

SUSTAINABILITY REPORT

H1 2022

SELF-REPORTED



UzAuto

M O T O R S



Compact cars, smaller engines, better efficiency

DISCLAIMER

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This report has been prepared by a group of experts who are employees of the company. The report has not been subject to external assurance by an auditing company. The information provided in this report pertains to the first half-year of 2022 only. All the information presented in this report is observational and has been provided based on the best understanding of reporting standards by the company employees. The information presented in this report is subject to further review and may be updated as part of the work on the preparation of the year-end sustainability report for 2022.

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Abbreviations

ESG	Environmental Social Governance
CSR	Corporate Social Responsibility
SR	Sustainability Report
M&A	Mergers and Acquisitions
CEO	Chief Executive Officer
PVM	UzAuto Passenger Vehicles Management LLC
Board	Supervisory Board
Meeting	General Meeting of Shareholders
FCPA	Foreign Corrupt Practices Act
UAS	Uzavtosanoat JSC
Holding company	<i>idem</i>
QC	Quality control
BIQ	Built In Quality (see glossary)
ERP	Enterprise Resource Planning
ECM	Enterprise Content Management

Glossary

Local market	Uzbekistan and its territories.
Foreign markets, international markets	Markets with official representation of UzAuto Motors and market presence of its products. This list includes and is not limited to Kazakhstan, Tajikistan, Azerbaijan, Turkmenistan, Kyrgyz republic, Lebanon, other Middle Eastern states, Ukraine and other countries with current or past operational presence of the Company.
Section	A group of departments or individual division with specific industrial, commercial, or professional operation within the organizational structure of the Company.
Climate change mitigation	Actions to prevent or reduce emissions of heat-trapping greenhouse gases into the atmosphere. Opposite to climate change adaptation, mitigation equates to preventative measures for further increase of heat levels. Within the industrial sector, mitigation is achieved through use of renewables and/or establishment of green carbon sinks to nullify or reverse environmental footprint.
Climate change adaptation	Actions to reduce negative impacts of climate change by adjusting to current or expected impacts of climate change, including activities directed to exploit naturally arising opportunities.
Environmental policy	Formal statement of organization's on main strategies and tasks set with regard to environmental performance.
Environmental impact assessment	Process for transparent and clear evaluation of impacts on the environment with statement of outcomes and outputs.
Ecological standard	Established value of the use of natural resources or anthropogenic impact on ecosystems and their individual components, established by the issuing body, governing body or the government at which the functional and structural characteristics of ecosystems do not exceed the limits of natural changes.
Stakeholder	All parties, including persons and organizations influenced or perceived to be influenced by the operations of the company.

continued

Accident risk analysis	process of identifying hazards and assessing the risk of an accident at a hazardous production facility to individuals or groups of people, property or the natural environment.
Environmental security	state of the natural environment that ensures ecological balance in nature and protects the environment and humans from the harmful effects of adverse factors caused by natural processes and anthropogenic impacts, including anthropogenic (industry, construction) and agricultural impacts.
Ecological impact	any change to the physical, natural or cultural environment caused by a project activity.
The environment	environment in which the organization operates, including air, water, land, natural resources, flora, fauna, people and their relationships.
Accident hazard	threat, possibility of causing damage to people, property and/or the environment as a result of an accident at a hazardous production facility. The accidents hazards at hazardous production facilities are related to the possibility of destruction of structures and/or technical devices, explosion and/or release of hazardous substances with subsequent damage to people, property and/or harm to the natural environment.
Ecological hazard	the possibility of deterioration of environmental quality indicators (states, processes) under the influence of natural and anthropogenic factors posing a threat to ecosystems and people.
Built-In Quality (BIQ)	is a quality management system developed by General Motors (GM) that focuses on embedding quality into every step of the production process.

Foreword

Climate change is bringing forward the most troubling environmental and social issues, enlisting our generation to be responsible for the lives of the next to come. The manufacturing companies as the primary consumer group of both energy and extraction industries hold an influential role and immense liability before the society and the environment to sustain a reasonable balance between economic contribution and social and environmental effects.

Although the influence of UzAuto Motors is comparatively less than that of its peers, the Company recognizes its position in the local market and its effects on the livelihoods of the people of Uzbekistan and Central Asia. The Company strives to be first among large manufacturers to adopt resilient methods for environmental footprint management, beyond the regulatory requirements of state and partner organizations.

The past years will be remembered as a period of uncertainty, challenges and most vivid changes. Covid-19 introduced new normality into the equation by forcing an extensive list of limitations, and altercations. The immense weight on the healthcare system, troubling developments in the financial markets and overall slumber throughout value chains intensified social uncertainty. These events coincided with the Company's large-scale transformation efforts. The establishment of the Global Emerging Markets project or simply put GEM started in mid-2020. The new production platform of the same name meant the introduction of new technology, labour processes, educational programs and more. It was heavily constrained by the interruptions in international logistics and the unavailability of experts for installation works. Despite all the project was given a successful start with two new cars being produced at the facilities in Asaka city, keeping employment rates at an all-time high while improving safety measures and overall working conditions.

Lasting Positive Influence.

Steps towards sustainability



One of the largest employers in the country with over 11 thousand employees (and 27 thousand people employed within the domestic value chain). Over 90 percent of all automotive sector employees are a crucial part of the UzAuto Motors manufacturing and distribution systems.



Over 11.5 million USD in charitable payments to communities development projects. Most of the funds transferred to Mahalla Committee (Local communities fund).



