

**CHARTER OF THE  
JOINT STOCK COMPANY  
“UZBEKISTAN AIRWAYS”**

City of Tashkent - 2020

## I. GENERAL PROVISIONS

1.1. This Charter is developed in accordance with the Law of the Republic of Uzbekistan “On Joint-Stock Companies and the Protection of Shareholders' Rights”, the Air Codes of the Republic of Uzbekistan and other legislative acts of the Republic of Uzbekistan.

1.2. “Uzbekistan Airways” Joint-Stock Company (hereinafter referred to as the “Company”) was established in accordance with the Decree of the President of the Republic of Uzbekistan PD (YII)-5584 of November 27, 2018 “On measures to radically improve the civil aviation of the Republic of Uzbekistan” and the order of the sole founder - Agency for State Assets Management of the Republic of Uzbekistan for the No. 5k-PIO dated July 26, 2019 as a result of the reorganization of the “Uzbekistan Airways” National Airline.

1.3. The Company is created on the basis of the Directorate of the “Uzbekistan Airways” National Air Company, State Unitary Enterprise “Flight Complex”, State Unitary Enterprise “Central Agency of Air Service” and State Unitary Enterprise “Logistics and Supply Complex” “Uzaviatekhsnab” and is the assignee of their rights and obligations.

1.4. The Company operates in accordance with the Civil Code of the Republic of Uzbekistan, the Air Codes of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan “On Joint-Stock Companies and the Protection of Shareholders' Rights” and other regulatory legal acts of the Republic of Uzbekistan.

1.5. Full name of the Company:

in the state language:

in latin alphabet: «Uzbekistan Airways» aksiyadorlik jamiyati;

in cyrillic: “Uzbekistan Airways” акциядорлик жамияти;

in Russian: акционерное общество “Uzbekistan Airways”;

in English: “Uzbekistan Airways” joint-stock company;

Abbreviated name of the Company:

in the state language:

in latin alphabet: “Uzbekistan Airways” AJ;

in cyrillic: “Uzbekistan Airways” АЖ;

in Russian: АО “Uzbekistan Airways”;

in English: “Uzbekistan Airways” JSC.

1.6. The Company acquires the status of a legal entity from the moment of its state registration. The Company is created without limitation of validity.

1.7. The Company is a legal entity and owns separate property, including property transferred to it in the authorized capital (authorized capital), recorded on its independent balance sheet, can acquire and exercise property and personal non-property rights on its own behalf, assume obligations, to be a plaintiff and defendant in court.

1.8. The Company has a round seal containing its full company name in the state and English languages and an indication of its location.

The Company has stamps and letterheads with its name, its own emblem, and has the right to have a registered trademark and other means of individualization of participants in civil circulation, goods, works and services.

The Company as the assignee is the owner of the exclusive right on the trademark and service mark of the Uzbekistan National Airline “Uzbekistan Airways”.

The main airport of the Company’s base is the “Tashkent International Airport named after Islam Karimov” (Tashkent city). At the home airport, in accordance with the Aviation Rules of the Republic of Uzbekistan and the standards of the International Civil Aviation

## Organization (ICAO)

It has pre-emptive rights over other airlines operating on the basis of the “Islam Karimov Tashkent International Airport”, for parking for its own aircraft, use of buildings and structures necessary for ground (technical and commercial) servicing of its own flights.

In accordance with international agreements of the Republic of Uzbekistan in the field of civil aviation, as well as ICAO standards and rules in force in the Republic of Uzbekistan, the Company is the national air carrier of the Republic of Uzbekistan.

1.9. The location of the Company (mailing address) is determined by the place of its state registration.

Location (mailing address) of the Company: Amir Temur Avenue, 41, index 100060, city of Tashkent, Republic of Uzbekistan.

Email Address: [info@uzairways.com](mailto:info@uzairways.com)

The official website of the Company: [www.uzairways.com](http://www.uzairways.com)

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

1.10. The Company has the right to use:

when performing regular flights, the symbol: HY, assigned by IATA (International Air Transport Association);

as a flight operating agency, a three-letter symbol: UZB, and UTTT telegraph location index assigned by ICAO (International Civil Aviation Organization);

image of the state flag of the Republic of Uzbekistan on the aircraft of the Company in accordance with the Law of the Republic of Uzbekistan “On the state flag”;

uniform of a standard pattern for certain categories of employees of the Company.

1.11. The Company has the right to open bank accounts on the territory of the Republic of Uzbekistan and abroad.

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

Shareholders are not liable for the obligations of the Company and bear the risk of losses associated with its activities to the extent of the value of their shares.

Shareholders who have not fully paid for the shares are jointly and severally liable for the obligations of the Company to the extent of the unpaid portion of the value of their shares.

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

The state and its bodies are not liable for the obligations of the Company, nor is the Company liable for the obligations of the state and its bodies.

1.13. The Company has the right to create branches and open representative offices.

1.14. Branches and representative offices of the Company are not legal entities. They act on the basis of a regulation approved by the Supervisory Board of the Company (hereinafter referred to as the “Supervisory Board”). The property of the Company, which is allocated to the branch and representative office, is recorded on the balance sheet of the Company.

The head of the branch or representative office is appointed by the Company and acts on the basis of a power of attorney issued by the Company.

The responsibility for the activities of the branch and representative office lies with the Company.

The creation of branches by the Company and the opening of representative offices outside the Republic of Uzbekistan are carried out in accordance with the legislation of the country at the location of branches and representative offices, unless otherwise provided by the international treaty of the Republic of Uzbekistan.

1.15. The Company may have subsidiaries and dependent business companies in the form of a joint stock company or limited liability company.

1.16. The Company has the right to participate in the creation of enterprises, organizations and other commercial structures in the manner prescribed by law.

The Company has the right to participate in non-profit organizations.

1.17. Legal relations not regulated by this Charter are governed by other laws and regulations of the Republic of Uzbekistan, as well as international treaties and agreements.

