

“APPROVED”
By the Resolution of the General
Meeting of Shareholders of
“Regional Electric Networks” JSC
dated June 27, 2023 No. ____

REGULATIONS ON THE GENERAL MEETING OF SHAREHOLDERS
OF
“REGIONAL ELECTRIC NETWORKS” JOINT-STOCK COMPANY

Tashkent 2023

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I. GENERAL PROVISIONS

1. These Regulations define the status of the General Meeting of Shareholders of the “Regional Electric Networks” Joint-Stock Company and the procedure for its decision-making.
2. These Regulations have been developed in accordance with the Law of the Republic of Uzbekistan “On Joint-Stock Companies and Protection of the Rights of Shareholders”, the Charter of “Territorial Electric Networks” JSC (hereinafter - the Company), and the Corporate Governance Code approved by the Minutes of Meeting No. 9 of the Commission on Improving Efficiency of Joint-Stock Companies and Improving the Corporate Governance System dated December 31, 2015.
3. The General Meeting of Shareholders is the supreme governing body of the Company. The Company is obliged to hold a General Meeting of Shareholders annually (the annual General Meeting of Shareholders).
4. The Company is obliged to review the year-end results no later than six months after the end of the financial year.
5. At the annual General Meeting of Shareholders, the election of the Supervisory Board and the Audit Commission of the Company, the election, re-election, extension of the term of office or termination of the contract concluded with the head and members of the executive body, as well as the distribution of net profit received by the company, as well as the company’s annual report, the executive body’s reports on measures taken to achieve the company’s development strategy, and other documents are considered.
6. The General Meeting of Shareholders also adopts other decisions within the competence of the General Meeting in accordance with applicable legislation.
7. The procedure and date for submitting issues to the General Meeting of Shareholders for making appropriate decisions, and the list of information (materials) provided to the shareholders to prepare for the General Meeting are determined by the Company’s Supervisory Board.

II. GENERAL POWERS OF THE SHAREHOLDERS

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

Introducing amendments and additions to the Company’s Charter or approving the Company’s Charter in a new version;

Reorganizing the Company;

Liquidating the Company, appointing a liquidator (liquidation commission), and approving interim and final liquidation balances;

Determining the number of members on the Company’s Supervisory Board, electing them, and terminating their powers early;

Determining the maximum number of authorized shares;

Reducing the Company's charter fund (authorized capital);

Repurchasing its own shares;

Approving the organizational structure of the Company;

Approving regulations governing the activities of the Company's executive body;

Making a decision to adopt the recommendations of the Corporate Governance Code and approving the form of the notification;

Approving regulations on the Company's management bodies, as well as on internal control, dividend policy, and procedures for action in the event of a conflict of interest;

Identifying an audit organization to conduct a mandatory audit and setting the maximum amount of payment for its services;

Making an annual decision to analyze the compliance of business processes and projects with the Company's development goals, involving independent professional consulting organizations;

Electing members of the Company's Audit Commission and terminating their powers early, as well as approving regulations on the Audit Commission, making decisions on paying bonuses and compensations to members of the Audit Commission;

Based on the main directions and goals of the Company's activities, approving its annual report and medium- and long-term development strategy with clearly defined terms;

Distributing the Company's profits and losses;

Establishing the procedure and conditions for providing (receiving) charitable (sponsorship) or gratuitous assistance, and making decisions on their implementation;

Establishing (approving) the procedure for voting by e-mail (subject to confirmation by electronic digital signature), as well as delegating their powers to a representative or holding a general meeting in video conference mode;

Establishing requirements for the form and content of reports from the Company's management and control bodies reporting to the General Meeting of Shareholders;

Hearing reports and conclusions of the Supervisory Board and the Company's Audit Commission (auditor) on issues within their competence, including on compliance with legislative requirements on company management;

Approving the regulations of the General Meeting of Shareholders;

Determining the placement price of shares (placement on the exchange and on the over-the-counter market for securities);

Consolidation and splitting of shares;

Making a decision on the conclusion of a major transaction, the book value or purchase value of which, as of the date of the decision, constitutes more than fifty percent of the amount of the Company's net assets;

Making decisions in accordance with the requirements of the legislation on concluding transactions with affiliated persons;

Determining transactions related to the current economic activity of the Company;

Making decisions on the payment of dividends, the amount of dividends, the form of their payment, and the procedure for payment for each type of shares;

Making decisions on other issues in accordance with the legislation and the Company's Charter.

9. The decision of the General Meeting of Shareholders on the issue put to a vote shall be adopted by a majority of the votes of the shareholders present at the meeting who are holders of the Company's voting shares, as established by law, and minutes of the meeting shall be drawn up in writing.
10. Issues within the competence of the General Meeting of Shareholders cannot be delegated to the Supervisory Board and the executive body of the Company for decision-making.
11. During the decision-making process of the General Meeting of Shareholders, employees of the internal audit service, a representative of the audit organization that conducted the audit, members of the Supervisory Board and the executive body have the right to participate.
12. Members of the executive body, representatives of the Supervisory Board and the Audit Commission, as well as representatives of the audit organization, are required to personally participate in the decision-making by the General Meeting of Shareholders with reports from their bodies.

13. Candidates for the positions of members of the Supervisory Board, the Audit Commission, and the Chairman of the Management Board may participate in the General Meeting of Shareholders when the meeting considers their candidacy.

