Approved by

order of the General Director

of JSC Boshtransloyiha

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Regulations on the Risk Management Committee of JSC "Boshtransloyiha"

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Chapter 1. Purpose

1.1. This Regulation defines the status, objectives, functions, composition, rights, responsibilities and regulations of the Risk Management Committee under the executive body of JSC “Boshtransloyiha” (hereinafter referred to as the Committee).

Chapter 2. Scope

2.1. This Regulation applies to the activities of the Committee and to the activities of the structural divisions of the Company.

Chapter 3. General Provisions

3.1. The Committee is a permanent collegial, advisory body to the executive body of the Company, coordinating the process of functioning and development of risk management systems in the Company.

3.2. In its activities, the Committee is guided by the legislation of the Republic of Uzbekistan, the Charter of the Company, the Code of Corporate Conduct and Business Ethics of the Company, decisions of the Company's bodies, this Regulation, other internal documents of the Company, as well as recommendations of international institutions on risk management issues.

3.3. The Committee is accountable to the Executive Body of the Company and operates within the powers granted to it by the Executive Body of the Company in accordance with these Regulations.

3.4. The Committee's activities are supported by the Risk Management Unit.

3.5. The decisions and conclusions of the Committee are of a recommendatory nature for the Executive Body of the Company.

Chapter 4. Purpose of the Committee

4.1. The purpose of the creation and activities of the Committee is to assist the Executive Body of the Company in improving and strengthening the Company's risk management system.

Chapter 5. Functions of the Committee

5.1. The Committee meets regularly with a set agenda, including consideration of new and existing risks, financial losses, internal/external audit reports, risk management issues, and progress or significant changes in the scope of work on the implementation of the risk management system development.

5.2. The Committee carries out the following functions:

1) review and preliminary approval of draft internal and other documents of the Company on risk management;
2) approval of risk management methods proposed by risk owners and/or risk managers for identified risks of the Company;
3) consideration of the functional requirements for the automated risk management information system (if necessary);
4) consideration and preparation of proposals for improving action plans in the event of adverse impacts (including on the environment, changes in market conditions, occurrence of force majeure, etc.);
5) review and approval of the risk management report for further submission to the Company's Management Board;
6) consideration and approval of risk appetite, tolerance levels in relation to key (critical) risks;

7) review and approval of the register (list) of risks, including risk mitigation action plans and risk maps for it;
8) review and approval of key risk indicators;
9) consideration of recommendations of external auditors, consultants and the Internal Audit Service of the Company on improving the risk management system, consideration of the effectiveness of measures taken by structural divisions of the Company to solve problems identified by external auditors, consultants and the Internal Audit Service of the Company;
10) control over the periodic updating and improvement of the approved documents of the Company on risk management, as well as the organization of systematic training of the Company's managers and employees on the requirements and aspects of these documents;
11) annual review and approval of the Work Plan for improving the risk management system;
12) other functions within the risk management system.

Chapter 6. Composition of the Committee

6.1. The composition of the Committee is formed on the basis of the decision of the Board of the Company. The number and personal composition of the Committee are determined and approved by the decision of the Board.

6.2. The Committee's activities are managed by the Chairman of the Committee, appointed by the decision of the Board of the Company. In the event of his/her absence, the Deputy Chairman of the Committee acts as Chairman of the Committee.

6.3. 2. The Risk Management and Internal Control Committee shall include the following officials:

- Chairman of the Committee – General Director;
- Deputy Chairman of the Committee – First Deputy General Director.

Committee Members:

- Deputy General Directors for Finance of the Company;
- Head of the Internal Audit Service (as an observer without the right to vote).

At the Committee meeting, if necessary, invited persons may participate to provide information on the risks inherent in their activities, such as owners of key (critical) risks and business processes of the Company. These invited participants are not members of the Committee.

6.4. The Committee's work is attended by the Committee Secretary, who is not a member of the Committee and who carries out functions on organizational and information support of the Committee's work. An employee of the risk management unit is appointed as the Committee Secretary.

Chapter 7. Rights of the Committee

7.1. Within the limits of its functional responsibilities, the Committee has the right:

1) to preliminarily study and consider any issues referred to its competence by this Regulation in accordance with the Committee’s work plan, as well as on its own initiative and/or at the request of the Executive Body of the Company;
2) request from the Company's structural divisions the necessary information to develop decisions on risk management issues;
3) in agreement with the management of the Company, involve employees of the Company's structural divisions to participate in the Committee's meetings, as well as external experts and consultants;

4) in agreement with the management of the Company, involve members of the Committee in working meetings on issues of risk management of the Company or the Company's enterprises;
5) take other measures necessary to perform the tasks and functions assigned to it.

7.2. In order to fulfill his/her duties, the Secretary of the Committee has the right to request information from the structural divisions of the Company on issues scheduled for consideration at meetings of the Committee, as well as on the progress of the implementation of the Committee's decisions.

Chapter 8. Responsibilities of the Committee

8.1. The Chairman, Deputy Chairman and members of the Committee are responsible for the implementation of the goals and functions of the Committee, as well as for the disclosure of confidential information received within the framework of the work of the Committee, in accordance with the internal documents of the Company.

