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ESG-report on the sustainable development of Uztransgaz JSC for 2021



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Key performance indicators



Key performance indicators for 2021

GRI 2-6

13 243 km

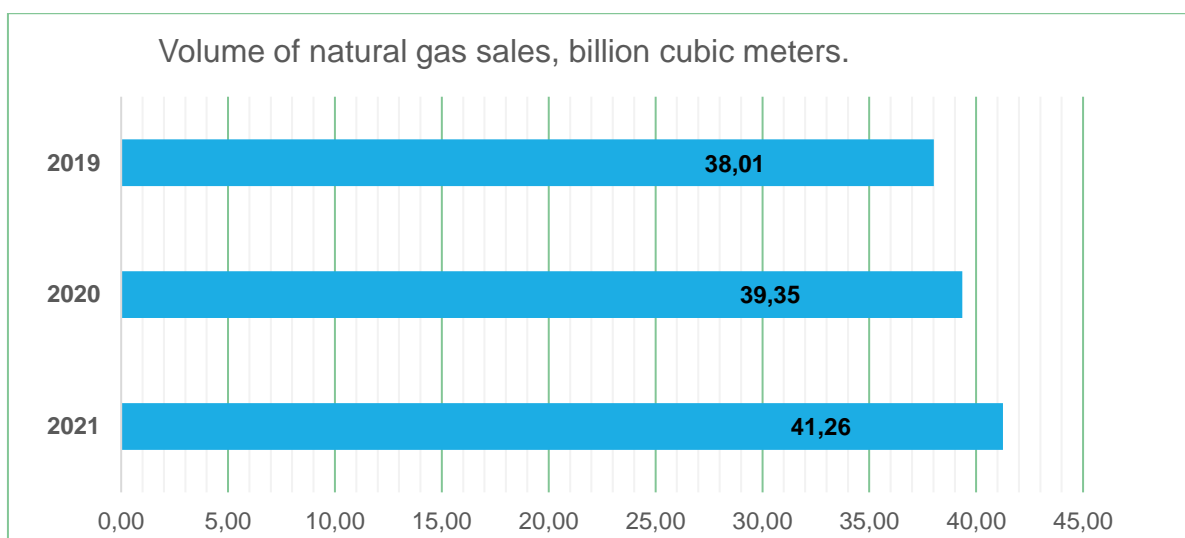
main gas pipelines

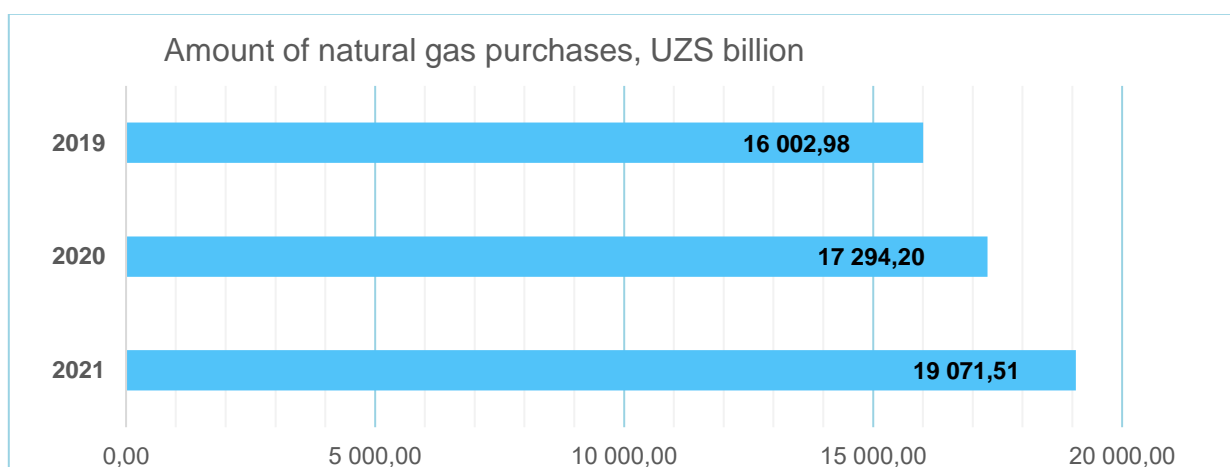
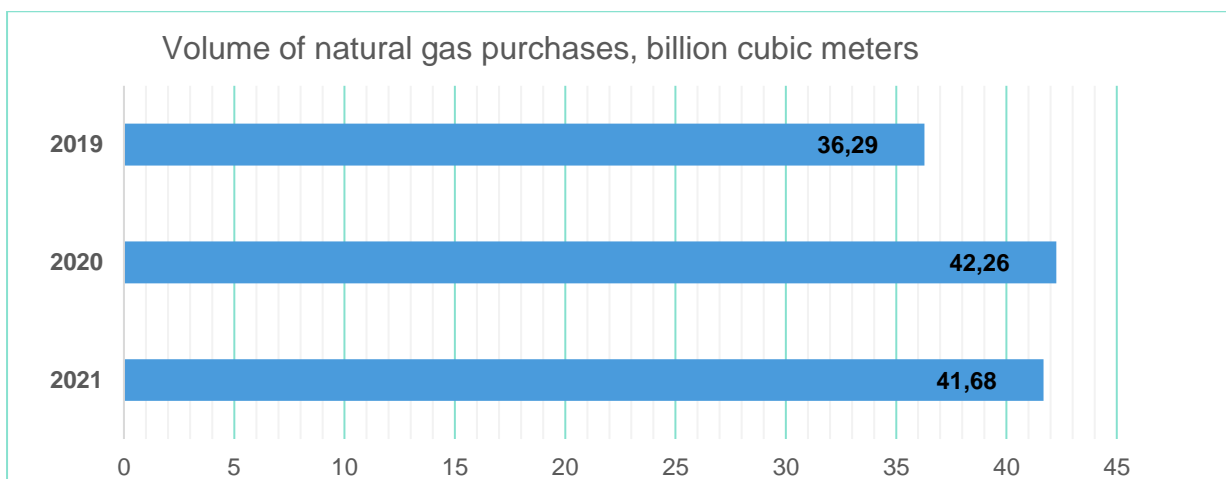
419 gas distribution stations

22 compressor stations

2 underground storages

Sales and exports of gas

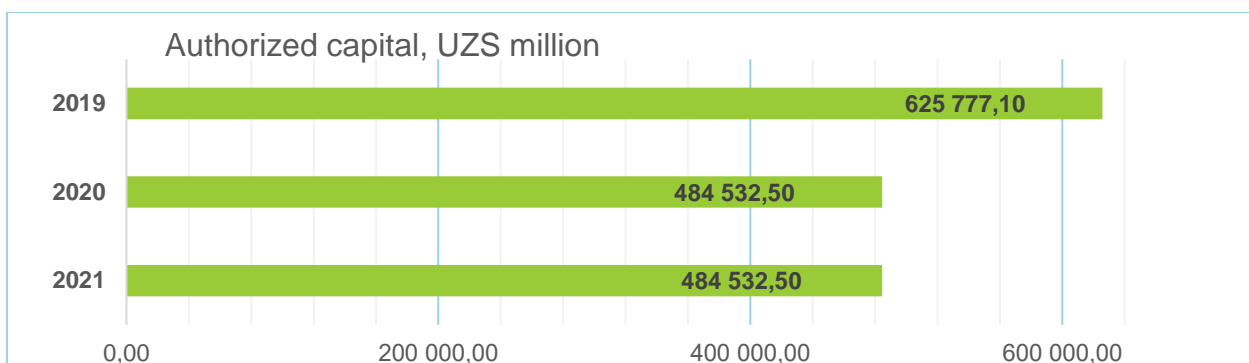


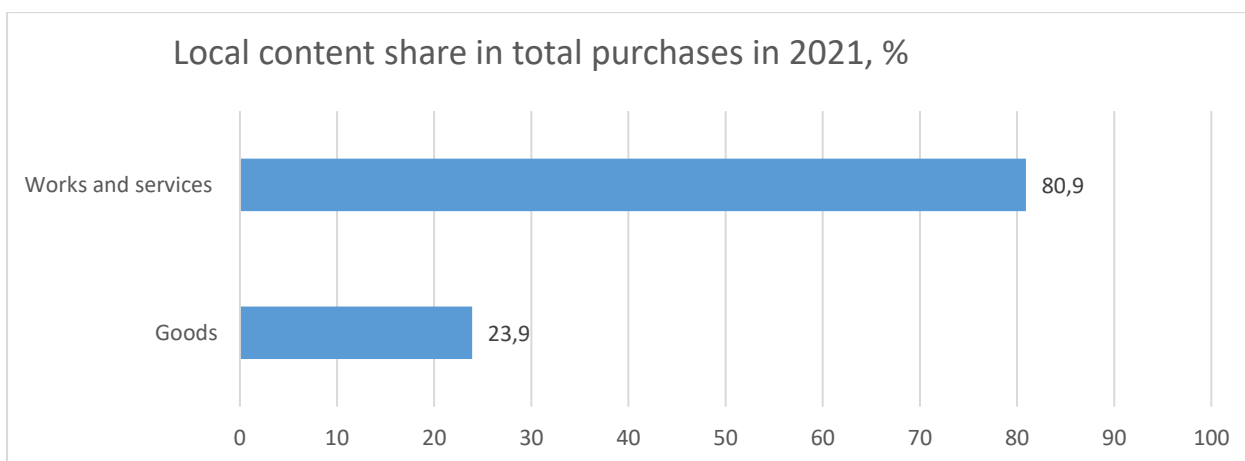
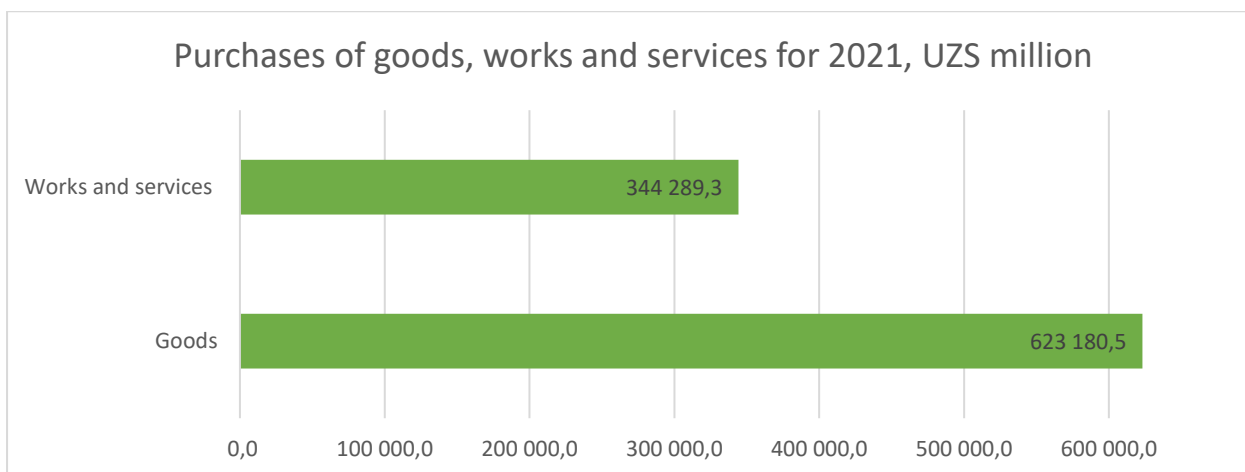


Economic performance

Financial indicators are derived from the approved financial statements, which were prepared in accordance with the National Accounting Standard (hereinafter - NAS)

Income, UZS million	2021
“Uztransgaz” JSC	-2 515 750

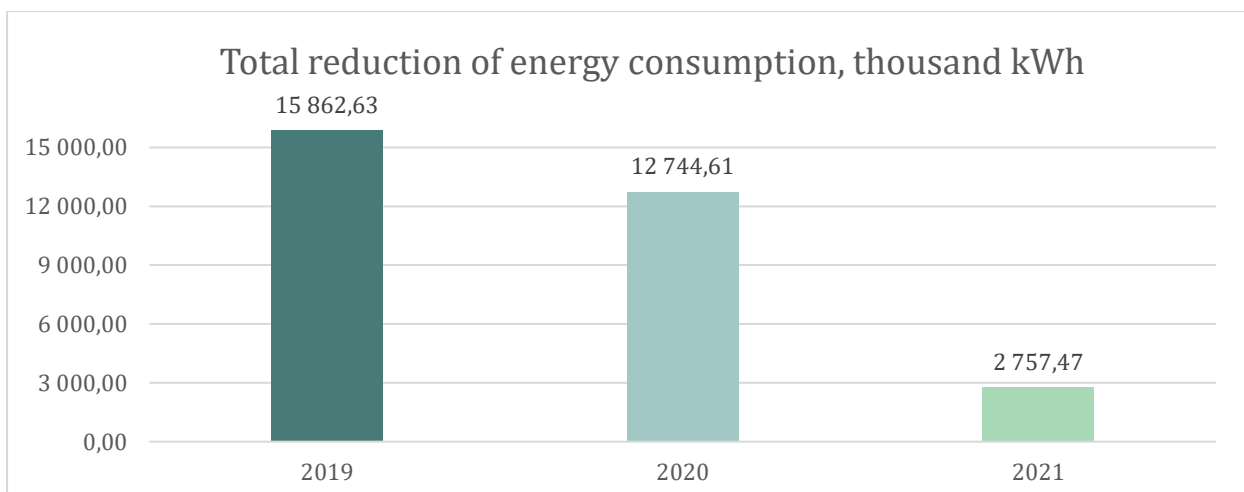
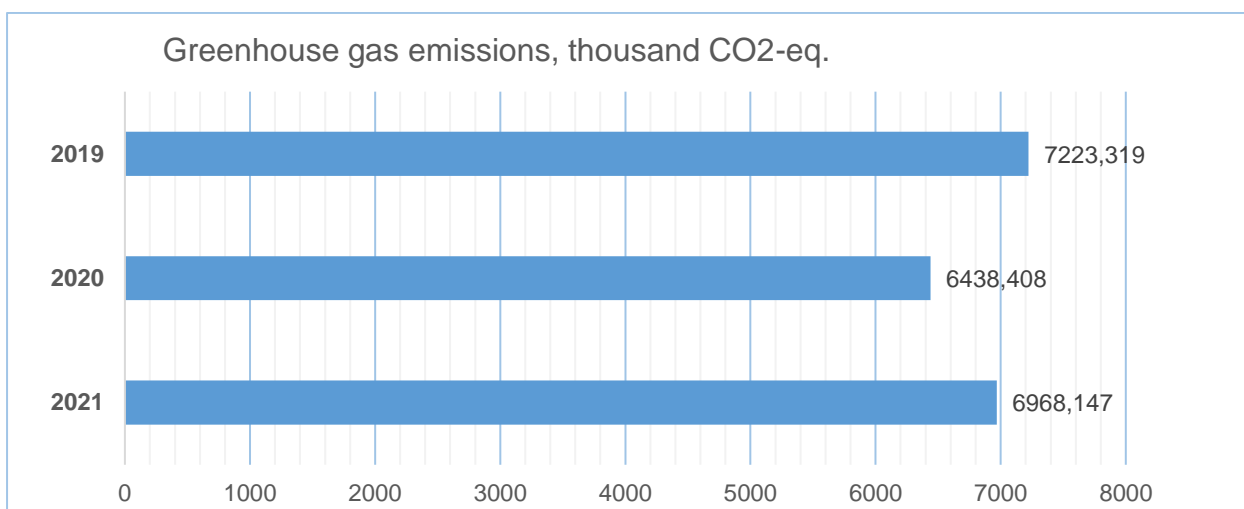
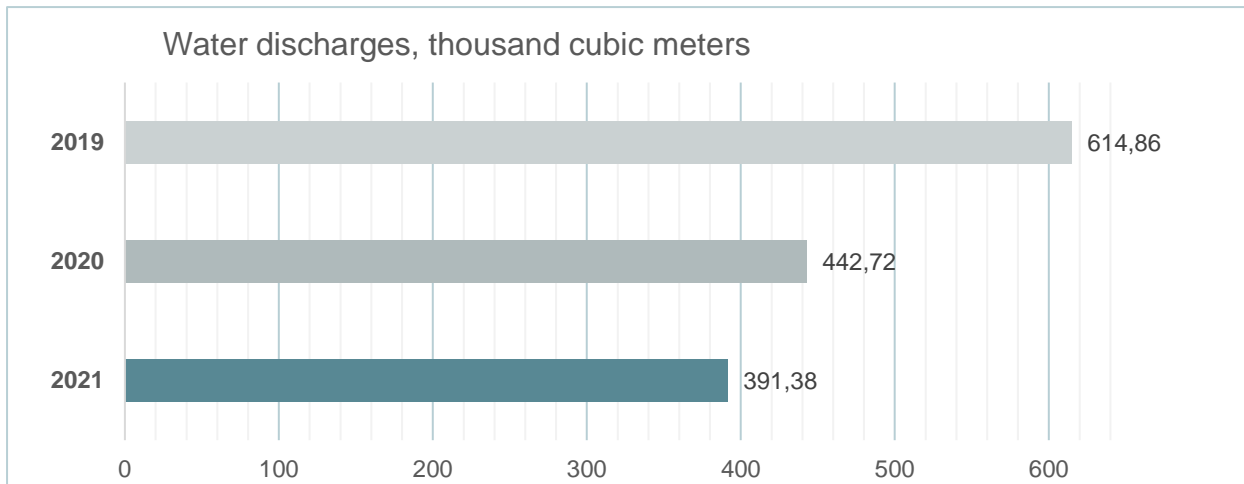




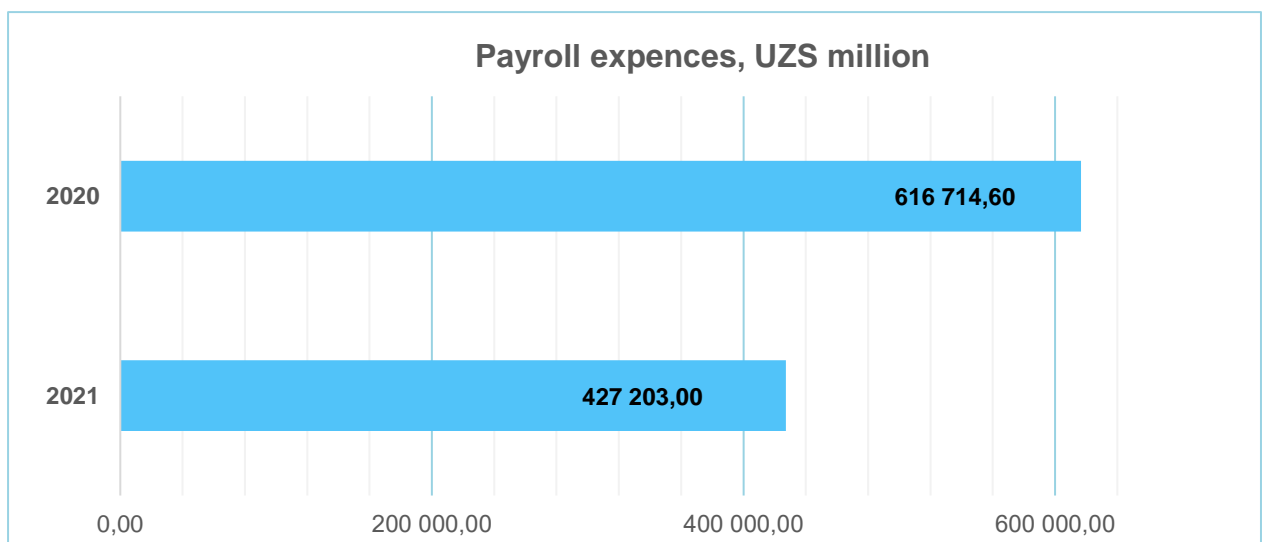
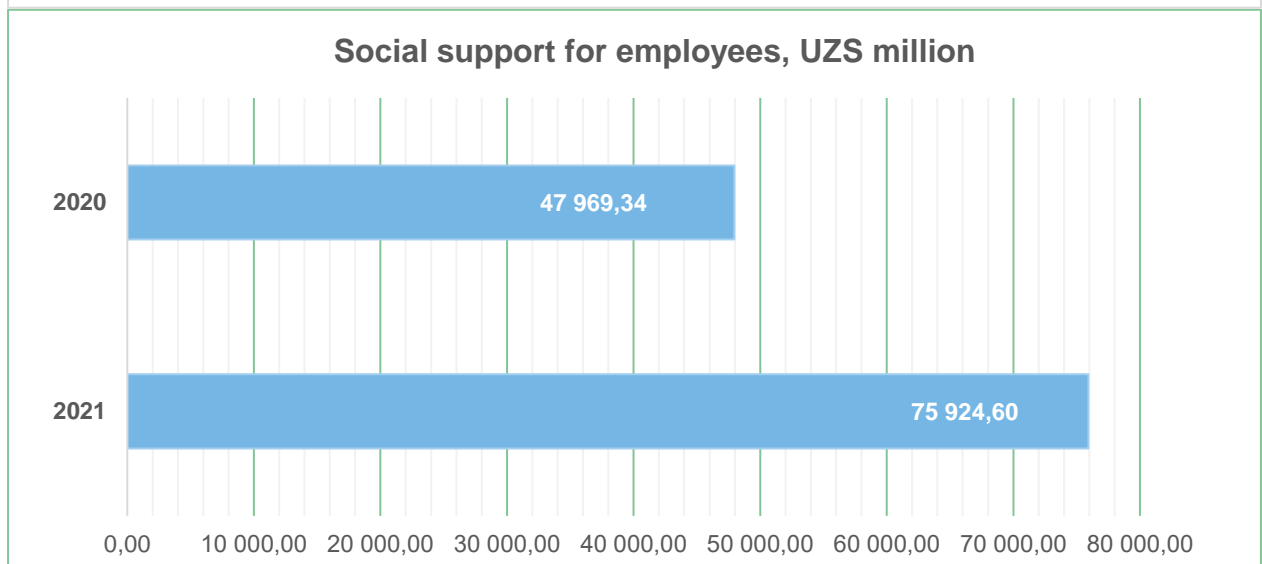
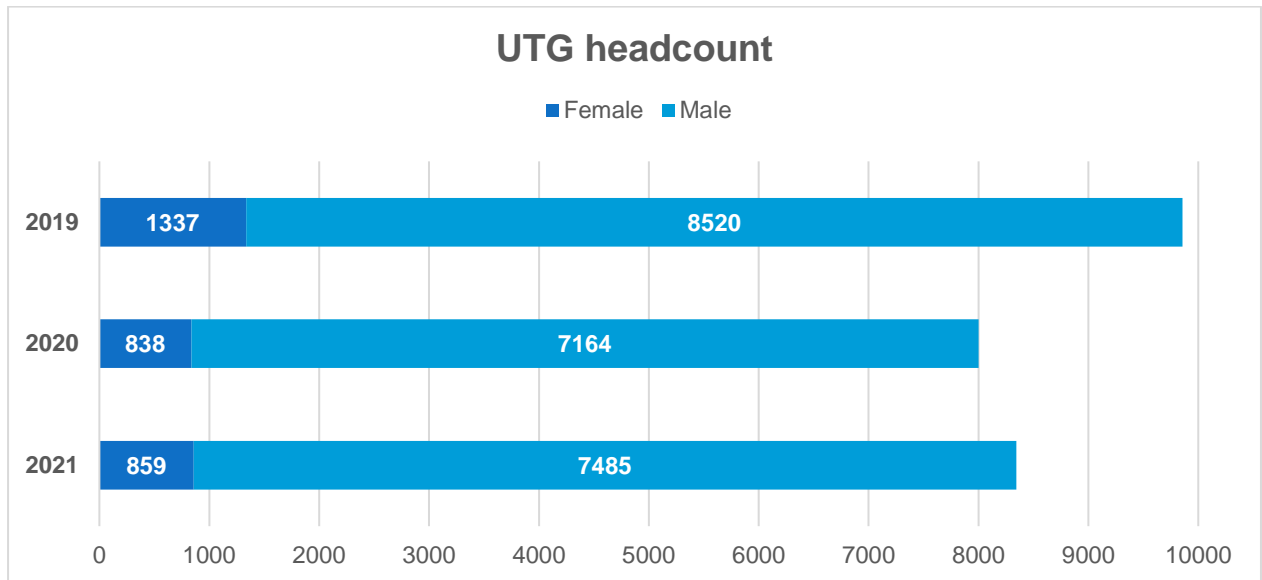
99,49% of shares are held by the Ministry of Finance of the Republic of Uzbekistan

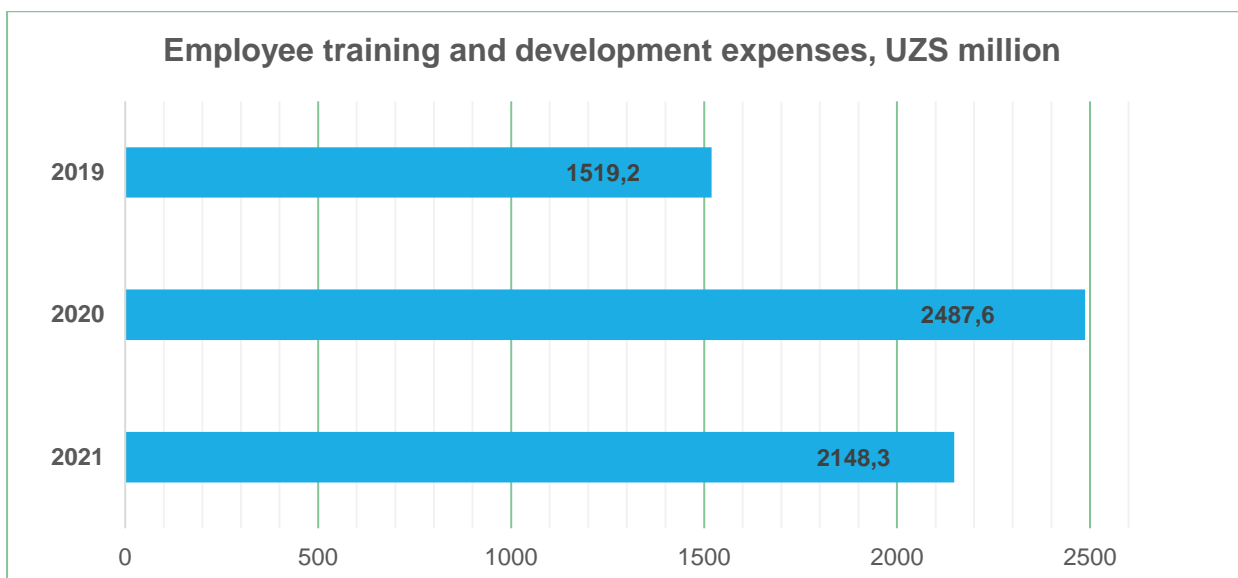
Individuals and legal entities hold **0,51%** of shares

Environment performance



Social responsibility and health and safety performance





1 Occupational injury recorded in 2021

Message from the Executive board GRI 2-22

Dear Readers!

The team of “Uztransgaz” JSC presents to you the second Sustainable Development Report for 2021. Every year we more and more convinced of the right direction to follow modern trends in ESG reporting and pay great attention to such important topics as environmental protection, reduction of greenhouse gas emissions, energy efficiency, workplace safety and personnel development, and we accept this practice as one of the strategic directions of the Company's activities.

Being the main supplier of natural gas both to consumers and strategic objects of the Republic, “Uztransgaz” JSC strives to improve the functioning of the gas transportation system. More than 100 kilometers of trunk gas pipelines were reconstructed and ready for operation within the Program of “Modernization and increasing efficiency of trunk gas transportation system of the Republic of Uzbekistan during 2021-2022” in reporting period.

Along with ensuring the effective functioning of the gas transportation system, the Company seeks to make rational and conscious use of natural resources, reduce greenhouse gas emissions and decrease energy consumption. For example, organizational and technical measures on electric and heat energy saving at production facilities of “Uztransgaz” JSC were carried out in 2021, as a result of which it was possible to reduce electricity consumption by more than 2000 thousand kilowatts per hour.

In addition to its extensive work to reduce the environmental impact, the Company joined the Green Space national environmental project. The Company's employees planted ornamental and fruit trees in all regions where it operates.

We owe all of our achievements to the Company's employees. It is for the development of its employees that the Company conducts various training seminars and programs, organizes internships and provides financial assistance for higher education. In 2021 more than 1,900 employees of the Company underwent various training, requalification and knowledge and skills upgrading programs. In addition, much attention is paid to keeping salaries up to date, as well as an extensive list of social benefits and guarantees provided to employees.

Ensuring safe working conditions is one of the important aspects of the Company's activities. We strive to minimize the number of workplace injuries and conduct annual medical examinations of employees. Permanent measures include workplace inspections in both production and office areas. To prevent the spread of coronavirus infection, employees were vaccinated in all structural subdivisions of the company and subsidiaries.

A significant contribution to the development of human resources potential not only from technical and technological sides, but also from the position of understanding the labor collective - as a single organism, is made by the Trade Union Committee and the Youth Union of the Company. Many activities of sporting, recreational, spiritual and enriching nature are organized to bring employees together, create a friendly environment, improve interaction and communication between them. For example, with the direct support and joint work of the Company's Management and the Joint Trade Union Committee, trainings were organized to improve the effectiveness of the ongoing work in systematic support of promising professionals for their self-realization and personal growth.

In March 2021 “Uztransgaz” JSC held the First Women's Forum "Glorifying a Woman - Glorifying the Motherland". The event was held in Samarkand and was attended by female representatives from all structural subdivisions of the company and its subsidiaries. The forum discussed the contribution of women devoting their lives and potential to the development of the gas transmission industry, one of the most complicated industries, the support given to women by the management of “Uztransgaz” JSC in material, moral and social issues. The forum served as a platform for the exchange of ideas and proposals and called for opening doors of new opportunities for women working in the system.

We would like to express our gratitude to all stakeholders of the Company for productive cooperation, for suggestions and recommendations that helped make our Report more informative and transparent. We express our enormous gratitude to the employees of “Uztransgaz” JSC for their professional and disciplined performance of their labor duties for the benefit of the Company's prosperity.

The goal of “Uztransgaz” JSC remains unchanged and paramount - quality performance of its obligations to the population of the Republic of Uzbekistan.

Members of the Board of «Uztransgaz» JSC

About the report

GRI 2-3

“Uztransgaz” Joint Stock Company (hereinafter referred to as the Company) publishes the second integrated yearly report disclosing the operating and financial performance of the Company. The previous Report published in October 2021 (for the reporting period from January 1 to December 31, 2020).

The Report aims to ensure transparency and clarity of its activities, striving for a balanced presentation of information to stakeholders through highlighting the Company's approach to sustainable development and social, economic and environmental responsibility.

The Company adopted an annual reporting cycle presenting the performance from January 1, 2021 to December 31, 2021, as well as a description of plans for 2022. Reporting period of financial statements of the Company is also adapted from January 1 to December 31.

The report contains consolidated information on the Central Office of “Uztransgaz” JSC and its structural units for the 2021 calendar year.

The financial position and production performance of the Company are presented using consolidated data of the Company with administrative support of the relevant units of the Company.