## **II. PURPOSE AND SUBJECT OF THE COMPANY'S ACTIVITIES (MAIN AREAS)**

2.1. The main purpose of the activity is the implementation of air transportation of passengers, baggage and cargo within the country and in international traffic, the provision of other services in the field of air transportation, as well as making profit (income) in the interests of the shareholders of the Company.

2.2. The main objectives and directions of the Company are:

the provision of air transportation services for passengers, baggage, cargo of any kind and mail, in accordance with the provisions of international rules and the Aviation Rules of the Republic of Uzbekistan;

ensuring safety during flights, as well as the quality of aircraft maintenance;

ensuring a high level of aviation security by fulfilling the requirements of state norms, rules and procedures aimed at protecting civil aviation from acts of unlawful interference;

the implementation of air, passenger, cargo and postal, technical, operational and commercial loading and unloading services;

improving the quality of services provided to passengers on board aircraft, maintenance and repair work on aircraft, including foreign airlines;

providing and developing information systems and other services to passengers associated with air transportation;

operation of aircraft, engines, instruments and auxiliary equipment.

the provision of commercial aviation training services;

Provision of commercial services for engineering and technical support of aircraft operations and development of technical documentation;

efficient operation of the aircraft fleet, including the development of new directions and the expansion of the geography of flights in order to increase profitability;

introduction of modern systems and technologies for the management of production processes, as well as modernization, technological re-equipment and updating of the fleet;

pursuing a flexible tariff policy in the field of transportation of passengers, baggage, cargo, mail in order to ensure competitiveness;

implementation of loyalty and membership programs for regular passengers and other users, including the conclusion of partnership agreements with third-party service or product providers in connection with the implementation of such loyalty and membership programs for regular passengers and other users;

attracting investments, primarily foreign direct, including through the issue of shares and corporate bonds;

integration into international communities and airline alliances;

participation in the development of all types of tourism within the country and international tourism;

development of the material base of the social sphere of the Company's employees.

2.3. To achieve the main goals, the Company carries out the following activities that are not “public services”:

air passenger and cargo transportation on international and domestic airlines on a regular and charter basis;

Organization of navigator-pilots, engineers-technicians and their dispatching, as well as other types of emergency services in order to ensure the safety and order of flights operated by the Company;

implementation of foreign economic activity;

reservation of seats (aircraft capacities);

publication, design and implementation of passenger and cargo air transportation;

execution of transportation documents for flights operated by the Company, as well as for flights of other airlines with which relevant agreements are concluded;

development of an agent network for the sale of air transportation on the territory of the Republic of Uzbekistan and abroad, monitoring the correct application of tariffs and related fees at points of sale of agents of the Company;

training and retraining of specialists with the right to book and sell passenger air transportation in the automated booking systems for flights of the Company in accordance with the requirements;

training and retraining of flight, technical and other personnel for work on international airlines, including for other enterprises on a contractual basis, as well as for work in the representative offices of the Company abroad;

simulator training for flight specialists of the Company and organization of training for individuals and personnel of legal entities of the Republic of Uzbekistan and foreign countries;

providing on-board and ground-based meals for passengers, crew members of aircraft and private individuals flying to / from / through the territory of the Republic;

ensuring aviation security and secrecy;

brokerage operations for export and import of equipment and services, marketing research, provision of paid consulting services in the field of international transport and aircraft maintenance

mediation operations on the export and import of equipment and services, conducting marketing research, the provision of paid advisory services in the field of international transport;

sale and lease of property to individuals, including buildings, land, equipment, non-residential premises for industrial and commercial activities;

providing access for legal entities and individuals to information and telecommunication systems;

wholesale and retail trade, including with the right to sell goods for currency;

the implementation in the prescribed manner within the country and abroad of advertising

and information activities, including the production of video and film products, as well as publishing and printing activities;

development of the material base of the social sphere with a view to more complete socio-economic support of the Company's employees;

the implementation of medical activities;

tourism, communications or services, including but not limited to hotels, car rental, parking and retail services. All the above actions can be carried out by the Company in Uzbekistan and in other countries in full, in part, or indirectly, through the ownership of shares or participatory interests in other legal entities.

2.4. In carrying out its activities, the Company ensures flight safety, organizes, in the prescribed manner, an investigation into aircraft accidents, incidents and its premises, damage to aircraft, develops measures to prevent them, and organizes search and rescue operations.

2.5. For the implementation of tasks and goals, and the implementation of production and business activities, the Company develops and adopts internal documents binding for all employees and enterprises that are part of the structure of the Company.

2.6 In order to ensure the efficient operation of the Company in accordance with the requirements of the Air Code of the Republic of Uzbekistan, other regulatory legal acts and international treaties of the Republic of Uzbekistan, on behalf of the Company concludes agreements (contracts, agreements) with Uzbek and foreign legal entities and individuals on issues necessary to fulfill their tasks.

2.7. Types of activity requiring a special permit (license) are carried out after obtaining the appropriate permit (license) in the manner prescribed by law.

2.8. In order to obtain additional profit, the company may engage in other types of entrepreneurial activity not prohibited by the legislation of the Republic of Uzbekistan.

### **III. SIZE OF THE AUTHORIZED CAPITAL OF THE COMPANY.**

3.1. The authorized capital of the Company is formed from the nominal values of the shares of the Company acquired by shareholders and is expressed in the national currency of the Republic of Uzbekistan.

3.2. The authorized capital of the Company is **4 248 464 170 700** (four trillion two hundred forty eight billion four hundred sixty four million one hundred seventy thousand seven hundred) sum, and is divided into **42 484 641 707** (forty two billion four hundred eighty four million six hundred forty one thousand seven hundred and seven) ordinary registered shares with a par value of 100 (one hundred) sum each.

3.3. The authorized capital of the Company determines the minimum size of the property of the Company, guaranteeing the interests of its creditors.

