

"CONFIRMED"
Joint Stock Company
«Regional electrical networks»
All voting shares of a single
shareholder
11, 2024 October
6-with decision No

JOINT STOCK COMPANY
«REGIONAL ELECTRICAL NETWORKS»
CHARTER
(new edit)

I. GENERAL RULES

1.1. This Charter was developed on the basis of the laws of the Republic of Uzbekistan " On protection of joint-stock companies and shareholders' rights", " On the market of valuable goods " , " On electric power " and current legal documents.

1.2. Joint-stock company "Territorial electric grids" (hereinafter referred to as "the Company") was established on the basis of the decision of the President of the Republic of Uzbekistan dated March 27, 2019 No. PQ-4249 "On the strategy of further development and reform of the electric energy network in the Republic of Uzbekistan".

1.3. Company name:

1.3.1. In Uzbek language (Latin alphabet):

full name “Hududiy elektr tarmoqlari” aksiyadorlik jamiyati;;

Shortened name: “Hududiy elektr tarmoqlari” AJ.

In Uzbek language (Cyrillic alphabet):

full name “Худудий электр тармоқлари” акциядорлик жамияти;

Shortened name: “Худудий электр тармоқлари” АЖ.

1.3.2. In Russian:

Акционерное общество «Региональные электрические сети».

Registered name: АО «Региональные электрические сети»

1.3.3. In English:

full name : Joint Stock Company «Regional electrical networks».

q omitted name : JSC «Regional electrical networks».

1.4. Society's p eight address and is located place : Uzbekistan Republic , 1000 84 , Tashkent sh ahri , Yunusabad district , Asia street , 8 house .

1.5. Email address of the society: info@het.uz

1.6. The official website of the society: [www . het.uz](http://www.het.uz)

1.7. In accordance with the decision of the President of the Republic of Uzbekistan dated March 27, 2019 No. PQ-4249 "On the strategy of further development and reform of the electric energy network in the Republic of Uzbekistan", the implementation of the management of regional electric network enterprises of the joint-stock company "Uzbekenergo" that distributes and sells electricity to final consumers and of the Cabinet of Ministers of the Republic of Uzbekistan 12 regional power grid enterprises (Tashkent city electric grids enterprise, Tashkent HETK JSC, QQ HETK JSC, Khorazm HET) merged into JSC «Regional electrical networks» based on the decision No. 126 dated March 24, 2022 “Navoi HETK JSC, Samarkand HETK JSC, Jizzakh HETK JSC, Kashkadarya Regional Electric Networks JSC, Surhondarya Regional Electric Networks Enterprise JSC, SIRDARYO HETK JSC, Andijan HETK JSC and Namangan HETK JSC) is the legal successor of all assets and rights and obligations .

1.8. The society cooperates with other countries , international institutes and organizations on electric energy issues in accordance with the procedure established by legislation .

1.9. In its activities, the society complies with the Laws of the Republic of Uzbekistan and the Decisions of the Oliy Majlis of the Republic of Uzbekistan, Decrees, Decisions and Orders of the President of the Republic of Uzbekistan, Decisions and Orders of the Cabinet of Ministers of the Republic of Uzbekistan, general complies with mandatory regulatory and legal documents, as well as this Charter.

1.10. The company is a legal entity, which has separate property , including property allocated to its authorized capital, which is accounted for in its independent balance sheet , can acquire and exercise property and personal non-property rights on his own behalf , assume obligations, be a claimant and liable in court.

1. 11. The society acquires the status of a legal entity from the moment of state registration. The society is established for an unlimited period of activity .

1. 12 . The society has the right to open bank accounts within and outside the territory of the Republic of Uzbekistan .

1.13. The society has the right to have stamps and blanks with its name , its emblem, as well as a duly registered trademark , as well as other means that reflect the private signs of the participants of civil transactions, goods, works and services .

1.14. The society is liable for its obligations with all its property .

1.15. Shareholders are not liable for the obligations of the company and bear the risk of compensation for losses related to its activity within the value of their shares .