The Report has been compiled in accordance with the Core option of compliance with the requirements of the Global Reporting Initiative Sustainability Reporting Standards (hereinafter abbreviated as “GRI”).

In order to enable benchmarking and comparability of data by specific indicators, the information is presented in the form of multi-year trends.

The report on sustainable development of “Uztransgaz” JSC is approved by the resolution of the Chair of Executive body and its communicated to stakeholders by distributing a printed version and publication in Russian and English on the corporate website: <https://www.utg.uz/en/>.









Sustainability management

“Uztransgaz” JSC is aware of the importance of its impact on the economy, the environment and society, striving for the growth of long-term value, and ensures its sustainable development in line with the interests of all stakeholders. The Company aims to ensure alignment of its economic, environmental and social goals for sustainable development over the long term.

“Uztransgaz” JSC shares the United Nations (hereinafter - UN) initiative on sustainable development and strives to contribute to the achievement of specific sustainable development goals (hereinafter - SDGs) by doing business responsibly, minimizing the environmental impact, applying the best practices of corporate governance and human resource management. While recognizing the importance of 17 UN SDGs aimed at solving significant economic, social and environmental issues, the Company has identified 6 priority goals in the field of

environmental protection and labor protection for its business pursuant to the resolution of the Cabinet of Ministers (hereinafter - the "RCM") of the Republic of Uzbekistan №841 dated October 20, 2018 "On measures for the implementation of National Goals and Tasks in the field of Sustainable Development for the period until 2030".

The Company integrates the following SDGs into its operations:

	SDG UN name
	3. Ensure healthy lives and promote well-being for all at all ages.
	6. Ensure availability and sustainable management of water and sanitation for all.
	7. Ensure access to affordable, reliable, sustainable and modern energy for all.
	8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
	12. Ensure sustainable consumption and production patterns.
	13. Take urgent action to combat climate change and its impacts.

About the company

Company profile

GRI 2-1, 2-6

"Uztransgaz" JSC is a guaranteed provider of natural gas for the Republic of Uzbekistan, ensuring uninterrupted supply of natural gas to consumers in the country, also engaged in transportation, transit and export of gas. Owing to such significant areas of the Company's activities as gas supply a considerable part of the country's strategic enterprises is supplied with ecologically more acceptable fuel resource - natural gas as well as tens of millions of houses and apartments in the country are supplied with heat, light and comfort.

Pursuant to the Decree of the President of the Republic of Uzbekistan No. DP-2154 dated December 11, 1998 "On the restructuring of the "Uzbekneftegaz" National Oil and Gas Industry into the "Uzbekneftegaz" National Holding Company and the resolution of the Cabinet of Ministers of the Republic of Uzbekistan № 523 dated December 15, 1998 "On the establishment of the "Uzbekneftegaz" National Holding Company and its activities", "Uztransgaz" Joint Stock Company was founded on the basis of the "Uztransgaz" state association. The Company has been separated from "Uzbekneftegaz" JSC in accordance with Decree of the President No. DP-4388 dated July 9, 2019, and the share of "Uzbekneftegaz" JSC in the authorized capital of "Uztransgaz" JSC was transferred to the Agency for Management of State Assets of the Republic of Uzbekistan. Furthermore, this year Hududgazta'minot JSC was established on the basis of territorial gas supply branches of "Uztransgaz" JSC with the Agency for State Assets set as its state shareholder. According to the Decree of the President of the Republic of Uzbekistan No. 6096 dated October 27, 2020 "On measures to accelerate the reform of enterprises with state participation and privatization of state assets" the Ministry of Finance became the main shareholder of "Uztransgaz" JSC (by order of Depo N60/20 for transfer of securities on December 14, 2020).

The Company is a natural monopolist for pipeline transportation of natural gas, wherefore the activities of the Company are governed by the Law of the Republic of Uzbekistan "On Natural Monopolies".

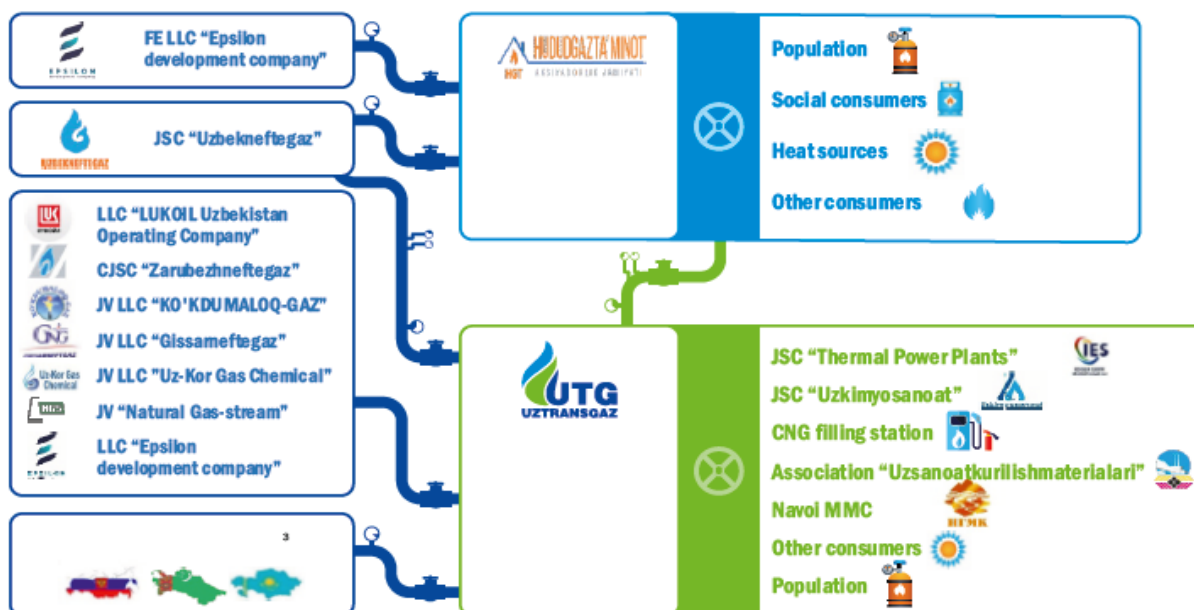
The authorized capital of the Company is 484,532,500 ordinary registered shares with a par value of 1,000 UZS. The Ministry of Finance of the Republic of Uzbekistan holds 99.49% of shares of "Uztransgaz" JSC, which is the central executive body within the Cabinet of Ministers responsible for leadership and cross-sector coordination in the national financial area. Members of the workforce of enterprises and organizations of the industry, as well as other individuals and legal entities own 0.51% of the Company's shares.

The key areas of activities of the Company in accordance with the Decree of the President No. DP-4388 are as follows:

- purchase of natural gas from gas production and processing enterprises, including joint ventures and foreign entities operating under production sharing agreements;
- transportation, including export and import of natural gas, as a single operator;
- sales of natural gas under direct contracts to consumers connected to main gas pipelines;
- sales of natural gas under commission agreements with Hududgazta'minot JSC for consumers connected to gas distribution grids

Hududgazta'minot JSC, in its turn, has been purchasing, supplying, storing and selling liquefied gas to households and social facilities, as well as the operation of gas distribution grids and associated equipment in compliance with the regulatory requirements for safe operation.

Natural gas trading scheme



The Company purchases natural gas from suppliers at market prices and sells it at approved tariffs. The Agency for Price Regulation under the Ministry of Finance sets tariff rates, and the Cabinet of Ministers of the Republic of Uzbekistan approves them.

The total amount of natural gas sold in 2021 equaled 41,26 bln. cubic meters, which is higher by 1,91 billion cubic meters compared to 2020. The total volume of gas transported in 2021 equaled 56,05 bln. cubic meters.

Product name	2019	2020	2021
Total gas transported, billion cubic meters	56,80	51,74	56,05
Own gas transported, bln. cu. m.	52,19	47,09	47,06
Gas transit, bln. cubic meters	4,05	3,76	9,0
Underground gas storage, bln. cubic meters	1,77	2,23	2,47

Development history

Year	Event details
1962	The development of the gas field began, including the transshipment of the gas pipelines of Bukhara-Uraland Central Asia-Center
1973	Uzbekgazzanoat Production Association was established, Uztransgaz Joint Stock Company began to develop as a separate gas transportation company
1978	Experimental use of the underground storage facility began, and the following year, the gas storage facility at the Gasli gas field began.
1992	In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 585 dated December 23, 1992, Uztransgaz Joint Stock Company was established on the basis of specialized divisions of Uzbekgazzanoat Production Association as part of Uzbekneftegaz national oil company.
1999	According to the Resolution of the Cabinet of Ministers No.169 dated April 30, 1996, experimental use of Heubad gasoline stations was launched through a well-developed capacity of Heubad oil and gas fields. Pursuant to the Decree of the President of the Republic of Uzbekistan No. UP-2154 dated December 11, 1998 "On the Restructuring of the Uzbekneftegaz National Oil and Gas Industry into the Uzbekneftegaz National Holding Company and the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated December 15, 1998, Uztransgaz JSC was incorporated as an Public Joint Stock Company".

2006	In accordance with the Decree of the President of the Republic of Uzbekistan No. 438 dated August 8, 2006 "On Measures to Improve the Organization of Activities of Uztransgaz Joint Stock Company, Shape a Unified Policy in the Field of Development and Utilization of Natural Gas Distribution Grids", an effective system of transport and sales management was created. Uztransgaz Joint Stock Company was reorganized by transferring gas supply companies from Uzkommunhizmat Uzbek Agency and a joint venture of Uztransgaz Joint Stock Company to Uztransgaz Joint Stock Company to provide consumers with all types of gas on the basis of gas supply facilities. Six interregional enterprises were established.
2009	The construction of Ahangaran-Pungan, a 165-kilometer and unique main gas pipeline with the Ahangaran compressor station through the Kamchik pass was completed and put into operation to supply natural gas to consumers in the Ferghana valley. The gas pipeline passes through the slopes of the Cura mountains.
2019	Uztransgaz JSC has been separated from Uzbekneftegaz JSC in accordance with the Decree of the President No. 4388 dated July 9, 2019 and the share of Uzbekneftegaz JSC in the authorized capital of Uztransgaz JSC was transferred to the Agency for Management of State Assets of the Republic of Uzbekistan. Also, this year, Hududgazta'minot JSC was established on the basis of the regional gas supply branches of Uztransgaz JSC by appointing the Agency for Management of State Assets as its state shareholder.
2020	According to the Decree of the President of the Republic of Uzbekistan № 6096 dated October 27, 2020 "On measures to accelerate the reform of enterprises with state participation and privatization of state assets," the Ministry of Finance became the main shareholder of "Uztransgaz" JSC (on December 14, 2020 depo order N60/20 for the transfer of securities)

Geographic footprints

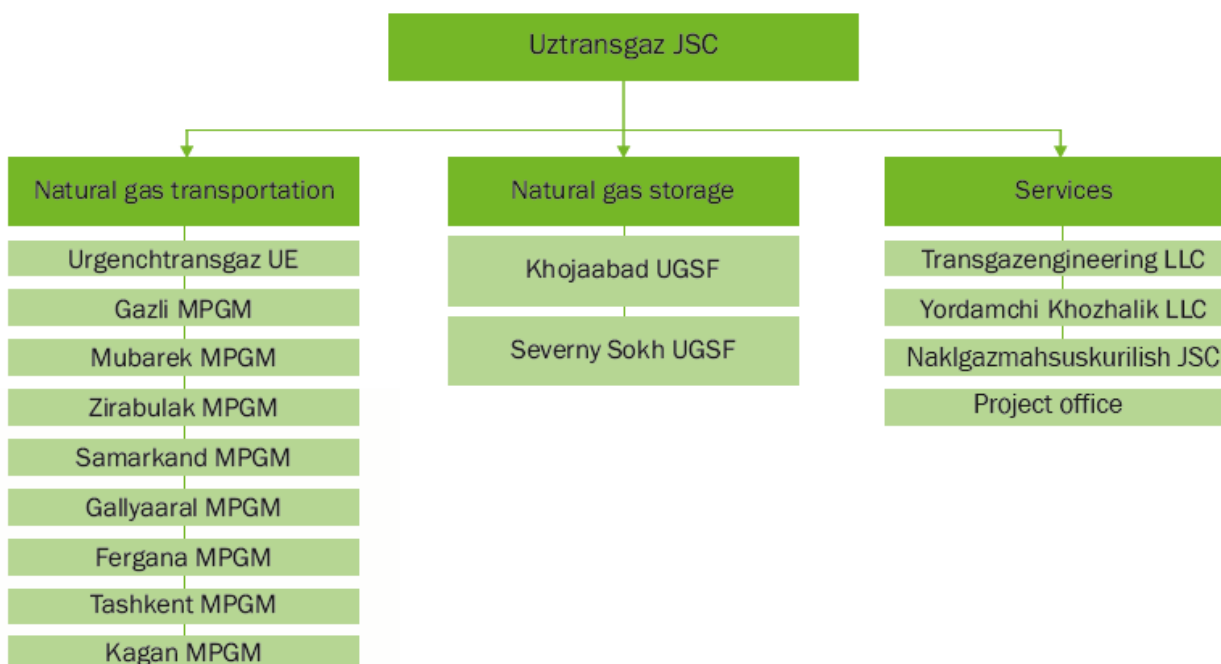
GRI 2-1

Company structure

The Company's structure consists 9 enterprises for the transportation of natural gas, 2 enterprises for the storage of natural gas, 3 enterprises for the service of construction and mixed agriculture, and a project office that carries out corporate and digital transformation tasks. All structural enterprises are located in 7 regions of the Republic and in Tashkent.

The central office of the Company combines the tasks and functions of the executive body and is directly responsible for the production process management.

Business units and associated companies under direct control are as follows:



Supply chain

GRI 2-6

The Republic of Uzbekistan has a relatively wide network of branches and adequate main gas pipeline systems that enable transporting natural gas not only to local consumers, but also exporting to other countries.

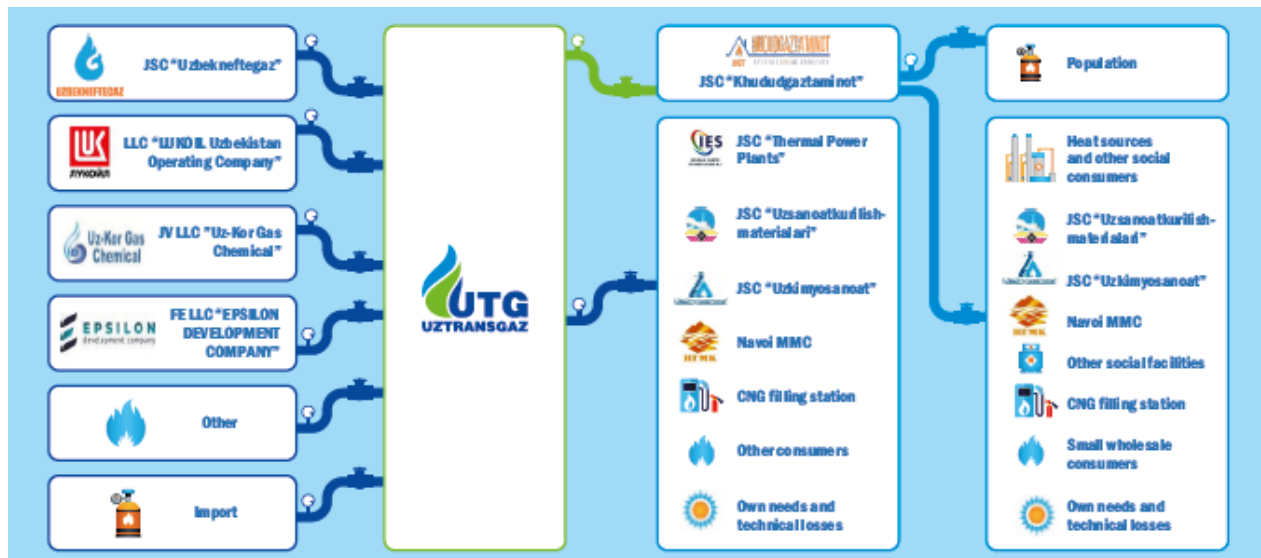
As part of its activities Uztransgaz JSC operates more than 13,2 thousand kilometers of gas pipelines and single-strand gas pipeline branches. This system covers all regions of the country and has access to the gas transmission systems of neighbouring countries - Turkmenistan, Kazakhstan, Kyrgyzstan and Tajikistan.

The major flow of natural gas enters the main gas pipelines from the Kashkadarya region, Bukhara-Khiva and Ustyurt regions. Natural gas is consumed mainly in the north and east, in the areas where large industrial centers are located and the areas with high concentrations of population, which include Tashkent city, Tashkent, Fergana and Andijan regions.

Natural gas is distributed by the main areas as follows:

- natural gas sales to industrial enterprises with a direct access to the main gas pipeline of the Company;
- natural gas exports;
- natural gas injection into underground storage facilities;
- Natural gas consumption for own needs and process losses.

The current pattern of natural gas trade is shown below:



In 2021, the Company purchased 41,68 billion cubic meters of natural gas. In particular, the Company purchased 40,17 bln CBM of natural gas from local and foreign gas suppliers and imported 1,51 bln cubic meters natural gas from Turkmenistan

Natural gas suppliers

Uzbekneftegaz JSC	Gissarnetgaz LLC JV	Natural Gas-Stream LLC JV
Shurtan GCF LLC	Kokdumalakgas JV	Zarubezhneftegaz JSC

LUKOIL Overseas Supply and
Trading LTD

Uz-Kor Gas Chemical LLC JV

JV "New Silk Road Oil and Gas"
LLC

The company breaks down its consumers into three categories:

- Major strategic consumers, which include 13 enterprises;
- Main consumers, which include 7 enterprises;
- Wholesale consumers, which include 354 buyers.

In 2021, the Company sold natural gas through gas distribution stations to 381 clients in all regions of the Republic of Uzbekistan as shown in the table below:

№	Region name	Number of consumers
1	Tashkent region	53
2	Namangan region	42
3	Jizzakh region	39
4	Surkhondarya region	38
5	Andijan region	37
6	Samarkand region	32
7	Khorezm region	31
8	Kashkadarya region	28
9	Republic of Karakalpakstan	25
10	Fergana region	19
11	Bukhara region	18
12	Navoi region	13
13	Surkhondarya region	6
	Total	381

During the reporting period, there were no significant changes in the organization and its supply chain.

Key corporate events in 2021

Date	Event details
April	On April 13, 2021 issued the Decree № DP-6207 "About measures on further development of the capital market" of the President of the Republic of Uzbekistan, which determines the further plans of "Uztransgaz" JSC on public offering of shares through the stock exchange in 2021-2023.
May	Within the framework of the 8 th meeting of the Uzbek-French IGC, the company "Rothschild & Co" was attracted to settle the debt portfolio and attract bank loans.
July	On July 2, 2021 the Decree № DP-5171 of the President of the Republic of Uzbekistan "On additional measures to ensure transparency and increase the effectiveness of public procurement" was issued, which defines measures to improve the system of public procurement, the elimination of factors that give rise to corruption, as well as ensuring uninterrupted implementation of their current production activities

August	Bekhzot Narmatov was appointed as a new Chairman of the Board of “Uztransgaz” JSC
October	The first Report on the sustainable development of “Uztransgaz” JSC for 2020 was released
December	The general meeting of shareholders approved new organizational structure of “Uztransgaz” JSC

Mission and strategic areas of the Company

The activities of Uztransgaz JSC have a strategic significance for the development of the entire economy of Uzbekistan and affect the interests of a wide range of stakeholders.

The mission of Uztransgaz JSC is to ensure the supply of natural gas to the domestic market, as well as to build up the export and transit capacity of the Republic of Uzbekistan.

The Company’s vision. Uztransgaz JSC is a competitive and fastest growing company that provides a wide range of services for the transportation and export of gas through a modern pipeline system, operates in accordance with the best practices in the field of sustainable development, environmental protection and ensuring process safety

Currently, the Company is guided by the Concept for the Provision of the Republic of Uzbekistan with Oil and Gas Products for 2020-2030, which has been drawn up by the Ministry of Energy of the Republic of Uzbekistan to ensure the further sustainable development of the oil and gas industry in a single fuel and energy complex. This concept defines the goals and objectives of the long-term development of the country's oil and gas industry for the medium and long term, priorities and guidelines, as well as mechanisms to ensure the efficiency of the government energy policy at certain stages of its practical implementation, ensuring the achievement of targets.

The Company has identified four strategic growth priorities:

Strategic priorities

Increasing export capacity and diversifying natural gas export routes

Stable supply of natural gas consumers, both within the Republic of Uzbekistan and abroad, in line with the terms of the agreements signed.

Bringing and implementing investment projects aimed at expanding the gas pipeline system and controlling the existing facilities of main gas pipelines.

Sustainable use of fuel and energy resources in gas transportation and gas distribution systems introducing state-of-the-art technologies to reduce energy consumption and increase the energy efficiency in operations.

The Company has set the following priorities based on its strategic goals:

Targets	2021 target achievement status
Upgrading and reconstruction the existing gas pipeline system, development of transit capacity	<p>B In line with the Program for increasing the Efficiency of the Main Gas Transportation System of the Republic of Uzbekistan in 2021-2022, measures are scheduled to revamp, construct and repair of main gas pipelines of those 545 km. of pipelines are to be revamped:</p> <ul style="list-style-type: none"> - Bukhara - Urals main gas pipeline, II Line DN 1020 mm, section 472-528 km with a length of 56 km; - "Gazli - Kagan" main gas pipeline, I line DN 1020 mm, section 0-27 with a length of 27 km;

	<ul style="list-style-type: none"> - Gas main pipeline "BST" section 0-29 km with a length of 29 km. <p>In the process of reconstruction:</p> <ul style="list-style-type: none"> - "Gazli - Nukus" main gas pipeline, I Line DN 1220 mm, section 21-43 km, 167-188 km with a length of 43 km; - "Gazli - Kagan" main gas pipeline, I line DN 1020 mm, section, 78-112 km with a length of 34 km; <p>Main gas pipelines with a length of 315 km in the process of construction</p> <ul style="list-style-type: none"> - "Gazli - Kagan" main gas pipeline, DN 1220 mm 140 km; - Yangier-Ahangaran" main gas pipeline, DN 1220 mm, construction of a section of 30-125 km with a length of 95 km; - Construction of an 80 km section along the "SATS-II" gas pipeline <p>In the process of overhaul of 41.2 km sections of gas pipelines:</p> <ul style="list-style-type: none"> - Bukhara - Ural main gas pipeline 14 km; - "Gazli - Nukus" main gas pipeline 10.9 km; - "Gazli - Kagan" main gas pipeline 3.2 km; - Mubarek - Kagan" gas pipeline 13.
Access to global capital markets	The roadmap to implement this task was approved. The Company intends to start implementing this target from 2022.
Reducing energy intensity and increasing energy efficiency of production	In collaboration with the "KPMG" consulting company, a roadmap for the implementation of measures to improve the operational efficiency and reliability of "Uztransgaz" JSC is being developed
Publishing financial statements in accordance with International Financial Reporting Standards (IFRS), on economic, social and environmental issues, in line with the Global Reporting Initiative (GRI).	<ol style="list-style-type: none"> 1. Work was carried out to prepare consolidated financial statements for 2018, 2019 in accordance with IFRS standards, as well as an audit to obtain a positive result for 2018, 2019. 2. Issued the first Report on sustainable development of "Uztransgaz" JSC for 2020 in accordance with GRI standards. <p>The Report has not received external independent assurance</p>
A phased and total transformation into a completely new company	<p>In collaboration with the international company Boston Consulting Group developed the Transformation Strategy of "Uztransgaz" JSC, defining 5 major steps for transformation the Company into a completely new one:</p> <ol style="list-style-type: none"> 1. Imports and exports are carried out by the state trading company UzGazTrade 2. The Company shall cease to be engaged in trading 3. Revision of tariff setting for services and profits sufficient to finance modernization 4. "Uztransgaz" JSC will be responsible for the operational balancing of the market 5. The industry is regulated by an independent agency

Membership in Associations and External Initiatives

GRI 2-28

Integrated management system

Underpinning the Company's approach to managing the economic, environmental and social aspects of its operations is the commitment to the best international practices in sustainable development. Company has been maintaining a policy in the field of an integrated management system (hereinafter referred to the "IMS"). The IMS certificate was issued for the period from May 25, 2020 to May 24, 2023.

The Integrated Management System Policy defines the main priorities and value-based orientations that the Company will adhere to in relation to all its consumers, employees, and other stakeholders, and determines the main strategic priorities for the IMS, including quality management, environmental management, occupational health and safety management, and energy management. The main directions of the Policy in the field of IMS are as follows:

- satisfying the consumer requirements and expectations of ensuring domestic and export supplies, transit of export gas to the maximum extent;
- creating safe working conditions, prevention of injuries and diseases of personnel related to the production activities of the Company;
- preventing adverse environmental impacts of the Company's activities;
- increasing energy efficiency by introducing and using energy-saving technologies.

In particular, the Company is guided by the principles and provisions enshrined in the international standards as follows:

- ISO 9001 :2015 Quality Management System. Requirements;
- ISO 14001:2015 Environmental management system. Requirements and guidelines for their implementation;
- ISO 45001:2018 Health and safety system. Requirements;
- ISO 50001:2018 Energy management system. Requirements and guidelines for their implementation.

As of the reporting period, 10 structural divisions and organizations of the Company were certified for all the IMS areas. "Urgenchtransgaz" UE is certified only to "ISO 9001:2015 - quality management system", however, the company has been conducting preparations for obtaining other three certificates. The Kamchik Pipeline System Construction Directorate does not require certificates, and Transgazengineering LLC plans to pass all certifications in 2022.

Compliance with the standards in the field of quality management, environment, health and safety and energy of most of the Company's enterprises indicates that the management system, internal and external processes meets the highest standards in this area, recognized worldwide.

The management of the Company and its units, all employees of the Company, the Technical Policy Department of the Executive Office of the Company, internal auditors of the IMS are responsible for the application of the requirements of the IMS policy.

Chamber of Commerce and Industry of the Republic of Uzbekistan

The Company has been actively involved in various professional and industry initiatives that facilitate the sharing of professional experience and addressing the challenges relevant to the industry level. Since October 27, 2020, the Company has been a member of the Chamber of Commerce and Industry of the Republic of Uzbekistan in the Tashkent region. The agreement provides for the interaction between the parties in such significant areas in business and legal activities as the protection of rights and legitimate interests, the promotion of entrepreneurial activity, education and training, bringing foreign investment, etc.



The main objective of the Chamber of Commerce is to establish a class of owners, to create of best possible legal, economic and social conditions for the implementation of entrepreneurial initiatives, to develop a win-win partnership between the business community and public control and administration authorities, as well as to strengthen guarantees for the protection of the rights and legitimate interests of business entities. The Chamber of Commerce and Industry endeavors to provide comprehensive assistance in improving the business environment and investment climate. Many large organizations of the neighboring countries and beyond are members of the Chamber of Commerce and Industry.

Report preparation process

Stakeholder engagement

GRI 3-1, 2-25, 2-26

To achieve the Company's strategic goals, effective collaboration with stakeholders is important. "Uztransgaz" JSC builds its relations with all stakeholders based on trust, openness and mutually beneficial cooperation, enabling to understand their interests and meet expectations. The Company has been constantly taking measures to establish a dialogue and long-term cooperation and stakeholder relationship management.

Also, the relationship of "Uztransgaz" JSC with its business units performing activities in the area of responsibility of the Company is built on their mutual interest in ensuring human safety, including the Company's employees and contractors, other people (civilians, visitors, etc.) in the place of operations.

The stakeholder engagement process of Uztransgaz JSC, which is based on best practices, enables the Company to timely assess and identify the interests and proposals of various stakeholder groups holding dialogues and other events to improve collaboration.

The Company updates and holds an open dialogue with all stakeholders on the IMS issues related to all areas of this policy on a regular basis. Also, a special mechanism for receiving and considering requests from employees through a hotline and a corporate portal is available at the Company. Thus, the Company creates conditions for an open demonstration of its commitments and intentions in the area of quality management, labour safety, environment and energy efficiency.

Stakeholder identification

Given the complex structure and scale of activities of "Uztransgaz" JSC, the Company interacts with a wide range of stakeholders including government, local authorities, and international organizations.

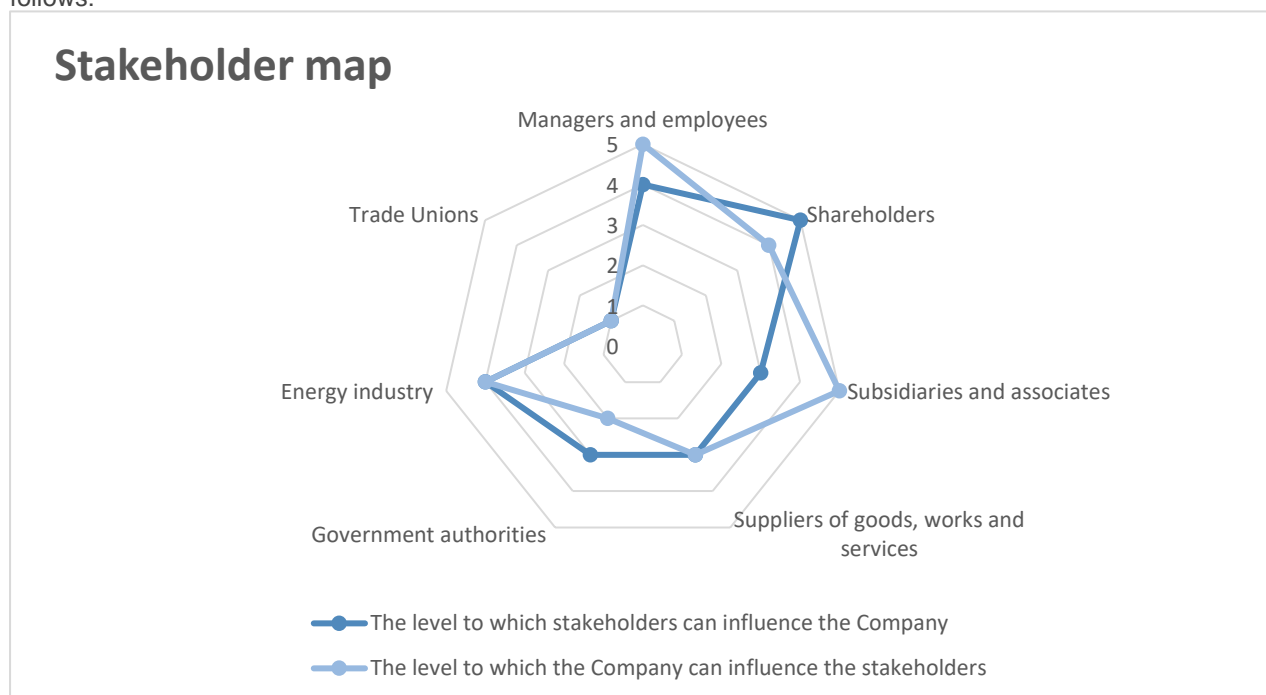
Taking into account the experience of preparing the 2020 Report, the Company, together with all structural units and organizations, has identified an adjusted list of stakeholder groups whose opinions influenced the identification of material topics, their list is given below:

No	Stakeholder
1	Managers and employees
2	Shareholders
3	Subsidiaries and associates
4	Suppliers of goods, works and services
5	Government authorities
6	Energy industry
7	Trade Unions

The Company has selected the stakeholders for interaction based on the 3 principles as follows:

- 1) Engagement - the extent to which the activities of stakeholders are related to the activities of "Uztransgaz" JSC.
- 2) Impact - the extent to which the stakeholder is able to influence the activities of "Uztransgaz" JSC.
- 3) Materiality – a contribution that a stakeholder makes to the activities of "Uztransgaz" JSC by making certain decisions in favor of the Company.

