

**Registration no. - 16.OCA.**

**“Approved”  
by the decision of Annual General  
Meeting of Shareholders  
of JSC "UzMRC" on 29/05/2023**

**REGULATION  
ON EXECUTIVE MANAGEMENT  
OF THE JSC “MORTGAGE  
REFINANCING COMPANY OF UZBEKISTAN”  
(new version)**

**Tashkent, 2023**

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## **I. General Provisions**

1.1. This Regulation determines the status and governs the work of the Executive Management of the JSC "Mortgage Refinancing Company of Uzbekistan" ("Company").

1.2. The Company's activities is managed by the sole Executive Management - CEO whose competence is determined by the Company's Charter and this Regulation.

1.3. By the decision of the General Meeting of Shareholders, the competencies of the Company's CEO may be transferred under an agreement to a commercial organization (trustee). The terms of the agreement with the CEO shall be approved by the Supervisory Board of the Company, unless stated otherwise in the Company's Charter.

1.4. This Regulation is written in accordance with the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights", the Company's Charter, the Corporate Governance Code approved by minutes of the meeting (No. 9 dated December 31, 2015) of the Commission established for improving the efficiency of joint stock companies and improving the corporate governance system and other legislative acts.

## **II. Appointment and dismissal of the CEO**

2.1. The CEO of the Company shall be elected (appointed) by the decision of the Supervisory Board of the Company for a period of three years.

2.2. In accordance with the Charter of the Company or by decision of the General Meeting of Shareholders or Supervisory Board of the Company, the CEO of the Company shall be appointed, as a rule, based on a competitive selection, in which foreign managers may take part.

2.3. A candidate for the position of CEO shall inform the Company about a presence of criminal record.

2.4. The decision of the Supervisory Board of the Company on the election (appointment) of the CEO of the Company shall be made by a majority vote of the members present at the meeting.

2.5. Once elected, the Supervisory Board concludes a contract with CEO for a period of three years, while still deciding on the continuation of his/her tenure annually. The contract is signed by the Chairman or another member authorized by the Supervisory Board of the Company. The contract shall include among other things, CEO's responsibilities to improve the efficiency of the Company's activities, present reports on the implementation of the Company's business plan and frequency of management reports to be presented to the General meeting of shareholders and the Supervisory Board.

2.6. The CEO is entitled to a fixed base salary as defined in his employment contract. The base salary may be reviewed at the discretion of the Supervisory Board in agreement with the CEO.

2.7. In addition to base salary, the CEO shall be entitled to an additional compensation based on the year end results including the implementation of the Company's KPIs (Business Plan) and Corporate governance assessment results.

2.8. The amount of remuneration paid to the Company's CEO will directly depend on the Company's performance.

2.9. Supervisory Board shall have the right to terminate the contract with the CEO ahead of schedule if he/she commits a gross violation of the Company Charter or terms of the contract.

2.10. A decision of the Supervisory Board on early termination of the contract with the CEO shall be adopted by a majority vote of Supervisory Board members present at the meeting.

2.11. If the Supervisory Board makes a decision to terminate the contact with the CEO, the issue of transferring the rights of the CEO to another person may be resolved at the same meeting or left for consideration at another meeting if the Supervisory Board decides to temporarily appoint an acting CEO.

### **III. Rights and obligations of the CEO**

3.1. The competence of the Company's CEO shall include all issues of managing the current activities of the Company, except for issues attributed to the exclusive competence of the General Meeting of Shareholders or the Supervisory Board.

3.2. The CEO shall act within the competence determined by the legislation, the Charter of the Company, this Regulation, the terms of the employment contract concluded and relevant decisions of the General Meeting of Shareholders and/or the Supervisory Board of the Company.

3.3. The CEO shall have the right to:

- without a power of attorney, act on behalf of the Company, represent interests of the Company at state institutions, all organizations and enterprises, regardless of the form of ownership;
- open settlement, currency and other accounts with banks with the right of first signature on bank and other financial documents of the Company;
- enter into transactions and sign agreements (contracts) with partners of the Company, as well as with other organizations and enterprises;
- sign documents on behalf of the Company;
- within his/her authority, dispose of the property and funds of the Company;
- determine and approve the staff headcounts;
- within his/her authority, hire or dismiss employees, apply disciplinary measures, ensure compliance with labor and performance discipline;
- together with the Nomination and Remuneration Committee of the Supervisory Board, assess the performance of the Company's Corporate Consultant, determine his/her salary and any bonuses that may be paid based on the results of his/her performance for the relevant period;
- establish remuneration (salary, bonuses and any allowances) for employees of the Company in accordance with the labor code of the Republic of Uzbekistan and regulatory documents;
- approve regulations on structural divisions of the Company and job descriptions of Company employees;
- issue powers of attorney on behalf of the Company;
- arrange insurance to cover for the Company's business risks and the CEO's liability;
- issue orders, and give instructions binding on all employees of the Company;
- approve Company's internal regulatory documents that are within his/her authority;
- other rights in accordance with the legislation, the Charter of the Company and the employment contract.