3.4. The Company has the right to issue additionally **49 250 234 982 900** (fourty nine trillion two hundred fifty billion two hundred thirty four million nine hundred eighty two thousand nine hundred) pieces of ordinary registered shares with a par value of 100 (one hundred) sum each in the amount of **492 502 349 829** (four hundred ninty two billion five hundred and two million three hundred forty nine thousand eight hundred twenty three) sum.

3.5. Payment for shares may be made in cash, property, as well as rights (including property rights) that have a monetary value.

#### **a) Increase in the Authorized Capital of the Company**

3.6. The authorized capital of the Company may be increased by placing additional shares.

3.7. Additional shares may be placed by the Company only to the extent of the number of authorized shares established by the Charter of the Company.

3.8. A proposal to increase the authorized capital of the Company through the placement of additional shares and to amend the Charter of the Company accordingly shall be made by decision of the General Meeting of Shareholders of the Company.

3.9. The decision to increase the authorized capital of the Company should determine the number of additional shares to be placed, the terms and conditions of their placement.

3.10. The increase in the authorized capital of the Company may be carried out in the manner prescribed by law, due to attracted investments, equity of the Company and accrued dividends.

When increasing the authorized capital of the Company at the expense of its own capital by placing additional shares, these shares are distributed among all shareholders.

Moreover, each shareholder is allocated shares of the same category (type) as the shares that belong to him, in proportion to the number of shares owned by him. An increase in the authorized capital of the Company at the expense of its own capital through the placement of additional shares, as a result of which fractional shares are formed, is not allowed.

3.11. An increase in the authorized capital of the Company by issuing additional shares shall be registered in the amount of the nominal value of additionally placed shares. At the same time, the number of authorized shares specified in these Articles of Association should be reduced by the number of additional shares.

3.12. The decision to issue additional shares, adopted by the General Meeting of Shareholders of the Company, is a decision to increase the authorized capital of the Company.

#### **b) Reduction of the authorized capital of the Company**

3.13. The authorized capital of the Company may be reduced by reducing the par value of shares or by reducing their total number, including through the acquisition of part of the shares by the Company with their subsequent cancellation.

The Company has the right to reduce the authorized capital of the Company by acquiring and canceling part of the shares.

3.14. The Company shall not be entitled to reduce the authorized capital if, as a result, its size becomes less than the minimum size of the authorized capital for a joint stock company established by law, determined at the date of state registration of the relevant amendments to the charter of the Company.

3.15. Decisions to reduce the authorized capital of the Company and to amend the charter of the Company accordingly are made by the General Meeting of Shareholders.

When making a decision to reduce the authorized capital of the Company, the General Meeting of Shareholders shall indicate the reasons for the decrease in the authorized capital and establish the procedure for its reduction.

3.16. Not later than thirty days from the date of the decision to reduce the authorized capital, the Company shall notify its creditors in writing.

Creditors shall have the right no later than thirty days from the date of notification to them of a decrease in the authorized capital of the Company to demand early fulfillment by the Company of its obligations and compensation for related losses.

#### **IV. TYPES OF COMPANY SHARES, THEIR NOMINAL VALUE, RATIO OF SHARES OF VARIOUS TYPES, OTHER SECURITIES OF THE COMPANY**

4.1. The shares of the Company are registered issue-grade securities and are ordinary by type. The nominal value of one share is 100 (one hundred) soums.

Shareholders holding ordinary shares may, in accordance with the law and this Charter, 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 the event of liquidation of the Company, the right to receive part of its property in accordance with their share.

4.2. Conversion of ordinary shares of the Company into preferred shares, corporate bonds and other securities is not allowed.

4.3. The Company is entitled in accordance with the legislation to issue and place corporate bonds and other securities.

The Company issues corporate bonds, including convertible into shares, by decision of the Supervisory Board of the Company.

If the Company issues corporate bonds convertible into shares, the decision of the Supervisory Board must be unanimously adopted by all its members.

In the case of placement by the Company of securities convertible into shares, the number of authorized shares must be not less than the amount necessary for conversion during the circulation period of these securities.

The Company does not have the right to make decisions on limiting the rights provided by shares into which securities placed by the Company can be converted without the consent of the owners of these securities.

#### **V. ORDER AND TERMS OF THE SHARES PLACEMENT BY THE COMPANY**

5.1. The company has the right to place shares and securities convertible into shares through open and closed subscription.

Open subscription of shares is carried out exclusively on the stock exchange and on the organized over-the-counter securities market.

5.2. The term for the Company to place additional shares and other equity securities of the Company shall not exceed one year from the date of state registration of their issue. Additional shares of the Company must be paid during the placement period specified in the decision on the issue of these shares.

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

5.4. When deciding on the placement of additional shares, including among shareholders, the placement price (putting up on the stock exchange and organized over-the-counter securities market) of shares is set by the General Meeting of Shareholders of the Company, based on the price situation on the platforms of the securities trading organizers.

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

In case of payment of additional shares of the Company with an increase in the authorized capital of the Company at the expense of its own capital, as well as dividends for which a decision was made to pay them in additional shares, the placement of such shares is carried out at the nominal value of the shares of the Company.

## **VI. RIGHTS AND OBLIGATIONS OF THE COMPANY'S SHAREHOLDERS**

6.1. The shareholders of the Company have the rights to:

- their inclusion in the register of shareholders of the Company;
- receipt of a statement from the custody account in relation to itself;
- receiving part of the Company's profit in the form of dividends;
- receipt of a part of property in the event of liquidation of the Company in accordance with their share;
- participation in the management of the Company by voting at General Meetings of Shareholders;
- receiving in the established manner full and reliable information on the results of the financial and economic activities of the Company;
- free disposal of the received dividends;
- protection of their rights in the authorized state body for regulation of the securities market, as well as in court;
- a claim for compensation for losses caused by them in the established manner;
- association in associations and other non-governmental non-profit organizations in order to represent and protect their interests;
- insurance of risks associated with potential losses, including lost profits when acquiring securities;

Shareholders may have other rights in accordance with the law.