To identify, assess and systematize stakeholder groups, a Map of Stakeholder of Uztransgaz JSC was approved. The Map reflects the results of the assessment of the significance of stakeholders. When creating the Map of Stakeholders, the Company assessed the level to which stakeholders can influence the Company and the level to which the Company can influence the activities of stakeholders on a five-point scale, where 1 is the lowest level and 5 is the highest level, based on specific interaction parameters. The approved stakeholder map is as follows:



Interaction with stakeholders in 2021

GRI 2-29

Management and Personnel

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none"> Corporate mail and portal of "Uztransgaz" JSC Satisfaction research (surveys) System of personnel training and development Cultural and sport events Hotline 	<ul style="list-style-type: none"> Workplace safety Providing opportunities for personal and professional growth Provision of social guarantees Fulfillment of the Company's obligations under the Collective Agreement Ensuring a decent standard of living 	On a regular basis

Activities implemented in 2021

- 24 901 benefits and social guarantees were provided to employee.
- A mass celebration of Navruz, the day of the spring equinox, was held in "Ugam Oromgohi" sanatorium in Bostanlyk District of Tashkent Region among the Company's employees. The heads of structural divisions were given keys to new "Foton" service minibuses as a direct assistance to the labor brigades in performing their assigned tasks.
- Information exchange between employees and the Company was shared via the corporate portal of "Uztransgaz" JSC .

Shareholders

Stakeholder engagement method	Stakeholder requirements and expectations	Rate of engagement with stakeholders
General Meeting of Shareholders, the Supervisory Board and the Management Board of the Company Quarterly and annual reports on financial performance	Compliance with the principles and requirements of the Company's Charter, the Law "On Joint-Stock Companies and Protection of Shareholder Rights", the Corporate Governance Code of the Republic of Uzbekistan Compliance with the principle of equality opportunity and treatment of all shareholders	When summing up the results of the company's activities (quarterly, annually)
Activities implemented in 2021		
<ul style="list-style-type: none"> An Annual General Meeting of Shareholders was held, where 12 issues were raised and the relevant decisions were adopted. 4 Extraordinary General Meetings were held, where 8 issues were raised, and the relevant decisions were adopted. 		

Suppliers of goods, works and services

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none"> Preparing the relevant documents for uninterrupted supply of natural gas to consumers Meetings, negotiations 	<ul style="list-style-type: none"> Unbiased and effective selection of suppliers and contractors through tendering procedures in key areas of the Company's activities Stability and financial sustainability of the Company Compliance with contractual obligations 	On a regular basis
Activities implemented in 2021		
<ul style="list-style-type: none"> Natural gas in the amount of 41,68 billion cubic meters was purchased from production organizations in line with DP-4388 for transportation as a single operator. 		

Government authorities

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none"> Regular reporting Involvement in the development of legal acts, programs, industry-related documents and in the activities of consulting groups and expert platforms, where key issues of the oil and gas industry are discussed in Uzbekistan Conclusion of business contracts, agreements and cooperation agreements 	<ul style="list-style-type: none"> Upgrading production facilities of the Company Compliance with applicable laws Payment of taxes and mandatory payments Information openness and transparency Minimising the adverse impact of the Company's activities on the environment Economic and social stability in the regions where we operate 	Upon the request of one of two parties and on an ongoing basis
Activities implemented in 2021		
<ul style="list-style-type: none"> Point 2 of the Decree of the President of the Republic of Uzbekistan DP-6096 "On measures for the accelerated reform of enterprises with state participation and privatization of state assets" was elaborated. Point 1 and 3 of the Decree of the President of the Republic of Uzbekistan DP-6010 "About additional measures on improvement of the mechanism of realization of natural gas and electric energy" was 		

elaborated.

Subsidiaries and associates

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none">• Reporting on the Company's activities• Cultural and sport events held by the company• Conducting audits• Negotiations, meetings	<ul style="list-style-type: none">• Regular monitoring of the activities of structural units, by giving particular focus to the specifics of the work process	On a regular basis (reporting period)
Activities implemented in 2021		
<ul style="list-style-type: none">• Making decisions on key issues related to the activities of structural divisions and organizations.• Taking part in General Meetings of shareholders.		

Trade Unions

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none">• Conclusion of agreements• Regular meetings of employees, representatives of "Uztransgaz" JSC management and Trade Unions• Jointly organized sport and recreational cultural and mass activities	<ul style="list-style-type: none">• Compliance with labor legislation of the Republic of Uzbekistan, including ensuring social and labor rights and interests of Trade Union members• Fulfillment of the Company obligations under the Collective Agreement	On a regular basis
Activities implemented in 2021		
<ul style="list-style-type: none">• The Company held an open conference for its employees summarizing the results of its activities.• Business units of "Uztransgas" JSC reported on their performance on site, on financial activities to the joint Trade Union Committee two times for the reporting year.		

The energy industry

Stakeholder engagement methods	Stakeholder requirements and expectations	Rate of engagement with stakeholders
<ul style="list-style-type: none">• Development of Roadmaps• Drafting regulatory documents in the gas transportation sector	Timely supply of natural gas to consumers	Upon the request of one of the two parties, on a regular basis
Activities implemented in 2021		
<ul style="list-style-type: none">• The Company's development plan for a period ahead was approved.		

As part of the preparation of this Sustainability Report, the Company has engaged with all groups of stakeholders by requesting information to obtain their permission to participate in the Survey to identify material topics for disclosure.

Review of appeals

The Company has a service for handling appeals, complaints and suggestions. Appeals come in the form of postal and electronic letters. In addition to the opportunity to appeal in writing, there is also a hotline, a

telephone number for appeals, days of reception of individuals and legal entities by members of the executive body, as well as on-site events to enable individuals and legal entities from remote regions to lodge complaints and proposals directly. Based on the profile of the Company, much attention is paid to a detailed study of appeals in order to resolve arising conflicts, explaining the possibilities of assistance and assistance or otherwise. Most appeals come from individuals who are either employees of the Company or consumers of natural gas. In 2021 “Uztransgaz” received 962 appeals including 771 from individuals and 191 from legal entities. At the end of the reporting period 282 appeals were satisfied positively, 680 appeals were clarified on the fact that it is impossible to provide assistance.

Principles of the Report preparation

During the preparation of this report, the Company had been following the reporting principles of the GRI Standards, the provisions of the Corporate Governance Code and other internal documents of the Company. In particular, the following principles have been applied in the preparation of this report:

- Consideration of stakeholders' opinions. The Company has a systematic approach to interaction with stakeholders, which makes it possible to reflect the information relevant to them in the report.
- Sustainable development context. The Report provides information about the Company's operations and its impact on the country's economy, society and environment.
- Materiality. The Report specifies material topics, issues and indicators of economic, environmental and social impact of the Company's activities. The materiality of the information in the Report is revealed based on the assessment by the Company's management of its performance for the reporting period and the opinions of stakeholders.
- Completeness. The Report provides information on all areas of “Uztransgaz” JSC activities in the field of sustainable development for the reporting period in accordance with GRI Standards: Core Option.

Identification of material topics of the Report

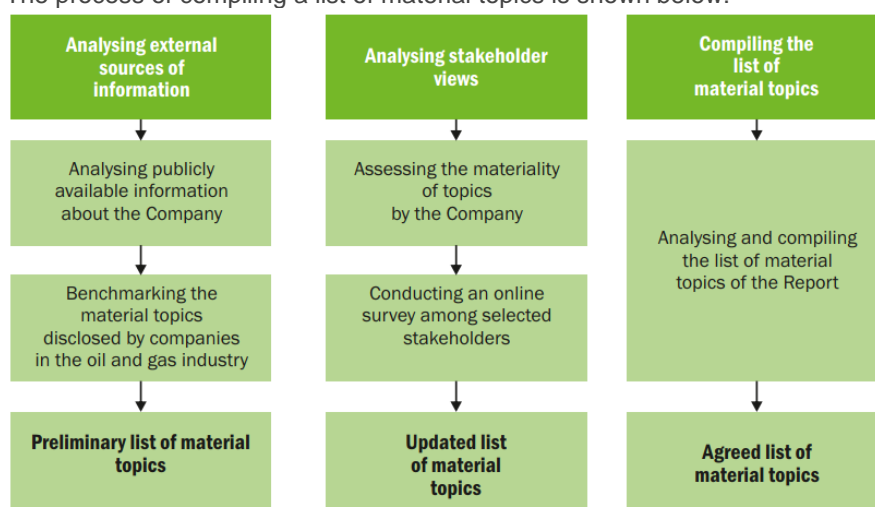
GRI 3-1, 3-2

In order to comply with the GRI Standards, the Company has identified material topics that are most important for the selected stakeholder groups and for the Company.

Approach to identifying material topics

When drafting the list of material topics, publicly available information about the Company had been analysed and material topics disclosed by the Companies in the field of transportation and the oil and gas industry had been benchmarked. The compiled preliminary list was adjusted by obtaining an assessment of the materiality of each topic from the Company's management and survey responses from stakeholders. An online stakeholder survey was conducted among 7 groups selected by the Company based on the Google Forms digital platform.

The process of compiling a list of material topics is shown below:



The final list of material topics has been reflected in the Materiality Matrix as follows:

Topic grouping	Number of topic	Assessment by respondents	Company vision	Index name
Economic topics	1	3.8	3	Economic Performance
	2	3.5	4	Procurement practices
	3	3.9	4	Anti-corruption
Ecology topics	4	4.1	4	Energy
	5	3.3	4	Water and effluents
	6	4.1	4	Emissions
	7	3.7	4	Waste
	8	3.7	4	Environmental Compliance
Social topics	9	3.6	3	Employment
	10	3.4	3	Labor and management relations
	11	3.9	4	Health & Safety
	12	3.7	4	Training and education
	13	3	3	Diversity and equal opportunity
	14	3.2	3	Absence of discrimination
	15	4	4	Socioeconomic Compliance

The Company identified 15 material topics, including topics from each category: economic, environmental, and social, based on an analysis of stakeholder opinions and an assessment of the materiality of the topics.

An agreed list of material topics is given below:

No	GRI Index	Index name
Economic topics		
1	GRI 201	Economic performance (2016)
2	GRI 204	Procurement activities (2016)
3	GRI 205	Anti-Corruption (2016)
Environmental topics		
4	GRI 302	Energy (2016)
5	GRI 303	Water and Effluents (2018)
6	GRI 305	Emissions (2016)
7	GRI 306	Discharges and waste (2020)
8	GRI 307	Environmental compliance (2016)
Social topics		
9	GRI 401	Employment (2016)

10	GRI 402	Labor/ Management relations (2016)
11	GRI 403	Health and safety in the workplace (2018)
12	GRI 404	Training and education (2016)
13	GRI 405	Diversity and Equal Opportunity (2016)
14	GRI 406	Non- discrimination (2016)
15	GRI 419	Socioeconomic compliance (2016)

Report scope and boundaries

GRI 2-2, 2-4

This integrated Annual Report discloses the activities of “Uztransgaz” JSC and all its structural units and organizations.

The operational and financial performance of the Company are reflected in the section "Economic performance". The Consolidated Financial Statements of the Company for the current reporting period include the financial performance of the Head Office and all structural divisions of the Company.

When making disclosures for 2021, the Company implemented the practice of disclosing indicators over three-year dynamics. In addition, for a more complete presentation of information, the Report reflects events that occurred before the reporting period and Development Plans after 2021 for a various areas of the Company.

In this Integrated Annual Report for 2021, the boundaries of the topics individual GRI standard indicators are defined for the completeness of disclosure in the relevant sections. Certain indicators have their own boundaries due to the specific nature of the activities of certain subsidiaries. For example, subsidiaries whose activities are not directly related to the production process may have no data on such an indicator as "Natural gas consumption for process blowdowns". However, those indicators which may be called "common" for all subdivisions of the Company, its subsidiaries and affiliates, imply a uniform approach to the collection and consolidation of data. Such indicators include the number of personnel, the number of newly hired/retired employees and the number of occupational injuries.

In case of changes in the organizational structure of the Company (acquisition, alienation, liquidation or formation of new structural units), the approach provides for introduction or reversal of a structural unit in the consolidated reporting, familiarization with the regulatory documents adopted by the Company, regulating the reporting cycle and the procedure for collecting initial data, obligations in bringing the reporting to the end of the quarter in which the alienation/liquidation took place.

The Report is the second in the Company's practice, so there are no significant changes in the list of material topics and topic boundaries as compared to the previous reporting period.

Feedback

The Appendices section of this Report includes a feedback form for the reader. The feedback form is aimed at developing the reports of subsequent periods by obtaining assessments and suggestions from stakeholders. “Uztransgaz” JSC would appreciate filling out the feedback form in order to develop the Sustainability Report for subsequent periods.

Independent assurance

GRI 2-5

The 2021 Consolidated Annual Report has undergone an independent external assurance procedure for sustainability information. The opinion of the auditing company is presented in Appendix No 1.

The selection process of the independent verifier was initiated by the Executive Body of the Company. Such indicators as the independence of the organization conducting the verification, its competence in sustainable development issues, the availability of experience in assurance of non-financial reporting and international image were taken into account in the selection process. In the Company's practice, the assurance of the Sustainability Report was initiated for the first time, but in the future this trend will be consolidated on a permanent basis.

The corporate governance

Corporate governance structure

GRI 2-9,2-14, 2-16, 2-19

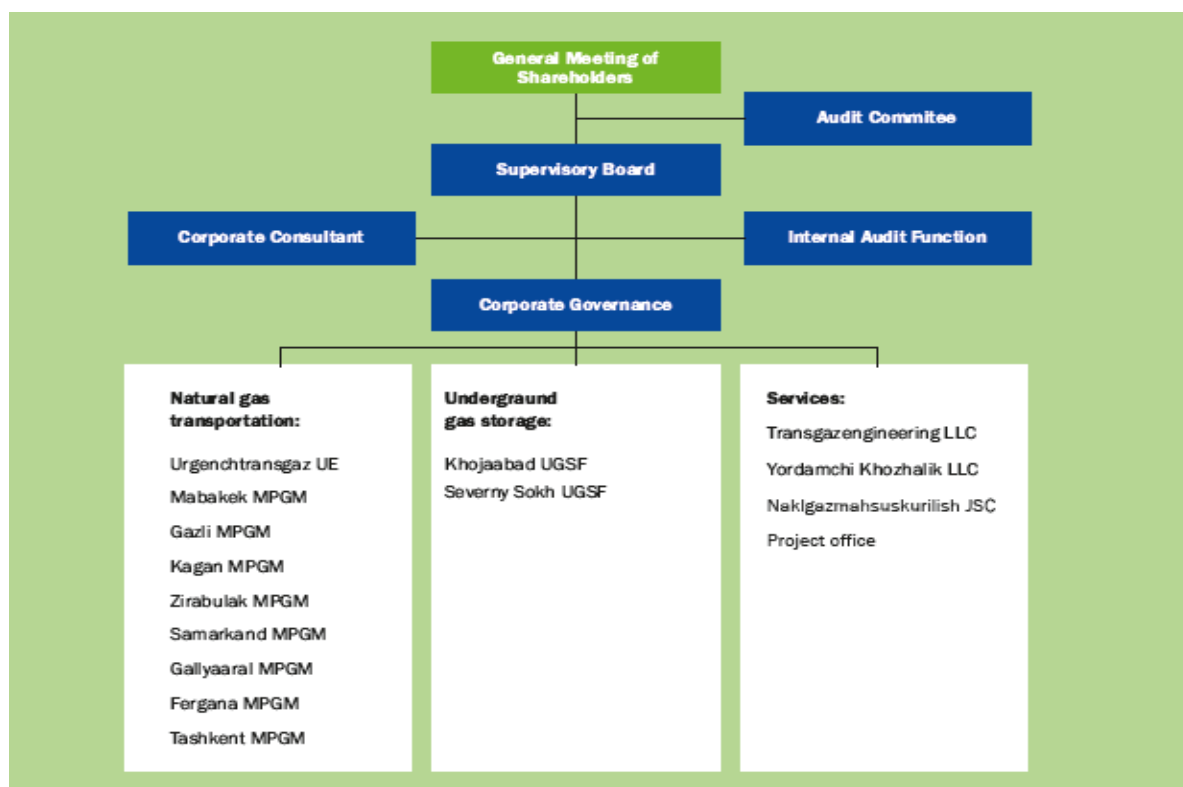
“Uztransgaz” JSC views corporate governance as a key factor in the growth of the Company's value, its competitiveness, and investment attractiveness. In this respect, continuous improvement of the corporate governance system and observance of the interests and rights of shareholders is a top priority for the Company.

The major tasks of the corporate governance system of the Company are to increase the transparency of activities, draw up a long-term Strategic Plan, compile internal regulations, address the issues related to quality assurance, industrial safety, compliance with the principles of environmental friendliness and energy efficiency.

“Uztransgaz” JSC builds the corporate governance system of the Company in accordance with the laws of the Republic of Uzbekistan, the corporate Governance Code of the Company and the Corporate Governance Rules for state-owned enterprises.

The highest governing body of “Uztransgaz” JSC is the General Meeting of shareholders. The Supervisory Board, elected at the General Meeting of shareholders, conducts general management of the Company's activities, sets the strategy and development prospects, devises tactics and medium-term tasks for the Company.

The corporate governance structure of “Uztransgaz” JSC is as follows:



General Meeting of Shareholders

The General Meeting of Shareholders is the highest governing body of the Company acting in accordance with the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Shareholders Rights”, the Charter of the Company and the Regulations “On the General Meeting of Shareholders of “Uztransgaz” JSC.

The Company endeavors to ensure equal and fair treatment of all shareholders when they exercise their right to participate in the corporate governance. The primary way for shareholders to exercise their rights is to participate in the Annual General Meeting of Shareholders and in the Extraordinary General Meetings of Shareholders.

The procedure for holding the General Meeting of Shareholders is aimed at ensuring the compliance with the shareholder rights and meets all the requirements of the current legislation, as well as the world's best corporate governance practices.

The Revision Commission and the Internal Audit Service, which are the Company's supervisory bodies, may also apply to an ordinary shareholders' meeting. All appeals and comments are included in the agenda of the annual or extraordinary meeting. In the reporting period, there were no appeals reporting critical problems.

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders of the Company was held on June 29, 2021. During the meeting the following issues were considered:

- on approval of the quantitative and personal composition of the Counting Commission of the Annual General Meeting of Shareholders of "Uztransgaz" JSC.
- on review of the progress report for 2020 prepared by the Supervisory Board.
- on review of the assurance report of the financial and economic performance of the Company for 2020 in line with the national accounting standards prepared by the external audit function;
- on review of Audit Commission's report on the results of the audit of financial and economic performance of "Uztransgaz" JSC for 2020;
- on approval of the Report of the Executive Body on the results of financial and economic performance, as well as approval of the Annual Report for 2020.
- On approval of the Balance Sheet, profit and loss statement by the results of financial and economic performance of "Uztransgaz" JSC for 2020.
- On approval of the distribution of net profit (loss) of "Uztransgaz" JSC in line with the results of financial and economic activity for 2020, as well as size, procedure and schedule of dividend payment.
- on approval of internal Regulations of "Uztransgaz" JSC.
- on approval of a new version of the organizational structure and structure of the Executive Body of "Uztransgaz" JSC.
- on extension of the employment contract concluded with the Chairman of the Management Board of Uztransgaz JSC.
- on approval of transactions with affiliated persons that may be concluded in the future.
- on expanding the powers of the members of the Supervisory Board and Audit Commission of "Uztransgaz" JSC.

Extraordinary General Meetings of Shareholders

Also, four extraordinary meetings were held, at the meetings, eight issues were considered in the areas as follows:

- financial and economic activities;
- conclusion of loan agreements

Dividend policy

The dividend policy of "Uztransgaz" JSC approved on June 29, 2021, is aimed at ensuring growth of the Company capitalization and is based on the balance of interests of the Company and its shareholders, on increasing investment attractiveness of the Company, on the respect and strict observance of the shareholders rights provided for by the current legislation of the Republic of Uzbekistan, the Company Charter and its internal documents.

The dividend policy of Uztransgaz JSC approved on June 29, 2021 is aimed at ensuring the growth of the capitalization of the Company. Balance of interests of the Company and its shareholders, increased investment attractiveness of the Company, respect and strict observance of the rights of shareholders provided for by the current laws of the Republic of Uzbekistan, the Charter of the Company and its internal documents underpin the dividend policy.

The Policy sets out the payout amount on ordinary shares up to 10% of the Company's net profit, and on preferred shares at the rate of 25% to the par value per share. The Supervisory Board of the Company submits recommendations to the General Meeting of Shareholders on the payout amount on shares and the payout procedure. The amount of dividends cannot exceed the payout amount recommended by the Supervisory Board.

The Supervisory Board determines the payout amount on shares based on the factors below:

- Net profit amount according to the data of the financial statements, the fairness of which is confirmed by the auditor's report;
- The amount of the reserve fund and other funds stipulated by the Articles of Association of the Company;
- Approved Business Plan and Development Strategy of the Company.

The Executive Body

Collective Executive Body of the Company (hereinafter referred to as the "Management Board") is a body under the Supervisory Board that provides support, control and implementation of decisions made by the Supervisory Board. The Management Board reports to the Supervisory Board for the activities performed to achieve the goals of the Company. The Chairman of the Management Board leads the Management Board, and is elected at the General Meeting of Shareholders.

The primary objectives of the Management Board are to manage all financial and economic activities of the Company and implement the Development Strategy. While making efforts to achieve the goals, the Management Board is guided by the following basic principles: transparency, good faith, consistency, reasonableness as well as observance of the rights and interests of the Company's shareholders and accountability to the General Meeting of Shareholders and the Supervisory Board of the Company.

The Company's Executive Body is the initiator of the annual cycle of sustainability reporting and acts as a guarantor of the information provided in the Report. The practice provides for approval of the Report by the "Decision of the Management Board" and designation of further actions in the direction of sustainable development.

In 2021, the Management Board consisted of 6 members:

No	Full name	Position
1	Sayidov Ulugbek Khusanovich	Chairman of the Management Board
2	Narmatov Bekhzot Rakhmatullaevich	Chairman of the Management Board
3	Nazhmitdinov Muzaffarkhon Khasankhonovich	First Deputy Chairman of the Management Board for Production - Chief Engineer
4	Shamsiev Zhasur Kasimovich	First Deputy Chairman of the Management Board for Localization, enhancing of Cooperative Ties within the Industry and Information Technologies
5	Alimov Avaz Abrorovich	Deputy Chairman of the Management Board for Prospective Development and Investments
6	Mamatkarimov Bakhtiyor Rustamovich	Deputy Chairman of the Management Board for Finance and Marketing

During 2021, 23 meetings in person and in absentia were held by the Company's Management Board.

In total, the Management Board of the Company made decisions on 275 agenda issues considered, 275 instructions were given, while as of December 31, 2021, there are no uncompleted instructions.

Attendance at the Management Board Meetings in 2021 is given below:

Member of the Management Board	Meeting attendance		Term of office in the Management Board during the reporting period
	Number of meetings attended	Meeting attended %	
Sayidov Ulugbek Khusanovich	13 from 17	76%	01.01.2021 – 20.08.2021
Narmatov Bekhzot Rakhmatullaevich	5 from 6	83%	23.08.2021 – 31.12.2021
Nazhmitdinov Muzaffarkhon Khasankhonovich	18 from 20	90%	01.01.2021 – 15.11.2021
Shamsiev Zhasur Kasimovich	13 from 18	72%	01.01.2021 – 05.10.2021
Alimov Avaz Abrorovich	18 from 20	90%	01.01.2021 – 21.12.2021
Mamatkarimov Bakhtiyor Rustamovich	20 from 23	87%	01.01.2021 – 31.12.2021

As part of the meetings, inter alia, issues were considered and relevant decisions were made on the following key areas:

- upgrading of the gas pipeline system of the Republic of Uzbekistan;
- results of financial and economic activities;
- Issues related to the activities of the Youth Union;
- control and enforcement of government instructions.

The remuneration policy for the Supervisory Board members takes into account the following indicators:

Basic (fixed) part of remuneration, according to the contract of employment, which is concluded between the Board Member and the chairman of the Supervisory Board, and is paid for the proper performance of job duties.

The variable part of remuneration, which involves quarterly remuneration based on the results of the company's activities and its financial capabilities, compensation for length of service, compensation in honor of public holidays, reimbursement of travel expenses. Variable part of remuneration of labor is stipulated by the regulation on the Executive Body of "Uztransgaz" JSC.

Dismissal and retirement payments are made in accordance with the labor legislation of the Republic of Uzbekistan and the collective agreement of "Uztransgaz" JSC. Other types of payments not provided for by internal provisions of the Company are made in accordance with the labor legislation of the Republic of Uzbekistan.

In order to determine remuneration of Executive Body by results of activity annual plan of indicators with breakdown by quarters is made. Based on the results of the work done each quarter, the performance of indicators is assessed. On the basis of fulfillment/non-fulfillment of indicators the decision on payment and amount of remuneration provided by the order of payments is made.

Audit commission

The Audit Committee is the in-house control body of the Company performing the functions of internal legal, financial and economic control over the activities of the Company, its business units and organizations recorded on the Company balance sheet. The Audit Committee's activities are aimed at ensuring the legitimate interests and rights of all shareholders.

The activities of the Audit Committee are regulated by the legislation of the Republic of Uzbekistan, by Government authorities, the Company's regulations on the Audit Committee and other internal documents.

The Audit Committee consists of three members and is elected for a period of one year by the decision of the General Meeting of Shareholders. All members of the Audit Committee of the Company have higher legal and economic education and a background related to financial reporting and accounting.

All major issues are addressed at the Audit Committee Meetings held according to the approved schedule.

Corporate Governance plans for 2022

Pursuant to the Decree of the President of the Republic of Uzbekistan № UP-101 dated April 8, 2022 "On the next reforms to create conditions for stable economic growth by improving the business environment and development of the private sector" in the Company:

- The position of the first deputy head of the Executive Body of the company on transformation is introduced. The First Deputy Head for Transformation is subordinated to the Company's project office;
- Strategy and Investment Committee, Audit Committee, Nomination and Remuneration Committee, Anti-Corruption and Ethics Committee are formed from the members of the Supervisory Board;
- A unified policy of incentives for the members of the Supervisory Board and remuneration for the members of the Company's Executive Body is being implemented;
- Qualified international specialists, including from among compatriots attracted to the Supervisory Board and the Management Board of the Company.

Supervisory board

GRI 2-11, 2-14, 2-19

The Supervisory Board has overall authority over the activities of the Company, except for the matters that fall exclusively within the competence of the General Meeting of Shareholders in line with the Law and the Charter. In its activities, it is guided by the Law, recommendations of the Corporate Governance Code, the Charter of the Company, and other internal documents.

The main tasks of the Supervisory Board are as follows:

- Ensuring the implementation of the medium- and long-term Development Strategy;
- Control over the activities of the Management Board and implementation of the annual business plans
- Ensuring information transparency, completeness, reliability and unbiased public information, and oversight over the implementation of the Company's information policy
- Monitoring over the organization of the internal control and risk management system
- Ensuring the implementation of the dividend policy, clearing of conflict of interest
- Protection of the rights and legitimate interests of the Company's shareholders.

In line with the Law and the Charter of the Company, members of the Supervisory Board are elected by weighted voting at the General Meeting of Shareholders. The total number is 9 members for a one-year term. Candidates who have received the highest number of votes are deemed elected to the Supervisory Board of the Company, and persons elected to the Supervisory Board of the Company may be re-elected an unlimited number of times. Members of the Supervisory Board shall not be members of the Audit Committee of the Company. The Chairman of the Supervisory Board of the Society is elected by members of the Supervisory Board from among its members by a simple majority of votes from the total number of members of the Supervisory Board.

Composition of the Supervisory Board:

By decision of the General Meeting of Shareholders of the Company from July 20, 2020, the Supervisory Board is represented by 9 members.

Chairman of the Supervisory board is Ishmetov Timur Aminjanovich - the Minister of Finance of the Republic of Uzbekistan.

All members of the Supervisory Board of the Company have a high professional reputation, significant experience in various industries and have the necessary knowledge and competencies in the field of financial reporting, asset management, law, project management, business planning and strategic planning.

Composition of the Supervisory Board is given below:

№	Full name	Position	Role in the Supervisory Board
1	Ishmetov Timur Aminjanovich	Minister of Finance	Chairman of the Supervisory Board
2	Bobur Kalandarovich Abdinazarov	Deputy Minister of Economic Development and Poverty Reduction	Member of the Supervisory Board
3	Meliev Khudayor Khurramovich	Deputy Minister of Justice	Member of the Supervisory Board
4	Sanzhar Sabriddinovich Kurbonaliyev	Deputy Head of Department of State Agency for Asset Management	Member of the Supervisory Board
5	Gaziev Ulugbek Ubaidullaevich	Department Head, State Assets Management Agency	Member of the Supervisory Board
6	Sadiev Gayrat Mukhamadievich	Department Head, Ministry of Energy Finance	Member of the Supervisory Board
7	Muratov Akmal Khakimovich	Associate Professor, Department of International Finance and Investments, University of World Economy and Diplomacy	Member of the Supervisory Board
8	Timur Abdumukhtorovich Alibekov	Department Head, State Agency on Assets Management	Member of the Supervisory Board
9	Boriykhon Abirkhanovich Hodzhikhanov	Chief specialist of the Cabinet of Ministers	Member of the Supervisory Board

Supervisory Board performance results

The Chairman of the Supervisory Board convenes a meeting of the Supervisory Board of the Company on his own initiative, at the request of a member of the Supervisory Board and Audit Committee, the Executive Body of the Company, a shareholder holding a minimum of one percent of the voting shares of the Company, as well as other persons specified in the Charter of the Company. The Company understands importance of approval of the information provided in the Report by the Supervisory Board, however at the moment of the reporting period the above mentioned is not mandatorily provided by the Regulation on activity of the Supervisory Board.