Operations in 6 countries with joint production projects in Kazakhstan and Azerbaijan with similar projects under development in Tajikistan and Turkmenistan.



Among Top-10 largest taxpayers in Uzbekistan (year-end payments to the state budget exceeding 2 682 billion UZS (243 million USD)).



18.5 million in dividend payments made to shareholders.



Extensive training system established at all levels and throughout all areas of operation with high prioritization of occupational safety procedures.



Supporting personal development initiatives for area experts (e.g. the Company was recognized as an ACCA Platinum Partner for provision of best opportunities and sponsorship programs to its accounting and finance workers, including those interested in changing area of occupation).



100% of our production plants are **ISO 14001:2005 certified**.



Moving towards more effective use of fossil fuels in production and reduction of emissions.



Introduction of photovoltaics into the energy supply chain. Solar energy is slowly introduced to cover administrative level needs in energy.



Supporting the **highest standards of Occupational Safety**, following international standards and industry-leading standards set by General Motors (BIQ IV)

Purpose of this report

Development of a list of comprehensive Environmental, Social and Governance strategies with focus on stakeholders feedback

The Company is committed to consolidating its current and former ESG approaches into a comprehensive development framework that will be open for peer review. We dedicate this review paper on current corporate social performance to reach out to an extensive list of stakeholders for the necessary feedback and additional areas of interest not covered within this report.

Our plans and strategies follow the principle of minimal external cost which targets limitation of the global environmental footprint at levels below the industrial average. In pursuit of this goal, the Company recognizes the need to push for more efficient and sustainable methods of production, particularly given its current position as a purchaser of ready parts, components, and equipment.

To achieve better efficiency of resources utilization and closed waste management cycle, the Company plans to improve its leverage position in local and international markets with control over external production processes. This involves primary focus on following three areas:

- ◆ waste reduction and management,
- ◆ conservative use of resources, and
- ◆ minimization of greenhouse gas emissions.

The main target of the Company's ESG policies is to reach carbon neutrality. Internal operations with stimulative reduction of emissions at affiliated organizations ultimately by including third tier suppliers.

By implementing these measures, the Company hopes to demonstrate its commitment to environmental and social responsibility, while also improving its bottom line and enhancing its reputation with customers, shareholders, and other stakeholders.



Materiality of CSR risks and current developments

The materiality analysis is a fundamental aspect that strengthens our ongoing interaction with stakeholders, enabling us to gain a better grasp of opportunities to generate environmental, economic, and social value within and outside national automotive sector.

We monitor changes in material issues to detect and pre-emptively adapt to emerging sustainability risks

UzAuto Motors, identifies its material Corporate Social Responsibility (CSR) risks among a list of social, environmental, and governance issues found to be relevant to a list of significant stakeholders that includes shareholders, employees, customers, suppliers, regulators, and the communities in which the company operates. UzAuto Motors further enhances effectiveness of its materiality analysis by cross examination of risks against insights from financial plans, key global risks, corporate values, industry trends, investor-related information, and societal standards and expectations.

Latter materiality assessments is set to identify most important CSR issues based on the potential impacts on our local and global stakeholders and the overall financial and economic performance.

Topics such as climate change, local environmental impact, human rights, labour practices, supply chain management, product safety and quality, data privacy and security, community engagement, philanthropy, and corporate governance are categorized as complex issues and are reviewed as a collection of various, area specific, subset of topics.

The company does not yet fully align its frameworks with international systems suggested by United Nations and/or Global Reporting Initiative, however we aspire to adopt all global sustainability standards to establish a strong exemplary image of a sustainable company and for further integration of sustain-

able reporting in the SoE sector of Uzbekistan. Nevertheless, we fully align operations with all local and regional standards and work to promote standards commonly perceived as best practice by global companies.



Supported by General Motors

Under the guidance of General Motors Company and the large group of experts UzAuto Motors and our immediate suppliers continuously expand their expertise in corporate management, sustainable development, environmental management, labour management and labour protection, labour inclusivity, building of internal and of value chain based circular economy, integration of safety solutions, promotion of road safety, and responsible sourcing. General Motors helps to continuously manage company performance in all of the mentioned areas to ease long term adaptation to international standards.

Materiality diagram of UzAuto Motors



What is represented on the diagram?

A materiality diagram present to the left, also known as a materiality matrix, is a tool we use to visually represent the relative importance of different sustainability issues to the Company and its stakeholders. Issues that are deemed to be both important to the company and its stakeholders are placed in the upper right quadrant, while issues that are deemed to be less important to both are placed in the lower left quadrant. This allows us as a company to focus our sustainability efforts on the most important issues, both from a business perspective and from the perspective of all significant stakeholders. This materiality diagram is a representation of the materiality assessment, which involves identifying and prioritizing sustainability issues based on their significance to the company and its stakeholders.

Every topic listed on the Materiality Diagram is deemed as significant, with those positioned in the upper-right half established as most important according to level of relative impact on UzAuto Motors and company stakeholders. Topics in the lower left corner are established issues with ongoing research and/or solutions available to the Company. These issues are not considered of less importance rather they are not associated as immediate factor with outstanding risk to the company based on current performance.

We classify topics by general areas of influence that are as follows:

Social concerns, are issues in relation with social initiatives of the company and activities with most effect on society. Such topics generally have a spillover effect on other areas of input but are registered as most relevant in performance to social interactions.

Environmental development topics represent a range of issues related to our ecological footprint and/or methods for responsible management of related output. These issues are directly related to

the amount of emissions generated by the Company, the intensity of energy consumption, waste output, water use and supply chain sustainability as a general, but also refers to topics that are directly associated with changes to said issues.