6.2. Shareholders are entitled, in the cases provided for by law, to demand the repurchase of part or all of their shares.

6.3. A common share provides each shareholder owning it with the same amount of rights with other holders of ordinary shares.

6.4. A shareholder's participation in the General Meeting of Shareholders, receipt of dividends and the exercise of other rights provided for by law when the Company conducts corporate actions are carried out on the basis of the register of shareholders of the Company.

6.5. The exercise of rights by a shareholder shall not violate the rights and interests of other shareholders protected by law.

The establishment of restrictions on the disposal of shares does not deprive the right of the shareholder who owns these shares to participate in the management of the Company and receive dividends on them in the manner prescribed by law.

6.6. The shareholders of the Company have the following obligations:

- to pay for the shares of the Company in time, manner and in the manner provided by law, this Charter and decisions on the issue of shares;

- maintain confidentiality in matters relating to the activities of the Company;

Shareholders may have other obligations in accordance with the law.

6.7. The rights to the shares shall be transferred to the acquirer of the shares from the moment of making the appropriate credit entry on the acquirer's depo account and shall be confirmed by an extract from the depo account issued in the manner established by law.

Rights certified by the share shall be transferred to their acquirer from the moment of

transfer of rights to this security.

## **VII. PROCEDURE FOR PAYMENT OF DIVIDENDS**

7.1. Dividends are part of the Company's net profit distributed among shareholders.

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

By decision of the General Meeting of Shareholders, the dividends may be paid in cash or other legal means of payment or in the securities of the Company.

The dividends are distributed among shareholders in proportion to the number and type of shares held by them.

7.2. Based on the results of the first quarter, six months, nine months of the financial year and (or) based on the results of the financial year, the Company is entitled to make decisions on the payment of dividends on placed shares.

7.3. The decision on the payment of dividends, the amount of the dividend, the form and procedure for its payment on shares of each type is made by the General Meeting of Shareholders on the basis of a recommendation from the Supervisory Board of the Company, data from the financial statements and the availability of an audit report on its reliability. The amount of dividends cannot be more than recommended by the Supervisory Board of the Company. The general meeting of shareholders is entitled to decide on non-payment of dividends on shares of certain types. The decision on the payment of dividends shall indicate the start and end dates of the payment of dividends.

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

The term and procedure for paying dividends are determined by the decision of the General Meeting of Shareholders. The term for payment of dividends may not be later than sixty days from the date of such a decision.

7.5. The dividends not claimed by the owner or his legal successor for three years, remains at the disposal of the Company by the decision of the General Meeting of Shareholders,.

7.6. Persons recorded in the register of shareholders of the Company formed for the General Meeting of Shareholders, at which a decision was made to pay dividends to shareholders, are entitled to receive dividends on shares.

7.7. The Company does not have the right to pay and make decisions on the payment of dividends on shares:

until full payment of the entire authorized capital of the Company at its establishment;

if at the time of payment of dividends there are signs of bankruptcy or the indicated signs appear in the Company as a result of payment of dividends;

if the value of the Company's net assets is less than the sum of its authorized capital and reserve fund.

upon termination of the circumstances specified in this clause, the Company is obliged to pay accrued dividends to shareholders.

7.8. The Company announces the amount of dividends excluding taxes from them. The company publishes data on the amount of the paid dividends in the manner and terms established by law.

## **VIII. THE PROCEDURE FOR THE FORMATION OF RESERVE AND OTHER**

## **FUNDS OF THE COMPANY**

8.1. The Company creates a reserve fund in the amount of 15 (fifteen) percent of its authorized capital. The reserve fund of the Company is formed as a result of obligatory annual calculations in the amount of at least 5 (five) percent of net profit until it reaches the size established by this Charter.

8.2. The reserve fund of the Company undertakes to cover its losses, to repay obligations on bonds.

The reserve fund of the company cannot be used for

8.3. The Company has the right to create all the funds, purposes, sizes, procedures for the formation and spending of funds.

## **IX. COMPANY MANAGEMENT STRUCTURE**

9.1. The management bodies of the Company are:

General Meeting of Shareholders;

Supervisory Board

Executive Body - Management Board.

## **X. GENERAL MEETING OF SHAREHOLDERS**

10.1. The General Meeting of Shareholders is the supreme management body of the Company.

The General Meeting of Shareholders is chaired by the Chairman of the Supervisory Board of the Company, and if it is absent due to good reasons - one of the members of the Supervisory Board of the Company.

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

The annual general meeting of shareholders is held no later than six months after the end of the financial year.

The annual General Meeting of Shareholders addresses the election of the Supervisory Board and the Audit Commission of the Company, the possibility of extending the term (renegotiation or termination) of the contract with the Chairman and members of the Management Board of the Company, and also considers the annual report of the Company, reports of the Executive Body and the Supervisory Board of the Company on measures taken on achievement of the development strategy of the Company and other documents in accordance with the Law and the charter of the Company.

