Company, as well as compliance with the requirements of the legislation and internal documents of the Company to perform such transactions;
- checking the implementation of earlier issued instructions on elimination of the violations and shortcomings revealed by the previous checks (audits);
- implementation of other actions due to the peculiarities of financial and economic activities of the Company.

13.1.7. At the request of the audit Commission, persons holding positions in the management bodies of the Company are obliged to provide it with all documents on financial and economic activities.

13.1.8. The Audit Commission has the right to request the convening of an extraordinary General meeting of shareholders.

13.2. By the decision of the Supervisory Board, the Company establishes an internal audit service, which is accountable to the Supervisory Board of the Company and operates in accordance with the legislation and Regulations on the Internal Audit Service, approved by the General meeting of shareholders of the Company.

The Internal Audit Service of the Company carries out internal control in the Company, including operations carried out with legal entities, more than 50% of the Authorized Fund of which belongs to the Company.

13.3. In order to exercise external (independent) control, the Company engages an Audit organization, which carries out an audit of the financial and economic activities of the Company in accordance with the agreement concluded with it.

The selection of the audit organization, the amount of payment for its services is carried out by the Supervisory Board of the Company on a competitive basis from the list determined by the State Committee of the Republic of Uzbekistan on privatization, demonopolization and development of competition and the Ministry of Finance of the Republic of Uzbekistan.

13.4. In order to exercise the function of control over compliance with corporate legislation, the company may introduce the position of Corporate consultant accountable to the Supervisory Board of the Company.

The activity of the Corporate consultant of the Company is carried out on the basis of the Regulations approved by the Supervisory Board of the Company.

#### **ARTICLE 14.**

##### **FINAL PROVISIONS**

14.1. Representation of the employer in the Company shall be carried out by its officials within the powers granted to them by legislative acts on labor, regulations, job descriptions, orders, powers of attorney and other local acts of the Company.

14.2. Except for the cases of expenses for charity and other gratuitous assistance pursuant to the decisions of the President and the Cabinet of Ministers of the Republic of Uzbekistan (Decrees, Resolutions, Orders, Protocol decisions, instructions), the annual expenses of the Company for other charity and gratuitous assistance shall not exceed 10 percent of the net profit received by the Company for the previous year, and shall be carried out in the performance of indicators of the business plan of the Company in terms of profit for the previous reporting year.

14.3. All changes and additions made to the present Charter by the decision of the General meeting of shareholders (the decision of the Main shareholder) and within the powers of the Supervisory Board are registered by the relevant state body of the Republic of Uzbekistan.

14.4. Changes and additions to this Charter or the Charter of the Company in the new edition shall become effective for third parties from the moment of their state registration, and in cases established by the current legislation, from the moment of notification of the body carrying out state registration.

14.5. If the current legislative acts of the Republic of Uzbekistan establish other provisions than those provided for in this Charter, the provisions of the current legislative acts of the Republic of Uzbekistan shall apply.