1.16. The company is not responsible for the obligations of its shareholders .

II . AUTHORITY, PURPOSE OF ACTIVITY, MAIN DIRECTIONS AND FUNCTIONS OF THE SOCIETY

2.1. The society is specially authorized in the field of electric energy is an economic entity.

2.2. The goals of the society:

- to ensure the safe and reliable operation of the system of distribution electric networks and the satisfaction of the needs of ensuring stable supply of electricity to consumers;
- development of programs for the development of the distribution network system;
- receiving profit (income) due to the distribution, distribution and sale of electricity to consumers according to the tariffs approved by the Government of the Republic of Uzbekistan;
- issue a general power of attorney to its regional branches (electricity supply enterprises) in order to exercise the right to conclude electricity supply contracts with consumers;
- supply and sale of electricity to consumers based on the electricity supply contract;
- managing the activities of regional affiliates (regional power grid enterprises) that distribute and sell electricity to final consumers;
- implementation of reconstruction, modernization and development of distribution power networks;
- control over the use of distribution networks ;
- participation in the development of normative legal documents in the field of electric energy ;
- implementation of technical and technological control over consumers' organization of use of electric energy facilities ;
- rational use of electricity and fuel-energy resources in the facilities of electric networks organize the development and implementation of measures ;
- coordination of works related to labor protection and safety equipment in the facilities of distribution power networks ;
- may implement other purposes and powers in accordance with the law .

2.3 . The main directions and tasks of the society are as follows:

- stable supply of electricity to the economy and population of the republic ;
- electricity energy contract based on the only one from the seller buy acquisition and sale to final consumers;
- ensuring timely and complete payment of electricity payments;
- electric energy sale and consumption to account get
- detection, elimination and prevention of illegal connection to electric networks, robbery;
- ensuring safety in the supply of electricity to consumers;
- to maintain the quality indicators of electric energy specified in the state standards in the objects of the power grid economy;
- development and implementation of organizational and technical measures to reduce the technological losses of electricity in the objects of the power grid economy in accordance with the rules of technical use;
- to consumers in order to connect electrical devices that consume electricity to electric networks in the prescribed manner issuing technical specifications;
- development of short-term and long-term goals and target programs for the development of distribution and low-voltage power networks;
- participation in the formation of electricity production and consumption balances;

- reconstruction, modernization, technical re-equipment and further development of distribution power networks on the basis of modern equipment and advanced technologies, including at the expense of foreign investments;

- organizing the implementation of measures to reduce technological losses (wastes) in the transmission of electricity through distribution and low-voltage power networks;

- training and re-training of personnel for work and service in the facilities of distribution electric networks, organization of their qualification improvement, conducting marketing research;

- comprehensive expansion of economic, technical, technological and investment cooperation with foreign enterprises and societies ;

- attraction of investments in the modernization and expansion of facilities of distribution electric networks based on the study of the state of the republic and the world market ;

- In the activities of society and enterprises in the system new technologies and modern methods of management current reach

- to the control ti wire and energy transmission and sell according to economy connections market principles and mechanisms current reach

- power distribution networks mutually connected and balanced way Development of community development programs ;

- Belongs to the community has been property and of shares state packages efficient to manage provide

2.4 . Placed tasks perform for Society the following functions done increase provides:

- to him given rights in a circle complex solution of problems do it and at the disposal of manages the work of branches and enterprises ;

- development of distribution networks concept and national programs work on the way out to attend ;

- operational activities , construction and assembly works , project in the facilities of distribution power networks of branches works and studies to coordinate ;

- technical re- equipment , construction, reconstruction and repair of distribution network facilities of branches , equipment modernization the way with main work release funds updated ydi ;

- in legislation defined in order shares and another valuable the geese exchange , purchase get and selling according to deals done increase the habit ;

- of shares state per share have has been shareholding in societies of stocks state packages in management state bodies reliable personality as exit

- work release , commercial and to scientific and technical activities mabla g' lar invested;

- market conjugation learning and analysis , marketing and consulting activities done increase the habit ;

- Society social develops strategies and tactics for social support and protection of the labor community ;

- Work of society release and service costs reduce the profitability of financial and economic activity increase the habit ;

- electricity energy in transfer (delivery) and sale modern mutually h calculation systems current is enough ;

- new work production , goods, engineering, financial and credit organization structures and their compounds form adi ;

- personnel for effective organization of activities will prepare again and their qualification increase organize do it

- distribution and low-voltage power grid system employees social organizes work on protection and labor protection of employees in enterprises ;

- of society branches, subsidiary and subordinate enterprises set up eat

- external economic activity done increase the habit ;

- new international economic connections organize do it .

2.4.1. Regional branches of the society have the following tasks and functions done increases

:

- regional branch in its territory (including district in its region and city h ar) mi q age to

consumers electricity on the basis of a general power of attorney energy sell and transmission done increasing b ' linma h is calculated ;

- of consumers defined in order entered to the proposals according to q respectively electricity energy of consumption monthly contractual the size of h forms ;
- ensures timely and complete collection of electricity bills;
- detects, eliminates and prevents cases of illegal connection to electric networks, robbery;
- ensures safety in the supply of electricity to consumers;
- organizes the operation and maintenance of electrical equipment in the facilities of its power grid enterprises in accordance with the rules of technical operation;
- its own energy x particle in objects technological y shooting q is q increase by b organizational technical activities work What is it ? and done increases ;

2.5. Showing passed ones with one in line Society the following too done to increase can :

- legal and physical consulting, information , leasing and marketing services to individuals show work ;

- franchise activities done overtime ;

- trade exhibitions and at fairs participates and them organized work ;

- "know-how" patents and rationalization suggestions buy get and to sell done more work

2.6. Society Uzbekistan Republic of valid in legislation not prohibited another activity types too done to increase is right . Special to obtain a permit (license). demand who does activity with types Society from obtaining such a license after can be engaged .