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

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

making amendments and additions to the charter of the Company or approval of the new edition of the charter of the Company, except as otherwise provided by law;

reorganization of the Company;

liquidation of the Company, appointment of a liquidator (liquidation commission) and approval of interim and final liquidation balance sheets;

determination of the quantitative composition of the Supervisory Board of the Company, election of their members and early termination of their powers;

determination of the maximum size of authorized shares;

resolving issues to increase the authorized capital (authorized capital) of the company and making appropriate changes to the charter of the Company;

determination of the placement price (placing on the exchange and organized over-the-counter securities market) of shares in the manner prescribed by law;

reduction of the authorized capital of the Company;

acquisition of own shares;

approval of the organizational structure of the Company;

election of members of the Audit Commission of the Company and early termination of their powers, as well as approval of the Regulations on the Audit Commission;

approval of the annual report of the Company, as well as the development strategy of the company for the medium and long term with the definition of its specific terms based on the main directions and goals of the Company;

distribution of profits and losses of the Company;

hearing reports of the Supervisory Board and the conclusions of the Audit Commission of the Company on issues within their competence, including compliance with the requirements for the management of the Company established by law;

approval of the regulations of the General Meeting of Shareholders;

splitting and consolidation of shares;

the establishment of remuneration and (or) compensation paid to the Supervisory Board and the Audit Commission of the Company;

adoption of a decision on the execution by the Company of major transactions and transactions with affiliates in cases provided for by law and this Charter;

approval of the Provisions “On Internal Control”, “On Dividend Policy”, “On Measures Implemented in Conflict of Interests”;

approval of anti-corruption and compliance policies of the Company;

making a decision on determining an audit organization for conducting a mandatory audit, on the maximum amount of payment for its services and on conclusion (termination) of an agreement with it;

determination of transactions related to current business activities.

The general meeting of shareholders may decide on other issues in accordance with the law.

10.5. Issues related to the competence of the General Meeting of Shareholders cannot be referred to the decision of the Supervisory Board of the Company, except as otherwise provided by law and this Charter.

10.6. The organization and holding of the General Shareholders Meeting, the decision-making procedure of the General Shareholders Meeting are established by the Regulation “On the General Shareholders Meeting” approved by the General Shareholders Meeting.

10.7. General meetings of shareholders are not held in company, all ordinary shares of which belong to one shareholder. Decisions on the above issues are taken by such a shareholder individually and are subject to execution in writing.

## **XI. SUPERVISORY BOARD OF THE COMPANY**

11.1. The Supervisory Board of the Company carries out strategic management and general management of the activities of the Company, with the exception of resolving issues referred by the legislation and this charter to the competence of the General Meeting of Shareholders.

The Supervisory Board of the Company acts in accordance with the legislation, this Charter and the “Regulation on the Supervisory Board of the Company”, approved by the General Meeting of Shareholders.

11.2. The quantitative composition of the Supervisory Board of the Company is 5 (five) people.

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

determination of the priority areas of the Company's activities with regular listening to the report of the Management Board of the Company on measures taken to achieve the development strategy of the Company;

election (appointment) of members of the Management Board (except for the Chairman of the Management Board) of the Company and early termination of their powers;

convocation of annual and extraordinary General Meetings of Shareholders, except as otherwise provided by law;

preparation of the agenda of the General Meeting of Shareholders;

determination of the date, time and place of the General Meeting of Shareholders;

determination of the date of formation of the register of shareholders of the Company for notification of the General Meeting of Shareholders, as well as for participation in the General Meeting of Shareholders;

introducing for the decision of the General Meeting of Shareholders questions on amendments and additions to the charter of the Company or approval of the new version of the charter of the Company, except as otherwise provided by law;

establishing the amount of remuneration and compensation paid to the executive body of the Company, as well as setting the maximum amount of these payments based on performance indicators;

organization of establishing the market value of property;

approval of the annual business plan of the Company. Moreover, the business plan of the Company for the next year should be approved at a meeting of the Supervisory Board of the Company no later than December 1 of the current year;

the creation of an internal audit service and the appointment of its employees, as well as the quarterly hearing of its reports;

access to any documents relating to the activities of the Management Board of the Company, and receiving them from the Management Board for the performance of the duties assigned to the Supervisory Board of the Company. The received documents may be used by the Supervisory Board of the Company and its members for official purposes only;

making a decision on conducting an audit (except for a mandatory audit), on determining an audit organization, the maximum amount of payment for its services and concluding (terminating) an agreement with it;

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

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

use of reserve and other funds of the Company;  
establishment of branches and opening representative offices of the Company;  
creation of subsidiaries and affiliates;  
making decisions on the issue of corporate bonds by the Company;  
making decisions on the issue of derivative securities;  
making decisions on the redemption of corporate bonds of the Company;  
approval of the decision on the issue of securities and approval of the prospectus;

making decisions on amendments and (or) additions to previously registered issues of securities and approval of the text of amendments and additions to the decision on the issue of securities;

the creation of committees (working groups) under the Supervisory Board on relevant issues;

determination of the procedure, conditions for the provision (receipt) and adoption of decisions on charity (sponsorship) or gratuitous assistance only to the extent established by the general meeting of shareholders and legislation;

adoption of a decision on the execution by the Company of major transactions and transactions with affiliates in cases provided for by law and this Charter;

conclusion of transactions related to the participation of the Company in commercial and non-commercial organizations in the manner prescribed by law and this Charter;

determination of forms of control over the financial and economic activities and effective management of the Company, the implementation of such control and the adoption, if necessary, of necessary measures in relation to authorized management bodies;

approval of conclusion of agreements on cooperation, trust management and other agreements within the framework of public-private partnership in relation to the property and activities of the Company, except when such a matter falls within the competence of the General Meeting of Shareholders in accordance with the legislation of the Republic of Uzbekistan.

The competence of the Supervisory Board of the Company may include the decision of other issues in accordance with the legislation, this Charter and the Regulation "On the Supervisory Board of the Company", approved by the General Meeting of Shareholders.

Matters related to the competence of the Supervisory Board of the Company cannot be referred to the decision of the Executive body of the Company.

11.4. The Supervisory Board of the Company has the right to prematurely terminate the powers of the head of the Executive Body (Chairman of the Management Board) and members of the Executive Body in case of gross violation by them of the Charter of the Company or damage to the Company by their action (inaction).

11.5. Members of the Supervisory Board of the Company are elected by the General Meeting of Shareholders in the manner prescribed by law and this charter for a period of one year.

Persons elected to the Supervisory Board of the Company may be reelected indefinitely.