Attendance of meetings of the Supervisory board in 2021 is given below:

Member of the Supervisory Board	Meeting attendance		Period of service on the Supervisory Board during the reporting period
	Number of meetings attended	Percentage of meetings attended	
Ishmetov Timur Aminjanovich	10 from 10	100%	01.01.2021 – 31.12.2021
Bobir Kalandarovitch Abdinazarov	10 from 10	100%	01.01.2021 – 31.12.2021
Meliev Khudayor Khurramovich	10 from 10	100%	01.01.2021 – 31.12.2021
Sanzhar Sabriddinovich Kurbonaliyev	10 from 10	100%	01.01.2021 – 31.12.2021
Gaziev Ulugbek Ubaidullaevich	10 from 10	100%	01.01.2021 – 31.12.2021
Sadiev Gayrat Mukhamadievich	10 from 10	100%	01.01.2021 – 31.12.2021
Muratov Akmal Khakimovich	10 from 10	100%	01.01.2021 – 31.12.2021
Timur Abdumukhtorovich Alibekov	10 from 10	100%	01.01.2021 – 31.12.2021
Boriykhon Abirkhanovich Hodzhikhanov	10 from 10	100%	01.01.2021 – 31.12.2021

- In 2021, 9 in-person and 1 absentee meeting of the Supervisory Board were held, at which 80 issues were considered and resolved, including the following key areas of the Company's activities:
- financial and economic activities;
- strategic development.
- Remuneration of Supervisory Board members
- Members of the Supervisory Board shall receive remuneration and/or reimbursement for the expenses incurred in the performance of their duties during their term of office. The following types of remuneration are paid to the members of the Supervisory Board of the Company:
- Basic (fixed) remuneration. This remuneration is paid to the members of the Supervisory Board for the proper performance of their duties in managing the Company and achieving the financial results set out in the annual business plan.
- Additional (bonus) remuneration. This remuneration is paid to members of the Supervisory Board for the effective management of the Company in the reporting year, based on the results of an independent assessment of the corporate governance system and financial results of the Company.

Members of the supervisory board are not paid bonuses at their admission to the supervisory board. In the event of early termination of the powers of a member of the Supervisory Board during the year, additional remuneration is paid for the actual period of performance of the duties of a member of the Supervisory Board of the Company. Payments to members of the Supervisory Board are made based on the results of their activities, so the return of the additional remuneration is not provided by the procedure of remuneration/compensation. Also, the procedure for remuneration/compensation does not provide for the payment of pension benefits.

To assess the effectiveness of the Company's management, an independent assessment of corporate governance is carried out. Selection of the independent organization is carried out on the basis of competition. Activity of the supervisory board can be estimated as unsatisfactory, low, satisfactory and high. At recognition of activity of the supervisory board as unsatisfactory or low additional (bonus) remuneration is not paid.

Integrated management system

GRI 2-23

To ensure an adequate level of control and sustainable development, the Company has introduced and operates an Integrated management system (hereinafter - the "IMS").

IMS is an integral part of the Corporate Governance system and meets the requirements of the following international standards:

- ISO 9001 :2015 – Quality management system;
- ISO 14001:2015 - Environmental management system;
- ISO 45001:2018 – Occupational Health and Safety System;
- ISO 50001:2018 - Energy management system.

The IMS is based on the following procedures:

- Documented information Management;
- Management of internal audits of the management system;
- Management of Nonconformities and Corrective Actions;
- Infrastructure management;
- Hazard identification and Risk Assessment;
- Personnel Management;
- Identification of Environmental Aspects;
- Interaction with Contractors;
- Emergency preparedness;
- Energy planning and Energy Efficiency Analysis.

The Company pays particular attention to further improvement of the IMS. Every year, departments and divisions formulate and set goals and activities, which should be approved by the Chairman of the Management

Board. Apart from that, in line with the provisions of international standards, the Technical Policy Division annually reviews the IMS. Based on the results, relevant decisions are made to improve the IMS.

Also, the Company annually conducts an internal audit of the IMS. The working groups comprising members of Permanent Commissions (hereinafter - the "PC") of the Central Office and business units of the Company perform the internal audit activities. To carry out its operational responsibilities, the PC is guided by the orders of "Uztransgaz" JSC and business units, in line with the Procedure for Managing Internal Audits of the Company's Management System.

In 2021 the first supervisory audit of IMS for compliance with the requirements of international certificates ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 was conducted in "Uztransgaz" JSC from 17 to 21 May. As part of the implementation of projects to meet the requirements of international standards, the Company has been working in close collaboration with "CERT International", a certification body whose independent auditors confirming compliance of the Company's IMS with the requirements of the selected ISO standards.

Following the review, the auditors of the Certification Body issued 2 minor findings and 22 recommendations, based on which an Action Plan to Address Findings and Implement the Recommendations of Auditors. The certificate and annex on compliance of the Company's management system with the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 standards are given below:



Also, in 2021, 20 employees of the Company had a training course on IMS. The training was conducted by the State Institution "Research Institute for Standardization, Certification and Technical Regulation" (Standards Institute).

The Company is steadily advancing towards achieving its goals in the field of compliance with international standards in various areas. The core areas of the activities to improve the IMS for 2022, in addition to maintaining the IMS in full compliance with the standards, are as follows:

- Holding training events to raise awareness of employees and their competencies in the IMS. In 2022, training is scheduled for 29 employees.
- Conducting a supervisory audit by "CERT International" a certification body.
- Preparation for receiving other ISO certifications.
- Receiving ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 certificates for UE "Urgenchtransgaz".

Service of internal audit

GRI 2-16

The Company's Internal Audit Function was established in 2015 in line with RCM No. 215 dated October 16, 2006. Internal Audit Function is a business unit directly subordinated and accountable to the Supervisory Board.

The main tasks of the Function are to provide the Supervisory Board with independent and unbiased information to ensure effective management of the Company by introducing a systematic approach to improving

risk management, internal control and corporate governance systems, as well as to timely submit recommendations to management bodies to address identified gaps.

When performing its functional duties, the Internal Audit Function is guided by the Regulations “On the Internal Audit Function of Uztransgaz JSC, the laws of the Republic of Uzbekistan, and the Company’s internal documents.

Appropriate quarterly consolidated reports, which include analytical and final sections are prepared based on the results of conducted audits. The Internal Audit Service is responsible for assessing the measures taken to eliminate breaches and improve the efficiency of the Companies financial and economic activities.

In 2021 the Internal Audit Service carried out 4 audits in accordance with the Annual Audit Plan for 2021. In particular, a comprehensive audit of production, operational and financial processes was performed at the MGPM and the UGSF of the Company.

In 2021, based on the results of audits conducted by the Internal Audit Function, more than 10 cases of breaches were identified and more than 20 recommendations were issued relating to revenue and receivables recognition, tax calculation, disposal of the Company’s assets, inventory of assets, etc. In regard to all the recommendations issued by the Internal Audit Function in 2021, the audited entities have drawn up and got approved activity plans to address the identified inconsistencies.

Plans for the 2022

The following activities of the Internal Audit Function are scheduled for 2022:

- Internal audit (quarterly and at the end of the reporting year) by carrying out appropriate audits in the areas specified in RCM No. 215 of 16.10.2006;
- Conducting an expert examination of concluded business contracts for their compliance with legal requirements;
- Consulting and methodological assistance on accounting and taxation, seminars on implementation of the International Financial Reporting Standard.

Anti - Corruption

GRI 3-3, 205-3

In its day-to-day activities, the Company is guided by the principles of transparent and ethical business behavior with good faith, also it works systematically to identify and combat corruption and fraud in all forms and manifestations. Corruption risk assessment is the basis for the adoption and implementation of the Company’s anti-corruption policy.

The main internal documents regulating anti-corruption issues in the Company are as follows:

- Code of Corporate Ethics of “Uztransgaz” JSC;
- Anti-corruption policy of “Uztransgaz” JSC.

Anti-corruption policy of “Uztransgaz” JSC was approved on September 30, 2020 and was developed in accordance with the requirements of anti-corruption legislation of the Republic of Uzbekistan, the Code of Corporate Ethics. This policy uses principles and norms of:

- The United Nations Conventions against Corruption (adopted by Resolution No. 58/4 of 31.10.2003 at the 51st plenary meeting of the 58th General Assembly of the United Nations in New York);
- The Organization for Economic Cooperation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (adopted in Istanbul on January 21, 1997);
- The Criminal Law Convention on Corruption (signed at Strasbourg, September 27, 1999, ETS No. 173);
- Criminal Code of the Republic of Uzbekistan;
- The Code of Administrative Responsibility of the Republic of Uzbekistan;
- The Law of the Republic of Uzbekistan on “Combating Corruption”;
- Criminal Code of the Republic of Uzbekistan;
- Law of the Republic of Uzbekistan "On Combating Corruption" No. URK-419 dated January 3, 2017.

This policy presents the Company’s position in the fight against corruption and defines a single set of principles supported by the Company and business units and enterprises in the course of their activities. As part of the implementation of the Anti-Corruption Policy of the Company, Uztransgaz JSC has been working to create

an anti-corruption culture, prevent corruption, resolve and prevent conflicts of interest. In particular, the main tools and mechanisms used by the Company in order to combat corruption are as follows:

- anti-corruption monitoring;
- corruption risks identification, assessment and management;
- promoting of an anti-corruption culture;
- Prevention of conflicts of interest;

- informing employees and contractors;
- functioning of channels for feedback and informing about the facts of corruption;
- preparing information boards to raise awareness of corruption;

The Compliance Control Division is in charge of the implementation of the Anti-Corruption policy in the Company. The Division includes employees with an extensive professional background, expertise, skills, and competencies. In line with the Anti-Corruption Policy, the heads of the Compliance Control Division and heads of business units are responsible for preventing corruption and other violations.

The Company has a well-developed system of internal communications enabling the Company's management to receive up-to-date information from any employee and other stakeholders about alleged facts of corruption, as well as other abuses and violations. The Company assures the confidentiality of information related to all employees and other entities who report corruption offenses.

The Company has the following channels for receiving reports:

- company web portal: WWW.UTG.UZ;
- Hotline (+99871) 202-10-12.

All inquiries and complaints received are immediately accepted for consideration and handling in line with the effective laws.

Also, in accordance with the Anti-Corruption Policy, the Company does not directly provide charitable assistance and sponsorship to government authorities, commercial and non-commercial organizations, their representatives, as well as other entities. Charitable assistance and sponsorship can be provided by the Company only in agreement with the Compliance Control Division.

Corporate ethics, resolution of corporate conflicts and conflicts of interest

“Uztransgaz” JSC has a Code of Conduct, which was introduced on April 13, 2020 to ensure compliance with the principles of professional conduct and the basic rules of professional behavior of employees of the Central Office and business units of the Company. The Code sets out the most important rules for business conduct and stakeholder relations, as well as defines the responsibilities of officials and employees of the Company to prevent conflicts of interest.

In line with the approved Code, an employee of the Company should perform his/her professional activities on the basis of the principles as follows:

Legitimacy	Fairness
Precedence of the rights, freedoms and legitimate interests of citizens	Integrity
Patriotism and loyalty to duty	Avoiding conflicts of interest
Commitment to the interests of the state and the society	Impartiality

When introducing the Code of Conduct, the Human Resource Management Department organized activities aimed at familiarizing each employee with the Code of Conduct and their responsibilities. Also, this department oversees the observance of the Code by employees of the Central Office and business units of the Company.

In turn, the heads of the business units of the Company are responsible for ensuring that employees comply with the Code, in particular, their functions include:

- getting every employee familiarized with the Code;
- ensuring that all employees of business units on-site perform their work activities in the special clothing allocated to them to comply with safety measures;

- informing about taking measures in the manner prescribed by the Labour laws and regulations in relation to managers and employees failing to comply with the Code of Conduct.

The Ethics Committee comprising a minimum of 5 members elected from among executive officials of the Central Office consider violations of the Code. In its activities, the Committee is guided by the laws and regulations of the Republic of Uzbekistan, the Charter of “Uztransgaz” JSC and the “Regulations on the Ethics Committee” of “Uztransgaz” JSC.

The main tasks of the Committee are as follows:

- monitoring of compliance by the Central Office of the Company with the laws of the Republic of Uzbekistan, the Charter of the Company and the Code of Conduct;
- assisting employees with issues related to ethical rules;
- taking preventive actions in line with the ethical rules to prevent conflicts of interest;
- taking measures to resolve conflicts of interest in the rules of conduct through a trade-off;
- organizing a preliminary investigation to prevent the use of disciplinary measures against employees in case of non-compliance with the rules of conduct;
- compiling suggestions for amending and supplementing the Code of Conduct.

The basis for convening a meeting of the Committee is a written complaint of the employee (regardless of position held) to the Committee about any case of violation of the rules of conduct. The Committee examines the complaint filed by the employee about the violation of ethics standards and makes a decision in line with the rules of the Code of Conduct. The Committee performs its activities in accordance with the current laws and regulations. The minutes of the meetings of the Committee are stored in the archive of “Uztransgaz” JSC as a separate document.

Economic performance

Management Approach

GRI 3-3

The oil and gas industry of Uzbekistan is the largest segment of the economy and is of fundamental strategic importance for the development of the whole economy of the country. Being a guaranteed provider of natural gas for the Republic, “Uztransgaz” JSC annually makes a considerable contribution to increasing the socioeconomic capacity of the country and to the development of the regions within its footprint:

- ensuring significant regional budget revenues by paying taxes;
- providing jobs to local people and providing social support;
- supporting domestic manufacturers and increasing local content share in procurement.

Following the results of 2021, the Company paid 196 213 million soums of taxes and other mandatory payments to the budget of the country. The Company also employs 8344 people country wide, providing not only stable wages, but also social support for employees and their families. Funds allocated by the Company to the salaries of employees in 2021 amounted to 427 203 million soums

When performing its activities, the Company is guided by the annually approved natural gas resource and distribution balance (“Balance Sheet”) approved by the Government of the Republic of Uzbekistan to manage its economic performance. The Company monitors and consolidates its annual natural gas requirements and participates in the development of the annual Balance Sheet.

As of the reporting period, the Company's net revenue from gas sales do not cover production costs, which results in negative gross revenues. Thus, the Company has limited effect on the economic performance due to the high administrative price regulation of prices by the government.

Plans for the mid-term perspective

As of the reporting period, about 90% of the Company's revenue is gained from the sales of natural gas, and 10% from export services. Hence, the purchase of natural gas at market prices, which is higher than the price approved by the Cabinet of Ministers of the Republic of Uzbekistan, the selling price of “Uztransgaz” JSC,

and a decline in natural gas production at “Uzbekneftegaz” JSC, the main gas supplier for the Company, has had an adverse impact on the Company's economic performance.

According to the developed Transformation Strategy of “Uztransgaz” JSC, the following steps to transform the Company into a completely new one is planned for 2022:

1. The Company stops trading
2. Imports and exports are handled by the state trading company UzGazTrade
3. Revision of tariff setting for services and profits sufficient to finance modernization

Pursuant to the Decree of the President of the Republic of Uzbekistan № UD-6010 "On additional Measures to improve the mechanism of realization of natural gas and electricity" dated June 18, 2020, natural gas consumers, connected to main gas pipeline system of "Uztransgaz" JSC (except for large strategic enterprises) should be gradually transferred to gas supply contracts of JSC "Hududgaztaminot" with re-conclusion of contracts on delivery of natural gas until December 31, 2021. From January 1, 2022, Uztransgaz JSC sells gas only to strategic consumers such as power grids, chemical enterprises and construction companies.

Direct economic value generated and distributed

The economic performance indicators presented below reflect the Company's contribution to the country's economy.

GRI 201-1

No	Indicators, mln. soum	2021
1	Net revenue (exclusive of commodity tax)	18 381 444
2	Total costs	23 638 692
3	Production cost, including:	20 828 258
3.1	Production material costs, including:	19 866 790
3.1.1	purchase of raw materials	17 567 657
3.1.2	materials (purchased)	66 088
3.1.3	production work and services	1 345 418
3.1.4	natural raw materials	0
3.1.5	all types of fuel purchased from third party	15 082
3.1.6	Purchased energy of all types	267 220
3.1.7	gas consumption for own needs and losses	605 326
3.2	Production labor costs	248 916

3.3	Single social payment	29 819
3.4	Depreciation of fixed assets of production type	544 982
3.5	Other expenses of production nature	137 751
4	Gross profit (loss) from sales	-2 446 814
5	Expenses for the period, including:	789 894
5.1	Sells costs, including:	0
5.1.1	product transportation costs	0
5.1.2	other selling expenses	0
5.2	Administrative expenses, including:	88 625
5.2.1	expenses for labor remuneration of management personnel	47 807
5.2.2	single social payment	5 730
5.2.3	depreciation of fixed assets of administrative purposes	4 395
5.2.4	other administrative expenses	30 692
5.3	other operating expenses, including:	701 270
5.3.1	mandatory payments to the budget, taxes and fees	196 213
5.3.2	tax for the use of subsoil resources	0
5.3.3	water consumption tax	732
5.3.4	property tax	12 241
5.3.5	land use tax	59 576
5.3.6	other taxes	123 664
5.3.7	payments for intangible services and bank services	38 625

5.3.8	benefits and payments of compensatory and incentive character	130 480
5.3.9	fees of the Bureau of Enforcement	0
5.3.10	sponsorship	38 494
5.3.11	other operating expenses	297 458
6	Other income from core activities	2 032 277
7	Profit (loss) from core activities	-1 204 431
8	Income from financing activities, including:	709 220
8.1	income in the form of dividends	
8.2	income in the form of interest	627
8.3	Income from long term leasing	529
8.4	Income from currency exchange differences	708,064
8.5	Other income from financial activities	0
9	Expenses from financing activities, including:	2 020 540
9.1	interest on bank loans and loans and from other financial organizations	290 416
9.2	interest expenses on financial leasing of property	0
9.3	foreign exchange losses from foreign currency transactions	1 730 123
9.4	other finance costs	0
10	Profit before tax, including	-2 515 750
10.1	income tax	
11	Net profit (loss)	-2 515 750

The above economic indicators reflect the data for 8 MGPM, 2 UGSF, the Central Administration of "Uztransgaz" JSC.

The wages and salaries of the Company are based on the sum of items of salaries of the process staff, executive staff, as well as benefits and incentives. The Company's operating expenses include:

- taxes;
- benefits and incentives;
- non-material services and bank services;
- sponsorships;
- fees of the Bureau of Enforcement under the General Prosecutor's Office of the Republic of Uzbekistan.

Procurement system and local content development

GRI 3-3, 2-6, 204-1

One of the procurement principles is to provide all potential suppliers with equal opportunities to participate in the procurement process. The procurement system of "Uztransgaz" JSC is based on the principles of openness, competitiveness and reasonableness. An important aspect in selecting a supplier of goods, works and services is to conduct procurement procedures in strict compliance with the Company's procurement methodology without any violations affecting the results.

The Company's procurement process includes the following main stages:

- formulating an annual demand;
- approving a technical specialist;
- Selection a supplier;
- Entering into and implementing a procurement contract.

When making procuring decisions, the Company give a priority attention and provides support for the purchase of the products (raw materials, materials, resources and services) that:

- have qualitative characteristics meeting the relevant requirements, and are the best in comparison to alternative options (similar);
- have higher efficiency levels in terms of energy and/or energy consumption;
- are more environmentally friendly goods, i.e., those that have been produced with the least negative impact on the environment;
- have the lowest risks to public health and damage to the property of the Company during their transportation, storage, and consumption.

The Department of Procurement and Cooperative Ties oversees the procurement processes of all business units of the Company. All procurement procedures of "Uztransgaz" JSC are regulated by the Law of the Republic of Uzbekistan "On Public Procurement" No.ZRU-472 dated April 9, 2018 and by the Decree of the President of the Republic of Uzbekistan No. PP-3953 dated September 27, 2018 "On Measures to Implement the Law of the Republic of Uzbekistan "On public procurement". In addition, in 2020-2021, the Company performed procurement activities in line with the three orders as follows:

1. The Order No. 440 dated October 25, 2019.
2. The Order No. 78 dated June 3, 2020.
3. The Order No. 79 dated May 24, 2021.

Suppliers for Uztransgaz JSC and its business units and enterprises are selected in an open tender, bidding, auctions and by a request for quotation processes, in line with the method for the procurement of goods. Auctions are held for goods worth up to 5,000 reference calculation values (hereinafter - the "RCV"), while tenders for the purchase of goods, works and services are held if the RCV amount is between 5,000 - 25,000 RCV under one contract.

In line with the Order No. 78 dated June 3, 2020, all departments of the Company can formalise contracts in the due manner for services, for an amount not exceeding the equivalent of 5,000 times reference calculation value under one contract, except for import contracts. Goods, works and services in the amount exceeding the equivalent of 5,000 times reference calculation value under one contract, and all import contracts are should be procured by the Department for Procurement and Cooperative Ties of "Uztransgaz" JSC in accordance with the established procedures, except for construction activities, which should be procured by the Department of Design and Construction. The heads of business units and enterprises are responsible for ensuring legal compliance when entering into contracts. Also, they are responsible for the reasonableness of demand for material and technical resources and the procurement scope.

Having realized the impact of procurement processes on the performance of the Entity, the Company has started the process of automation of its procurement processes. The procurement system provides for the use of 4 main platforms to select suppliers for "Uztransgaz" JSC and its enterprises under direct control by an open tender and request for quotations. As of the reporting period, the Company uses the following electronic platforms:

1. Cooperation.uz platform is designed to implement procurement procedures relating to the locally-based producers. This platform was implemented in line with the Decree of the President No. DP-4812 dated August 21, 2020 to support locally-based producers.
2. Emillydokon.uzex.uz/ platform is designed for holding tenders and bidding with various suppliers.
3. Spot platform is used for the procurement of highly liquid goods specified by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 90 dated May 7, 2008.
4. "Procurement" platform - electronic system, which was introduced at the end of 2020, is designed for automation of project-oriented Company's procurement activities in terms of materials and equipment.

"Uztransgaz" JSC supports domestic commodity producers by increasing the proportion of purchased goods from locally-based producers and works (services) done by local people. A competitive tender for the purchase of goods of foreign origin is held if the quality of the domestic goods is not appropriate or if the goods are not produced in Uzbekistan.

Since the end of 2020, the Company has been implementing an initiative to localize purchased products, which is being implemented as part of the Decree of the President No. DP-4812 dated August 21, 2020. The objective of this initiative is to support domestic commodity producers in increasing the volume and range of domestic industrial products and to expand the involvement of domestic commodity producers in the public procurement system. In line with this initiative, when evaluating bidder proposals, a 15% preference is given to goods of local origin, subject to the participation of two or more domestic commodity producers in the tender.

In general, in 2020-2021, 3 997 contracts were signed for the purchase of goods, works and services, for a total of UZS 967,5 billion.

Company	Total, UZS bln.	Goods, UZS bln.	Works and Services, UZS bln.
Uztransgaz JSC	967,5	623,2	344,3

The amount of goods, works and services purchased from companies being tax residents of the Republic of Uzbekistan, regardless of the citizenship of their employees and the country of origin of goods, in 2021 had been to UZS 427,6 billion. The Company's procurement indicators presented below enable it to measure this support effort from local suppliers:

Company	Total, UZS bln.	LS proportion, %	Goods		Works and services	
			Amount, UZS bln.	LS proportion, %	Amount, UZS bln.	LS proportion, %
Uztransgaz JSC	967,5	44,2	623,2	23,9	344,3	80,9

At the end of 2021 the proportion of local content in procurements of "Uztransgaz" JSC: goods – 23,9%; works and services – 80,9%. The above figures reflect the consolidated data for all business units and organizations of the Company, excluding the data of Subsidiary Farming LLC "

Plans for the medium term

In 2022, the Company intends to continue its procurement practice in accordance with corporate principles and standards. In addition, it will continue monitoring the proportion of local content in the procurement of goods, works and services in accordance with the above-mentioned Decree of the President and Resolution of the Cabinet of Ministers of the Republic of Uzbekistan.

Socioeconomic compliance

GRI 2-27,3-3, 419-1

Compliance with social and economic laws and regulations is a rigorous requirement that aims to protect the rights of employees and to conduct transparent business operations of the Company. Compliance with social

and economic laws is reflected in the financial result of the Company's activities and can be quantified in direct economic value for complying companies.

Compliance with laws and regulations in the social and economic area is a mandatory requirement aimed at protecting the rights of employees and conducting transparent business activities. Compliance with the requirements of socioeconomic legislation has an effect on the financial performance of the Company and can be quantified as a direct economic value for enterprises that meet the requirements.

In terms of socioeconomic area, when performing its activities, the Company follows the requirements of the Tax Code and the Code of Administrative Responsibility and other laws.

In 2021, the total monetary value of fines for non-compliance with the socioeconomic requirement amounted to 48,8 billion UZS, where more than 80% of the fines were issued for non-compliance with the requirements of Tax Law. For example, the tax penalties included late payment of excise tax and others.

The number of monetary fines for the last three years are presented below:

Category	2020, UZS mln	2021, UZS mln	Reasons/Circumstances
Penalties on taxes, total	8 938,5	44 771,4	Fines and penalties for violation of tax laws
Other fines, UZS	6 269,4	4 091,2	
Total monetary amount of significant fines, UZS	15 207,9	48 862,6	

The above figures reflect data on the Central Office, 8 MGPMs and 2 UGSFs.

Other types of fines shown in the table include:

- acknowledged fines, penalties, forfeits and other types of sanctions for non-compliance with the terms of business contracts;
- penalties for past-due debts;
- fines for gas quality;
- financial sanctions by inspection bodies when receiving large income from consumers and losing a case;
- idle time charges for delayed rail cars.

It should be noted, that owing to the fact that Uztransgaz JSC has accounts payable of approximately USD 2.5 billion resulting from the sales of natural gas to consumers at low approved prices compared to the procurement price. Other fines in the above table include charges for overdue accounts payable and other penalties.

As of the reporting period, there were no non-monetary sanctions or cases brought through dispute resolution mechanisms in the social and economic areas. The supervising Deputy Chairman of the Management Board of the Company has been constantly monitoring the activities of the departments responsible for payment of taxes on a timely basis.

Plans for the medium term

The Company seeks to reduce the adverse impact of fines and penalties for non-compliance with laws and regulations in the social and economic area on the financial performance of the Company. In 2021, the Company intends to improve the system for collecting and submitting tax returns in order to achieve positive indicators in this area.

Environmental responsibility and work area safety

Management Approach

GRI 3-3

Part of "Uztransgaz" JSC strategy in the field of environmental safety management is adherence to six principles of UN SDC - 3, 6, 7, 8, 12, 13.

Ensuring environmental safety is regulated by provisions of legislation of the Republic of Uzbekistan, as well as internal regulatory documents of "Uztransgaz" JSC, developed in accordance with international practices and standards. Priority areas for the Company in terms of environmental protection include rational use of natural resources, including water, reduction of greenhouse gas emissions, improvement of waste management methods, and increasing energy efficiency.

The main directions for the implementation of measures to minimize the negative impact from the activities of Uztransgaz JSC and mitigate the effects of climate change include the following tasks:

- reduction of losses during transportation and distribution of gas;
- efficient use of energy resources;
- upgrading of gas compressor stations;
- upgrading of the gas pipeline system;
- implementing modern technologies for gas supply distribution and metering.

At the time of the reporting period, "Uztransgaz" JSC is implementing projects aimed at mitigating climate change. One of such projects is a project to upgrade the gas pipeline system with implementation of effective technologies to control losses of hydrocarbon resources during transportation, which allows to increase the throughput of gas pipelines and provide densely populated areas of the republic with a sufficient quantity of natural gas.

Health, safety and environmental management system

In "Uztransgaz" JSC, the health, safety and environmental management system has been developed on the basis of the best international practices and is based on the following standards: ISO 14001, ISO 45001. Since 2020, the Company has implemented a quality, health, safety and environmental management system as per ISO 9001, ISO 14001 and OHSAS 18001. Enterprises with a significant level of energy consumption will be certified for compliance with the ISO 50001 standard from 2023. The effectiveness of management systems is regularly confirmed by external auditors

As required by international standard ISO 14001:2015 - Environmental management systems, when determining the aspects and impacts on the environment in all business units of the Company included in the scope of the IMS, as well as in the direct interaction of third-party organizations with the Company, the management system is applicable in identifying impacts and planning their management.

At enterprises, environmental safety is managed by environmental engineers. General control is carried out by the Health, Safety and Environment Division of the Company.

The health, safety and environment reports are submitted to the heads of business units at least once a year, where a further analysis of the identification of all aspects of impacts, the accuracy of their assessment is carried out, and the necessary measures for environmental management are identified.

Energy Consumption and Energy Saving

GRI 3-3, 302-1, 302-2, 302-3, 302-4

The main goal of the Company in the area of energy management is to increase energy efficiency through the rational use of energy resources, the implementation and application of energy-saving technologies.

The structure of energy consumption of "Uztransgaz" JSC includes various types of energy resources, such primary sources are electricity and fuel. Production processes of "Uztransgaz" JSC are rather energy-

intensive, in this connection, search and implementation of solutions on reduction of energy resources consumption is an urgent task for the Company.

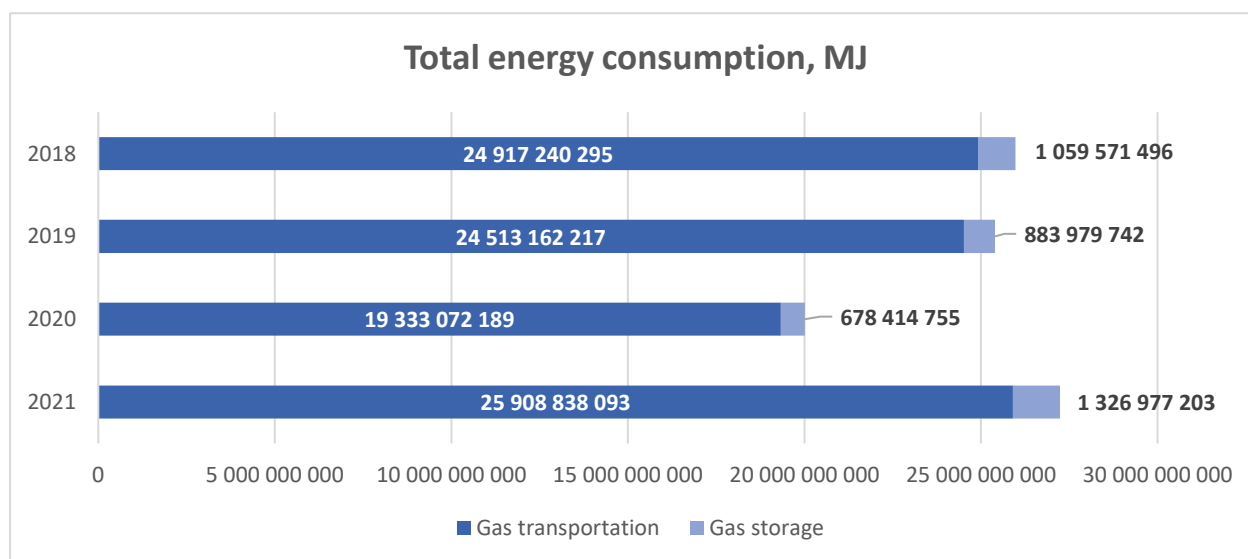
As of reporting period, the Company has a procedure approved on February 15, 2021, for energy planning and energy efficiency analysis, which defines a unified procedure for conducting the energy analysis, determining methods for controlling energy consumption and improving energy performance indicators within the Energy Management System in compliance with international standard ISO 50001, and based on the existing integrated management system of the Company, operating as per the requirements of ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety Management System). As per this document, the analysis of energy use and consumption is carried out at the level of the organization, at the level of business units, processes and subprocesses and will be updated at least once a year, and in case of significant changes in equipment, systems and processes.