III . CHARTER FUND OF THE SOCIETY , ITS INCREASE AND DECREASE PROCEDURE

3.1. The amount of the authorized fund (authorized capital) of the company is 8 464 424 484 600,0 (eight trillion four hundred sixty-four billion four hundred twenty-four million four hundred eighty-four thousand six hundred) soums and 84 618 347 341 ordinary shares with a nominal value of 100 soums each. divided into undocumented and 25,897,505 preferred undocumented shares.

Increasing the authorized fund of the society

3.2. The authorized fund of the company can be increased by placing additional shares.

3. 3 . Additional shares may be placed by the Company only within the limits of the announced number of shares specified in this charter .

3. 4 . The amount of announced shares, which the company can issue in addition to the shares placed in order to increase the authorized fund, consists of 51,194,389,313 ordinary shares with a nominal value of 100 (one hundred) soums and 44,102,495 preferred shares with a nominal value of 100 (one hundred) soums.

3. 5. The decision to increase the authorized capital of the Company by placing additional shares, shareholders accepted by the general meeting.

3. 6 . The number of additional ordinary shares and preferred shares to be placed, terms and conditions of their placement are determined in the decision on increasing the authorized fund (authorized capital) of the company.

3.7 . When increasing the authorized capital of the company, additional shares of the company are paid from the account of its own capital, as well as from the dividends decided to be paid with additional shares, placement of such shares is carried out among all shareholders according to the nominal value of the company's shares. In this case, if any type of shares belongs to each shareholder, the same type of shares will be distributed in proportion to the number of shares owned by him.

3.8. If, as a result of the increase of the company's authorized fund (authorized capital), the compliance of the increased amount with the nominal value of one share is not ensured, the increase of the authorized fund (authorized capital) of the company is not allowed.

3.9. The company has the right to place shares and securities that can be exchanged for shares through open and closed subscription, on stock and over-the-counter markets in accordance with the procedure established by law.

3.10. Shareholders who are the owners of voting shares in the placement of shares and emission securities that can be exchanged for shares and are paid for in cash by the company have the right to receive them on equal terms, in proportion to the number of shares they own.

3.11. When placing shares and other securities of the company, payment for them is made through money and other means of payment, property, as well as rights (including property rights) that have a value expressed in money. The procedure for payment of additional shares and other securities of the company shall be determined in the decision on their issuance.

3.12. Payment for shares of the company is carried out in accordance with the procedure established by law.

Reduction of the authorized fund of the society

3.9. The authorized capital of the Company may be reduced by reducing the total number of shares, including by acquiring shares by the Company with subsequent cancellation of a part of the shares.

3.10. About the reduction of the authorized capital of the Company and the Charter of the Company decisions on the introduction of relevant changes are adopted by the general meeting of shareholders ;

3.11. When a decision is made to reduce the authorized capital of the Company , the general meeting of shareholders of the Company indicates the reasons for reducing the authorized capital and determines the procedure for reducing it.

IV . CORPORATE BONDS AND OTHER SECURITIES OF THE SOCIETY

4.1. The company has the right to issue and place corporate bonds and other securities.

4.2. The Company's corporate bonds may be securities that can be exchanged for the Company's shares.

4.3. The company has the right to issue corporate bonds secured by property within the amount of its capital on the date of the decision to issue them.

4.4. Issuance of corporate bonds by the company, including corporate bonds that can be exchanged for shares, is carried out according to the decision of the Supervisory Board of the Company.

4.5. In the event that the company issues corporate bonds that can be exchanged for shares according to the decision of the Supervisory Board of the Company, this decision must be adopted unanimously by all members of the Supervisory Board of the Company.

V. DISTRIBUTION OF SOCIETY'S BENEFITS (DIVIDEND). AND DIVIDEND CALCULATION PROCEDURE

5.1. According to the current legislation, the net profit remaining at the Company's disposal after paying taxes and other mandatory payments to the budget, as well as the undistributed net profit of previous periods, is distributed by the general meeting of shareholders.

5.2. Compensation for the loss of the company is carried out at the expense of the reserve fund based on the decision of the general meeting of shareholders.