Members of the Management Board of the Company may not be elected to the Supervisory Board of the Company.

Members of the Supervisory Board of the Company may not be persons working under an employment contract (contract) in the Company.

Requirements for persons elected to the Supervisory Board of the Company are

established by the Regulation on the Supervisory Board approved by the General Meeting of Shareholders. Foreign experts may be elected to the Supervisory Board.

11.6. The election of the members of the Supervisory Board of the Company is carried out by cumulative voting.

11.7. The Chairman of the Supervisory Board of the Company is elected by the members of the Supervisory Board from among its members by a majority of votes of the total number of members of the Supervisory Board.

The Supervisory Board of the Company is entitled to re-elect its Chairman by a majority 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 the minutes at meetings, presides at the General Meeting of Shareholders.

In the absence of the Chairman of the Supervisory Board of the Company, his functions are performed by one of the members of the Supervisory Board.

11.8. The meeting of the Supervisory Board of the Company is convened by the Chairman of the Supervisory Board on his own initiative, at the request of a member of the Supervisory Board, the Audit Commission, a member of the Management Board of the Company, as well as a shareholder who owns at least one percent of the voting shares of the Company.

The quorum for holding a meeting of the Supervisory Board of the Company must be at least seventy-five percent of the number of elected members of the Supervisory Board of the Company.

In the event that the number of members of the Supervisory Board becomes less than seventy-five percent of the amount provided for by this Charter, the Company shall convene an extraordinary General Meeting of Shareholders to elect a new composition of the Supervisory Board of the Company. The remaining members of the Supervisory Board are entitled to decide on the convening of such an extraordinary General Meeting of Shareholders, as well as in the event of early termination of the powers of the Chairman of the Management Board, appoint a temporary acting one.

11.9. Meetings of the Supervisory Board of the Company are held at least once a quarter.

11.10. Decisions at a meeting of the Supervisory Board of the Company shall be taken by a majority of those present, unless otherwise provided by law.

The decision on the following issues is adopted unanimously by the Supervisory Board of the Company:

on the issue by the Company of corporate bonds convertible into shares;

on the conclusion by the Company of a major transaction;

on the completion by the Company of a transaction with an affiliate.

11.11. When resolving issues at a meeting of the Supervisory Board of the Company, each member of the Supervisory Board shall have one vote.

Transfer of a vote by one member of the Supervisory Board of the Company to another member of the Supervisory Board is not allowed.

If the votes of the members of the Supervisory Board are equal, the vote of the Chairman of the Supervisory Board is decisive in making the decision.

11.12. Decisions of the Supervisory Board of the Company may be adopted by absentee vote (by poll) by all members of the Supervisory Board unanimously.

11.13. At a meeting of the Supervisory Board of the Company, a protocol is kept. The minutes of the meeting of the Supervisory Board shall be compiled no later than 10 (ten) days after its holding. The minutes of the meeting shall indicate:

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

The minutes of the meeting of the Supervisory Board of the Company shall be signed by the members of the Supervisory Board of the Company participating in the meeting who are responsible for the correctness of the protocol.

11.14. The minutes of the meeting of the Supervisory Board of the Company shall be submitted for execution to the executive body (Director) of the Company on the day of its signing. If the Supervisory Board decides to convene a General Meeting of Shareholders, information about this decision is transmitted to the executive body of the Company on the day of the meeting of the Supervisory Board.

## **XII. EXECUTIVE BODY OF THE COMPANY**

12.1. Management of the current activities of the Company is carried out by the executive body (Management Board) of the Company. The number of members of the Management Board is 7 (seven) people elected by the Supervisory Board for a period of 1 year with the possibility of extending authority for each subsequent year. The board is led by the chairman of the board.

By decision of the Supervisory Board, the election of the Chairman of the Board and its members can be carried out on the basis of competitive selection, in which foreign specialists can take part.

12.2. The competence of the Management Board of the Company includes all issues related to the management of the current activities of the Company, with the exception of issues falling within the competence of the General Meeting of Shareholders or the Supervisory Board of the Company.

12.3. The Chairman of the Management Board of the Company manages the current activities of the Company, acts on behalf of the Company without a power of attorney, including representing the interests of the Company and protects the rights of the Company in state institutions, enterprises and organizations of various forms of ownership.

12.4. Powers of the Board:

- develops the concept of development and improvement of the Company;
- defines the main directions of the commercial, technical, innovative and social development of the Company;
- Develops a draft of the main directions of the Company's activities
- develops a business plan of the Company;
- determines the needs of the Company in airplanes, engines and other specialized equipment and means of their acquisition, as well as the volume of capital investments and construction works financed from centralized sources and investment programs;
- prepares proposals for the creation, reorganization and liquidation of enterprises included in the organizational structure of the Company, the definition of their powers in the prescribed

manner;

manages the organization of financing and activities of structural units and enterprises included in the organizational structure of the Company;

defines operations related to current business activities;

carries out the current production, commercial, financial and economic activities of the Company in accordance with this Charter;

organizes the execution of decisions of the general meeting of shareholders and the supervisory board of the Company;

ensures the observance of all the rights of shareholders to receive information provided by applicable law, participation in the general meeting of shareholders, payment of dividends;

disposes of the property and money of the Company in the manner prescribed by law and internal regulatory acts of the Company;

ensures timely provision of information on the activities of the Company to shareholders, creditors on the establishment, condition and reliability of accounting in the Company, annual reports and other financial statements to the relevant authorities, as well as on the official website of the Company and in the media;

provides full and timely submission of state statistical reporting to the relevant authorities.