Further, the analysis determines the base values of the energy characteristics, the calculation of the forecast values and the plan for collecting information along with the development of measures to improve energy efficiency. The baseline level of energy consumption is set for 3 years and is coordinated with the relevant departments, divisions and business units of the Company.

Based on the baseline level of energy consumption, the values of energy consumption are calculated as per the production plans for the upcoming period. In case of any changes in equipment, systems and processes, the analysis of energy use and consumption is revised.

This procedure is mandatory for all business units within the scope and distribution lines of the energy management system and is based on the international standard ISO 50001:2018, the IMS guidance and other instructions.

Energy consumption occurs during transport and underground storage of gas. In 2021, only 27 236 million MJ of energy was consumed, where 95% of the energy is consumed during the transportation of natural gas. Total energy consumption figures for 2021 were 36% higher than in 2020. The increase in energy consumption is due to the commissioning of new facilities in 2021, as well as an increase in the cost of various fuels required for the upgrading of the GTS.



* Source conversion factor: 1 kWh = 3,6 MJ; 1 Gcal/h = 4184 MJ. Fuel (liquid): 1 ton of oil equivalent (toe) = 41.868 GJ. Energy carriers: 1 ton of diesel fuel = 1,02 toe; 1 ton of gasoline = 1,04 toe; 1 thousand m3 of LNG = 0,8225 toe; 1 ton of LPG = 1,1 toe. Natural gas: 1 thousand m3 = 37000 MJ.

Electricity consumption for 2021 was 2 550 million MJ, while heat consumption was 148,8 million MJ.

The data on consumption of electricity and data for 2019-2021 are listed below:

Indicator	2019	2020	2021
Electricity, MJ	2 122 700 706	2 315 947 150	2 550 201 142

Heating, MJ	40 561 788	44 814 113	148 791 609
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* Source conversion factor: 1 kWh = 3,6 MJ; 1 Gcal/h = 4184 MJ

Diesel fuel, gasoline, fuel and process gases, liquefied petroleum gas (hereinafter - LPG), and compressed natural gas (hereinafter - LNG) are used as energy carriers from non-renewable energy sources. The above-mentioned fuels are used in vehicle refueling processes, equipment blowdowns and applications in power generation units.

In 2021, gas fuel and LPG consumption increased by an average of 39% compared to the previous year. The growth of fuel consumption from non-renewable sources is connected with the volume of both gas transportation and underground storage. The fuel consumption growth was also influenced by the increase in freight transportation related to the GTS modernization.

Consumption of non-renewable types of fuel for 2019-2021 is shown below:

Type of fuel	2019	2020	2021	Change, %
Diesel fuel, MJ	56 235 827	66 815 824	80 105 422	Δ+19,9
Gasoline, MJ	6 872 173	6 906 311	8 044 512	Δ+16,5
Gas fuel, MJ	23 102 660 000	17 514 394 000	24 384 272 097	Δ+39,2
fuel	22 712 894 000	17 109 947 000	23 298 171 433	Δ+36,2
technological	389 766 000	404 447 000	1 086 100 664	Δ+168,5
LNG, MJ	28 234 079	22 525 541	20 386 912	▽-9,5
LPG, MJ	39 877 386	40084 005	44 013 602	Δ+9,8

In order to increase the energy efficiency of technological processes, a need arises to reduce the consumption of natural gas for own needs and technological losses. It should be noted that these costs are directly dependent on the goods-and transportation work and the flow of natural gas into the gas pipeline system, as well as the availability of materials and equipment.

Being aware of the environmental value and efficiency of using renewable energy sources, the Company has drawn up an action plan that focuses on the installation solar water heaters and the installation LED lamps equipped with photovoltaic panels and motion sensors for 2021.

Intensity of energy consumption

The types of energy considered when calculating the intensity of energy consumption within the organization are electricity and fuel. To calculate this ratio, the Company uses two indicators: gas transportation and underground gas storage.

Intensity of energy consumption for 2019-2021 is shown below:

Indicator name	2019	2020	2021
Gas transportation, MJ/cu.m.	0,43	0,37	0,43

Underground gas storage, MJ/cu.m.	0,5	0,3	0,4
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In 2021, the intensity of energy consumption during gas transportation was 0,43 MJ/cu.m. and that of underground gas storage was 0,4 MJ/cu.m., which is 0,06 MJ/cu.m. and 0,1 MJ/cu.m. less, respectively compared to the previous year.

Reduction of energy consumption

The main strategic directions for the development of energy saving and energy efficiency of the group are the upgrading of technological equipment, the implementation of energy-saving technologies, the optimization of the generation and consumption of thermal energy, and the development of its own sources of energy generation. The relevance of the implementation of projects to improve the energy efficiency of technological processes is associated with the need to reduce the consumption of natural gas for own needs and technological losses, reduce the energy intensity of production and reduce greenhouse gas emissions into the environment.

The Company has a schedule for the implementation of organizational and technical measures to reduce energy losses at production facilities for 2020-2022. The document reflects the total cost of the implementation of measures and sources of financing. Sources of financing are foreign investments, loans and own funds.

Based on the energy analysis conducted, measures are being developed aimed at reducing energy consumption, their rational use and increasing energy efficiency. When developing the measures, government decrees and industry programs in the area of energy saving, internal documents of the Company such as №29-SEE-01 "Temporary manual for the development and implementation of organizational and technical measures to save electricity and thermal energy" are considered. This internal document reflects the methodology for calculating the savings in electricity and thermal energy for production needs. Further, at all levels of implementation of measures, control of their implementation is ensured - on a quarterly basis, the Company's business units submit a report on the actual amount of savings in electricity and thermal energy, with calculations confirming the achieved savings for each item of the measures.

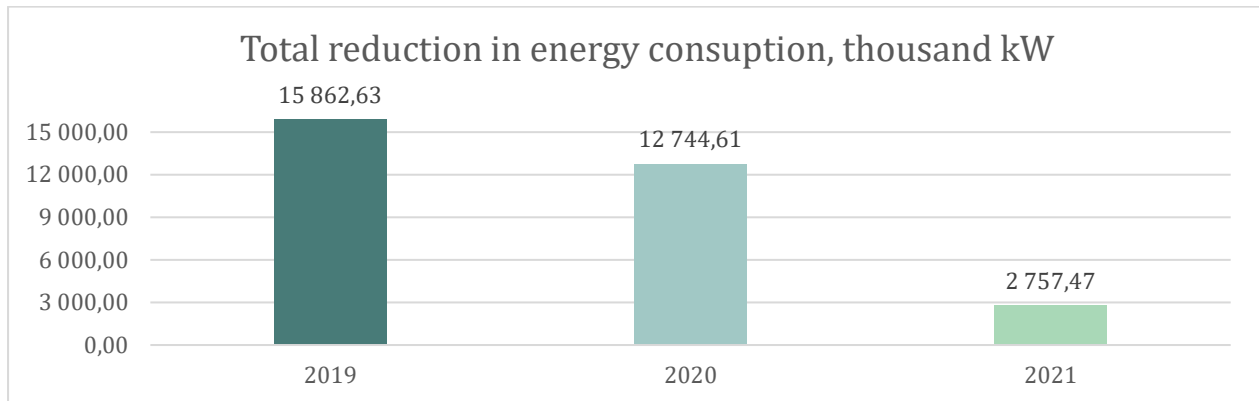
In 2021, 13 energy saving measures were implemented, which are planned to continue in the future. It should be noted that the implementation of the relevant measures is applicable to business units such as the main gas pipeline administrations and underground gas storage enterprises.

The implemented measures are listed below:

№	Measures
1	Installation of solar water heaters
2	Implementation of photovoltaic batteries
3	Replacement of outdated exciters of synchronous electric motors with digital microprocessor-based exciters
4	Replacement of compressor station site lighting equipment and gas distribution station lighting equipment with LED models
5	Reduction of electricity consumption after upgrading of the boiler house with the installation of Urgench and Akchalok MGPM under Urgenchtransgaz UE.
6	The use of variable frequency drive on auxiliary equipment of GPA and water pumps
7	Replacement of transformers
8	Replacement of high capacity pumps with low capacity pumps
9	Introduction of LED lamps with photovoltaic panels
10	Modernization of the boiler room of the dormitory
11	Shutting down the emergency low-load transformers in the dormitory and the 2*160 kVA water intake
12	Reduction of power consumption after upgrading the heat supply system in Gazli and installing a BMK-3.0 unit on Uchkirskaya Street

- 13 Reduction of electricity consumption through decreased operation time of compressed air compressor (air withdrawal from DU-80-L1 engine for auxiliaries of blowers TKA-100,200,500 of booster station BCS-5B) of Gazli UGM

Since, 2018, the Company has been reducing energy consumption. Thus, in 2021 the reduction in energy consumption amounted to 2 757 thousand kW of electricity in physical terms, which is 22% lower than in 2020 and 17% lower than 2019.



In 2021, the reduction in energy consumption was achieved as a result of the reduction in electricity consumption.

Objectives for the mid-term

In order to improve energy efficiency of gas transmission facilities for 2022 a package of measures was developed and approved to reduce energy consumption "Organizational and technical measures to save electricity and heat at production facilities of "Uztransgaz" JSC for 2022". It is planned to introduce LED lights with photovoltaic panels and batteries, increase the number of solar water heaters at subordinate facilities of "Uztransgaz" JSC.

The Company plans to reduce electricity consumption by decreasing operation time of a compressed air compressor (air intake from DU-80-L1 engine for own needs of blowers TKA-100,200,500 of BCS-5B shop) of Gazli UMP. Company plans also include the reduction of electric power consumption after modernization of Gazli heat supply system with installation of BMK-3.0 in st. Uchkyrskaya, the use of variable frequency drives on auxiliary equipment and water pumps in Zirabulak MGPM, CS-3B Yangir and Khodjaabad, and the replacement of high-capacity pumps with low-capacity pumps in Severny Sokh, Replacement of obsolete synchronous motor exciters with digital microprocessor-based exciters in Kagan, Zirabulak and Gallaoral MGPMs.

Environment protection

GRI 3-3

The gas transportation industry is one of the energy-intensive industries that are inextricably linked with performing complex and hazardous work, as well as with constant impact on the environment. The main objectives of the Company in the area of environmental protection are the prevention or reduction of negative impacts on the environment, rational use of natural resources, identification and implementation of measures to improve the environmental condition near and at the facilities of the Company.

Activity of "Uztransgaz" JSC on operation and maintenance of objects of gas transportation system includes 13,243 km of main gas pipelines, 2 stations of underground gas storage, 22 compressor stations and 419 gas distribution stations. The Company's gas transportation system covers all regions of the Republic of Uzbekistan, each of which has unique fauna and flora, being a valuable component of the biodiversity of the

Central Asian region. However, there are no transportation and underground gas storage facilities in protected natural areas and adjacent areas.



"Uztransgaz" has developed a plan of action for environmental protection and rational use of natural resources for 2020-2025. This plan contains 133 measures with description of planned costs for all structural enterprises of the Company in the following 4 areas:

- protection of water resources;
- protection of atmospheric air;
- protection of land and mineral resources, waste disposal and recycling;
- protection of flora and fauna.

The Company has a procedure for identifying environmental aspects, which was developed as per the requirements of international standard ISO 14001:2015 in order to describe the procedure for identifying aspects, assessing impacts and developing further measures to reduce them, as well as to plan and manage them during interaction with by third parties and in all business units of the Company except Urgenchtransgaz UE, Transgazengineering LLC and Kamchik DCPS.

As per this procedure, in each business unit, the executive head organizes work to identify environmental aspects and monitors the results of this work together with engineers and technicians and other craft labor. The identification of aspects and impacts on the environment is carried out in several stages. First, the divisions of the enterprise identify aspects and impacts on the environment that are associated with input materials, resources used, results of intermediate operations and finished products, with the formation of all types of waste, air emissions, discharges to water and ground. Second, an environmental impact assessment is carried out by determining the significance of an aspect, measuring the likelihood of the impact and assessing the rank of the impact.

Further, all data on the results of the identification of environmental aspects and impact assessment are recorded and stored in the business units of the Company. After completing the identification of environmental aspects and impacts, the results of the assessment are communicated to the personnel by conducting an individual familiarization of the work done, explaining the need to comply with legal and regulatory requirements and performing other actions that are measures to control risks associated with environmental aspects. Consistently, the executive heads of business units analyses the relevance of identifying hazards and assessing risks at least once a year.

When designing new facilities and upgrading existing facilities, an assessment of the impact of the planned activity on the environment is carried out, in which, in order to prevent and minimize the identified potentially negative impact, pertinent activities are developed and implemented.

The Company follows international environmental initiatives to reduce greenhouse gas emissions, introduce energy saving technologies and use renewable energy sources. Environmental services actively cooperate with the State Committee on Ecology of the Republic of Uzbekistan and other specialized organizations on environmental protection.

The company allocates significant funds for environmental protection measures. In 2021, the total costs for the entire Company amounted to UZS 597 620 651 thousand.

Indicators	2019	2020	2021
Amount of costs, UZS thousand.	4 699 262,004	277 026,879	597 620,651

The important measures contributing to environmental activities in 2021 were:

- implementation of the project "Upgrading the gas pipeline system of the Republic of Uzbekistan";
- participation as experts in the preparation of the first biennial report on the ecology of the Republic of Uzbekistan, which was prepared by the Center of the Hydrometeorological Service with the financial support of the Global Environment Facility, technical and methodological support of the UN Environment Program;

Emissions of direct greenhouse gases of Scope-1

GRI 3-3, 305-1, 305-2

Without reducing its commitments to supply gas to consumers, the Company strives to minimize environmental risks in the process of gas transportation and underground storage.

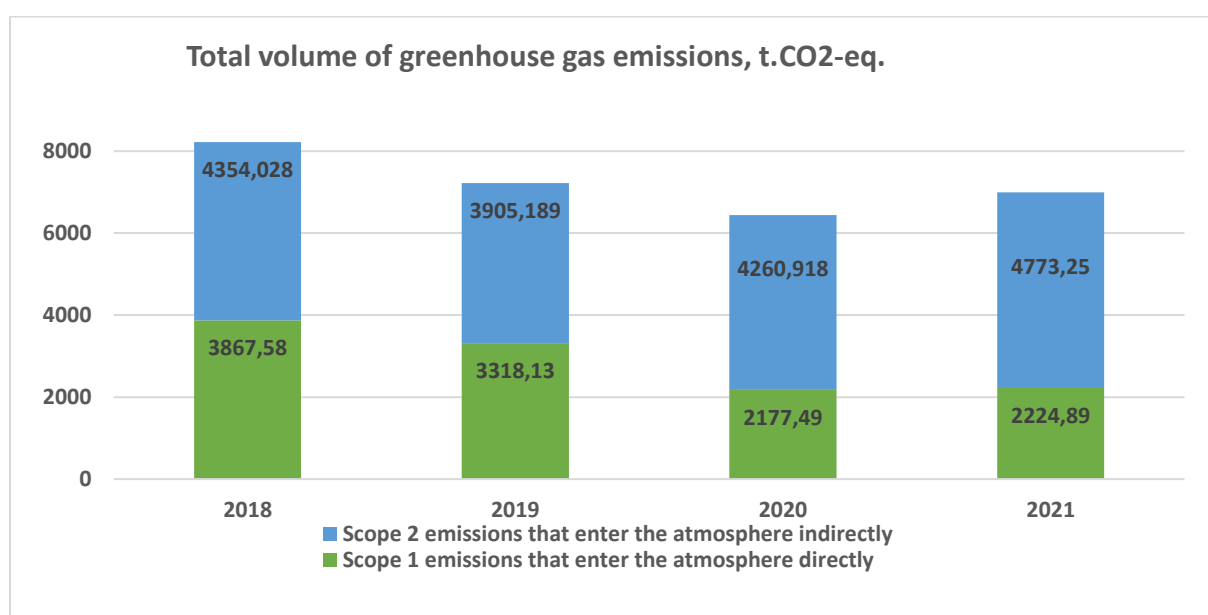
Achievement of environmental objectives is facilitated by reduction of specific fuel and energy consumption for own process needs, reduction of greenhouse gas emissions, reduction of significant emissions.

Direct emissions of greenhouse gases (Scope 1) of "Uztransgaz" facilities are produced during blowdown and bleeding of natural gas from gas pipelines and process equipment, and as a result of leaks from flange connections of pipeline valves. Methane, carbon dioxide and nitrous oxide enter the atmosphere directly. CH4 fraction in gas is up to 96 %; CO2 - 1 %; N2O - 0,5 %.

The Company uses energy technological units: gas compressor units, boilers, preheating furnaces and fire regenerators. As a result of chemical incomplete combustion of hydrocarbon fuel, methane and carbon dioxide are released into the atmosphere (Scope 2).

The company's indirect energy emissions (Scope 2) are due to the generation of electricity and energy for heating purchased by the organization.

The Company's facilities do not produce ozone-depleting substances and do not generate CO2 emissions from the combustion or decomposition of biomass.



**Values have been adjusted from the 2020 Sustainability Report due to refinement of the calculation*

The upgrading of the gas transmission system made it possible to bring the volume of greenhouse gases from leaks from flange joints of pipeline valves practically to zero.

The year 2020 was set as the base year for calculating the amount of greenhouse gases in the Company as per the Decree of the President of the Republic of Uzbekistan dated 9 July 2019 No. PP-4388, clause 12. Regarding the method of consolidation, the statistics of emissions are indicated for the facilities directly controlled by the Company on the basis of ownership.

The Company annually carries out an inventory count and internal assessment of greenhouse gas emissions and other emissions into the atmosphere, where the most significant sources of emissions are identified. When calculating emissions, the Company considers the "Global Warming Potential" factor, which establishes the degree of influence of the emissivity of one unit of mass of methane relative to the corresponding unit of carbon dioxide over a certain period of time. In particular, the Company uses the following "Global Warming Potential" factors

- factor of conversion of methane into t. CO2-eq., - 21;
- factor of conversion of nitrous oxide into t. CO2-eq. - 310.

When calculating emissions, the following methods are used: RH39.0-140:2012 "Methodology for calculating emissions of pollutants for oil and gas production and oil and gas processing enterprises" PJSC

“O'ZLITINEFTGAZ”, and standard of the Gazprom organization 102-2011 “Inventory count of greenhouse gas emissions”.

“UZTRANSOAZ” JSC strives to reduce greenhouse gas emissions by 10% by 2030 compared to 2010 level, and continues its efforts to build adaptive capacity, reducing the risks of adverse effects of climate change. Thus, in 2021 it is planned to calculate greenhouse gas emissions for 2017 - 2020 for all business unit and facilities of the Company.

Other significant air emissions

GRI 305-7

Air pollution in the area of the Company's facilities is due to emissions of 8 elements into the atmosphere. The key category is a mixture of saturated hydrocarbons of the C_nH_{2n+2} type, accounting for 96% of the total emissions. Saturated hydrocarbons enter the atmosphere as a result of technological purging of equipment and during gas combustion in power technology units.

Gas consumption for technological purging of equipment and for the operation of power technology units is defined as gas consumption for own needs. In addition, operating losses are taken into account at the Company's facilities - these are leaks through flange elements of valves and other equipment. Natural gas consumption rates for own needs are determined by calculation, according to industry methods. When calculating, data from passports of technological equipment and technological regulations for the operation of units are used. The actual consumption of natural gas for own needs and operating losses is determined by the automated dispatch control system of the gas pipeline.

In the process of gas transportation, the largest amount of pollutants enters the atmosphere compared to the process of underground gas storage, where the amount of pollutants is only 1–2% of the total emissions.

When calculating pollutant emissions that have an impact on global warming, the methodology RH 39.0-140:2012 is used for oil and gas production and oil and gas processing enterprises of PJSC "O'ZLITINEFTGAZ".

The Company's pollutants that enter the atmosphere are nitrogen oxide (NO_x), sulfur oxide (SO_x), CO emissions, emissions of solid substances, volatile organic compounds and the 1st class hazard substances.

Air emissions of pollutants in tons are given below:

Emissions	2020	2021
Nitrogen oxide (NO _x)	788,73	1 315,074
Sulfur oxide (SO _x)	0,52	0,44
CO emissions	2 861,64	2 972,74
Volatile organic compounds	95 613,65	88 632,12
Hazardous Air Pollutants	0,69	0,83
Particulate matter emissions	0,15	78,75
Other emissions*	6,59	8 737,14
Total	99 271, 97	101 737,09

**Other emissions include hydrocarbon emissions. The values have been adjusted compared to the 2020 Sustainability Report due to the refinement of the calculation*

Of the volatile organic compounds, methane, propane and odorant, which is added to the gas to give it a specific odour, which warns of leaks in order to prevent it in time, are released into the atmosphere. Hazardous air pollutants are represented by substances such as sulfur dioxide, nitrogen oxides and hydrogen sulfide. Of the solid substances, there are emissions from mechanical metal processing, welding aerosol and minor inorganic

dust impurities, the increase in 2021 is directly related to the reconstruction of the gas transmission system. There are no persistent organic pollutants at Uztransgaz JSC facilities

The Fergana, Gazli, Tashkent and Gallyaaral MGPMs accounted for the largest amount of emissions during the reporting period. Strict monitoring of hazardous air pollutant emissions is conducted at these enterprises to ensure the safety of employees and the environment.

Expenditures and investments for environmental protection consist of the costs of general measures developed annually by each business unit of “Uztransgaz” JSC and the costs of implementing large projects. One of the regular general measures is to ensure that personnel are prepared for the transportation of toxic types of cargo to manage the risk of air pollution during the transport of toxic substances. The main project, the implementation of which began in 2021, is "Modernization of the gas transportation system of the Republic of Uzbekistan", which in turn will have a significant impact on mitigating of climate change.

Water resources

GRI 3-3, 303-1, 303-2, 303-3, 303-4

Uzbekistan is a one of the countries with limited water resources. Two-thirds of the Company's gas pipeline system are located in areas with no water sources, particularly in the Kyzyl-Kum desert and the Ustyurt plateau.

Despite the fact that transportation and underground storage of gas are not water-intensive industries, the above two factors make water resource management one of the most important issues for the Company.

The Company mainly uses water resources for domestic needs (household and drinking needs, filling fire extinguishing systems). Water is used in production activities in small volumes.

The management of water consumption is conducted by the energy services of business units. At the time of the reporting period, there is no specially created commission for water resources management. When carrying out its activities, the Company strictly complies with all the requirements of the Law of the Republic of Uzbekistan "On Water and Water Use," standards for water consumption and wastewater disposal of the Company and the requirements of sanitary rules and norms of the Republic of Uzbekistan No. 0318-15 "Hygienic and Anti-epidemic Requirements for the Protection of Water in Reservoirs within the Territory of the Republic Uzbekistan».

Water consumption of “Uztransgaz” JSC facilities is carried out from surface sources (canals), underground (artesian wells) and municipal sources. Surface sources are water supply through the Raish canal in Andijan province and through canals of local importance in Urgench province. These canals are used for irrigation.

As part of its activities, the Company draws water as per the signed agreements and the permits for special water use. Based on calculations of the required water consumption, an entity concludes an agreement with a branch of the structural water supply management - SUE “Suvokova.” The fixing of forecast values of water consumption indicators is calculated based on requests from water management services based on water consumption standards or based on actual values of water consumption in the previous period. The Company's facilities do not have a material effect on these water sources.

Industrial waste is discharged to the Terrain, evaporation ponds and underground horizons by means of well disposal. Also, household wastewater is discharged into waste pits and sewage, and water is not discharged into water bodies.

Beginning in 2019, there has been a decrease in the total volume of wastewater discharges to the Company. In 2021, the volume of wastewater discharges amounted to 391,38 thousand cubic meters and decreased by 11,6% compared to 2020.

The volume of wastewater discharges by discharge facility, in megaliters, is as follows:

Indicator	2019	2020	2021
Planned total water discharges	2 739,54	2 713,10	1 597,751
Actual total water discharges, including:	614,86	442,72	391,38

terrain	482,6	311,73	191,28
evaporation ponds	70,93	58,92	67,01
underground horizons	10,76	13,05	22,49
sewers	31,87	52,32	103,90
cesspools	18,8	6,7	6,7

in 2021, a significant decrease in wastewater discharges compared to previous years was due to a decrease in wastewater discharges to the terrain. In 2021, the main objects to which water is discharged were the terrain (48,9%), evaporation ponds (17,1%), and sewage (26,5%).

The entire volume of water discharged to all areas with water stress over the past three years consisted only of fresh water as shown in the following table in megaliters:

Indicator	2019	2020	2021
Total water discharge, including:	614,86	442,71	391,38
fresh water	614,86	442,71	391,38
other water	0	0	

When discharging water, the Company is guided by sanitary rules and norms of the Republic of Uzbekistan #0318-15 "Hygienic and Anti-Epidemic Requirements for Protection of Water and Reservoirs in the Republic of Uzbekistan", which reflect the discharge conditions and quality of discharged water. Over the last three years, the Company has not exceeded the set norm on the volume of discharged water.

The priority substances of concern for which wastewater is treated are oil products. There is a unified approach to setting discharge limits for priority substances of concern. This approach is developed in accordance with RCM No. 14 "Regulation on the procedure for the development and approval of draft environmental standards" dated January 21, 2014. Significant concentrations for each substance of concern are shown in Table 1 of Annex 2.

In water treatment, the Company strives to use environmentally friendly equipment and maximize the reuse of water. In particular, the main method of water treatment is mechanical, but a number of facilities also use physical-chemical and biological methods. At the moment, re-treated water is used at Gazli MGPM.

The company treats water resources with care and strives to reduce the volume of water consumed through strict control and elimination of leaks. In order to control the Company's impact on the environment, groundwater, surface water and municipal water are monitored with laboratory studies of water, as well as monitoring the degree of treatment of discharges.

All business units approve a set of measures at the beginning of each year. Every three years, an inventory count of water consumption and water disposal sources is conducted as per RCM No. 14 "Regulations on the Procedure for the Development and Approval of Draft Environmental Standards" dated 21 January 2014. Also, an annual assessment of the effectiveness of the Company's environmental activities is conducted, including the sections "Water" and "Waste" by collecting and analyzing input data and applying visual inspection. Additionally, "O'zlitineftgaz" JSC prepares a statistical report on water consumption and water disposal under a contract for the Company.

As a result of a responsible approach to water management, in 2021 there was decrease in water consumption by 14% compared to 2020.

Being aware of the importance of effective water resource management, the Company plans to further reduce water consumption in 2022 by increasing the share of the use of air-cooled equipment. In addition, implementation of the project "Modernization of the Gas Transmission System of the Republic of Uzbekistan", which was launched in 2020, will help achieve the Company's stated goals for water management in the short term.

Waste generation

GRI 3-3, 306-1, 306-2, 306-3

The economic activity of "Uztransgaz" JSC is inevitably associated with waste generation. In order to prevent the negative impact of waste on the environment, the Company plans and implements the following measures on a regular basis: waste minimization at own production facilities and transferring waste to licensed organizations for neutralization and disposal.

According to the legislation of the Republic of Uzbekistan, the degree of hazard of waste is assessed by five classes. During transportation and underground storage of gas at UGSF, wastes of all five hazard classes are generated and the prevailing waste is Hazard Class 5 - non-toxic wastes. In particular, transportation wastes are generated during transit of natural gas from Turkmenistan and Kazakhstan. In addition, an increase in the number of repairs and reconstruction of the linear part of the main gas pipelines, which produces black and non-ferrous scrap as a result, led to the intensive generation of waste. Also, spent turbine oils, which belong to the second hazard class and are generated as a result of oil replacement at compressor stations, account for a significant portion of waste.

In 2021, the total generated waste was 3114,39 tons, an increase of 17% compared to the previous year. The growth dynamics of waste volumes is related to the modernization of the gas transmission system, in the course of which process equipment and pipelines are repaired and replaced.

The volume of waste generated by class in tons is shown below:

Waste generated	2019	2020*	2021
Toxic waste generated, including in tons	536,46	206,49	528,67
Hazard class 1	0,39	0,48	3,87
Hazard class 2	321,27	304,23	357,55
Hazard class 3	8,32	56,85	53,19
hazard class 4	206,48	184,65	114,06
Non-toxic waste generated (hazard class 5), ton	1 000,27	1827,03	2 585,72
Total waste generated, ton	1 536,73	2 656,663	3 114,39

*Values have been adjusted from the 2020 Sustainability Report due to refinement of the calculation

The Company's facilities are switching to new energy-saving lamps for this period. Replacement of old lighting fixtures in 2021 resulted in an increase in hazard class 1 waste generation. The increase in hazard class 5 waste generation is related to the modernization of the gas transmission system, as pipelines and metal structures continue to be replaced for the period, which generates a large amount of ferrous and nonferrous scrap.

Generated waste is transferred to specialized licensed organizations for disposal and disinfection. Most of the waste of "Uztransgaz" JSC belongs to the categories of low-hazard and virtually non-hazardous waste - it is ferrous and non-ferrous scrap sent for smelting as per RCM of the Republic of Uzbekistan No.425 dated 06 July 2018 "On Measures to Improve the Procedure for Handling Scrap, Non-ferrous and Ferrous Waste."

In addition, hazard class 2 waste - spent turbine oils are transferred for regeneration as per RCM of the Republic of Uzbekistan No. 258 dated 04 September 2012 "On Approval of the Regulation on the Procedure for Delivery, Collection, Settlement, Storage and Transportation of Spent Technical Oils." These rules regulate the entire cycle of waste management, from collection, sorting to the transfer of waste for further removal, disposal, processing.

The Company takes a responsible approach to monitoring waste management procedures. Collection and monitoring of data on waste and identification of the most significant sources of waste is conducted on a regular basis by the ecologist of the central office and business units. The processes used to collect and monitor waste related data are:

- inventory count of waste generation and disposal once every five years;
- preparation of a quarterly unified statistical report 1-ECO.

The plans for 2022 to reduce generated waste include the continuation of the program for the upgrade of the gas pipeline system of the Republic of Uzbekistan with the implementation of a dispatch, monitoring and management center for gas infrastructure facilities (SCADA), which will positively affect the achievement of the Company's goals in the area of waste reduction.

GRI 3-3

Compliance with the requirements of environmental legislation is an important topic for “Uztransgaz” JSC, since the Company's production activities have a significant impact on the environment. The Company strives to conduct its production activities as per the legislation of the Republic of Uzbekistan and take appropriate measures to prevent harm to the environment through assessments by internal and external parties. Such assessments include monitoring the management approach and assessment of compliance with the environmental legislation, which are conducted annually.

All business units of the Company included in the range of IMS comply with the requirements of international standards in the area of quality management system, environmental management system, health and safety system and energy management system. Management of compliance with the requirements of the environmental legislation and international standards is conducted by environmental engineers and the HSE department, and general control is exercised by the Permanent IMS Commission.

The Company has a procedure for identifying environmental aspects, which helps an entity understand the impact of its activities on the environment and contributes to the continuous improvement of its activities. The procedure considers both every-day and emergency situations, including industrial and natural emergencies. This procedure covers the monitoring of all impacts associated with input materials, resources used (electricity, gas, fuel, water, etc.), the results of intermediate operations and finished products, generation of all types of waste and emissions.

Further, after the completion of the identification of environmental aspects and impacts, based on the results of the assessment, a Register of Significant Environmental Impacts is compiled, which is updated at least once a year. The results of the assessment are communicated to the personnel and the personnel are briefed on the work performed and the need to comply with legal and regulatory requirements is explained.