5.3. Dividend is the part of the company's net profit that is distributed among the shareholders. The dividend can be paid in cash or other legal means of payment, or in the company's securities, according to the decision of the general meeting of shareholders.

5.4. The company has the right to make a decision on the payment of dividends on the shares placed according to the results of the first quarter, half year, nine months of the financial year and (or) according to the results of the financial year.

5.5. The company's decision to pay dividends based on the results of the first quarter, half year and nine months of the financial year can be taken within three months after the end of the relevant period.

5.6. The decision on the payment of dividends on shares, the amount of the dividend, the form and procedure of its payment is adopted by the general meeting of shareholders on the basis of the recommendation of the Supervisory Board of the Company based on the information of the financial statements, in the case of an audit opinion on the reliability of the financial statements. The dividend payment decision must specify the dates when the dividend payment starts and ends.

5.7. The term and procedure for paying dividends is determined by the decision of the general meeting of shareholders. The period of payment of dividends should not be later than 60 days from the date of such decision.

5.8. Community:

- until all the authorized capital of the company is fully paid at the time of its establishment;
- if there are signs of bankruptcy in the Company at the time of payment of dividends, or if such signs appear in the Company as a result of the payment of dividends;
- if the value of the Company's net assets is less than the sum of its authorized capital and reserve fund, it is not entitled to make a decision on the payment of dividends on shares and to pay dividends.

After the termination of the circumstances specified in this article, the Company is obliged to pay the calculated dividends to the shareholders.

5.9. The company declares the amount of dividends without taking into account the taxes levied on them. The Company publishes information on the amount of dividends to be paid on the Corporate Information Single Portal and on the Company's official website within the time limits established by law.

5.10. When paying dividends, dividends are paid first on preferred shares, then on common shares. The Company has no right to refuse to pay dividends to the owners of these shares if there is sufficient profit to pay fixed dividends on the preferred shares.

5.11. Dividends are paid to the company's preferred shares in the amount of 25% of their nominal value. In the event that the company does not have sufficient profit or is operating at a loss, dividends on preferred shares may be paid by the company at the expense of the reserve fund of the Company established for this purpose and within this fund.

5.12. When the company is liquidated, the value paid for the preferred shares (liquidation value) is 100 (one hundred) percent of the nominal value of the preferred shares.

5.13. In the cases provided for in Article 37 of the Law of the Republic of Uzbekistan "On Joint Stock Companies and Shareholders' Rights Protection", the purchase of preferred shares by the Company is carried out at a price equal to 100 (one hundred) percent of the nominal value of preferred shares.

5.14. Dividends that have not been claimed within three years by the owner or the legal right of the owner or the heir or inheritor remain at the disposal of the Company according to the decision of the general meeting of shareholders.

VI . FORMATION OF SOCIETY'S RESERVE AND OTHER FUNDS

6.1. From the net profit of the society:

- reserve fund in the amount of 15 (fifteen) percent of the authorized capital of the company;
- The Society has the right to establish other funds necessary for the Society's activities, determined by the Supervisory Board.

6.2. The company shall allocate not less than 5% of the net profit annually to the reserve fund until the amount specified in this Charter is reached.

6.3. In the absence of other funds, the Company's reserve fund is intended to compensate for the Company's losses, to redeem the Company's corporate bonds, to pay dividends on the Company's preferred shares, and to buy back the Company's shares.

6.4. The reserve fund of the society cannot be used for other purposes.

VII. GOVERNING BODIES OF THE SOCIETY

7.1. The management bodies of the society are as follows:

- general meeting of shareholders;
- supervisory board;
- executive body - management.

General meeting of shareholders

7.2. The general meeting of shareholders is the supreme governing body of the company.

A general meeting of shareholders shall not be held if all ordinary shares of the Company are owned by one shareholder. Decisions on issues included in the authority of the general meeting of shareholders by this charter shall be taken individually by such shareholder and formalized in written form. Except for the cases where the company's preferred shares have the right to vote in accordance with the law.

7.3. The company is obliged to hold a general meeting of shareholders (annual general meeting of shareholders) every year. The annual general meeting of shareholders shall be held within the terms specified in the charter of the company, but no later than six months after the end of the financial year.