III. PREPARATION OF INFORMATION FOR CONSIDERATION BY THE GENERAL MEETING OF SHAREHOLDERS

14. For high-quality preparation of information (materials) to be considered by the General Meeting of Shareholders, the executive body and the corporate advisor (if any) shall jointly:

Conclude an agreement with audit organizations selected by the General Meeting of Shareholders or the Company's Supervisory Board to conduct an audit, including the preparation of financial statements in accordance with International Financial Reporting Standards and an external audit in accordance with International Auditing Standards, indicating the specific deadlines for completing the audit;

Ensure the disclosure (publication) of the annual financial report prepared in accordance with International Financial Reporting Standards no later than two weeks before the date of the annual general meeting, after an external audit has been conducted in accordance with International Financial Reporting Standards.

Also, in the process of preparing information for the year-end, the Executive Body shall develop (prepare):

Draft projects for the distribution of annual net profit (covering losses) with justifications attached for each direction;

Drafts of the Company's annual report, medium- and long-term development strategy, based on the main directions and goals of the Company's activities;

Report of the executive body on the implementation of business plan parameters and measures taken to achieve the Company's development strategy;

Conducting a tender for the selection of an audit organization to conduct an audit, and others.

15. After preparing the information, the executive body submits it to the Supervisory Board for consideration.
16. The preparation of materials for the General Meeting of Shareholders is carried out by the Supervisory Board, which determines:

A list of issues to be considered by the shareholders;

A list of information (materials) provided to prepare for the General Meeting of Shareholders.

17. The information (materials) submitted for consideration to the General Meeting of Shareholders include the Company's annual report, the conclusion of the audit organization and the audit commission on the results of the Company's annual financial and economic activities, information on candidates for members of the Company's Supervisory Board and the audit commission, the introduction of amendments and additions to the Company's Charter or the project of the Company's Charter in a new version, as well as the Company's medium- and long-term development strategy and other necessary information on the agenda, including the position taken by the Supervisory Board on the agenda items.
18. The list of additional information (materials) to be submitted to the General Meeting of Shareholders may be determined by the authorized state body for the regulation of the securities market.
19. No later than ninety days after the end of the financial year, shareholders of the Company may submit proposals to the agenda of the General Meeting of Shareholders, including proposals for the distribution of profits, and for candidates for membership in management and control bodies.
20. The issue on the agenda of the General Meeting of Shareholders shall be submitted in writing, indicating the reasons for its occurrence.
21. When submitting proposals for the nomination of candidates to the Supervisory Board and the Audit Commission of the Company, the name of the candidate, the number and type of shares belonging to him (if the candidate is a shareholder of the Company) shall be indicated.
22. The Supervisory Board of the Company is obliged to consider the proposals received from shareholders or make a decision to refuse their inclusion in the established agenda.
23. Shareholders may make changes to the list of candidates nominated by them for membership in the Supervisory Board and the Audit Commission of the Company.
24. The decision of the Supervisory Board of the Company to reasonably reject the inclusion of an issue submitted for consideration by shareholders in the agenda of the General Meeting of Shareholders shall be sent to the shareholder no later than three business days from the date of this decision.
25. The decision of the Supervisory Board of the Company to reject the inclusion of an issue submitted for consideration by shareholders may be appealed to the court.

IV. SUBMISSION OF ISSUES TO THE GENERAL MEETING OF SHAREHOLDERS

26. The submission of issues for consideration by the General Meeting of Shareholders shall be carried out by the decision of the Supervisory Board of the Company on the basis of:

Its own initiative;

The request of the Audit Commission;

The request of shareholders holding at least one percent of the Company's voting shares.

27. The reasons for making a decision by the General Meeting of Shareholders on the issue of early termination of the powers of the Supervisory Board may be:

Non-compliance with the legislation of the Republic of Uzbekistan, the Company's Charter, the decisions of the General Meeting of Shareholders;

Causing damage to the Company and property rights of shareholders, including as a result of damage related to a significant deterioration of financial and economic activities, a decrease in the Company's profits and profitability, an unreasonable decrease in the volume of work performed and services provided;

The emergence of signs or threats of economic insolvency (bankruptcy) of the Company, the emergence of stable arrears in payment of wages to workers, to the state budget, and to extra-budgetary funds.

28. Issues that must be considered at the request of shareholders must be indicated, along with the reasons for their introduction. In this case, when considering the issue of termination of the powers of members of the Supervisory Board, the issue of electing a new composition of the Supervisory Board shall also be included on the agenda.

29. The Supervisory Board of the Company has no right to make changes to the wording of the issues to be considered by the General Meeting of Shareholders at the request of the Audit Commission of the Company.

30. A request for consideration of an issue by the General Meeting of Shareholders shall be signed by the person (persons) requesting such consideration.

31. A request submitted by the Company's Audit Commission must be accompanied by materials for the General Meeting of Shareholders, or indicate the reasons for refusing to consider it, within 10 days from the Supervisory Board of the Company.

32. A decision to refuse to consider an issue by the General Meeting of Shareholders at the request of the Company's Audit Commission may be made if:

The issues proposed for inclusion in the agenda do not fall within the competence of the General Meeting of Shareholders;

The issues proposed for inclusion in the agenda do not meet the requirements of the legislation.

33. The decision of the Supervisory Board on the issues considered by the General Meeting of Shareholders or a reasoned decision to refuse to consider it shall be sent to the person requesting its convocation no later than three business days from the date of its adoption.
34. The decision of the Supervisory Board of the Company to refuse consideration by the General Meeting of Shareholders may be appealed to the court.

V. FINAL PROVISIONS

35. Persons guilty of violating the requirements of these Regulations may be held liable in accordance with the established procedure.
36. If some provisions of these Regulations are contrary to the current legislation of the Republic of Uzbekistan and/or the Charter of the Company, these articles shall lose their force, and the issues regulated by these articles shall be regulated by the norms of the current legislation of the Republic of Uzbekistan and/or the Charter of the Company until relevant amendments are made to these Regulations.