In 2021, the Company did not record any cases of violation of the requirements of the Law "On the environment conservation of the Republic of Uzbekistan" and the regulatory requirements of international standards ISO 14001:2015 "Environmental management systems," ISO 50001:2018 - "Energy management systems," ISO 45001:2018 - "Occupational health and safety management systems."

In the long term, the Central Office and all business units of the Company intend to continue to identify inconsistencies with the environmental legislation of the Republic of Uzbekistan, to identify aspects and manage risks for taking measures to prevent any inconsistencies with the requirements of environmental legislation.

Workplace safety

GRI 3-3, 2-23

The main goals of the Company in the area of occupational health and safety management (hereinafter - OH&S) are to create safe and healthy working conditions, prevent injuries and diseases associated with professional activities, as well as prevent damage to the health of people in the workplace under management of "Uztransgaz" JSC. In order to achieve the strategic goal in the area of OH&S, the Company implements modern technologies, techniques and conducts OH&S training to improve occupational safety on a regular basis in all business units and organizations.

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modern technologies, techniques and conducts OH&S training to improve occupational safety on a regular basis in all business units and organizations.

OH&S management in the Company is conducted by the Health, Safety and Environment Division (hereinafter – HSE Division), which includes 6 full-time employees: 1 head of the Department, 3 chief specialists and 3 leading engineers. The Department provides organizational and methodological guidance to the business units and subordinate enterprises of the Company, also conducts an OH&S audit, training and briefings for employees of the entire Company. The activities of the Department are conducted based on the Policies in the area of quality, occupational safety, technical, industrial and environmental safety of the Company, the Regulations "On the Health, Safety and Environment Division," the personal

responsibility of employees for the proper performance of their official duties and individual orders from the management. Additionally, in each business unit where the compressor stations are located, there are operators and managers who are directly involved in the management of OH&S issues at the facilities. Also, the Company has an agreement with SERT International LLC, whose consultants conduct OH&S audits together with the HSE department.

The Company has approved an industry program for the prevention of industrial injuries, increasing the level of industrial safety, labour safety, environmental safety and occupational safety for 2020-2023. At the time of the reporting period, the HSE Department completed the implementation of all goals and objectives that were assigned for 2021.

The implementation of OH&S processes is regulated by the Constitution and the laws of the Republic of Uzbekistan "On Industrial Safety of Hazardous Production Facilities," "On Labour Protection," "On Road Safety", "On Environmental Control," "Regulation on Road Safety in the Oil and Gas Industry" and the requirements of international standards ISO 9001, ISO 14001, OHSAS 18001.

Also, OH&S issues in the Company are regulated by the following local and international agreements:

- Convention No. 98 dated 1949 "On the Application of the Principles of the Right of Organize and Collective Bargaining". Ratified on August 30, 1997;
- Convention No. 100 of 1951 concerning Equal Remuneration for Men and Women to Work of Equal Value. Ratified on 30 August 1997;
- Convention No. 103 "On the protection of Maternity" (as revised in 1952). Ratified on May 6, 1995;
- Convention No. 105 of 1957 "On abolition of Forced Labour. Ratified on August 30, 1997;
- Convention No. 111 of 1958 "On Discrimination in Respect of Employment and Occupation. Ratified on August 30, 1997;
- Convention No. 122 of 1964 "On Employment Policy". Ratified on May 6, 1995;
- Convention No. 135 of 1971 " On the Protection of the Rights of Employees' Representatives in the Enterprise and the Opportunities Provided to Them". Ratified on August 30, 1997;
- Convention No. 138 of 1973 "On the Minimum Age for Admission to Employment". Ratified on April 4, 2008;
- Convention No. 154 of 1981 "On the Promotion of Collective Bargaining. Ratified on April 4, 2008;
- Convention No. 182 of 1999 "On the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor". Ratified on April 8, 2008;
- Convention No. 144 of 1976 on "Tripartite Consultations for the Promotion of the Implementation of International Labor Standards of the ILO". Ratified on March 4, 2019;

- Convention No. 129 of 1969 "On Inspection of Labor in Agriculture. Ratified on August 27, 2019.

In order to effectively manage the approach in the area of management, the Company has introduced a feedback system, which uses several channels: confidential hotline, corporate portal of the Company, an appeal to the HSE Department and the trade union committee. Also, the HSE Department assessed the effectiveness of OH&S management, based on which initiatives were proposed for financing OH&S for the further development of this area in the Company.

Objectives for the mid-term

The Company is well on the way to achieving its OH&S management improvement goals. Based on the strategic goals, the Company has identified the following tasks for 2022:

- Conducting stepwise control and monitoring to inspect the sanitary and hygienic state of facilities, creating conditions for employees of enterprises and departments, as per the OH&S requirements of Uztransgaz JSC as per the schedule approved by the Company's management.
- Control over the medical examination of employees of the Company's business units.
- Analysis of storage conditions for dairy products at industrial facilities and development of measures to eliminate the identified deficiencies.
- Analysis of the state and conducting certification of workplaces at the enterprises and departments of the Company on the basis of conclusions and recommendations for improving the conditions of workplaces. The approximate cost of certification per one workplace is about UZS 250 thousand.
- Continuing implementation of ISO 45001:2018, ISO 14001:2015 standards at the Company's enterprises and departments.
- Carrying out the 4th stage of control and monitoring in the field of industrial safety, environmental safety and labor protection in accordance with the schedule of the Standing Committee Order No. 188 dated November 30, 2021.
- Training and qualification upgrading of personnel, including training in occupations and types of work, training in foreign companies.
- Performing joint work with scientific organizations, which includes work on the development of instructions, manuals, etc. Project cost is about 1,800 million soums.
- Development of 17 units of normative and technical documentation in cooperation with the national research institutes.

Further, in 2022, the HSE Department plans to create an occupational safety fund in order to finance targeted programs and other measures focused at improving the working conditions and occupational safety of employees as per RCM No. 267 of July 12, 2000. The fund will be formed from the Company's profit after all taxes are paid, as well as from voluntary contributions from individuals and legal entities and other receipts.

Also, this Department plans to develop briefings in the form of animated videos in order to simplify the delivery of OH&S information to new employees of the Company and will update the Company's Regulation on warning signs as per international standards.

Occupational health and safety management system

GRI 403-1

The Company has an OH&S management system, which was developed based on the IMS. This management system was implemented by the decision of the Company's management and based on the requirements of British standard OHSAS 18001:2007, the application of which allows the organization to manage risks in the management system and improve the efficiency of its functioning.

In 2021, the Company continues to implement OHSAS activities according to the requirements of the international standard ISO 45001:2018 and the national standard O'z DSt ISO 45001:2020.

These standards are a single set of local and international requirements intended to help organizations protect employees from accidents.

The OH&S management system covers 5111 employees who are involved in administrative and production activities in all business units of the Company except "Urgenchtransgas" UE, "Kamchik" DSPS and "Transgazengineering" LLC.

The number of workplaces covered by the OH&S management system is given below:

Company name	Number of workplaces
In the area of transportation, storage, distribution and sale of natural gas	
Executive Office	260
In the area of transportation and distribution of natural gas	
Mubarek MGPM	521
Gazli MGPM	1016
Kagan and Gazli MGPM	350
Zirabulak MGPM	527
Samarkand MGPM	197
Gallyaaral MGPM	600
Fergana MGPM	492
Tashkent MGPM	480
In the area of natural gas storage	
Khojaabad UGSF	338
"Severny Soh" UGSF	330

Full-time specialists are responsible for the functioning of the OH&S management system. At the Company level, coordination and management is carried out by the HSE Department, and the Emergency Preparedness and Security Division is responsible for the coordination and organization of emergency preparedness activities. Also, at the level of business units, the HSE divisions / functions and specialists in mobilization and civil protection are responsible for the functioning of OH&S.

Being aware of the need for continuous improvement of the management system, the Company improves OH&S by means of:

- improvement of OH&S indicators through the involvement of personnel and the development of a culture of compliance with health and safety requirements, support for the employees' participation in improving working conditions;
- update and upgrade of equipment, improvement of technologies;
- determining and implementing corrective actions for incidents, communicating information to personnel to prevent repeated incidents.

The Company annually allocates significant financial resources for the development of the OH&S system. In 2021, the total financial resources for this area amounted to 14,14 million soums.

The implementation of the hazard identification and risk assessment processes is regulated by the internal document "Procedure for hazard identification and risk assessment" developed as per international standard ISO 45001:2018. This document was developed in order to determine the process of hazard identification, the procedure for calculating the category of risks and further measures to reduce their degree of occurrence, as well as planning and managing them. This procedure is applied in all business units of the Company within the scope of IMS to identify, assess and manage risks in relation to employees of the Company and employees of subcontractors and visitors.

As per this procedure for hazard identification, assessing risks and opportunities in the area of OH&S, the analysis of the relevance and applicability of the results of hazard identification and risk assessment is conducted at least once a year, as well as randomly in case of changes in technology, equipment used, methods of work and if other factors are identified that may affect hazards and risks. Hazard identification is conducted using the "Hazard Matrix," in which information about a hazard, risk, probability level, risk level, control method and persons at risk for each type of activity is filled in electronically. The form of this matrix is presented in Table 4 of Appendix 3. If there were no changes in the hazards and risks, and the matrix can be applied without changes, then a protocol on the relevance of the matrix is processed. In 2021, the Hazard Matrix was not updated due to the relevance of the data reflected in the matrix and the lack of changes in the risks and hazards.

This procedure requires the mandatory participation of common employees in identifying and describing the hazards and risks associated with work performance. When identifying hazards and assessing risks, the results of an assessment of the impact of harmful production factors such as dust, noise, illumination, gas pollution, etc., which is conducted by an independent specialized external organization such as SERT International LLC in accordance with the legislative requirements of the Republic of Uzbekistan on certification and profiling of workplaces.

The Company has introduced and operates a Uniform Occupational Safety Management System (hereinafter-UOSMS). UOSMS, which is part of the IMS of the Company, was developed and implemented to manage risks in the area of labor protection, industrial and fire safety, achieve goals and fulfill the obligations assumed by the Company in the OH&S Policy

The main stages of OH&S risk assessment, applied in the Company, are as follows:

1. determination of activities, including areas of activity, types of work, operations;
2. identification of the dangers associated with the performance of professional activities;
3. identification of health risks associated with exposure to hazards;
4. identification of workers exposed to a specific hazard;
5. assessment of the severity of possible health damage;
6. assessment of the likelihood that a deviation from the requirements will occur, which could lead to a deterioration in health;
7. assessment of the risk rating as a combination of the severity of the possible damage to health and the likelihood of a work-related event that could result in damage to health.

As part of the OH&S management, the Company applies 4 stages of control (monitoring) to prevent and/or reduce risk, described below:

- 1) First level of control. When performing the first level of control, a senior operator, who is located within the facility, conducts monitoring during his working hours. Information about detected violations is reflected in the control log by the operator manually.
- 2) Second level of control. This level of control is conducted by engineers in the following four areas at least once every 14 days: fire safety, ecology, energy and industrial safety. Upon completion of the control, the conclusions are recorded in the log manually.
- 3) Third level of control. This level of control is conducted on the basis of an order developed in accordance with UOSMS. This order is approved by the Permanent Commission, which includes engineers of various fields such as metrologists, electricians, mechanics, compressor operators, ecologists. The commission thoroughly checks all facilities once a quarter and records the conclusions in the log.
- 4) Fourth level of control. This level of control is conducted by the OH&S department of the Administrative office of the Company twice a year. As per RCM on OH&S management, the Department develops an order with an attachment and a schedule for monitoring. The attachment of the order reflects all the necessary directions in which the facilities are checked. The commission consists of more than 10 persons and one external consultant from SERT International LLC.

Also, the Company uses the following hierarchy of control application to prevent and minimize the identified risks when monitoring facilities:

- elimination of danger if possible;
- changing the technology for performing work, changing materials used and tools or equipment used to safer ones;
- the use of technical controls to identify hazards, or to prevent critical deviations in work or in technological processes;
- training in safe methods of performing work, OH&S requirements, testing OH&S knowledge;
- the use of personal protective equipment.

The quality of hazard identification and risk assessment processes is ensured by:

- participation in these processes of employees, including engineers and technicians and common employees, as well as employees of contractors associated with the activity in question;
- conducting trainings and clarifications on the methods of hazard identification and risk assessment;
- periodic analysis of the relevance and applicability of the results of hazard identification and risk assessment, considering the actual results of monitoring and control over compliance with OH&S requirements, industrial and fire safety.

The results of the risk assessment, as well as the identified comments in the field of OH&S during the inspection of facilities, are used when determining measures to improve working conditions, increase occupational safety by adjusting instructions for performing work, conducting additional briefings on OH&S, including those related to incidents, to change requirements on the provision of personal protective equipment.

In 2021, 327 inspections of facilities of 11 business units were conducted.

Company name	2019	2020	2021
Urgenchtransgaz UE	366	262	45
Mubarek MGPM	34	38	19
Kagan MGPM	Kagan MGPM was part of Gazli MGPM	21	15
Gazli MGPM	425	82	105
Zirabulak MGPM	13	47	10
Samarkand MGPM	2	16	22
Gallyaoral MGPM	8	11	8
Tashkent MGPM	15	8	13
Fergana MGPM	33	33	27
Severny Soh UGSF	15	18	26
Khodjaobod UGSF	42	34	37
Total inspections of facilities performed	953	570	327

The downward trend in the number of health and safety compliance inspections for 2019-2021 is related to the Covid19 pandemic. The company understands the importance of inspections to prevent workplace accidents. In 2022, the HS&EM Department is scheduled to conduct inspections at least as quantitative as 2019.

During the 2021 inspections, 12 422 observations were made. Observations were made in compliance with health and safety rules and requirements, industrial, fire and road safety.

The results of inspections are one of the main tools through which the HSE Department identifies the need for such measures as staff training, the use of new methodologies to improve the OH&S system.

Every six months, briefing is conducted among employees about responsibility for violation of safety rules and damage caused by accidents at work as per the requirements of the Laws of the Republic of Uzbekistan "On Industrial Safety of Hazardous Production Facilities," "On Occupational Safety," "On Road Safety," "On Environmental Control" and "Regulation on Road Safety in the Oil and Gas Industry."

Under the legislation of the Republic of Uzbekistan, an employee has the right to refuse to perform work associated with a danger to his life and health, if all the required safety measures are not provided at the workplace. In this case, the employee should not be persecuted by his immediate supervisor or management of the Company.

If the employee has a feeling that his/her rights have been violated by the employer, then, under the current legislation, the employee can contact management of the Company, the Trade Union Committee or external state bodies with an appeal, including labor and social complaints. Employees of contractors and subcontractors working in the area of responsibility of the Company can also contact management of the Company. This provision is documented in the IMS Policy of the Company.

Incidents that did not result in accidents are considered by the services involved with the participation of both managers, engineers and technicians and common workers and engineers, and OH&S specialists. Depending on the significance of the incident, representatives of the Trade Union, government departments and other services may be involved. If a safety accident occurs as a result of the incident, the investigation is conducted as per the Regulation on investigation and recording of accidents at work and other injuries to the health of workers associated with the performance of their labor duties, which was approved by Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 286 dated 6 June 1997.

Health care services and healthy lifestyles

GRI 403-2, 403-3, 403-6

The Company pays special attention to the preservation and maintenance of the health of its employees. As per the requirements of the legislation of the Republic of Uzbekistan, as well as Regulation No. 200 of the Minister of Healthcare "On Approval of the Regulation on the Procedure for Medical Examination of Employees" dated 10 June 2012, employees of "Uztransgaz" JSC are provided with a mandatory medical examination, including daily and annual periodic medical services.

Also, the Company is carrying out additional work to prevent infectious and non-infectious diseases and injuries.

The Company has a Health Care Service whose functions include:

1. direct control over employees' compliance with occupational health and safety rules and regulations;
2. analysis of the state and causes of industrial injuries and occupational disease incidence;
3. introduction of experience in health care management of leading foreign companies;
4. participation in the development of labor safety standards, occupational safety rules and regulations;
5. organization of certification of workplaces for working conditions;
6. Provision training and examination of knowledge in occupational safety and health;
7. provision of the enterprise with normative and guiding documents on occupational safety and health issues.

The organization ensures the quality of medical services and facilitates employees' access to these services by following all the requirements of the Collective Agreement, whereby the Company's employees are entitled to the following medical services:

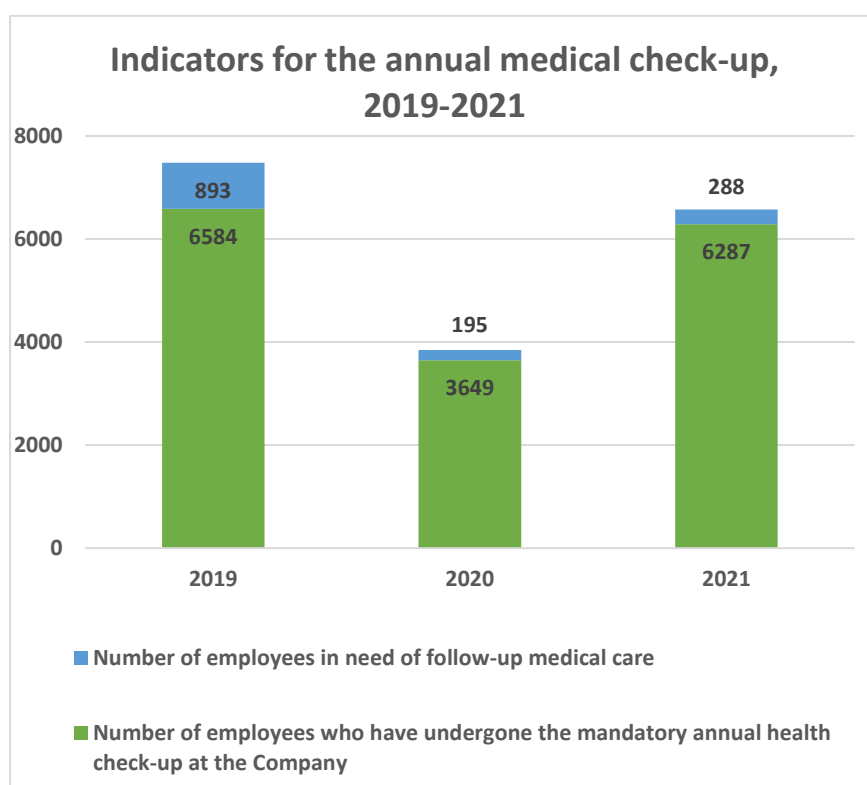
- annual and periodic free medical examinations;
- financial assistance in case of illness;
- Free tickets to medical and health centers;
- free dairy products when working in hazardous conditions.
- provision of subscriptions to sports and fitness facilities, swimming pools.

The number of employees who underwent a mandatory annual medical examination in the Company in 2021 was 6 287 people, according to the results of which 288 employees were identified as needing of dispensary

observation. As a percentage ratio, the number of employees needing dispensary observation decreased by 0,7% in 2021 compared to 2020.

Indicators for annual medical examinations of employees of the central office and all business units are given below:

Indications	2019	2020	2021
Number of employees underwent compulsory annual medical observation in the Company	6 584	3 649	6 287
Number of employees requiring dispensary observation	893	195	288



Based on the results of medical examinations, the trade union committee issues vouchers to sanatoriums and resorts for the Company's employees according to the rules of the Collective Agreement. In case of detection serious illnesses among employees, the Company sends them to medical institutions for treatment.

Also, in order to minimize risks in facilities, facility employees undergo basic health checks by medical personnel every day. During the check, a test is made for the presence of alcohol in the body of an employee and blood pressure.

The Company annually undertakes medical and preventive measures. In the reporting period, UZS 999 million were allocated for medical and preventive and sanitary and epidemiological measures, which is almost 5 times more than in 2020.

Expenses for sanitary-epidemiological and therapeutic-preventive measures in sums are given below:

Indicators	2019	2020	2021
Expenses for sanitary and epidemiological and therapeutic and preventive measures, total	361 454 990	200 384 200	999 765 753

The Company takes a responsible approach to the choice of a medical institution where health insurance services will be provided to employees. As of the reporting period, the Company did not enter into agreements with medical institutions for the provision of health insurance services.

The Company provides employees with the opportunity to use voluntary health promotion services and programs during paid work hours, subject to an appropriate leave order, and during non-working hours. Uztransgaz JSC, together with the Joint Trade Union Committee, makes a work schedule at the beginning of the year on joint work to improve the health of workers. The schedule without fail includes sports and sports events such as chess, checkers, table tennis and futsal. The business units have sports grounds where employees are able to engage in active sports.

Also, the Company provides services and programs for health promotion and programs for family members of employees. The United Trade Union Committee of "Uztransgaz" JSC provides vouchers to recreation centers for employees and their families to improve their health, as well as vouchers to children's health camps for employees' children from 7 to 13 years old. Access to these voluntary programs available for employees in accordance with the rules of the Collective Agreement.

Data Confidentiality

The results of medical examinations are considered as the medical secret and are given personally to the employee who passed medical examination or to official representatives of employees. "Uztransgaz" JSC maintains confidentiality of personal information related to the health of employees on the basis of the Law of the Republic of Uzbekistan No. 547 of July 02, 2019 "On Personal Data". In the Company, the results of medical examinations are provided to the trade union committee of the Company and the HSE department in order to carry out therapeutic and preventive work

Industrial safety

GRI 403-7, 403-9

Creating safe working conditions, preserving the life and health of employees, ensuring the reliable operation of hazardous production facilities, ensuring fire safety and road safety are one of the priorities of the Company's activities.

Hazardous areas in the Company are gas compressor stations, main gas pipelines and gas distribution points, since these areas have a high noise level and work with a chemically hazardous substance - an odorizing compound, which is added to the gas to give it a distinctive odor.

Additionally, the descent and ascent of pump-compressor and drill tubes during workover of wells and all operations performed in a gas-hazardous, electrically hazardous and fire-hazardous environment bear a high risk to human health. During such work, there is a high risk of gas poisoning, electric trauma, falling from height, chemical and thermal injuries, insect bites, sun stroke, harm due to vibration, noise and dust.

There was 1 work-related accident in the Company in 2021. The type of occupational injury was a burn under the action of an electric arc. The case was evaluated as an injury of 2 to 3 degrees of severity. It took 4 months for the company employee to fully recover and return to work.



Consequently, the occupational injury rate in 2021 was 0,056, the rate of severe injuries 0,056 and the rate of fatalities was 0. (The number of hours worked in the reporting period was 17 939 thousand hours).

Analytical information on the status of occupational injuries from 2012 to 2021, which covers data on all Company employees, is given below:

Indication	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Number of accidents										

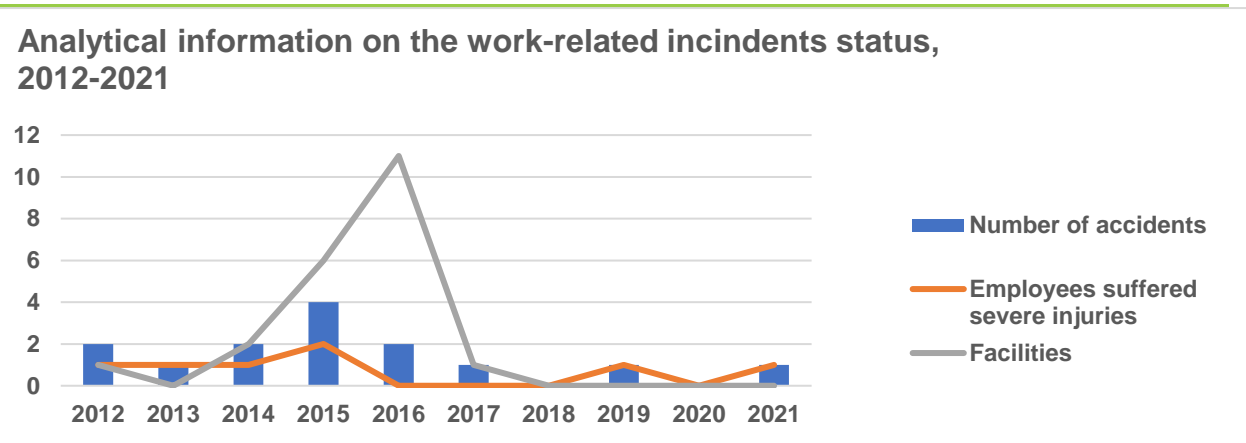
Uztransgas JSC	2	1	2	4	2	1	0	1	0	1
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Number of victims with a severe outcome

Uztransgas JSC	1	1	1	2	0	0	0	1	0	1
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Number of victims with fatal outcome

Uztransgas JSC	1	0	2	6	11	1	0	0	0	0
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According to the legislation of the Republic of Uzbekistan, an investigation was conducted to investigate an accident while performing labor duties and the N-1 Act was drawn up, which identified the causes of the accident and defined measures to prevent it:

1. Developed a set of measures to prevent accidents;
2. Unscheduled briefing on safety among employees of Gallyaaral MGPM was held, regular knowledge test was held for MPC of Gallyaaral MGPM;
3. Measures were taken to improve safety knowledge of employees
4. Additional demonstration materials (posters) on occupational health and safety at workplaces were provided at workplaces (workshops)
5. Mandatory audit of occupational safety rules observance at Gallyaaral MGPM was carried out.

The Company interacts closely with various contractors in its activities. The relationships of Uztransgaz JSC with contractors and other organizations performing work in the area of responsibility and within the territory of the Company are built on their mutual interest in ensuring the safety of people, including employees of contractors and state inspection authorities, visitors and the public. As per the IMS Policy, employees of other organizations performing work in the area of responsibility of the Company must consistently perform the necessary OH&S procedures to ensure the safety of people, preserve their life and health, before starting work and manage the risks associated with activities and actions of employees of organizations. Employees of contractors are subject to the same requirements in the area of industrial and occupational safety, as the employees of the Company.

At the time of the reporting period, Uztransgaz JSC does not keep records of occupational injuries to employees of other organizations due to the fact that the responsibility for maintaining safety measures is imposed on the employees of contractors themselves. Accordingly, in the event of occupational injuries among employees of contractors, the investigation is conducted by the State Committee for Safety.

Training and information on labor protection and occupational safety

GRI 403-2, 403-4, 403-5

“Uztransgaz” JSC follows the principle of “Employee Engagement” in management of OH&S issues. The Company has implemented a mechanism for consultation and participation in OH&S issues with personnel, including common employees. Consulting on OH&S issues is conducted by providing an opportunity to review information and exchange views before making decisions to employees, including common employees whose professional activities are affected by the issues in terms of health and safety. The practical implementation of

this principle, for example, is the mandatory participation of common employees or their representatives when agreeing the documents establishing OH&S requirements.

All processes of employee participation in the development, implementation and assessment of the OH&S management system are regulated by the collective agreement. Powers and responsibilities are allocated between the employer and the trade union. The participation of employees in the development and implementation of processes is regulated in writing and verbally. However, the Company does not have formal joint health and safety committees between management and employees at the time of the reporting period.

The collective agreement provides for chapter No. 8 on occupational safety, where the duties and powers



of the employer and the trade union are recorded. The trade union organizes the work of public control on occupational safety; and persons in charge of OH&S are elected by voting. The chairmen of trade union committees and the persons in charge of OH&S take an active part in the OH&S Permanent Commissions organized jointly with employers and the trade union committee. Occupational safety training for employees is a priority for improving the OH&S management system in the Company. Upon admission of a new employee who will work in the facilities of “Uztransgaz” JSC, the Company organizes a one-month training, after which the employee will take an exam to test knowledge of OH&S rules for the safe performance of functions. Only after successfully passing the exam, the employee can start his work in the Company.

Thus, in 2021, 266 engineers from 11 business units and the central office and subsidiaries of the Company underwent training. Training was conducted in 4 large areas of HSE and the average number of training hours among employees was 40 hours.

Company name	Number of trained employees							
	On industrial safety		Labor protection		On fire safety		On environmental protection	
	Number of hours	Number of employees	Number of hours	Number of employees	Number of hours	Number of employees	Number of hours	Number of employees
Central Office	80	2	216	6	120	2	72	1
Urgenchtransgaz UE	480	12	540	15	1980	33	864	12
Mubarek MGPM	200	5	108	3	420	7	216	3
Kagan MGPM	200	5	72	2	240	4	72	1
Gazli MGPM	360	9	324	9	420	7	432	6
Zirabulak MGPM	440	11	216	6	360	6	0	
Samarkand MGPM	240	6	108	3	360	6	216	3
Gallyaaral MGPM	320	8	72	2	480	8	0	
Tashkent MGPM	320	8	72	2	420	7	288	4
Fergana MGPM	200	5	180	5	240	4	72	1
UGSF Severny Soh	80	2	108	3	180	3	144	2
UGSF Khodjaobod	280	7	36	1	240	4	0	
DCPS Kamchik	80	2	0		0		0	

Transgazengineering LLC	40	1	36	1	60	1	0	
Total:	3320	83	2088	58	5520	92	2376	33

Industrial safety training was conducted at the State Unitary Enterprise "Kontehnazorato'quv",

on occupational safety - at the Center of Professional Development under the Ministry of Employment and Labor Relations of the Republic of Uzbekistan,

fire safety - at the Higher Technical School of Fire Safety under the Ministry of Emergency Situations,

on environmental protection - at the Center for retraining and advanced training of employees working in the field of environmental protection.

Also, in the central office and in all business units of the Company, fire tactical drills and medical drills are conducted. In 2021, the Company held 4 691 fire drills and medical drills.

Indication	2021
Number of training alarms	4333
Number of training and tactical alarms	358

The need for certain training courses for engineers and other employees is determined by analyzing the current HSE indicators and per the requirements of the international standards that the Company follows as per the IMS. As per the internal policy of the Company, the HSE department conducts training for the management team, which includes chief engineers, the chairman of the Company and heads of departments, and the induction for newly hired employees. In 2021, the Company conducted 3 541 induction training sessions separately for each newly hired employee.

Indicators	2019	2020	2021
Number of induction briefings	5 658	4 467	3 541
Number of employees who received induction training	5 658	4 467	3 541

Social responsibility

Management approach

GRI 3-3, 2-25

As a major employer operating in 7 regions of the Republic of Uzbekistan, "Uztransgaz" JSC purports to increase the professionalism and efficiency of its employees, strengthen and develop human resources, create conditions for social protection and stability in the team and regions of presence. Being aware of the importance of effective human resource management, the Company is constantly improving the remuneration system and working conditions, and contributing to an increase in the level of social support and the development of training of its employees.

The main goal of personnel management is the formation, development and most effective accomplishment of the personnel potential of the Company. The concept of development of the personnel

management system includes a list of tasks that represent the key areas of personnel policy. The key priorities of the personnel policy of "Uztransgaz" JSC are as follows:

- improving the professionalism of employees by career boosting;
- introduction of advanced methods of personnel management of the Company;
- personnel development not only along the vertical scale of professional growth, but also taking into account the growth and quality of performance indicators;
- management of the talent pool of the Company;
- social protection of employees, full observance of their rights and interests, ensuring safety at work.

In its approach, the Personnel Management Department is guided by the Personnel Management Policy and internal regulations of the Company. Social and labor relations between the Company and employees are regulated in accordance with labor legislation and the collective agreement.