7.4. The powers of the general meeting of shareholders include:

- Making changes and additions to the charter of the society or approving the charter of the society in a new version;

- Reorganization of society;

- Liquidation of the company, appointment of liquidator (liquidation commission) and approval of interim and final liquidation balances;

- Determining the number and composition of the Supervisory Board of the Society, electing their members and prematurely terminating their powers. Payment of bonuses and compensations to members of the Supervisory Board;

- determination of the maximum amount of announced shares;

- Making a decision on increasing the company's authorized fund (authorized capital) by placing additional shares and making changes to the company's charter related to increasing the company's authorized capital;

- approval of the decision on the issue of shares and the issue prospectus;

- Reduction of the authorized capital of the company;

- repurchase of own shares;

- Approval of the organizational structure of the Society after approval by the Supervisory Board of the Society;

- Approving the Regulation defining the procedure for the activity of the executive body of the society;

- Approval of the form of decision-making and disclosure of information on the obligation to comply with the recommendations of the Corporate Governance Code and Corporate Governance Rules;

- Approving the company's regulations on management bodies, including internal control, dividend policy, and the procedure for acting in the event of a conflict of interest;

- Establishing the executive body of the society, electing the chairman and members of the Board.

- determination of fees and (or) compensations paid to the executive body of the company, as well as their maximum amounts after approval by the Supervisory Board of the Company;

- designation of an audit organization for conducting a mandatory audit, determination of the amount and limit of fees paid for its services;

- to make a decision on the annual analysis of the compatibility of business processes and projects with the development goals of the Society, involving independent professional organizations - consultants;

- approval of the annual report of the society, as well as the strategy of the development of the society for the medium and long term, based on the main directions and goals of the society's activities;

- Approval of the annual report of the society;

- Distribution of benefits and losses of society;

- approval of the Regulation on the procedure for providing (receiving) sponsorship (charity) or voluntary assistance;

- by e-mail (confirmed with an electronic digital signature), as well as by assigning one's authority to a representative, to determine (confirm) the procedure for holding a general meeting in the form of videoconference-communication;

-
determining the requirements for the form and content of reports (reports) of management and control bodies of the Company reporting at the general meeting of shareholders, the duration of the general meeting of shareholders;

- Hearing the reports of the community monitoring council on the matters within its scope of authority, including compliance with the requirements established by the legal documents on the management of the community;

- approval of the regulations of the general meeting of shareholders;
- determining the price of stock placement (release of securities to the stock market and the organized over-the-counter market);

- stock crushing and enlarging;
- making a decision on the conclusion of large transactions in the cases stipulated by the law;
- making a decision on entering into agreements with the affiliated persons of the Company in the cases stipulated by the law;

- to make a decision on the payment of dividends, to determine the amount of dividends, the form and procedure of payment for each category and type of shares;

- solving other issues provided for by legislation and this Charter.

7.5. If the decision to be taken requires the recommendation of the Supervisory Board of the Company or preliminary approval by the Supervisory Board in accordance with the legislation and this Charter, such decisions shall be made after receiving such recommendations or preliminary approval by the General Meeting of Shareholders of the Company.

7.6. The general meeting of shareholders of the Company, no later than six months after the end of the financial year, issues regarding the election of the Supervisory Board of the Company, the possibility of extending the term of the contract with the management members, restructuring or canceling it, as well as the annual report and other documents of the Company are considered and appropriate decisions are made.

7.7 Issues included in the scope of authority of the general meeting of shareholders cannot be submitted to the executive body of the company for resolution.

7.8. Matters included in the scope of authority of the general meeting of shareholders may not be submitted for resolution by the Supervisory Board of the Company, except for the cases specified by law.

7.9. Organization of the general meeting of shareholders and decision-making on issues included in its authority are regulated by the legislation and the Charter of the Company "On the General Meeting of Shareholders".

7.10. The participation of the shareholder's representative in the general meeting of shareholders and the procedure for voting on the issues on the agenda is carried out in agreement with the shareholder himself.

Community Watch Council

7.11. The Supervisory Board of the Company carries out general management of the Company's activities, with the exception of solving issues included in the scope of authority of the general meeting of shareholders by the current legislation and the Charter of the Company.

7.12. Members of the supervisory board of the company are elected by the general meeting of shareholders for a term of three years. The number of members of the monitoring board of the society is 9 (nine), of which up to 3 may be elected as independent members.

7.13. The scope of authority of the Public Supervisory Board includes:

- Determining the priorities of the society's activities;
- preparing the agenda of the general meeting of shareholders and setting the date, time and place of its holding;

- to inform about the holding of the general meeting of shareholders and to set the date of formation of the register of shareholders of the company for participation in the meeting;