Customer safety and satisfaction topics are a consolidation of issues ranging from basic vehicular safety features integration levels, reliability testing and durability management in design processes, reliability and accessibility of customer services, vehicles performance and technological equipment installed for the comfort and better vehicle usability by final consumer.

Corporate governance topics are representing utmost important organizational issues of the Company and combine issues related to current corporate structure, managerial role of top executives, influence of the board of directors (e.g. Supervisory board of the Company), compliance with regulatory requirements, risk management and oversight, ethics and integrity, shareholder rights and engagement, transparency and scope of disclosure, audit and financial reporting, stakeholder engagement, and accountability.

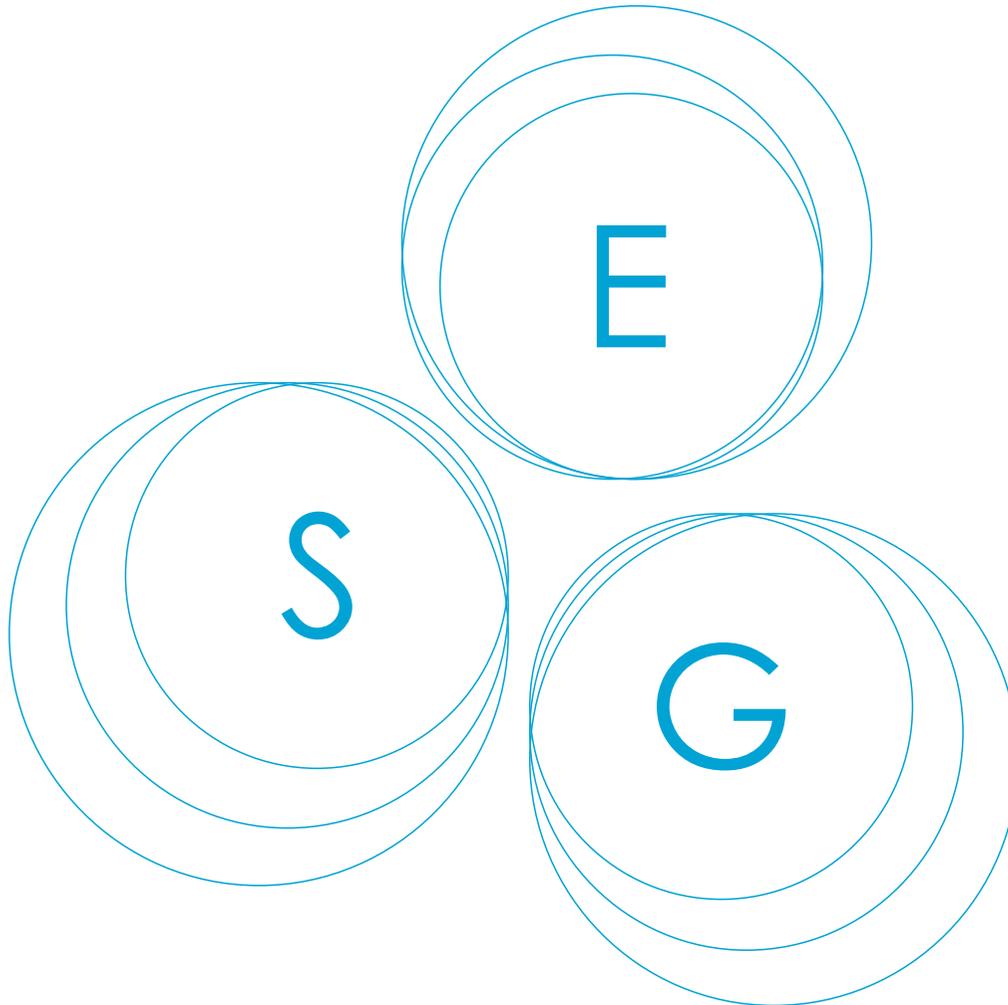
NOTICE!

We expect to redistribute and expand current list of material topics in the next reporting period due to ongoing changes in the establishing stakeholder engagement framework that are especially relevant to the environmental and social topics.

The material topics reflected on the diagram reflect focus areas covered as part of this report, however some topics, not present on the diagram remain significant to Company's business operations (i.e. financial performance, corporate relations etc.) and have received extensive coverage through other reporting channels.



Influence on risk management



UzAuto Motors' sustainability reporting concentrates on topics that are deemed material, reflecting the organization's significant economic, environmental, and social impacts, or that significantly influence the opinions and decisions of stakeholders concerning the Company. These topics are the most crucial factors that relate to and affect Company's ability to create long-term value for its stakeholders while integrating sustainability principles into the Company's daily operations.

Our stakeholder engagement and materiality development are established on our own understanding of topics and formed based on recognized frameworks and principles drawn by Global Reporting Initiative (GRI) and are being adjusted to include for future periods the AA1000 Principle of stakeholder inclusiveness, the AA1000 Principles Standard, the AA1000 Materiality Report guidelines, the AA1000 Stakeholder Engagement Standard.

As our current, long-term sustainability targets are limited to those defined by the state issued development frameworks and laws on ecological and social performance we provide limited assessment on materiality of sustainability topics. Performance outside such defined frameworks included in this report are listed as is without evaluation of effects in absence of necessary regulatory approval or defined reporting systems. As of next reporting period, the Company will attract an advisory company to establish comprehensive reporting system to standardize information acquisition processes and reporting.