Also, the Company has "Regulations on Staff Rotation in "Uztransgaz" JSC and structural divisions", which was approved in order for the Company's employees to acquire professional skills, identify their potential for further career development, form a personnel reserve, staffing internal personnel, identify employees' management skills.

The Company regularly carries out activities aimed at achieving goals in the area of personnel management and implements a mechanism for monitoring the social conditions of employees of the management staff, business units and contractors located in the area of responsibility of the Company.

As part of the implementation of its strategic goal, in 2021 the Company focused 7 tasks in the area of personnel management, for each of which activities were carried out. These tasks included the preparation of a report and documents for the promotion of personnel, advanced training and incentives for personnel. More detailed information on these tasks is presented in Table 6 of Annex 4.

The Company has a developed feedback system. In cases of complaints, each employee has the opportunity to contact their immediate supervisor, the HR Department, as well as through the official website, confidential hotline, or use the corporate portal of the Company. In addition, depending on the issue and topic of the problem, employees can contact the Trade Union Committee and the Women's Council of the Republic of Uzbekistan.

The Company works closely with the Trade Union Committee. The Company interacts with the Trade Union within the framework of social partnership established by the labor legislation of the Republic of Uzbekistan. The main parameters of interaction are issues related to the implementation of the Collective Agreement, including issues of the state of work discipline, consideration of complaints from the work collective, health and safety, provision of social benefits and compensations, etc.

Employment

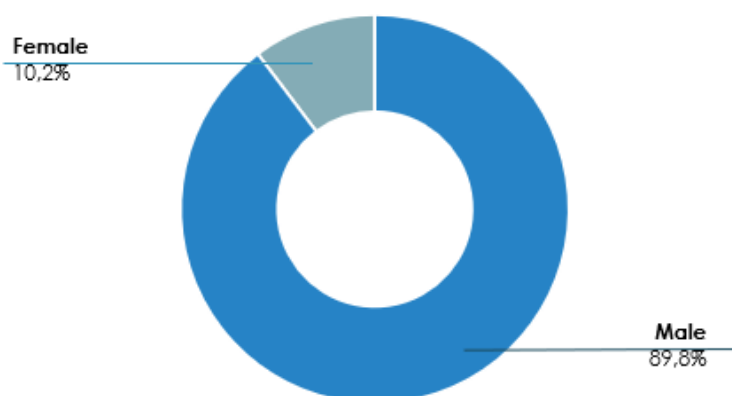
GRI 2-7, 401-1, 401-2, 401-3, 402-1

The actual number of employees of the Company at the end of 2021 was 8344 people.

The largest number of employees works in "Urgenchtransgaz" UE, the share of which is 33% of the total number of employees of the Company. All employees of the Company have full-time employment, of which 24 persons work under fixed-term labor contracts, which is 0,3% of the total number of employees, and 8320 persons work under permanent labor contracts. The number of employees in the reporting period broken down by structural subdivisions and by gender is given in Table 3 of Appendix 4.

Due to the production specifics of the Company's activities, the number of men among employee makes up the majority. Thus, at the time of reporting period, the share of men is 89,8%, and women is 10,2%.

UTG employees by gender for the reporting period, %



The share of production personnel prevails in the Company as compared to administrative and management personnel. In 2021, the share of production personnel in the total headcount was 86,6%, while the share of administrative and management personnel was 13,4%.

The breakdown of female and male employees is approximately the same for each category of employees. However, all senior managers are represented only by male personnel, while the share of female specialists is higher than that of male specialists.

Employees by gender and category for the reporting period, %

Employee category	Male	Female	Share of employees of each category of total headcount, %
Senior managers	0,19	0	0,19
Managers of business units	2,16	0,18	2,34
Specialists	8,84	2,18	10,82
Employees	78,85	7,80	86,65

By age category, the main share of employees is represented in the group from 30 to 50 years old -64,7%, while the share of young people under the 30 years old is 14,0 %, the share of employees over 50 years old is 21,3% of the total number of personnel.

Number of employees by age category for the reporting period

Employee category	Under 30 years old	30 – 50 years old	over 50 years old
Senior managers	1	10	5
Head of business units	9	140	46
Specialists	128	609	166
Employees	1030	4643	1557

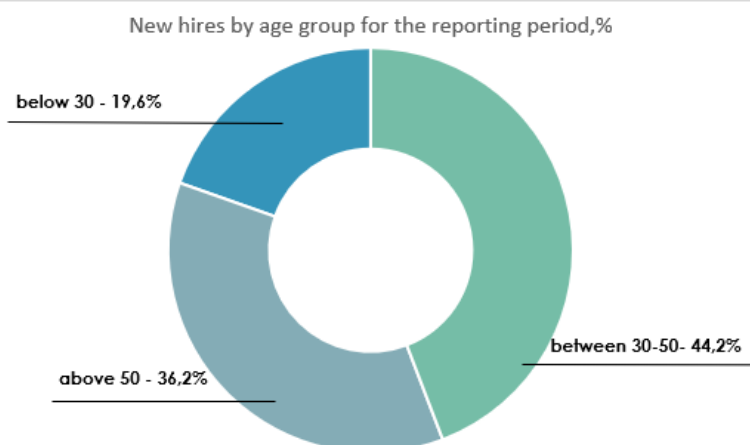
The number of newly hired employees in 2021 is 669 people, or 7,9% of the total headcount. In 2020, this figure was 592 people or 7,4% of the total headcount.

Newly hired employees in 2020-2021, %

year	2020	2021
% of hired employees	7,4	7,9

When implementing the personnel policy, the focus is on hiring young specialists to the sphere of the Company's production activities. The Company works on the training, selection and placement of personnel among young specialists. The main suppliers of young subject matter specialists are the higher education institutions of the republic.

Thus, the share of young people under 30 years old among the newly hired employees was 37,9%. Also, the number of newly hired workers from 30 to 50 years old was 51,9%, and over 50 years old was 10.2%.



The number of employees with whom labor relations were terminated during the reporting period amounted to 712 people, including by age category: under 30 years old – 19,6%, 30 to 50 years old – 44,2%, over 50 years old – 36,2%. Also, employees with whom employment relations were terminated during the reporting period, broken down by gender, have the following indicators: the share of female employees – 10,2%, the share of male employees – 89,8%.

The employee turnover rate was 8,7% in 2021. This coefficient is calculated as a ratio of the number of all dismissed employees to the headcount.

Turnover rate, %

Year	2019	2020	2021
Turnover rate per calculation procedure adopted by the Company	6,3	19	8,7

HR data is collected by the HR Department from all business units of “Uztransgaz” JSC.

Collective agreement

GRI 2-30

The Collective Agreement, which was developed for a three-year period and is subject to regular renewal, is the key to protecting labor rights, economic and social guarantees of employees, as well as to regulating employment relations and effective dialogue between the Company and employees.

The Collective Agreement of the Company is applicable to all employees of the executive office and directly reporting business units that are part of the Company, regardless of membership in the trade union. In 2021, the share of Uztransgaz JSC employees covered by Collective Agreements amounted to 100% or 8344 people.

Under the Collective Agreement, the minimum period for prior notification of employees and their elected representatives about the implementation of significant changes in the business of the Company, which may significantly affect them, is 2 months. Meanwhile, in 2021 there were, no cases of filing claims by the Company's employees for non-compliance with this requirement of the labor legislation. Any amendments to the Collective Agreement shall be made only by agreement of the parties in the manner required by the Labor Code of the Republic of Uzbekistan.

Social support

The personnel is the main potential of the Company, and in this regard, "Uztransgaz" JSC pays special attention to creating favorable working conditions and ensuring labor guarantees, benefits and compensations.

The Collective Agreement of the Company provides for more than 30 types of social benefits and guarantees for employees and their families, as well as for young people and non-working pensioners.

The social package provided to the Company's employees includes various types of social compensations, benefits and guarantees: insurance products, non-state pension programs, additional benefits and guarantees for young people and women, reimbursement for workers' travel expenses, compensation for non-working pensioners for the cost of potatoes and vegetables purchased for the winter period, providing full or partial payment for medical and health resort treatment or surgery, targeted assistance to employees and their family members.

Also, the Company, through the Collective Agreement, has programs for continued employment and career exit management implemented when employees retire or leave the Company. These are:

➤ Regulations for determining and paying supplement pensions to retirees in the oil and gas industry. Supplement payments are calculated applying a coefficient based on the subsistence wage established in the territory of the Republic of Uzbekistan. The coefficient depends on the total length of service in the oil and gas industry: 15 - 20 years old – 0,24, 20 - 25 years old – 0,28, 25 - 30 years old – 0,32, 30 - 35 years old – 0,36, over 35 years – 0,40.

➤ Payment of a lump-sum allowance of 20% of the official salary for each year worked in the oil and gas industry upon dismissal of an employee due to retirement. This allowance is paid to an employee only once upon dismissal of a pensioner for a well-earned rest by age.

In 2021, 24 901 social benefits and guarantees were provided to employees of the central office and all business unit.

The number of benefits and guarantees provided to full-time employees of "Uztransgaz" JSC is shown below:

Description of benefits	2020	2021
Insurance products	890	1 369
Health insurance programs	0	8
Non-state pension programs	1 450	476
Ownership of company shares	0	40
Temporary disability benefits for employees registered for socially significant diseases, World War II veterans, disabled employees, etc.	0	354
Benefits for young people provided in line with the Collective Agreement	46	50
Monthly childcare benefit for children aged up to 2 and 3, paid to women	114	62
Reduced working day and breaks with appropriate pay during working hours for women with children and pregnant women	11	19
Free treatment for pregnant women at medical sanatoriums and resorts or health resorts of the Republic	0	108
Compensation to employees of travel expenses (per diem), in the amount of 35% of the basic calculation value established in the Republic of Uzbekistan	3 296	3 172
Compensation to non-working pensioners who do not receive additional payments for the cost of potatoes and vegetables purchased for the winter	14	89

period equal to 1 subsistence wage

Full or partial payment of the cost of medical and health resort treatment or surgery to employees, as well as single unemployed pensioners, war and industrial invalids, peacekeeping soldiers and chronically ill	122	459
Targeted assistance to families with school-age children by 1 September delivery of New Year gifts for employees' children	6 665	7 098
One-time financial assistance to employees in various life situations	1 077	1 565
Other social benefits	6 965	10 032
Total:	20 675	24 901

In this table, the provision of one-time financial assistance to employees in various life situations includes benefits to employees when starting a family, the birth of the first child, the death of an employee or a family member, in case of damage as a result of natural disasters and emergencies, and financial assistance to non-working pensioners, war and labor veterans who retired from the Company on the Independence Day, Day of Remembrance and Honors.

The number of employees on parental leave at the end of the reporting period was 40, with the share of women being 100%. When calculating the number of employees who took parental leave, data from the central office, all business units and liquidated enterprises were taken into account

The total number of employees who took parental leave in the reporting period is as follows:

Category of employees	2020*	2021
Eligible to take maternity/paternity leave	46	45
Took maternity/paternity leave	44	40
Should have returned from maternity/paternity leave	8	20
Returned from maternity/paternity leave	17	15
Total number of employees who returned to work at the end of maternity/paternity leave in the previous reporting period	6	14
Returned from maternity/paternity leave and continue working for 12 months after returning to work	13	7

**The 2020 values have been adjusted from the 2020 Sustainability Report due to a refinement of the calculation*

Under GRI standards, the return to work rate reflects the ratio of the total number of employees who returned to work at the end of maternity/paternity leave to the total number of employees who should have returned to work after the end of maternity/paternity leave. Also, the retention rate reflects the ratio of the total number of employees retained 12 months after returning to work at the end of maternity/paternity leave to the total number of employees who returned after the end of maternity/paternity leave in the previous reporting period.

In 2021, the return-to-work rate was 75%, which shows that all employees required to return after their leave ended returned to work. Also, the retention rate was 50% in 2021 and 100% in 2020.

The return and retention rates in 2020-2021 is shown below:

Indicators	2020	2021
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Return-to-work rate (share of employees who returned to work after maternity/paternity leave), %	100	75
Retention rate (share of those remaining in the organization after returning from maternity/paternity leave), %	100	50

In 2021 the cost of social support for employees of “Uztransgaz” JSC amounted to UZS 75 924,6 mln.

The volume of directed financial means for social support of employees in UZS thousand is given below:

Employee social support, UZS thousand	2020	2021
“Uztransgaz” JSC	47 969 344,25	75 924 599,9

Equal opportunities

GRI 3-3, 405-1, 405-2, 406-1

An effective HR policy is an essential prerequisite for the successful activities of “Uztransgaz” JSC staff. The Company’s approach to personnel encouragement is built on the principles of ensuring a decent level of remuneration, transparency, gender equality, and respect for the rights and interests of employees. When implementing HR and social policy, the Company fully complies with the requirements of labor legislation and does not violate its statutory provisions according to which no one may be restricted on his or her labor rights or freedoms or receive any advantages irrespective of gender, race, ethnicity, language, origin, property, family or social status or other circumstances not related to the professional qualities of an employee.

When implementing a payroll system, Uztransgaz JSC adheres to the laws of the Republic of Uzbekistan, in particular, Article 46 of the Constitution of the Republic of Uzbekistan, the Law “On Guarantees of Equal Rights and Opportunities for Women and Men” No. LRU-562 dated September 2, 2019, which governs relations in terms of ensuring equal rights and opportunities for women and men. In line with Collective Agreement applicable to all employees, remuneration level is determined depending on the profession, qualifications of the employee, the complexity and conditions of the work they perform and is made based on the unified wage rate scale.

Thus, there are no differences in the Company’s wage and remuneration system depending on gender differences.

The Company complies with the requirements of the following legislative documents and conventions of the International Labor Organization, ratified in the Republic of Uzbekistan, when facilitating to the preventi discrimination:

- Collective Agreement: Chapter 3, paragraph 3.1.
- Convention (No. 100) of 1951 concerning equal remuneration for Men and Women Workers for Work of Equal Value.
- Convention No. 105 of 1957 concerning the Abolition of Forced Labor.
- Convention No. 111 of 1958 concerning Discrimination in Respect of Employment and Occupation.

A unified approach to labour relations management and remuneration is applied in the Company. All employees of the Company sign an employment contract when being hired. The staffing table in the Central Office and in all business units and entities provides for the grade and salary of an employee only according to his or her position.

All changes in the payroll system are made taking into account the opinions and proposals of government agencies, the Trade Union Committee and employees. Also, the wage floor is revised based on the subsistence wage established by the Decree of the President and resolutions of the Government of the Republic of Uzbekistan.

In 2021 the Company did not evaluate its equal rights management approach and no incidents of discrimination were recorded. In the event of a dispute in this area and when facing discrimination in any form, employees of the Company may contact the Human Resource Management Department, the Trade Union Committee, use the hotline and the corporate portal, where they can report incidents of discrimination and resolve similar issues.

Diversity of governance bodies and employees

Due to the nature of the Company's activities, the share of male workers in the total number of workers and middle managers was 90%, and the share of female workers was 10% as of the reporting period. All senior managers were male employees in 2020 and 2021.

A significant proportion of employees are between 30 and 50 years old: workers – 64,2% (63,2% in 2020), specialists – 67,4% (64,4% in 2020), functional managers – 71,8% (63,6% in 2020), senior managers – 62,5% (56% in 2020).

Also, in the reporting period the number of employees with disabilities in the professional category was 22 (28 in 2020), in the worker category - 17 (0 in 2020).

More detailed indicators on the diversity of management bodies and employees are given below:

Indicator	2020				2021			
	Senior managers	Heads of business units	Specialists	workers	Senior managers	Heads of business units	Specialists	workers
Number of employees, people.	41	154	270	7537	16	195	903	7230
including by gender :								
Male	41	139	200	6784	16	180	721	6579
Female	0	15	70	753	0	15	182	651
Including by age								
Under 30 years old	1	21	68	1293	1	9	128	1030
30-50 years old	23	98	174	4764	10	140	609	4643
Over 50 years old	17	35	28	1480	5	46	166	1557
Including vulnerable groups of the population:								

People with disabilities	0	1	28	0	0	0	5	17
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The above indicators in the table reflect data from the Central Office and all business units of the Company.

Ratio of basic salary and remuneration of women to male employees

When calculating the ratio of basic salary and remuneration of women to men, the method was based on the average salary of employees of each gender group within each job grade. Thus, the ratio was identified by dividing the average salary of female employees by the average salary and remuneration of women to men in the same grade and multiplying the resulting indicator by 100. Remuneration included any types of bonuses and other types of incentives to employees.

The ratio of average salary and remuneration of women to men among senior managers was 0, since all senior managers are males. On top of that, this ratio is 0 among the heads of business units 6 MGPMs and 2 UGSFs due to the absence of females in this job category.

In the central office, heads and specialists of functional subdivisions of female employees receive on average higher salaries than male employees in this position category. The tendency to an equal level of average salaries is observed among specialists of UGSF "Khojaabad" and middle managers of UP "Urgenchtransgas".

However, the lowest ratio of the average salary of female employees to male in the official category of specialists is observed in the Samarkand MGPM. The average salaries of middle managers and female specialists is significantly low compared to the average salaries of middle managers and male specialists at "Transgazengineering" LLC.

Ratio of average salary of female employees to male by job category, %

Company name	Salary ratio among senior managers	Salary ratio among the heads of business units	Salary ratio among specialists	Salary ratio among workers
Central Office	0	129,4	106,3	0
Urgenchtransgas UE	0	99,56	70,1	77,37
Gazlii MGPM	0	0	57,2	81,93
Gallyaaral MGPM	0	0	71,3	74,1
Transgazengineering LLC	0	14,28	38,08	0
Kagan MGPM	0	86,14	94,69	81,50
Mubarek MGPM	0	0	80,41	58,6
Samarkand MGPM	0	0	17,6	1461,4
Khojaabad UGSF	0	0	98,68	68,94
Severny Sokh UGSF	0	0	74,86	64,6
Tashkent MGPM	0	0	85,8	63,7
Fergana MGPM	0	0	83,34	78,87
Zirabulak MGPM	0	0	85,1	73,73

The average remuneration rate of female employees is higher than that of men among heads of business units in the Central Office, "Urgenchtransgas" UE and Kagan MGPM, while the low ratio of average remuneration in this position category can be observed in "Transgazengineering" LLC.

Also, a high ratio of the average remuneration among specialists is observed in "Khojaabad" UGSF, "Severny Sokh" UGSF, Gallyaaral, Kagan and Tashkent MGPM, and a similar high ratio among workers is observed in "Urgenchtransgas" UE, Gazlii, Gallyaaral, Kagan MGPM, "Khojaabad" and "Severny Sokh" UGSF.

Ratio of average remuneration of female employees to male by job category, %

Company name	Ratio of remuneration among senior managers	Ratio of remuneration among heads of business units	Ratio of remuneration among specialists	Ratio of remuneration among workers
Central Office	0	112,27	94,25	0
Urgenchtransgas UE	0	118,48	89,25	101,04
Gazli MGPM	0	0	90,82	104,47
Gallyaaral MGPM	0	0	108,58	104,85
Transgazengineering LLC	0	17,85	27,92	0
Kagan MGPM	0	101,05	109,76	102,12
Mubarek MGPM	0	0	11,8	11,6
Samarkand MGPM	0	0	33,9	58,6
Khojaabad UGSF	0	0	106,11	104,66
Severny Sokh" UGSF	0	0	102,73	120,44
Tashkent MGPM	0	0	115,3	86,07
Fergana MGPM	0	0	83,3	78,8
Zirabulak MGPM	0	0	89,53	97,48

Employee development

GRI 3-3, 404-1, 404-2

In today's environment, employee training and upgrading skills is relevant for any enterprise. The Company lays special emphasis on the development of its employees, since a good professional education is an important factor in the social protection of employees. The Company has been taking focused efforts to train its employees in line with the Law of the Republic of Uzbekistan "On Education", the National Program for Personnel Training.

The Company applies a specific approach to employee development. An essential element is an assessment of the employee's overall performance to get a big picture of the personal skills of each employee and find an approach for professional growth.

The Company's training programs are designed to ensure a high level of work efficiency by increasing the knowledge of employees, developing the required professional skills and creating a value system that aligns with the current realities.

The Company manages employee development on a centralized basis. However, subsidiaries may also manage employee development procedures on a stand-alone basis. Based on the applications submitted by business units and the Central Office, demand is formulated, and, accordingly, this results in the organization of employee training. The level of satisfaction with the training, as well as the effectiveness is assessed by the trained employees after completion of the training course.

At the time of the reporting period, the main trigger for upgrading professional competencies and employee training is the modernization of the gas transportation system and the modernization of gas distribution stations, which in turn creates the need to improve employee qualifications in this area.

The Company evaluates the approach to employee development management, which resulted in changes to the training course process in 2021. The introduction of new training methods is caused by the Company's development process that is formed under the influence of new trends, taking into account the requirements stemming from government resolutions.

In order to improve qualification of employees it was signed a contract for training, retraining and advanced training of working personnel and engineers and technicians with the Training and Recreation Center of Urgenchtransgaz UE. The training and rehabilitation center was established in line with the Decree of the President No. PK-4388 dated July 9, 2019 and the order of Uztransgaz JSC No. 86/86 dated September 23, 2019. The Center aims at providing training in the Uztransgaz JSC system, including advanced training, refresher course and advanced professional training. The center conducts activities in several directions:

- training and retraining of personnel for primary qualifications;

- training for second and third qualifications;
- providing methodology-related guidance in training;
- entering in agreements for the delivery of training services with other enterprises and organizations in accordance with established procedure;
- improvement and coordination of activities.

As of the reporting period, the Company has approved and implemented retraining of employees of working professions such as "Electric and Gas Welder of the 4th category", "Technological Compressor Operator of the 3rd category", "Installer of Electrochemical Protection of Underground Pipes of the 3rd category", modular training in "Comparison and Calibration of Heat Measuring Instruments", "Comparison and Calibration of Pressure, Flow and Volume of Liquids and Gases", "Operator of Gas Distribution Stations". These courses include an analysis of all the basics and obtaining a complete theoretical basis, in the amount of knowledge provided by the category for which the specialist is trained on.

In line with the Decree of the President of the Republic of Uzbekistan "On Measures to Introduce Modern Corporate Governance Techniques in Joint Stock Companies" No.UP-4720, dated April 24, 2015, a program was drawn up to gain relevant knowledge in the corporate governance regulations, in particular, familiarization with modern practices and principles of corporate governance, as well as updating and enchaining the knowledge of specialists, managers, members of the Supervisory Board of the Company.

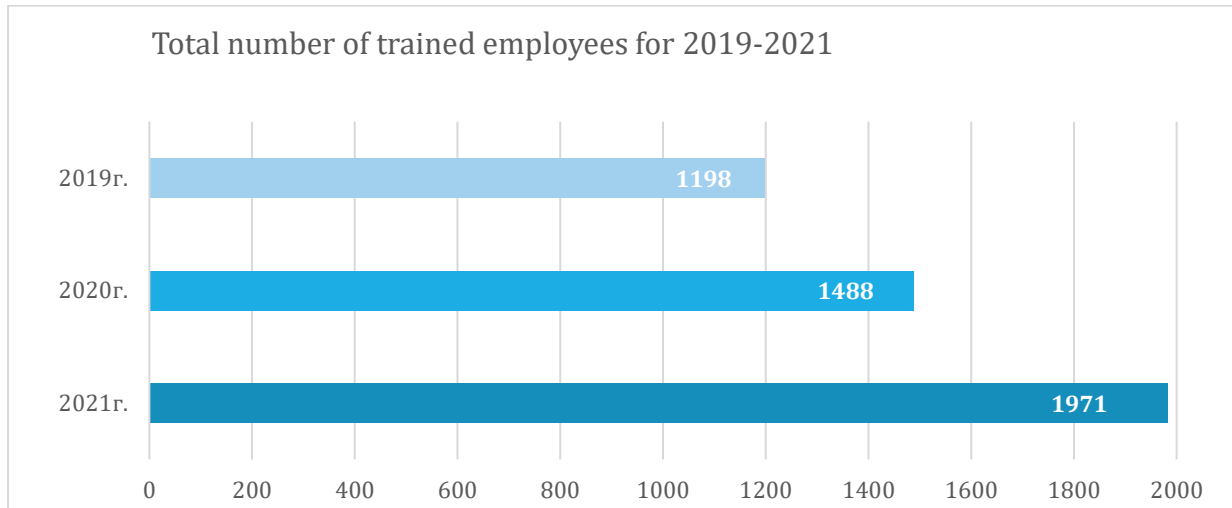
On an annual basis, the Company invests more in the training and development of its employees.

The total amount of training expenses for the personnel of the central office and business units in 2021 was UZS 2 148,3 million, down 14% compared to 2020 and 41% higher compared to 2019.

Expenses for training of the Company's employees, UZS million.

Training costs for employees	2019	2020	2021
Uztransgaz JSC	1 519,2	2 487,6	2 148,3

The total number of trained employees is gradually increasing every year, which shows the Company's focus on achieving its personnel development goals. In 2021, the total number of employees trained increased by 33% compared to 2020. In 2021, the Company trained 1 971 employees at 28 educational institutions with which the Company has a training and retraining agreement. It should be noted that when calculating the number of trained employees, the number of completed trainings is taken into account (for example, if 1 employee completed two trainings, the number of trained employees is 2).



The average number of training hours per employee for 2021 among all Company employees was 26,2 hours. More detailed information on trained employees for 2021 is given below:

Average number of training hours per employee per year

The company	Managers and specialists		Workers		Total Employees
	Number of trained employees	Number of training hours	Number of trained employees	Number of training hours	
Central Office	74	2960	0	0	74
Urgenchtransgaz UE	158	6320	867	124848	1025
Gazli MGPM	122	4880	154	22176	276
Kagan MGPM	20	800	23	3312	43
Mubarek MGPM	17	680	75	10800	92
Zirabulak MGPM	33	1320	36	5184	69
Gallyaaral MGPM	23	920	35	5040	58
Fergana MGPM	31	1240	6	864	37
Tashkent MGPM	38	1520	62	8928	100
Samarkand MGPM	25	1000	40	5760	65
Severny Sokh UGSF	20	800	33	4752	53
Khojaabad UGSF	13	520	23	3312	36
Transgazengineering LLC	36	1440	0	0	36
Kamchik DCPS	6	240	0	0	6
Subsidiary Farming LLC	1	40	0	0	1
Total	617	24 680	1354	194 976	1971
Average number of training hours per employee trained per year		40		144	

Average number of training hours per employee per year	22,2	27,0	
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31% of trained employees are specialists, middle and senior managers, while 69% are process staff. A high percentage of trained process staff is associated with mandatory training for employees employed at hazardous industrial facilities.

The number of female employees trained in 2021 was 87 (4,4% of the total number of employees trained) and the number of male employees was 1 884 (95,6%, respectively).

“Uztransgaz” JSC has been closely interacting with the country's higher education institutions. As part of solving tasks set out in staff training, selection of capable and talented young people willing to work in the gas transportation industry, to further improve the production activities of the Company, continue the learning process directly in working conditions, and test the possibilities of independent work as specialist in gas transportation profile, the Company has organized an industrial qualifying internship. Students of higher education institutions have their industrial internship at the relevant enterprises in line with bilateral agreements.

The number of mentors was 65 in 2021 and 4 in 2020. Also, in 2021 there were 125 interns, while in 2020 the number of interns was 4. The dramatic increase in the number of interns in 2021 is due to the pandemic, which has made restrictive measures in the implementation of the intended plans in 2020.

Targets for 2022

In 2022, the Human Resources Management Department is planning to train 2018 employees of the Company, organize various competitions among employees of structural divisions in order to stimulate labor and increase the efficiency of employees. It is also planned to conduct foreign internships for employees in the Company's sphere of activity

Appendices

1. Independent assurance



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Independent limited assurance report of an independent practitioner on a sustainability report of Uztransgaz JSC for 2021

To the shareholders of Uztransgaz JSC

Introduction

We were engaged by the management of Uztransgaz JSC (the "Management") to provide independent limited assurance report on the selected Non-financial indicators in the Sustainability Report of Uztransgaz JSC (the "Company") for 2021 (hereinafter - "Report") with a limited assurance that, as a result of the procedures performed, nothing has come to our attention that causes us to believe that the selected non-financial indicators are not presented, in all material respects, in accordance with Sustainability Reporting Standards of the Global Reporting Initiative (the "GRI Standards").

Our conclusion applies only to the non-financial indicators in the Report for 2021 listed below (hereinafter referred to as the "Non-financial indicators").

Topic	GRI	Indicator	Sustainability Report Pages
Aspect E	302-1	Energy consumption within the organization	52-54
Aspect E	303-3	Water withdrawal	60, 100-101
Aspect E	303-4	Water discharge	60-62, 100-102
Aspect E	305-1	Direct (Scope 1) GHG emissions	57-58
Aspect E	305-2	Energy indirect (Scope 2) GHG emissions	57-58
Aspect E	305-7	Emissions of pollutants	59
Aspect E	306-3	Waste generated	62-63

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Uztransgaz JSC

Independent limited assurance report of an independent practitioner on a sustainability report of Uztransgaz JSC for 2021

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Aspect S	401-1	New employee hires and employee turnover	81, 106-107, 108-110
Aspect S	401-3	Number of employees who took parental leave; Number of employees returning from parental leave	83-84
Aspect S	403-9	Number of work-related injuries; Number of deaths; LTIFR	74-76
Aspect S	404-1	Average hours of training per year per employee	90-91
Aspect S	405-1	Diversity of governance bodies and employees	85-86

Management's responsibilities

Management is responsible for the preparation and presentation of the Non-financial indicators in the Report in accordance with GRI Standards and for establishing and maintaining appropriate internal control systems from which the Non-financial indicators in the Report are derived.

Management is responsible for preventing and detecting fraud and for identifying and ensuring that Company complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved with the preparation and presentation of the Non-financial indicators of the Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement in respect of the reliability of the Management's statement that the Non-financial indicators in the Report are free from material misstatement and prepared in accordance with the GRI Standards and to express a conclusion based on the work performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000), and, in respect of greenhouse gas emissions, in accordance with International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410), issued by the International Auditing and Assurance Standards Board. ISAE 3000 and ISAE 3410 require that we plan and perform the engagement to obtain limited assurance about whether Non-financial indicators in the Report prepared in accordance with the GRI Standards are free from material misstatement.

The firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

AO "KPMG Audit" LLC, a company incorporated under the Laws of the Republic of Uzbekistan and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Uztransgaz JSC

Independent limited assurance report of an independent practitioner on a sustainability report of Uztransgaz JSC for 2021

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We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our conclusion, as an independent practitioner appointed to provide limited assurance regarding the reliability of the Management's statement on the preparation of Non-financial indicators of the Report in accordance with GRI Standards, without material misstatements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Procedures performed

A limited assurance engagement in respect of the reliability of the Management's statement on the preparation of Non-financial indicators in the Report in accordance with GRI Standards, without material misstatements, consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, as appropriate. These procedures included:

- Inquiries of Management to gain an understanding of the Company's processes for determining the material issues for the Company's key stakeholder groups.
- Interviews with Senior management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Interviews with relevant staff at the corporate and business unit level responsible for providing the information on the Non-financial indicators in the Report.
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in Non-financial indicators in the Report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.