- organization of determining the market value of property;
- agreeing on the alienation of property by the company, determining the form and mechanism of its sale, and agreements on investment by third parties in the authorized capital of the company;
- making a decision on changes and additions to the issuance of previously registered securities ;
- Making a decision on the issue of corporate bonds by the company, including bonds that can be exchanged for shares;
- making a decision on the issue of securities derivatives;
- Making a decision to buy back corporate bonds of the company;
- Premature termination of the powers of the chairman and members of the board and appointment of temporary substitutes for these positions;
- Organization of the internal audit service of the society and appointment of its employees, as well as quarterly hearing of its reports;
- To freely use any documents related to the activity of the executive body of the Society and to receive these documents from the executive body in order to fulfill the tasks assigned to the Supervisory Board of the Society. The public monitoring board and its members can use the received documents only for service purposes;
- making recommendations regarding the amount of dividend, the form and procedure of its payment;
- making a decision on the conclusion of large transactions in the cases stipulated by the legislation (in case of unanimity of the Supervisory Board of the Company on the issue of concluding a large transaction, the issue of concluding a large transaction may be brought up for decision by the general meeting of shareholders according to the decision of the board);
- making a decision on entering into agreements with the affiliated persons of the Company in the cases stipulated by the law;
- Conclusion of agreements related to the participation of the society in commercial and non-commercial organizations in accordance with the procedure established by law;
- Establishment and liquidation of the company's branches, representative offices, subsidiary and subsidiary enterprises;
- To hear the conclusions of the internal audit service regarding compliance with the requirements established by the legislation on the management of society;
- To make recommendations on determining the amounts of fees and (or) compensations paid to the members of the executive body of the society, as well as on determining the highest amount of the indicated payments by linking them to the important indicators of efficiency determined by the relevant decision of the Government of the Republic of Uzbekistan;
- to consider the issue of stopping incentive payments for the next three months and applying disciplinary measures to the members of the executive body of the Society whose performance indicators at the end of the quarter were assessed as "unsatisfactory";
- considering the question of their worthiness for the position they hold in relation to the members of the executive body of the Society whose performance indicators at the end of the year were assessed as "unsatisfactory";
- Making recommendations regarding the organizational structure of the society;
- Approval of the company's annual business plan for the next year by December 1 of the reporting (current) year;
- Use of the reserve fund and other funds of the society;
- solving other issues in accordance with legal documents.

7.14. Issues included in the competence of the Supervisory Board of the Society cannot be assigned to the executive body of the Society for decision.

7.15. Meetings of the Supervisory Board of the Society are convened by the Chairman of the Supervisory Board of the Society on his own initiative, at the request of the member of the Supervisory Board of the Society, the chairman of the board and the head of the internal audit service.

Owners of the company's ordinary shares of not less than 1 percent (if any) have the right to demand the convening of a meeting of the supervisory board and make proposals on the agenda, as well as to nominate candidates to the supervisory board of the company in such a way that the amount does not exceed the composition of this body .

7.16. The quorum for holding a meeting of the Supervisory Board of the Society shall not be less than 75 (seventy five) percent of the elected members of the Supervisory Board of the Society.

7.17. Decisions at the meeting of the monitoring council of the society are made by the majority vote of those present at the meeting, with the exception of the issues specified in clause 7.18 of this charter. Each member of the Supervisory Board of the Society shall have one vote when matters are being resolved at the meeting of the Supervisory Board of the Society.

7.18. Decisions on the following issues are made unanimously by the Supervisory Board of the Society:

- decisions on concluding transactions with major transactions and affiliates;
- When decisions are made by the Supervisory Board of the Society by absentee voting (by poll).

7.19. One member of the Supervisory Board of the Society is not allowed to give his vote to another member of the Supervisory Board of the Society.

7. 20. In case of equality of votes of the members of the Supervisory Board, the Chairman of the Supervisory Board has the right to vote in the decision-making process of the Supervisory Board.

7.21. Minutes are kept at the meeting of the monitoring board of the society. The minutes of the meeting of the monitoring board of the society shall be drawn up no later than ten days after the meeting.

7.22. The minutes of the meeting of the Supervisory Board indicate the following:

- date, time and place of the meeting;
- persons present at the meeting;
- agenda of the meeting;
- issues put to vote, results of voting on them;
- decisions made.

7.23. The minutes of the meeting of the supervisory board of the society are signed by the members of the supervisory board who participated in the meeting, they are responsible for the correct execution of the minutes of the meeting.

7.24. The minutes of the meeting of the Supervisory Board of the Society are submitted to the executive body of the Society for execution on the day of signing.

7.25. If the decisions of the Supervisory Board of the Society contradict the law or the Charter of the Society, these decisions can be appealed to the court.

7.26. The activity procedure of the Supervisory Board of the Company is determined by the Law of the Republic of Uzbekistan "On Protection of Joint-Stock Companies and Shareholders' Rights", this Charter and the internal documents of the Company.

7.27. Issues included in the competence of the Supervisory Board of the Society cannot be submitted to the executive body of the Society for resolution.

The executive body of the society is the Board

7.28. Management of the daily activities of the society is carried out by the board and its chairman. The authority of the management includes all matters related to the management of the daily activities of the _____ the _____ Company, except for the matters included in the powers of the General Meeting of Shareholders and the Supervisory Board.