The areas identified as relevant for internal and external stakeholders are linked to the key risk factors identified by the sustainability risk management framework.

Stakeholders engagement

As a large enterprise with growing regional presence UzAuto Motors is a company with a necessary complex and interconnected value chain. We continuously gather input from stakeholders to determine materiality. Stakeholders are crucial in identifying risks and opportunities and aligning our objectives with social, technological, and regulatory changes. Our ongoing stakeholder engagement activities are guided by our social input-focused stakeholder engagement principles. These guidelines help us establish goals, prioritize stakeholders, and provide a framework for constant dialogue.

Our dialogue centric program includes stakeholder engagement activities related to sustainability topics. We constantly innovate our stakeholder engagement activities, believing that they are an essential part of our sustainability program. We tailor our stakeholder initiatives to address locally relevant topics in each country region and foreign territories where we operate. We analyze the results from regional stakeholder engagement events held through our dealerships and during communication sessions directly with tier 1 suppliers to address differences and guide the review of potential changes to the list material sustainability topics.

Significant portion of stakeholder engagement is carried through established communication channels. These include internal and external grievance reporting mechanisms, online reporting systems, the reporting helpline established as a dedicated section of the call center, communications office and other communication lines with correspondence reviewed by several operational and administrative units. All incoming communication is guaranteed to reach relevant groups within the Company followed by a comprehensive reply. Depending on the type of appeal/request the company may devise an action plan for adoption of new processes and/or adjustment of current systems. The framework encompasses customer feedback via online platforms, official queries to management and operational departments, and through Reception for Citizens.

How we engage with employees?

Ongoing communication

Human Resources department through internal communications section regularly informs employees about the organization's goals, values, and objectives. The information is trickled downstream after consummation for further improvement and approval. Based on general understanding and gathered opinions the top management in contact with every section and department can introduce changes to company goals and objective, helping formulate or redefine plans and strategies for the next time frames. At this time, each employee is extended a request for participation in the process to provide own vision in form of substantiated list of adjustments.

Training and education

For us as an automotive manufacturer it is crucial to have a resilient and adaptive staff. We regularly conduct training sessions to improve personal capacities for better self-management and aspiration for professional growth. We promote the significance of input at an individual level.

Voluntary opportunities

The company regularly initiates sustainability-related initiatives, such as planting of trees, financial and non-financial support for communities, financial participation in charitable activities or other social or environmental efforts that allow employees provide a joint-effort in promotion of sustainable action taking and help contribute to the Company's overall success.

Incentives

The company provides incentives in form of recognition and personal rewards for personnel involved in sustainability.

continued

Our next step in communication of sustainability efforts within the company is establishment of grievance mechanisms against economic inequalities within local communities. We are committed to promote social development in areas of our operation and wish to make meaningful input to the livelihoods of people indirectly participating in the success building of the Company.

How we engage with suppliers?

As a strategic partner (i.e. sole manufacturer of Chevrolet vehicles in CIS) and participant in the General Motors' value chain, UzAuto Motors and its suppliers adhere to the general regulations of General Motors on sustainability and sustainable performance. This includes work on guaranteeing social equalities for employees, promotion of social responsibility, and improvement of economic performance. General Motors and UzAuto Motors conduct regular performance checkups to help manage smooth integration of sustainable practices at facilities on the supply side.

One of the more noticeable inputs of the company in engagement of suppliers in sustainability efforts is by inclusion of new local companies in the growing value chain of General Motors. Coined as Localization Efforts, the Company works to increase value creation within the economy of Uzbekistan which is a complicated effort in itself. Every new car and every introduced purchase option causes additional complexity and stress to the supply chain. While procurement of new parts within the Asian region supply chain (main vendors of General Motors Company in Korea and China) is an accessible option for the Company, it creates an economic burden caused by outflow of disproportionately large sums outside the economic system of Uzbekistan. Localization Efforts are meant to prevent such movement of funds and allow creation of new jobs, introduction of new technologies, new processes and production methods.

Smaller enterprises from Uzbekistan are generally unprepared to flexible production changes typical in the cars manufacturing cycles (i.e. of multi-layered components used in assembly of mobility products). To alleviate this

issue there is an established partnership system that provides provisional documentation, schematics and detailed production instructions to currently operational and establishing companies leaning to become a supplier. Manufacturers (vendors) joining the value chain are in most cases provided with additional equipment and tooling necessary to adapt or expand current production in line with high quality requirements of the Company and its partner - General Motors Company.

UzAuto Motors does not hold exclusive rights to all technology and products except those involved in production of parts and components for cars. As a result, local suppliers (vendors) have an opportunity to apply the acquired know-how and technology in expansion of their product lineups with the new opportunities for international market penetration and current market expansion.



continued

How we engage with local communities?

The Company supports tight interaction with an extensive list of communities in towns of Asaka and Pitnak. As the largest employer in the Khorezm and Andijan regions the company has a measurable influence on the local economies, ecology, social relations, and other aspects of life. This influence has a spillover effect on wider group of stakeholders encompassing of communities in relation with company employees, their families and of same groups affected by company suppliers. Tight placement of local suppliers in the city of Andijan and in the town of Asaka generates a condensed effect on the local population and business making every development within the company reflect on the lives of people. This effect has a recursive action on the company as significant changes in the socio-economic situation within the areas of operation reflect on the manufacturing performance of the Company hence creating a mutually dependent relation with communities.