3.4. The CEO duties include:

- management of the current activities of the Company, with the exception of issues attributed to the competence of the General Meeting of Shareholders and the Supervisory Board, ensuring his efficient and sustainable operation;
  - protection of Company's interests at government agencies, all organizations and enterprises, regardless of the form of ownership;
  - organization of execution of decisions of the General Meeting of Shareholders and the Supervisory Board of the Company;
  - ensuring effective interaction of structural divisions of the Company;
  - ensuring the fulfillment of the Company's contractual obligations;
  - development of Company strategy and business plans, organization and control of their implementation;
  - ensuring compliance of the Company activities with the relevant legislative and regulatory requirements;
  - ensuring the organization, proper condition and reliability of accounting and reporting at the company, timely submission of annual reports and other financial statements to relevant authorities, as well as information on company activities to be sent to shareholders, creditors and other information recipients;
  - quarterly reporting to the Supervisory Board on the progress in the implementation of the annual business plan;
  - provision of documents relating to the Company's activities at the request of the Supervisory Board or the Internal audit service;
  - ensuring complete and timely statistical reporting to the regulatory authorities;
  - preservation of information constituting a commercial secret of the Company, if his responsibilities do not include the transfer of such information to third parties. The list of information constituting the commercial secret of the Company shall be determined by the CEO;
  - ensuring the preservation of information constituting an official or commercial secret by Company's employees;
  - taking measures to provide the Company with qualified personnel, to make the best use of the knowledge, qualifications, experience and abilities of Company employees;
  - ensuring adherence to work ethics;
  - ensuring compliance of Company staff with social insurance and labor protection rules;
  - improvement of his/her qualifications, as well as those of the Company employees through trainings, seminars and other events;
  - participation in collective discussions, acting as an employer when entering into collective agreements and contracts, fulfilling obligations under collective agreements;
  - timely reporting on the Company activities and state of affairs to the General Meeting of Shareholders and the Supervisory Board of the Company;
  - observance of all the rights of shareholders to receive information stipulated by the current legislation, participating in General Meetings of Shareholders, accruing and paying dividends;
  - notification to the Supervisory Board of the Company about his/her affiliation in relation to a transaction into which the Company enters;
  - compliance with the requirements of the current legislation, the Company's Charter and other internal documents of the Company.

3.5. The specific rights and obligations of the Company shall be stipulated in the relevant agreement.

3.6. Combining the function of the CEO of the Company with a position in the management bodies of other organizations shall be allowed only with the consent of the Supervisory Board of the Company.

#### **IV. Responsibilities of the CEO**

4.1. When fulfilling his/her duties, the CEO of the Company shall act in the interests of the Company and bear responsibility in accordance with the established procedure.

4.2. During the period of his work in this capacity, the CEO of the Company shall have no right to establish or take part in the establishment of enterprises, activities of which creates difficulties in the provision of services to the Company. The CEO shall suspend his participation in similar enterprises upon appointment to a position at the company and inform the Supervisory Board of the Company about the suspension.

4.3. The Company or a shareholder (shareholders) who owns at least one percent of the outstanding shares of the Company shall have the right to apply to the court with a claim against the CEO of the Company for compensation for losses caused to the Company.

4.4. Company's Executive management or its trustees shall bear the subsidiary liability for the obligations of the Company to reimburse debts to creditors, if a damage or loss was found (by the Court) to have been caused as a result of a deliberate act or violation, by the Company executive management or its trustees in entering into a transaction with affiliated persons or concluding a major transaction, in case the Company property is insufficient to cover such damage or loss.

4.5. The CEO shall be entitled to Directors & Officer's Insurance indemnity to cover for loss claims and liabilities against him/her.

4.6. When this Regulation will come into force, the "Regulation on the Executive Management of JSC "Mortgage Refinancing Company of Uzbekistan" and all amendments and additions, approved by the General meeting of Shareholders of JSC "Mortgage Refinancing Company of Uzbekistan" on May 25, 2020 and June 29, 2022, will become invalid.