7.29. Members of the Supervisory Board of the Society cannot be members of the Board.

7.30. The Board of the Company consists of 6 members, including the chairman and his 5 deputies, who are elected to their positions by decisions of the general meeting of the Company's shareholders. The decision to appoint the members of the Management Board of the Company is usually made on the basis of a competition in which foreign managers can also participate.

The rights and obligations of the members of the Management Board of the Society are defined in the contract that each of them signs with the Society for a period of three years, and a decision is made every year on the possibility of extending the term of the contract or canceling it. In this case, the person appointed to the position of the Chairman of the Board cannot be the head of the executive body of the Society for more than two terms.

7.31. The members of the Management Board of the Society must have qualifications and skills in the field of electric energy, including in the field of power grid system management.

7.32. Management work is managed by the Chairman of the Management Board and he has the right to act on behalf of the company within his powers without a power of attorney.

7.33. The deputy chairman of the board has the right to act on behalf of the company on the basis of a power of attorney within their powers.

7.34. The scope of authority of the Community Board includes:

- To resolve all issues related to the activity of the company, except for the issues within the competence of the general meeting of shareholders of the company and the supervisory board;

- a transaction or several interconnected transactions related to the possibility of receiving property or giving it to another person or the possibility of giving property to another person b , if the balance sheet value of the property to be given or received to another person is on the conclusion of such transactions if it is up to 15% of the company's net assets at the time of the decision, except for transactions related to the placement of shares and other securities;

- approval of the organizational structure of subsidiaries (branches) and the standard number of employees;

- determining the payment for the labor of the company's employees in accordance with the Labor Code of the Republic of Uzbekistan, the relevant legislation and regulatory documents on the payment of wages, the collective agreement (agreement) and other documents valid in the company, as well as the contract concluded between the employee and the employer, on the basis of the industry tariff.

7.35. The powers of the Chairman of the Board of the Society include:

- organizing the execution of decisions made by the general meeting of shareholders and the Supervisory Board;

- to lead the work of the Society in accordance with the powers given to him based on this Charter and the Statute of the Executive Body of the Society;

- determining the amount of wages and bonuses for workers and employees;

- Acting on behalf of the society without a power of attorney and protecting its interests;

- Conclusion of necessary agreements for the process of daily business activities on behalf of the society ;

- dismissal of the head of the branch or representative office of the society;

- approving staff numbers, making changes to the staff table within the total number of employees, hiring employees (workers), concluding and canceling labor contracts with them, applying disciplinary sanctions against them, ensuring compliance with labor and executive discipline by employees;

- Issuing power of attorneys on behalf of the company in accordance with current legislation;

- Issuing orders and instructions that must be followed by all employees of the company;

- to lead the current activity of the Society, ensuring its effective and stable operation within the scope of its powers;

- Organization of accounting in society, including transformation to international standards of financial statements for the purpose of publication;

- disclosure of information on the activities of the Society in accordance with the law;

- to ensure timely submission of annual reports and other financial reports to relevant bodies , as well as information on the Company's activities sent to shareholders, creditors and other recipients;

- Organizing the work of the community archive and ensuring the integrity of the documents in it;
- compliance with the applicable laws and internal documents of the Society;
- other powers not prohibited by current legislation may be granted.

7.36. The board meets at least once a quarter. When at least 60 (sixty) percent of the members of the Board participate in the Board meeting, the Board meeting is considered competent. Minutes shall be kept at the Board meeting, which shall be signed by the Chairman of the Board, or by the person presiding over the meeting if the Chairman is absent due to valid reasons.

7.37. The board makes decisions by majority vote of its members. In case of equality of votes, the chairman's vote shall be decisive.

7.38. In its activities, the Board must comply with the current legislation and this charter, as well as all requirements established by the Supervisory Board of the Society.

7.39. The dismissal of the chairman and members of the board is carried out by the decision of the Supervisory Board of the Company and (or) by the decisions of the general meeting of shareholders. Also:

The Supervisory Board will consider the suspension of incentive payments for the next three months and the application of disciplinary measures to the members of the executive body of the Society whose performance indicators at the end of the quarter are rated as "unsatisfactory" ;

the members of the executive body of the Company, whose results of achieving performance indicators at the end of the year were assessed as "unsatisfactory", the question of their worthiness for the position they hold will be considered by the general meeting of shareholders.

7.40. The members of the supervisory board of the society, the chairman of the board or the members of the board of the society, as well as the trustee must act in the interests of the society and be responsible in the prescribed manner in the exercise of their rights and obligations.

7.41. If several members of the Supervisory Board or management of the Company are found liable, they shall be jointly and severally liable to the Company.