Common practices in building sustainable relations

UzAuto Motors engages with local communities through a variety of programs and initiatives that aim to support social and economic development in the regions where it operates. Some of the ways UzAuto Motors engages with local communities include:

Improving quality of life: UzAuto Motors has implemented various CSR programs focused on improving the quality of life in local communities. These programs include initiatives such as the construction of schools, hospitals, and sports facilities, as well as the provision of scholarships and support for cultural events.

Job Creation: UzAuto Motors is a major employer in Uzbekistan, with a workforce of over 11,000 employees (at the end of the reporting period). Today the company has over 14 thousand employees country-wide. By providing stable and well-paying jobs, UzAuto Motors helps to support local



economies and improve the livelihoods of people in the communities where it operates.

Direct Community Engagement: UzAuto Motors engages with local communities through a variety of activities, such as sponsoring local events and festivals, and participating in community development initiatives. By working closely with local communities, UzAuto Motors can better understand their needs and priorities, and develop programs and initiatives that have a positive impact on local communities.

Overall, UzAuto Motors is committed to being a responsible corporate citizen and engaging with local communities in a meaningful and impactful way.

Organizational history

UzAuto Motors Joint Stock Company is a renowned producer of passenger and multi-purpose vehicles based in Uzbekistan. As of the first half of 2022, the company earned the title of the largest passenger cars manufacturer in the Commonwealth of Independent States and is the fourth largest market for Chevrolet brand globally.

Today, UzAuto Motors is the primary state-owned vehicle manufacturing company in Uzbekistan, holding a dominant 93% market share in passenger car sales. The company boasts a robust credit profile, supported by a few key factors. These include its dominant position in the domestic market, its partnership with the international automobile giant General Motors (GM), which drives a diversified and high-quality product catalogue in the passenger vehicle segment, a vast operating scale, and an extensive dealership network throughout Uzbekistan. UzAuto Motors holds high strategic importance to both the country and its parent company, with a favourable industrial influence and positive economic outlook. The company has strong financials, with minimal debt and robust revenue growth in recent years. Additionally, the Company has an experienced management team in place to oversee its growing operations.

The Company was established in 1993 as a joint venture with Daewoo Motor Company. Three years after, it introduced its first lineup of passenger cars and the Company name became synonymous with the automotive industry of the country. In 2005, continuous fluctuations in the global mobility market led to drastic changes leading to the acquisition of Daewoo Motors Co. by General Motors. Global events lead to the consolidation of the Company (at the time UzDaewoo) stakes under the sole ownership of Uzavtosanoat Joint Stock Company followed by a concurrent reorganization of the Company into General Motors Uzbekistan Joint Stock Company in 2008.

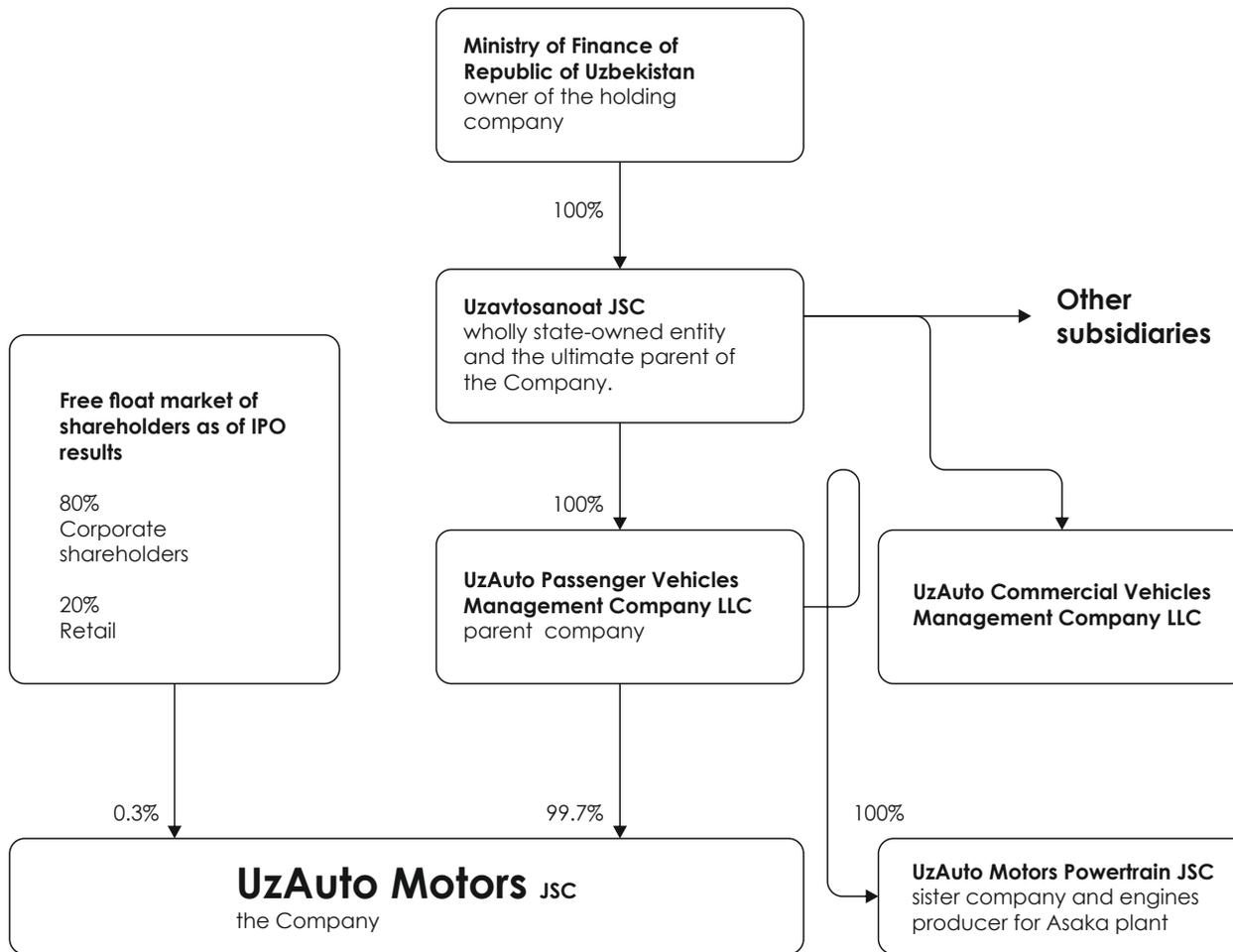
UzAuto Motors was formed as a result of ownership redistribution over General Motors Uzbekistan between General Motors and Uzavtosanoat in 2017 after a buyout of 49 per cent of shares held by General Motors. In 2020 Uzavtosanoat established a managing company – UzAuto Passenger Vehicles Management Limited Liability Company (PVM) to take over direct control over the development of the Company and its sister organization UzAuto Motors Powertrain Joint Stock Company. As of the end of first six months of 2022 financial year PVM is the sole shareholder of the Company.