12.5. Powers of the Chairman of the Management Board:

carries out general management of the Company,

provides effective interaction between structural divisions and enterprises of the Company;

organizes the implementation of decisions of the general meeting of shareholders and the supervisory board of the Company;

Signs contracts, agreements and other agreements on behalf of the Company;

issues powers of attorney on behalf of the Company;

opens bank accounts and other accounts with banks of the Republic of Uzbekistan, signs accounting records and reports of the Company;

concludes labor agreements (contracts) with members of management, employees and makes a decision on their termination;

if necessary, changes to the organizational structure of organizations and enterprises included in the structure of the Company within the number of managerial personnel;

approves the basic forecast parameters of production, financial and economic activities of enterprises and organizations included in the organizational structure of the Company;

approves staff, provides them with qualified personnel, approves the regulations of departments, branches, representative offices and charters of structural divisions of the Company;

approves the provisions on the remuneration of employees, establishes wages, bonuses, encourages employees, and also provides compensation for the social protection of employees of the Company;

distributes responsibilities between the deputy chairmen and members of the board, determines their authority in deciding issues of the Company's activities;

appoints the heads of branches, representative offices and organizations of the Company;

issues orders, instructions binding for all officers and employees of the company, and also approves instructions and other internal documents relating to matters within its competence;

provides observance of labor discipline and official discipline by employees;

imposes disciplinary sanctions on employees of the Company in accordance with applicable law;

resolves other issues in accordance with the legislation, this Charter and the Regulation on the executive body.

12.6. The Chairman of the Management Board of the Company has the right:

to make decisions on issues related to his activities;

to act without a power of attorney on behalf of the Company, represent its interests in relations with other organizations and bodies;

with the permission of the Supervisory Authority, to participate with an advisory vote in its work;

to receive remuneration that is consistent with the performance of the Company and the key parameters achieved.

The Chairman of the Management Board may also have other rights provided by law and this Charter.

12.7. The Chairman of the Management Board of the Company must:

act in the interests of the Company;

properly perform their duties in accordance with the terms of an employment contract concluded with them;

monitor the implementation of decisions of the General Meeting of Shareholders and the Supervisory Board of the Company;

ensure the implementation of indicators and key parameters of the annual business plan of the Company;

report to the Supervisory Board of the Company and the General Meeting of Shareholders, participate in General Meetings of Shareholders, monitor compliance with all rights to accrue and pay dividends;

control non-disclosure of information on the activities of the Company in the manner prescribed by law;

ensure the submission of documents on the financial and economic activities of the Company at the request of the Supervisory Board of the Company, the Audit Commission and the auditor of the Company;

organize meetings of the Board;

ensure effective cooperation with organizations within the structure of the Company;

ensure the fulfillment of contractual obligations of the Company;

exercise control over the organization, condition and reliability of the Company's accounting, timely submission of the annual report and other financial reports to the relevant authorities;

exercise control over the full and timely submission of state statistical and accounting reports to the relevant authorities;

ensure the safety of information constituting a commercial secret of the Company;

not disclose confidential information about the activities of the Company;

take measures to provide the Company with qualified personnel, in the best use of knowledge, qualifications, experience and abilities of the employees of the Company;

provide solutions to issues related to labor relations in the manner prescribed by law;

comply with the requirements of the legislation, this Charter, the Regulation “On the Executive Body (Management Board)” and other internal documents of the Company in the activities of the Company.

The Chairman of the Management Board may have other duties in accordance with the law.

12.8. The Chairman of the Management Board of the Company quarterly reports to the Supervisory Board on the implementation of the annual business plan of the Company.

At the annual General Meeting of Shareholders, the Chairman of the Management Board of the Company reports on the results of the financial and economic activities of the Company at the end of the financial year.

12.9. The minutes are kept at the meeting of the Board. The minutes of the meeting of the Management Board of the Company shall be provided to the Supervisory Board and members of the Audit Commission at their request.

The Chairman of the Management Board organizes meetings of the Management Board of the Company, signs documents on behalf of the Company, including the minutes of the meetings of the Management Board of the Company. The Management Board of the Company acts without a power of attorney on behalf of the Company, in accordance with the decisions taken within its authority.

12.10. The rights and obligations of the Chairman of the Management Board and members of the Management Board are determined by law, this Charter and the agreement concluded between them and the Company for a period of 1 (one) year with an annual decision on the possibility of its extension or termination. The contract is signed on behalf of the Company by the Chairman of the Supervisory Board or by a person authorized by the Supervisory Board of the Company. The agreement concluded with the Chairman of the Management Board of the Company should include its obligations to improve the efficiency of the Company and the frequency of its reports to the General Meeting of Shareholders and the Supervisory Board of the Company on the progress in the implementation of the annual business plan of the Company.

12.11. The Supervisory Board of the Company has the right to terminate prematurely (terminate) the contract with the Chairman of the Management Board and members of the Management Board of the Company in case of gross violation of the Charter of the Company or damage to the Company because of its actions (inaction).

12.12. The amounts of remuneration and compensation of the Chairman of the Management Board and members of the Management Board of the Company are determined based on established performance indicators.

### **XIII. RESPONSIBILITY OF MEMBERS OF THE SUPERVISORY BOARD, CHAIRMAN OF THE MANAGEMENT BOARD AND MEMBERS OF THE MANAGEMENT BOARD**

13.1. The Members of the Supervisory Board, the Chairman of the Management Board and members of the Management Board of the Company, in exercising their rights and fulfilling their duties, must act in the interests of the Company and bear responsibility in the established manner.

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

13.2. Members of the Supervisory Board, the Chairman of the Management Board and members of the Management Board of the Company who did not take part in the vote or voted against the decision that caused losses to the Company are not liable.

13.3. The Company or a shareholder (shareholders), who owns at least 1 (one) percent of the placed shares of the Company, has the right to file a lawsuit against a member of the Supervisory Board, the Chairman of the Management Board and members of the Management Board on compensation for losses incurred by the Company.

#### **XIV. CONTROL OVER FINANCIAL AND ECONOMIC ACTIVITIES OF THE COMPANY**

##### **a) Audit Commission**

14.1. To exercise control over the financial and economic activities of the Company, the General Meeting of Shareholders elects the Audit Commission for a period of 1 year.