7.42. Members of the Supervisory Board or management of the Society who did not participate in voting on the decision that caused damage to the Society or voted against this decision shall not be liable.

7.43. The shareholder (shareholders) who owns at least one percent of the company or all the shares placed by him has the right to apply to the court against the member of the supervisory board of the company, the member of the board, as well as the trustee with a claim for compensation for the damages caused to the company.

7.44. If the court finds a member of the supervisory board of the company, a member of the management board guilty of causing property damage to the company, the powers of this member, the chairman of the board of directors or the member of the management board may be terminated for a period of not less than one year, with the prohibition of holding a leadership position in economic companies.

7.45. A member of the company's supervisory board, the chairman of the board or a member of the board, as well as a trustee has provided misleading information or knowingly false information to the company, or they or their affiliates have entered into a major transaction for the purpose of obtaining profit (income) and (or) concluded a major transaction and (or)) may be held responsible for the damage caused as a result of proposing to make a decision on the conclusion of transactions with affiliated persons in accordance with the established procedure based on the current legislation.

VIII . SUPERVISION OF SOCIETY ACTIVITIES

Internal audit service

8.1. In order to control the financial and economic activities of the Society, an Internal Audit Service is established in the Society.

8.2. The company's internal audit service is accountable to the company's Supervisory Board.

8.3. The company's internal audit service ensures that the executive body, branches and representative offices of the company comply with the laws, the charter of the company and other documents , ensure that the information is fully and reliably reflected in the accounting and financial

reports, and that the established rules and procedures for the implementation of business operations are followed, supervises and evaluates the work of the executive body, branches and representative offices of the society by checking and monitoring the preservation of assets, as well as compliance with the requirements established by law regarding the management of the Society.

Also, the Internal Audit Service carries out internal control in the company, including control over transactions with legal entities whose share is more than 50 percent owned by the Company.

8.4. The following are the main tasks of the internal audit service:

Providing the Supervisory Board of the Society with reliable information and preparing proposals for improving the society's activities based on the results of the internal audit;

to quickly submit recommendations to the management body of the society regarding the elimination of deficiencies identified during the internal audit process, to control their elimination.

8.5. The following are the main functions of the internal audit service:

- carrying out internal audit by conducting inspections in accordance with the plan approved annually by the Supervisory Board of the Society (quarterly and at the end of the reporting year);

- carrying out an examination of the legality of the economic contracts to be concluded;

- providing methodical assistance to the structural units of the enterprise in keeping accounting records and drawing up financial reports, giving them advice on finance, tax, banking laws and other legal documents;

- assisting the supervisory board of the society in the development of technical assignments, evaluation of proposals of external audit organizations, and preparation of recommendations for the selection of an external audit organization for conducting audits.

8.6. Internal audit service of the society:

- implementation of the approved business plan;

- compliance with corporate governance principles;

- the state of accounting and financial accounting;

- that taxes and other mandatory payments are correctly calculated and paid;

- compliance with legal documents in the implementation of economic activities;

- state of assets;

- checks the state of internal control and monitors them.

8.7. The internal audit service of the Society carries out its activities in accordance with the regulations established by the Cabinet of Ministers of the Republic of Uzbekistan and the regulations approved by the Supervisory Board of the Society.

Audit organization

8.8. Based on the decision of the general meeting of shareholders, an audit organization will be engaged to conduct an audit of the company's financial and economic activities.

8.9. In accordance with the contract concluded with the company, the auditing organization performs the verification of the financial and economic activities of the company and provides an audit opinion.

8.10. The auditing organization shall be liable to the Society for the damage caused due to incorrect conclusions about the society's financial report and other information related to the society's activities.

IX. FINAL RULES

9.1. The Management Board of the Society shall register all amendments, additions to this charter or the new version of the Society's charter within the scope of its authority in the relevant state body of the Republic of Uzbekistan in the prescribed manner.

9.2. Amendments and additions to the Charter of the Company or the new version of the Charter of the Company shall enter into force for third parties from the moment of their state registration, and in the cases established by law, from the moment of notification of the state registration body.

9.3. If any provision of this charter is invalid, this provision will not be a reason to suspend other provisions.

9.4. If in the legislative documents of the Republic of Uzbekistan other provisions than those stipulated in this charter are established, the provisions of the current legislative documents of the Republic of Uzbekistan shall be applied.

9.5. All disputes and disagreements arising under the Charter shall be resolved by mutual agreement of the shareholders in accordance with the current legislation and this Charter. If there is no possibility to resolve disputes and disagreements through negotiations, they will be resolved through the courts accordingly.

9.6. This Charter and its amendments and additions shall enter into force from the moment of state registration in accordance with the procedure established by law.