GM continues to provide technical assistance to UzAuto Motors in accordance with the terms of their alliance agreement, including access to rights and know-how of manufacturing processes, and receives royalty payments from the Company on a quarterly basis based on the number of manufactured cars.

Ultimate reporting body

Uzavtosanoat (UAS) is a state-owned company and the controlling body of the automotive industry of the Republic of Uzbekistan. UAS oversees operations of UzAuto Motors and its sister-company UzAuto Motors Powertrain and other companies under the management of its subsidiaries Passenger Vehicles Management LLC, Commercial Vehicles Management LLC, UzAuto Components LLC and other subsidiaries. In total, UAS manages over 100 individual manufacturers, assemblers and other types of production companies in Uzbekistan and Central Asia. As of June 30, 2022, UAS remains an entity under ownership of the Ministry of Finance of Republic of Uzbekistan. The government of the Republic of Uzbekistan remains to be the ultimate governing body of the Company.

Ownership structure



OWNERSHIP STRUCTURE FOLLOWING IPO RESULTS.

Significant changes to the ownership structure after the reporting period

As a result of the Initial Public Offering of shares held at the local capital market (e.g. Republican capital stock exchange "Tashkent") the company issued additional stock in amount of 0.3 percent of the total volume of shares preceding IPO. This altered proportional distribution of shares, introducing new shareholders to the General Meeting of Shareholder (Company's highest body). As a result PVM remains the largest and controlling shareholder of the company. New shareholders in amount of 1347 persons, at the time of issue, will join the Committee of Minority Shareholders formed prior to the issue of Company's financial report for 2022 financial year.

Integration of sustainability into the business model

As of H1 2022, UzAuto Motors operated in multiple countries and had customers and business partnerships worldwide. The company recognizes that its operations have a significant impact on various stakeholders, including customers, employees, dealers, suppliers, and communities. Our decisions on the products and services we offer, as well as how we create them, are influenced by changing consumer perspectives, emerging trends, and evolving regulatory standards. Therefore, UzAuto Motors aims to create value through its relationships with its stakeholders while being mindful of the environmental and social responsibilities.

The company integrated the concept of a circular economy into its business model to minimize waste in the value chain. This includes better and more efficient design and circular use of materials and their repurposing. UzAuto Motors believes that socio-economic inequality and climate change could only be addressed through an integrated approach that combines individual and collective commitment, multi-stakeholder strategies, investment in enabling processes and technologies, and the adoption of circular economy principles throughout the continuously expanding structure of the Company and its value chain.

The company's sustainability objectives concentrate on:

- ◆ governance based on transparency and integrity,
- ◆ safe mobility products,
- ◆ competitive and innovative mobility solutions,
- ◆ effective communication with consumers, constructive management and professional development of employees,
- ◆ safe working conditions,
- ◆ mutually beneficial relationships with business partners and local communities, and
- ◆ responsible management of manufacturing processes to reduce environmental impacts.

Corporate governance



Corporate governance

UzAuto Motors is a joint-stock company, and its corporate governance is established through a two-tier system consisting of the General Meeting of Shareholders and the Supervisory Board.

The General Meeting of Shareholders is the highest governing body of the company, where shareholders exercise their voting rights and make decisions on major corporate issues such as electing the Supervisory Board, approving financial statements, and making decisions on significant corporate transactions.

The Supervisory Board is responsible for the overall management and supervision of the company's activities, and it consists of at least five members elected by the General Meeting of Shareholders for a term of three years. The Supervisory Board is responsible for appointing and supervising the executive body of the company, setting strategic objectives and overseeing the implementation of the company's strategy, and ensuring compliance with legal requirements and corporate governance principles.

In addition, UzAuto Motors has various internal departments and committees to ensure compliance with legal requirements and promote ethical conduct, including the Audit Commission, Compliance Service, Security Service, and others. These departments and committees are accountable to the Supervisory Board and play a crucial role in the company's corporate governance.