Uztransgaz JSC

Independent limited assurance report of an independent practitioner on a sustainability report of Uztransgaz JSC for 2021

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Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Non-financial indicators in the Report stated in the "Introduction" section of this report is not presented, in all material respects, in accordance with the GRI Standards.

In accordance with the terms of our engagement, this independent limited assurance report on the Non-financial indicators in the Report has been prepared for the Company in connection with reporting to the Company and for no other purpose or in any other context.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Shareholders of the Company, for any purpose or in any other context. Any party other than the Shareholders of the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Shareholders of the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Shareholders of the Company on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.


Saidov S.K.
General Director
Tashkent, Republic of Uzbekistan



23 June 2023

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2. GRI Content Index

Indicator	page number	exception/ reason for exception	reporting segment
General reporting elements			
GRI 2 General Disclosures 2021			
GRI 2-1: Organizational details	13-15, 109		
GRI 2-2: Entities included in the organization's sustainability reporting	27		
GRI 2-3: Reporting period, frequency, and contact information	11-12		
GRI 2-4: Restatement of information	27		
GRI 2-5: External assurance	27, 82-		
GRI 2-6: Activities, value chain and other business relationships	4-9, 13-19, 42-43, 95		
GRI 2-7: Employees	70-72, 96-97		
GRI 2-8: Workers who are not employees		N/A. Non-salaried employees have no significant influence on the Company's operations.	
GRI 2-9: Governance structure and composition	28-32		
GRI 2-11: Chair of the highest governance body	32-34		
GRI 2-14: Role of the highest governance body in sustainability reporting	28-34		
GRI 2-16: Communication of critical concerns	28-35, 35-36		
GRI 2-19: Remuneration policies	31,34		
GRI 2-22: Statement on sustainable development strategy	10		
GRI 2-25: Processes to remediate negative impacts	21, 68-69		
GRI 2-26: Mechanisms for seeking advice and raising concerns	24-25		
GRI 2-27: Compliance with Laws and Regulations	43-44	The company did not assess the materiality of non-compliance	
GRI 2-28: Membership associations	19-20		
GRI 2-29: Approach to Stakeholder Engagement	22-24		

GRI 2-30: Collective bargaining agreements	71-74		
Material Topics			
GRI 3-1 Process to determine material topics	21-22, 25-27		
GRI 3-2 List of material topics	25-27		
GRI 3-3 Management of material topics	36-37	The effectiveness of the actions taken is evaluated by the Company's management. The results of the evaluation were satisfactory. Areas of improvement were identified.	
GRI 201: Economic performance 2016			
201-1 Direct economic value generated and distributed	39	Disclosure of economic indicators separately at the country, region, or market level is not applicable.	
GRI 3-3 Management of material topics	38	The effectiveness of the actions taken is evaluated by the Company's management. The results of the evaluation were satisfactory. Areas of improvement were identified.	
GRI 204: Procurement practices 2016			
204-1 Share of spending on local suppliers	42-43, 95-96		
GRI 3-3 Management of material topics	38		
GRI 205: Anti-corruption 2016			
205-3 Confirmed incidents of corruption and actions taken	36-37	Disclosure is not applicable	
GRI 3-3 Management of material topics	45	An audit by external consultants was conducted and recommendations for 2021 were developed based on these recommendations	
GRI 302: Energy 2016			
302-1 Energy consumption within the organization	45-48	Disclosure of information on the sold cooling energy, and sold steam is not applicable, because according to PR-4249 of 27.03.2019 functions of a single buyer of electricity from enterprises-producers of electricity, as well as the sale of electricity to regional power grid companies is the JSC "National Electric Networks of Uzbekistan".	

		There is no accounting of electricity and heat consumption from renewable energy sources.	
302-3 Energy intensity	47-48		
302-4 Reduction of energy consumption	48-49,92-94	Reductions in energy consumption such as fuel, heating, cooling, and steam are not applicable. A basis for calculating energy reductions, such as a base year or baseline, is not applicable to the Company.	
GRI 3-3 Management of material topics	53		
GRI 303: Water and Effluents 2018			
303-1 Interaction with water as a shared resource	53-55		
303-2 Management of water discharge-related impacts	53-55		
303-3 Water withdrawal	53-55,90-91		
303-4 Water Discharge	53-55,91-92		
GRI 3-3 Management of material topics	50-51	Environmentalists evaluated the effectiveness of the actions taken. The results of the evaluation were satisfactory. Areas of improvement were identified.	
GRI 305: Emissions 2016			
305-1 Direct(Scope 1) GHG emissions	51	The Company has no biogenic CO2 emissions in metric tons of CO2 equivalent.	
305-2 Energy Indirect (Scope 2) GHG Emissions	51	Indirect GHG emissions (Scope 2) are not calculated by market-based method.	
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	52-53	There are no persistent organic pollutants at the Company's facilities. There is no accounting for emissions of hazardous air pollutants. Emission factors for this category of emissions are not applicable.	
GRI 3-3 Management of material topics	55		
GRI 306: Waste 2020			
306-1 Waste generation and significant waste-related impacts	55-56		

306-2 Management of significant waste-related impacts	55-56		
306-3 Waste generated	55-56		
GRI 3-3 Management of material topics	57		
GRI 307: Compliance with Environmental Laws 2016			
GRI 3-3 Management of material topics	69-70		
GRI 401: Employment 2016			
401-1 New employee hires and employee turnover	70-72,96-101	The company does not keep records of the turnover rate by gender and age group.	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	70-72,102-104		
401-3 Perenatal leave	73-74		
GRI 3-3 Management of material topics	69-70		
GRI 402: Labor Management Relations 2016			
402-1 Minimum notice period regarding operational changes	72		
GRI 3-3 Management of material topics	58-59		
GRI 403: Occupational Health and Safety 2018			
403-1 Occupational health and safety management system	59-60,92	The OHSAS system only employees of the Company are covered, employees of other contractors are not covered by this system.	
403-2 Hazard identification, risk assessment, and incident investigation	61-63,65,66-68		
403-3 Occupational health services	63-65		
403-4 Worker participation, consultation, and communication on occupational health and safety	66-68	The index is not applicable to employees of other contractors.	
403-5 Worker training on occupational health and safety	66-68,108	The index is not applicable to employees of other contractors. There are no formal joint management-worker HSE committees.	
403-6 Promotion of worker health	63-65	The index is not applicable to employees of other contractors.	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	61-63, 65-66		

403-9 Work-related injuries	65-66	Occupational injury rates are calculated on the basis of 1,000,000 hours worked. The indicators of occupational injuries cover all employees of Uztransgaz JSC	
GRI 3-3 Management of material topics	77-78		
GRI 404: Training and Education 2016			
404-1 Average hours of training per year per employee	78-80,105-107	Accounting for the average number of hours of training per 1 employee by gender is not kept	
404-2 Programs for upgrading employee skills and transition assistance programs	77-80		
GRI 3-3 Management of material topics	74-75	The company did not assess the effectiveness of the actions taken in the reporting period.	
GRI 405: Diversity and Equal Opportunity 2016			
405-1 Diversity of governing bodies and employees	75		
405-2 Ratio of basic salary and remuneration of women to men	76-77		
GRI 3-3 Management of material topics	75	The company did not assess the effectiveness of the actions taken in the reporting period.	
GRI 406: Non-Discrimination 2016			
406-1 Incidents of discrimination and corrective actions taken		In 2021, the Company did not record any cases of discrimination	
GRI 3-3 Management of material topics	43-44		
GRI 419: Social and Economic Compliance 2016			
419-1 Noncompliance with social and economic laws and regulations	43-44	The effectiveness of the actions taken is evaluated by the Company's management. The results of the evaluation were satisfactory. Areas of improvement were identified.	
		There were no non-monetary sanctions or cases initiated through dispute resolution mechanisms at the Company.	

3. Environmental indicators

Table 1

Unified approach to setting discharge limits for priority substances of concern

GRI 303-4

#	Indicators	Permitted concentration, mg/l
1	Suspended substances	30
2	5 day BOD5	6
3	COD	40
4	Nitrate nitrogen	25
5	Nitrite nitrogen	0,5
6	Ammonia nitrogen	2
7	Chrome (VI)	0,1
8	Chrome (III)	0,5
9	Iron	0,5
10	Copper	1
11	Zinc	1
12	Dry residue	1
13	Sulfates	500
14	Chlorides	350
15	Phosphates	1
16	Phenols	0,001
17	Oil products	0,3

table 2

GRI 303-3

The approved norms and actual indicators of the Company's water supply:

General indicators for water supply of Uztransgaz JSC

Water intake*, thousand m3/year		Period			
		2018 .	2019 .	2020	2021
Total:	Standard	37206,865	36156,466	36166,315	171175,836
	fact	39867,549	31306,569	33851,291	29214,418
From surface sources	fact	16183,715	24818,671	24201,819	25083,721
From groundwater	fact	19684,341	3557,919	3455,509	587,131

Third –party water	fact	3999,493	2929,979	6193,963	3543,566
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**The entire volume of water intake falls on regions with water deficit and belongs to the category "fresh water" (≤1000 mg/l of dissolved salts) The values were adjusted compared to the 2020 Sustainability Report due to the refinement of the calculation*

For gas transportation*

Water intake, thousand m3/year		Period			
		2018	2019	2020	2021
Total:	Standard	36649,186	35547,017	35482,364	13560,879
	fact	39672,99	31113,188	33691,596	29054,878
From surface water	fact	16022,44	24660,7	24086,1	25083,721
From groundwater	fact	19654,92	3526,618	3414,836	479,078
Third –party water	fact	3995,63	2925,87	6190,66	3492,079

**Values have been adjusted from the 2020 Sustainability Report due to refinement of the calculation*

For underground gas storage

Water intake, thousand m3/year		Period			
		2018	2019	2020	2021
Total:	Standard	557,679	609,449	683,951	157614,957
	fact	194,559	193,381	159,695	159,540
From surface water	fact	161,275	157,971	115,719	0
From groundwater	fact	29,421	31,301	40,673	108,053
Third –party water	fact	3,863	4,109	3,303	51,487

**Values have been adjusted from the 2020 Sustainability Report due to refinement of the calculation*

Table 3

GRI 303-4

The approved standards and actual indicators of the Company's on water supply

General indicators for wastewater discharge of "Uztransgaz" JSC

Period	Breakdown of wastewater discharge volumes, thousand m3						
	Planned	fact	Holding ponds	Terrain	Sewage	Waste pits	Well disposal
2018	2869,925	1434,826	210,738	1161,000	31,652	17,800	13,636
2019	2739,548	614,860	70,928	482,600	31,872	18,700	10,760
2020	2713,102	442,717	58,92	311,73	52,321	6,700	13,046
2021	1597,751	391,380	67,01	191,282	103,896	6,7	22,492

**All wastewater discharges occur in regions with a water deficit*

For gas transportation

Breakdown of wastewater discharge volumes, thousand m3							
Period	Planned	actual	Holding ponds	Terrain	Sewage	Waste pits	Well disposal
2018	2810,755	1409,131	198,679	1161,000	31,652	17,800	-
2019	2641,650	582,180	49,008	482,600	31,872	18,700	-
2020	2613,021	407,273	36,442	311,730	52,321	6,700	-
2021	1524,935	352,470	50,592	191,282	103,896	6,7	-

Undeground gas storage

Breakdown of wastewater discharge volumes, thousand m3							
Period	Planned	actual	Holding ponds	Terrain	Sewage	Waste pits	Well disposal
2018 г.	59,170	25,695	12,059	-	-	-	13,636
2019 г.	97,898	32,680	21,920	-	-	-	10,760
2020 г.	100,081	35,524	22,478	-	-	-	13,046
2021 г.	72,816	38,910	16,418	-	-	-	22,492

Table 4

GRI 403-1

Hazard and Risk Assessment Matrix template

Type of activity	Hazards (object or situation liable to cause damage)	Risk (Possible damage to health)	Persons at risk	Hazard category	Significance category	Risk category	Control method (reference to manual)	Conclusion
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Table 5

GRI 302-4

Organizational and technical initiatives aimed to save electricity and heat at production facilities of Uztransgaz JSC for 2021.

№	Name of initiatives	Total	Measurement unit
Section: "Electricity"			
1	Installation of solar water heaters	40,20	thousand kWh
2	Implementation of photovoltaic batteries	39,40	thousand kWh
3	Replacement of outdated exciters of synchronous electric motors with digital microprocessor-based exciters	355,51	thousand kWh
4	Replacement of lighting fixtures at the compressor and gas distribution station with LED models	502,87	thousand kWh
5	Reduction of energy consumption after the upgrading of boiler house with the installation of the Urgench and Akchalok MGPM of Urgenchtransgaz UE	67,00	thousand kWh
6	The use of a variable frequency drive on the auxiliary equipment of GPA and water pumps	205,67	thousand kWh
7	Replacement of transformers	1,20	thousand kWh
8	Replacement of high-pressure pumps with low pressure pumps	81,30	thousand kWh
9	Introduction of LED lamps with photovoltaic panels	38,02	thousand kWh
10	Upgrading of the VOS Sarymay pumping station with the replacement of the outdated pumps with the use of energy saving technologies	900,00	thousand kWh
11	Installation of electricity generation using OCR technology at Khodjaabad UGSF	2000,00	thousand kWh
12	Upgrading of the dormitory boiler house	25,05	thousand kWh
13	Shutdown of emergency low-load transformers in the dormitory and 2*160 kVA water intake	4,20	thousand kWh
14	Reduction of electricity consumption after upgrading of the heat supply system in Gazli city and installation of BMK-3.0 on Uchkirskaya Street.	328,32	thousand kWh
15	Reduction of power consumption through decreased operation time of compressed air compressor (air withdrawal from DU-80-L1 engine for auxiliaries of blowers TKA-100,200,500 of booster station BCS-5B) of Gasliisky UGM	508,70	thousand kWh

Section: "Heating"			
1	Utilization of flue gas heat from the gas turbine plant for site heating needs	2355,30	Gcal
2	Replacement of wooden frames of window openings with fiberglass	772,52	Gcal
3	Boiler decalcification, flushing of the heat supply system (repair and insulation of heating mains)	276,50	Gcal

4. Social – economic indications

Table 1

Location and types of activities of business units and associates under direct control

GRI 2-6

Detailed information about the geography of the Company's activities is available on the official website

<https://www.utg.uz/ru/about/structure/>

Table 2

a) Total procurement of goods, works and services in cash equivalent (UZS) for 2021

GRI 204-1

Group segments	Total for 2021, UZS	Goods for 2021, UZS	Works and services for 2021, UZS
Uztransgaz JSC total	967 469 811 576	623 180 476 046	344 289 335 529
Central Office, of which			
	781 700 585 090	537 813 660 497	243 886 924 593
in UZS	241 839 039 239	63 636 293 706	178 202 745 533
in US dollars	49 078 322	43 107 033	5 971 289
Gallyaaral MGPM	16 132 466 930	6 068 894 568	10 063 572 362
Gazli MGPM	15 957 828 003	6 007 009 274	9 950 818 729
Zirabulak MGPM	14 572 147 999	6 298 439 711	8 273 708 288
Muborek MGPM	12 188 484 341	5 028 823 254	7 159 661 087
Ferghana MGPM	4 256 648 399	3 396 144 304	860 504 094
Samarkand MGPM	2 091 397 478	1 327 872 402	763 525 075
Tashkent MGPM	13 773 915 232	8 892 442 841	4 881 472 391
Kagan MGPM	8 496 920 378	7 115 149 547	1 381 770 831
Khojaabad UGSF	55 284 539 944	4 838 478 439	50 446 061 505
Severny Sokh UGSF	2 507 566 005	2 134 948 059	372 617 946
Urgenchtransgaz UE	29 438 108 588	26 852 265 084	2 585 843 504
Directorate on construction of pipeline system "Kamchik	668 503 651	184 513 746	483 989 905
Transgazengineering LLC.	10 400 699 538	7 221 834 320	3 178 865 218

b) The total amount of goods, works and services purchased only from local suppliers (soum) for 2021

GRI 204-1

Group segments	Total for 2021, UZS	Goods for 2021, UZS	Works and services for 2021, UZS
Uztransgaz JSC total	427 608 265 725	149 003 109 256	278 605 156 469
Central Office, of which			
	241 839 039 239	63 636 293 706	178 202 745 533

	in UZS		
	241 839 039 239	63 636 293 706	178 202 745 533
	in US dollars	0	0
Gallyaaral MGPM	16 132 466 930	6 068 894 568	10 063 572 362
Gazli MGPM	15 957 828 003	6 007 009 274	9 950 818 729
Zirabulak MGPM	14 572 147 999	6 298 439 711	8 273 708 288
Muborek MGPM	12 188 484 341	5 028 823 254	7 159 661 087
Ferghana MGPM	4 256 648 399	3 396 144 304	860 504 094
Samarkand MGPM	2 091 397 478	1 327 872 402	763 525 075
Tashkent MGPM	13 773 915 232	8 892 442 841	4 881 472 391
Kagan MGPM	8 496 920 378	7 115 149 547	1 381 770 831
Khojaabad UGSF	55 284 539 944	4 838 478 439	50 446 061 505
Severny Sokh UGSF	2 507 566 005	2 134 948 059	372 617 946
Urgenchtransgaz UE	29 438 108 588	26 852 265 084	2 585 843 504
DCPS "Kamchik	668 503 651	184 513 746	483 989 905
Transgazengineering LLC.	10 400 699 538	7 221 834 320	3 178 865 218

Table 3

The number of employees for the year 2021

All employees shown in the table have full-time employment

GRI 2-7,401-1

Group segments	On the contract of employment, people.					
	Male		female		Total	
	Permanent contract	Fixed-term contract	Permanent contract	Fixed-term contract	Permanent contract	Fixed-term contract
Uztransgaz JSC total	7468	17	852	7	8320	24
Central Office	192	0	65	0	257	0
"Urgenchtransgaz" UE	2367	13	347	7	2714	20
Gazli MGPM	934	0	164	0	1098	0
Kagan MGPM	329	0	27	0	356	0
Mubarek MGPM	494	2	23	0	517	2
Zirabulak MGPM	505	0	23	0	528	0
Samarkand MGPM	184	0	14	0	198	0
Gallyaaral MGPM	556	2	41	0	597	2
Fergana MGPM	468	0	23	0	491	0

Tashkent MGPM	437	0	47	0	484	0
Severny Sokh UGSF	323	0	7	0	330	0
Khojaabad UGSF	317	0	18	0	335	0
Transgazengineering LLC	79	0	19	0	98	0
Subsidiary Farming LLC	22	0	2	0	24	0
DCPS "Kamchik"	5	0	1	0	6	0
JSC "Naklgazmakhsuskurilish"	256	0	31	0	287	0

Table 4

a) Number of new employee hires by gender, age group, and region for 2020

GRI 401-1

Group segments	2020						
	New employee hires	New employee hires with disabilities	male	female	under 30 years old	From 30 to 50 years old	over 50 years old
Uztransgaz JSC total	592	2	465	127	240	284	68
Central Office	31	0	26	5	6	23	2
Urgenchtransgaz UE	181	2	95	86	88	70	23
Gazli MGPM	53	0	47	6	26	24	3
Kagan MGPM	2	0	1	1	0	2	0
Mubarek MGPM	30	0	28	2	18	10	2
Zirabulak MGPM	35	0	30	5	14	18	3
Samarkand MGPM	29	0	28	1	9	15	5
Gallyaaral MGPM	56	0	53	3	26	27	3
Fergana MGPM	27	0	27	0	10	16	1
Tashkent MGPM	56	0	51	5	17	30	9
Severny Sokh UGSF	12	0	12	0	5	5	2
Khojaabad UGSF	22	0	21	1	7	11	4
Transgazengineering LLC	37	0	31	6	12	20	5
Subsidiary Farming LLC	11	0	9	2	1	7	3
DCPS Kamchik	10	0	6	4	1	6	3
Naklgazmaksuskurilish JSC	0	0	0	0	0	0	0

6) Number of new employees hired by gender, age group, and region in 2021

GRI 401-1

Group segments	2021						
	New employee hires	New employee hires with disabilities	male	female	under 30 years old	From 30 to 50 years old	over 50 years old
Uztransgaz JSC total	663	1	539	124	251	344	68
Central Office	45	0	38	7	14	29	2
Urgenchtransgaz UE	161	0	80	81	38	110	13
Gazli MGPM	52	1	46	6	34	18	0
Kagan MGPM	39	0	37	2	7	29	3
Mubarek MGPM	27	0	27	0	15	9	3
Zirabulak MGPM	18	0	17	1	8	8	2
Samarkand MGPM	20	0	20	0	13	6	1
Gallyaaral MGPM	31	0	29	2	13	14	4
Fergana MGPM	37	0	37	0	11	23	3
Tashkent MGPM	19	0	19	0	10	9	0
Severny Sokh UGSF	18	0	17	1	9	6	3
Khojaabad UGSF	13	0	11	2	8	5	0
Transgazengineering LLC	39	0	32	7	11	18	10
Subsidiary Farming LLC	21	0	19	2	7	9	5
DCPS Kamchik	10	0	8	2	0	10	0
Naklgazmaksuskurilish JSC	113	0	102	11	53	41	19

Table 5

Number of dismissed employees by gender, age group, and region in 2021

GRI 401-1

	2021					
	Total dismissals	male	female	under 30 years old	from 30 to 50	over than 50
Group segments						
Uztransgaz JSC total	726	652	74	142	321	263
Central Office	38	32	6	7	26	5
Urgenchtransgaz UE	158	140	18	16	65	77
Gazli MGPM	45	42	3	5	20	20
Kagan MGPM	20	20	0	2	11	7
Mubarek MGPM	24	23	1	6	5	13
Zirabulak MGPM	18	16	2	0	8	10
Samarkand MGPM	15	15	0	4	4	7
Gallyaaral MGPM	39	36	3	2	22	15
Fergana MGPM	30	30	0	4	13	13
Tashkent MGPM	46	42	4	5	25	16
Severny Sokh UGSF	19	18	1	0	8	11
Khojaabad UGSF	12	12	0	1	1	10
Transgazengineering LLC	22	18	4	6	10	6
Subsidiary Farming LLC	29	25	4	6	13	10
DCPS Kamchik	0	0	0	0	0	0
Naklgazmakhsuskurilish JSC	211	183	28	78	90	43

Table 6

Human resource management targets for 2021

GRI 401-1

HR policy targets, assigned in 2021	The activities carried out as a part of implementation of these targets
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Work with personnel, paperwork for hiring and dismissal of employees, registration of business trip orders, annual leaves and sick leaves.	Work with the personnel had been performed, papers for employee hiring and dismissal had been prepared, travel order requests had been issued, labor leaves and sick leaves had been processed.
Paperwork on awards for anniversaries and industry-related holidays	Work had been done to prepare documents for giving awards during anniversaries and industry-related holidays.
Preparation of an annual leave schedule. Compliance with the timely release of employees on their annual leave.	Applications had been collected from all departments to make a schedule of annual leaves
Drafting a plan for advanced training of employees and sending them to training	Applications had been collected from all departments to draft a plan for the advanced training of employees.
Preparation and analysis of reports (monthly, quarterly, annual) on staff promotion and upgrading of skills	The required information had been collected, the reports (monthly, quarterly, annual) on the staff movement and upgrading of skills had been compiled and reviewed
Selecting candidates for upgrading of skills and training, admission to universities. Organization of industrial internship for students.	The data required to select candidates for upgrading of skills and training, admission to universities had been analyzed
Paperwork for applying for employee pensions.	Archival data for the preparation of documents to apply for employee pensions had been collected.
Preparation of documents for seniority pay, holiday bonuses, etc.	Work had been done to calculate the length of service of employees to prepare documents for seniority pay. Lists of employees for payment of holiday bonus, etc. had been compiled.

Table 7

Social support for Uztransgaz JSC employees, UZS thousand

GRI 401-2

Company name	2020	2021
Uztransgaz JSC total	48 960 979,79	75 924 599,91
Central Office	1 536 853,05	1 630 388,78
Gazli MGPM	13 632 502,20	21 922 762,00
Tashkent MGPM	6 591 140,71	4 415 677,09
Mubarek MGPM	1 563 767,30	10 922 973,00
Zirabulak MGPM	6 678 339,89	10 109 145,32
Kagan MGPM	335 672,72	652 034,55
Gallyaaral MGPM	8 852 395,41	12 951 558,60
Samarkand MGPM	195 907,40	627 225,16
Fergana MGPM	714 058,89	938 168,35
Khojaabad UGSF	5 171 641,92	6 307 781,20
Severny Sokh UGSF	910 594,00	1 015 585,06
Transgazengineering LLC	148 449,30	163 489,70
Urgenchtransgas UE	2 570 867,00	4 098 715,10
Subsidiary Farm LLC.	58 790,00	169 096,00

Table 8

The number of benefits and guarantees provided to the regular employees of Uztransgaz JSC for 2021

GRI 401-2

Group segments	insurance products	Health insurance program	Non-state pension programs	share ownership	payment of allowances to temporary disability employees registered with socially significant diseases, employees from the Second World War, employees with disabilities, etc.	Provided benefits for young people under the Collective Bargaining Agreement	Providing monthly financial assistance for women on leave to care for a child under 2 and up to 3 years of age	Providing reduced working hours and breaks with appropriate payment during working hours for women with children and pregnant women [3]	Free treatment for pregnant women in medical sanatoriums or health resorts of the Republic.	Compensation of employees' travel expenses (per diem) at the rate of 35% of the basic calculation value (hereinafter, BCV) established in the Republic of Uzbekistan	Compensate non-working pensioners who do not receive additional payments; the cost of potatoes and vegetables purchased for the winter period in the amount of 1 minimum wage	Make full or partial payment of the cost of medical and sanatorium treatment or surgery of the employee, as well as single non-working pensioners, disabled war and labor veterans, soldiers-internationalists and the chronically ill [4]	Targeted assistance to families with children of school age by September 1, delivery of New Year gifts for children of employees [5]	Providing one-time financial assistance to employees in various situations. This item includes benefits that are specified in section 9.12 under "9. Social Security. Social guarantees and benefits".	Other social benefits that are specified in paragraphs 9.13 to 9.33 under "9. Social Insurance. Social guarantees and benefits" of the Collective Agreement
Uztransgaz JSC total	1369	8	476	40	354	50	62	19	108	3172	89	459	7098	1565	10032
Gazli MGPM	0	0	248	0	0	0	15	0	0	153	0	0	1590	115	1150
Tashkent MGPM					173		1	2		147			461	60	1212
Mubarek MGPM	0	0	0	0	0	0	0	0	0	164	0	0	311	80	521
Zirabulak MGPM	0	0	0	0	0	0	1	1	0	172	0	0	602	193	530
Kagan MGPM	0	0	0	0	0	0	2	0	0	100	0	0	646	114	198
Gallyaaral MGPM	599	0	0	0	2	6	4	3	0	243	0	0	344	56	605
Samarkand MGPM	198	0	29	0	88	0	0	0	0	508	61	140	191	21	196
Fergana MGPM	0	0	0	0	0	0	1	0	0	193	0	0	552	0	1123
Khojaabad UGSF	0	0	0		3	0	1	0	0	65	0	1	177	137	336

Severny Sokh UGSF	330		0	0	0	0	0	0	0	73	0		379	37	682
Central Office							1	3		131		3	116	118	737
Transgazengineering LLC			6			7	1			50		2	100	30	171
Urgenchtransgas UE	242	8	193	40	88	37	35	10	108	1173	28	313	1629	604	2571

Table 9

Total number of employees trained between 2019-2021

GRI 404-1

Company name	2019	2020	2021		
			Total	Male	Female
Central Office	48	98	74	56	18
Urgenchtransgaz UE	729	315	1025	991	34
Gazli MGPM	159	174	276	271	5
Mubarek MGPM	50	157	92	89	3
Zirabulak MGPM	59	122	69	101	3
Gallyaaral main gas pipeline management	43	125	58	67	2
Fergana MGPM	9	214	37	58	0
Tashkent MGPM	31	161	100	35	2
Samarkand MGPM	Established on 01.11.2019	73	65	99	1
Kagan MGPM	n/a	established on 01.11.2020	43	63	2
Severny Sokh UGSF	42	25	53	53	0
Khojaabad UGSF	27	15	36	33	3
Transgazengineering LLC	1	7	36	28	8
Directorate for the construction of the Kamchik pipeline system	0	2	6	2	4
Subsidiary Farm LLC			1	1	0
Total:	1198	1488	1983	1896	87

Table 10

Information about the training of the Company's employee

GRI 404-1

Name of education institutions	Number of employees
Urganchtransgaz training and re-training center	1254
Center for training and further training in the State language at the Tashkent State University of Uzbek Language and Literature named after Alisher Navoi	129
Center for retraining and further training of the Institute of Standards	86
State enterprise "Kontehnazorat Training" Scientific and technical center	78
UzHF training center	8
Academy of Public Administration under the President	4
The Higher School of Business and Entrepreneurship under the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan	6
Online training program involving the experts of international company "KPMG	72
Qurilishda Qiymat Injinirogi" Non-State Educational Institution	3
Institute for the Study of Youth Problems and the Training of Future Personnel under the Youth Affairs Agency of the Republic of Uzbekistan	1
Institute of Civil Defense under the Academy of the Ministry of Emergency Situations of the Republic of Uzbekistan	42
Autotest LLC	40
Organized trade union of JSC "Uztransgaz	2
Center for "Training of population and leaders" of Tashkent oblast Emergency Situations Department	13
Ministry of Energy of the Republic of Uzbekistan	3
Training center under the Ministry of Employment and Labour Relations of the Republic of Uzbekistan	58
The State Committee of the Republic of Uzbekistan on ecology and environmental protection and the Centre for retraining and improving the qualifications of environmental protection workers	30
Samarkand region Department of Emergency Situations	3
Training Centre under the Higher Technical School of Fire Safety of the Ministry of Emergency Situations of the Republic of Uzbekistan	90
Pedgog Network Retraining and Professional Development Center at the Tashkent Institute of Irrigation and Agricultural Mechanization Engineers	1

Korean expert on land information	1
Educational Center "Alterra"	1
Center of evaluation of qualification of accountants	1
"Gazprom VNIIGAZ" Limited Liability Company	1
Bank and Finance Academy of the Republic of Uzbekistan	10
Ministry of Investment and Foreign Trade of the Republic of Uzbekistan	6
Business school Profi-Training	1
Tashkent Regional Center for Emergency Situations, Personnel and Leadership Training Center	27

Table 11

Number of induction sessions conducted for newly hired employees of the Company GRI 403-5

Name of divisions	2019	2020	2021
Central Office	78	44	58
Urgenchtransgaz UE	4 879	3 570	2090
Muborak MGPM	128	119	218
Kagan MGPM	75	48	322
Gazli MGPM	21	54	296
Zirabulak MGPM	50	178	40
Samarkand MGPM	5	38	124
Gallyaaral MGPM	147	198	95
Khadjaabad UGSF	102	87	15
Severny Sokh UGSF	32	24	81
Tashkent MGPM	82	56	156
Fergana MGPM	59	51	46
Total number of induction sessions	5658	4467	3541

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GRI 2-1

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