The heads of the structural divisions of the Company shall bear responsibility for providing the Committee with unreliable or incorrect information, as provided for by the internal documents of the Company.

The Secretary of the Committee shall bear responsibility for the timely submission of documents to the members of the Committee and to the involved participants who are not members of the Committee. The Secretary of the Committee shall also bear responsibility for non-disclosure of confidential information received within the framework of the work of the Committee.

Chapter 9. Regulations of the Committee's activities

9.1. The Committee meetings are held in person or in absentia, at least once per quarter and as necessary;

9.2. The Committee meetings are held in accordance with the Committee Work Plan approved by the Committee Chairman, as well as on the initiative of:

1) members of the Board and members of the Committee;
2) structural divisions of the Company.

9.3. The Committee's work plan is drawn up on an annual basis for the next reporting year, before the start of the next reporting year, agreed upon with the members of the Committee in the working order and approved by the Chairman of the Committee;

9.4. The department responsible for drawing up the Committee's work plan is the risk management department;

9.5. In order to consider issues within the competence of the Committee, a service note is drawn up in the name of the Chairman of the Committee with the following documents attached:

- materials under consideration/explanatory note with the rationale for submitting the proposed issue for discussion by the Committee;
- draft resolution on the issue submitted for consideration by the Committee;
- presentation materials, conclusions of interested structural divisions of the Company (if necessary).

9.6. A memorandum with the resolution of the Chairman of the Committee and a package of documents to it is sent to the Secretary of the Committee for submission of materials to the meeting of the Committee;

9.7. The agenda of the Committee meeting is formed by the Secretary of the Committee on the basis of the submitted documents specified in paragraph 9.5. of these Regulations and is submitted for consideration to the members of the Committee in accordance with the planned deadlines stipulated by the Committee Work Plan.

9.8. The Secretary of the Committee shall send the agenda of the Committee meeting together with materials on the issues under consideration to all members of the Committee and invited participants of the Committee meeting for consideration no later than 3 (three) working days before the Committee meeting. The members of the Committee shall send their proposals and comments on the issues on the agenda of the meeting to the Secretary of the Committee no later than 1 (one) day before the meeting.

9.9. In exceptional cases, when the Committee meetings are held on the instructions of the Chairman (Deputy Chairman) of the Committee on an emergency basis, materials according to the agenda of the Committee meeting may be submitted by the structural divisions of the Company to the Secretary of the Committee two days before the meeting or on the day of the meeting. In this case, the Secretary of the Committee brings the materials according to the agenda of the meeting to the members of the Committee directly at the meeting of the Committee.

9.10. A Committee meeting is considered valid (has a quorum) if at least half of the Committee members participate in it. In the absence of a quorum, the Chairman of the Committee decides to postpone the meeting. The Committee's decision is made by a majority of votes of the Committee members present at the meeting. Each Committee member has one vote. In the event of a tie, the vote of the Chairman of the Committee is decisive.

9.11. The transfer of voting rights by a member of the Committee to another member of the Committee or an employee of the Company is prohibited.

9.12. In the event of regular absences of Committee members for unjustified reasons from meetings, the Chairman of the Committee has the right to initiate the issue of applying disciplinary action to such members in accordance with the established procedure.

9.13. The Committee meeting is opened by the Chairman of the Committee in accordance with the approved agenda.

9.14. The members of the Committee express their opinion on the issue under consideration on the agenda of the Committee meeting, indicating the voting options “for”, “against”, “abstained”. No later than 3 (three) working days after the meeting of the Committee, the Secretary of the Committee draws up the minutes of the meeting. The minutes of the meeting of the Committee are signed by the Chairman of the Committee and the members of the Committee present, the Secretary of the Committee.

9.15. The Committee's decisions on issues submitted to the Committee for consideration are taken by voting and are recorded in minutes.

9.16. In the event that a member of the Committee has a dissenting opinion in connection with disagreement on issues submitted to the Committee meetings, such opinion must be motivated and attached to the minutes of the Committee meeting.

9.17. The originals of the Committee's decisions (minutes of meetings), as well as packages of documents on issues considered at the Committee's meeting, are kept by the Secretary of the Committee and are filed in the Committee's decision folder.

9.18. The Secretary of the Committee, within one working day from the moment the minutes are signed by all members of the Committee, is obliged to provide decisions or extracts from the minutes to the management of the Company, heads of structural divisions and members of the Committee who are responsible for the implementation of the decisions (instructions) of the Committee.

9.19. The Secretary of the Committee monitors and controls the implementation of decisions (instructions) of the Committee, specified in the extract from the Minutes of the Committee meetings.

9.20. During the absence of the Secretary of the Committee (vacation, business trip, etc.), his temporary replacement by one of the employees of the risk management department is permitted.

Chapter 10. Committee Reporting

10.1. The Committee reports to the Executive Body of the Company on the activities of the Committee once a year. Information on the activities of the Committee is reflected in the quarterly risk management report.

10.2. Information on the implementation of the Committee's work plan is provided to the Chairman of the Committee based on the results of the reporting year.