Governance principles

UzAuto Motors values integrity, honesty, and ethical behaviour as core values in conducting their business in compliance with applicable laws. To ensure adherence to these values, the company has established a Code of Ethics and Compliance Handbook, which applies to directors, officers, managers, and employees of the company. The Code provides guidelines for ethical principles and good judgment in all aspects of the company's operations.

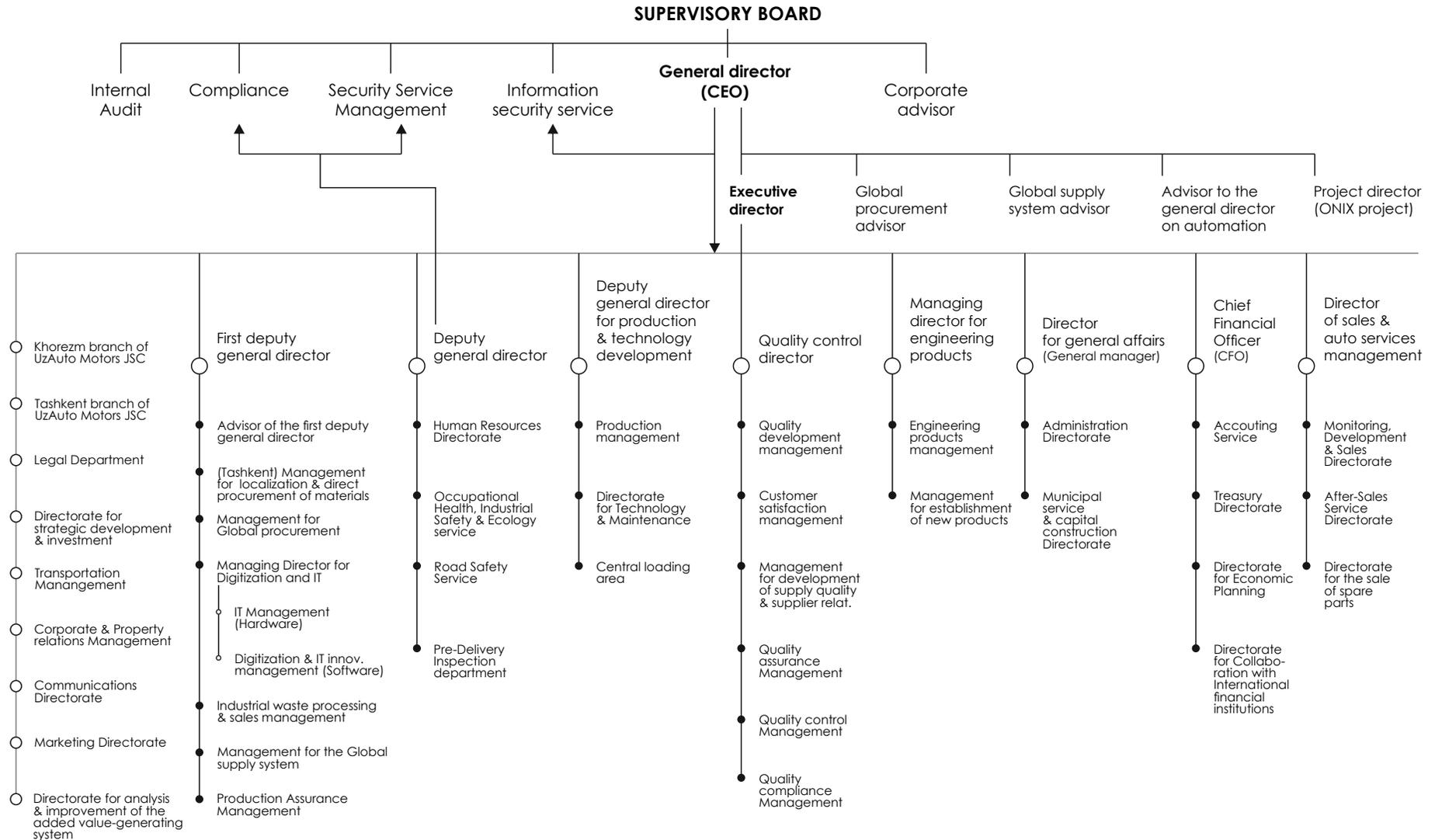
The company personnel are responsible for compliance and are required to contact the Compliance Department for guidance before taking any action regarding any ethical, legal, or regulatory issues. Adherence to the Code and Handbook is mandatory, and the company personnel bear responsibility for ensuring the highest standards of ethical conduct in the company.

The system is complimented by an accessible grievance process for reporting any inconsistencies with the Code of Conduct, a sophisticated risk management system.

Since 2018, the Company's governance follows principles of ethical behavior listed in the Code of Ethics and the Code of Conduct integrated in the general Compliance Handbook.

The documents are issued to all employees as a preliminary guide to help draw understanding of the corporate culture of UzAuto Motors.

Organizational structure



Highest governing authority: Supervisory board

The board has the general responsibility of overseeing the activities of the Company, except for matters that fall under the authority of the General Meeting of Shareholders as per the Company's charter and the law. Its accountability is to the General Meeting of Shareholders. The board evaluates quarterly reports from various groups and commissions, which cover the Company's business plan implementation progress for the current year, procurement, localization, expansion of cooperation ties in the industry, and information technology. Additionally, the board reviews the Internal Audit Service and Audit Commission's reports concerning proposed transactions with affiliated persons and significant transactions. Its functions also involve approving product pricing, significant transactions, and affiliated person transactions. The board holds quarterly meetings regularly, and ad hoc meetings are scheduled as necessary. The current board members are listed in the table below.