The same person may not be elected to the Audit Commission more than three times in a row. Members of the Audit Commission may not be members of the Supervisory Board and / or work in the Company under an employment contract.

14.2. The Audit Commission of the Company consists of 5 (five) people.

14.3. Powers of the Audit Commission are:

verification of the financial and economic activities of the Company based on the results of activities for the year and the presentation of the relevant opinion to the general meeting of shareholders;

verification of the financial and economic activities of the Company based on the results of activities for another period;

drawing up a conclusion on the basis of the audit of the financial and economic activities of the Company;

preparation of a conclusion on the existence of transactions with affiliates or major transactions in the Company, as well as on compliance with the requirements of the legislation and internal documents of the Company for such transactions;

holding meetings with external auditors and the internal audit service, listening to information on the progress of their work and conclusions regarding internal control, financial statements and other significant issues;

quarterly submission to the meeting of the Supervisory Board of the Company and the General Meeting of Shareholders of an opinion on the existence of transactions with affiliates or major transactions in the Company, as well as a report on compliance with the requirements of legislation and internal documents of the Company to conclude such transactions.

14.4. Based on the results of the audit, a conclusion is drawn up by the Audit Commission. The conclusion should include:

assessment of the reliability of the data specified in the financial documents and reports of the Company;

information on violations of accounting and the presentation of financial reports, as well as violations of the law in the implementation of financial and economic activities.

The conclusions of the Audit Commission are heard at the General Meetings of Shareholders.

14.5. Qualification requirements for members of the Audit Commission and the procedure for the activities of the Audit Commission are determined by the Regulation “On the Audit Commission of the Company”, approved by the General Meeting of Shareholders.

#### **б) Internal Audit Service**

14.6. If the book value of the assets of the Company is more than 100 000 (one hundred thousand) of the minimum wage, an internal audit service is created in the Company. The Internal Audit Service reports to the Supervisory Board of the Company.

14.7. The Internal Audit Service of the Company monitors and evaluates the work of the Management Board, branches and representative offices of the Company for:

compliance by the Chairman of the Management Board, branches and representative offices of the Company with legislation, the Charter of the Company and other documents;

ensuring the completeness and reliability of the reflection of data in accounting and financial reporting;

compliance with established rules and procedures for conducting business operations;

safekeeping of assets, transactions with legal entities in which 50 percent of the share of the authorized capital belongs to the Company, as well as compliance with the requirements for the management of the Company established by law.

14.8. Employees of the internal audit service must have at least two years of the past ten years of practical experience in accounting, auditing, financial or tax control and meet one of the following requirements:

to have a certificate of internal auditor;

to have a higher economic education obtained in higher educational institutions of the Republic of Uzbekistan or in educational institutions of a foreign state and in accordance with the legislation of the Republic of Uzbekistan recognized as equivalent to education in the Republic of Uzbekistan.

14.9. The procedure for the activity of the Internal Audit Service of the Company is determined by law, this Charter and the Regulation “On the Internal Audit Service”, approved by the Supervisory Board of the Company.

#### **в) Audit organization (external auditor)**

14.10. An Audit organization verifies the financial and economic activities of the Company and provides it with an audit report in the manner prescribed by law in accordance with an agreement concluded with it.

14.11. The Audit organization is liable to the Company for damage resulting from the preparation of an audit report containing an incorrect conclusion about the financial statements and other financial information of the Company.

#### **г) Corporate Consultant of the Company**

14.12. By decision of the Supervisory Board, the position of Corporate Consultant may be introduced in the Company. The Corporate Consultant reports to the Supervisory Board of the Company and monitors compliance with corporate regulatory documents in the Company.

14.13. The Corporate Consultant conducts its activities in accordance with the Regulation on the Corporate Consultant approved by the Supervisory Board.

#### **д) Compliance Service**

14.14. By decision of the Supervisory Board, the Company may create a Compliance Service department, which is the structural unit responsible for the observance by the Company of the requirements of the anti-corruption legislation.

14.15. The Compliance Service operates on the basis of a regulation approved by the Supervisory Board and reports to the Supervisory Board. The Compliance Service reports on its activities to the Supervisory Board and the Chairman of the Management Board.

14.16. The Compliance Service has the right to monitor and evaluate the activities of the Company and its divisions, including the activities of the internal audit service.

## **XV. PROCEDURE FOR DRAWING UP, VERIFICATION AND APPROVAL OF ANNUAL REPORTS OF THE COMPANY**

15.1. The Company is required to maintain accounting records and provide financial statements in the manner prescribed by law.

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

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

The company not later than two weeks before the date of the annual general meeting of shareholders publishes annual financial statements prepared in accordance with the International Financial Reporting Standards, after conducting its external audit in accordance with the International Auditing Standards.

15.3. The annual report of the Company is subject to preliminary approval by the Supervisory Board of the Company no later than ten days before the date of the annual General Meeting of Shareholders.

15.4. The financial year of the Company begins on January 1 and ends on December 31.

## **XVI. COMPANY REORGANIZATION AND LIQUIDATION PROCEDURE**

16.1. The reorganization and liquidation of the Company is carried out in the manner prescribed by law.

## **XVII. FINAL PROVISIONS**

17.1. Disputes and disagreements arising from the provisions of this Charter are resolved through negotiations in accordance with applicable law. If it is impossible to resolve disputes and disagreements through negotiations, they are resolved in court.

17.2. Issues that are not reflected in this charter are regulated by the Law of the Republic of Uzbekistan "On Joint Stock Companies and the Protection of Shareholders' Rights" and other legislative and regulatory acts of the Republic of Uzbekistan.

17.3. In case of amendments to the legislation in the field of the securities market that do not comply with the provisions of this Charter, the provisions of the law apply.

17.4. This Charter shall enter into force after state registration in the manner prescribed by law.