The current Supervisory board of UzAuto Motors comprises of: i) Chairman of UAS, holding company, ii) First Deputy Chairman board for Transformation and Finance of UAS, holding company, iii) First Deputy Chairman for Technical Policy and Localization, Expansion of Industrial and IT Cooperation of UAS, holding company, iv) & v) Independent members.

Members of the Supervisory board

Chairman	Shavkat Umurzakov Chairman of the Management board of Uzavtosanoat JSC
Member	Abduvakkos Rafikov First Deputy Chairman of the Management board for Technical Policy and Localisation, Expansion of Industrial and IT Cooperation of Uzavtosanoat JSC
Member	Azizbek Shukurov First Deputy Chairman Management board for Transformation and Finance of Uzavtosanoat JSC
Independent member	Robert Walter Geist Independent member
Independent member	Janos Kovacs Independent member

Pending changes

Effective prior to publication of financial report for the year 2022 before June 30th, 2023.

Following the Initial Public Offering of shares and introduction of additional 1347 new shareholders to the company structure UzAuto Motors is pending increase in total amount of members of the Supervisory board up to a minimum of 9 members with 3 independent members.

Effective as of March 25th, 2023.

Chairman of the Management Board of UAS, Shavkat Umurzakov, who simultaneously held position of the Chairman of the Supervisory Board of UzAuto Motors vacated both his positions for them to be occupied by the current Chairman of the Management board of UAS, Ulugbek Rozukulov. The transition have been made on the same date - March 25th, 2023.

Functions of the Supervisory board

The company is governed by a Supervisory board consisting of members of the Management board of UAS and independent experts from the Automotive industry. All members of the Board have experiences and perspectives found necessary to lead the development of the Company in the best interests of the ultimate shareholder, the government of the Republic of Uzbekistan.

The Supervisory board overlooks the performance of the Managerial body of the Company to help guide its performance in line with the interests of the Ultimate Beneficial Owner – the Government of Uzbekistan, represented by the Ministry of Finance (see ownership structure). The scope of supervision of the Board is limited to enforcement of compliance procedures, investment, financing and dividends payout decisions that fall beyond the financial threshold for the Management set in the Charter of the Company. Decisions on financial matters, falling under the certain threshold, those that do not concern affiliated persons, and associated with a specific type of operation (i.e., loan-taking, investment, deposition of funds and other material activities) are made at a managerial level. Each such operation despite the level of materiality undergoes evaluation by a chain of managerial representatives, requiring approval of all parties involved, including, with obligatory participation of the compliance committee.

The Board monitors the implementation of the annually updated business plan throughout the year, approves procurement requests, strategically manages efforts for localization of components and parts used in production, facilitates cooperation within the industry, and actively promotes digitization and efficient use of non-financial resources. As such, the Board represents the interests of the current single shareholder in all processes associated with mergers and acquisitions as well as supervises such procedures in full. Finally, the Board reviews Reports issued by Internal Audit Service and the Audit Commission concerning proposed transactions with affiliated persons and all major transactions. The Board convenes on a quarterly basis with additional meetings held ad hoc as when necessary.



Board Committees

Audit Committee -

is accountable for providing accurate and reliable information to assist the Supervisory Board in the day-to-day management of the company. Its responsibilities include producing reports for the management of the company, evaluating the accuracy of financial data and adherence to accounting standards, ensuring the faithful presentation of financial statements, monitoring compliance with relevant laws, and identifying any breaches of accounting standards. The committee also examines significant transactions entered into by the company, ensures compliance with relevant legislation and internal regulations related to those transactions, and submits quarterly reports to the management or supervisory board. Additionally, the committee may evaluate the effectiveness of internal controls, identify potential risks and fraud, provide recommendations for improvements to current processes, and assist in developing the terms of reference for optimizing internal controls.

Finance and Strategic Development Committee -

is responsible for guiding and developing the strategic plans of a society or company. This includes identifying priority tasks and goals, developing and reviewing strategic plans, ensuring that financial resources are allocated according to the company's strategic plans, and periodically reviewing the company's strategic plan and long-term goals. The committee also analyzes the company's financial activity, including its capitalization, cash flow, and dividend policy, and makes recommendations to the supervisory board. It monitors the implementation of plans for the reorganization of the company and develops strategic decisions related to expanding the company's activities and increasing economic efficiency and quality of goods and services.

Human Resources Committee -

is responsible for personnel issues such as developing criteria for selecting candidates for various positions, screening candidates, developing contracts and evaluation systems, providing training on corporate behavior and business ethics, and developing a memorandum for newly elected members. The committee is also responsible for developing a remuneration policy and system for the company's supervisory board, management, and high-ranking employees, ensuring that remuneration does not affect the independence of the supervisory board members, and monitoring compliance with the policy and system. The committee also monitors the implementation of decisions related to remuneration and disclosure of information to shareholders.

Anti-Bribery and Compliance Committee -

is responsible for developing and implementing measures to prevent corruption in all areas of the company's activity in compliance with the legislation of Uzbekistan. This includes monitoring compliance with anti-corruption policies and regulations, promoting legal consciousness and culture among employees, analyzing the effectiveness of anti-corruption measures, ensuring transparency and accuracy of information disclosure, and developing rules of behavior for employees. The committee is also responsible for preparing reports on its activities and performing any other tasks assigned by the Supervisory Board.

Board Services

Internal Audit Service -

provides assistance to the Supervisory Board by submitting quarterly reports that aid in the everyday management of the company. The service is accountable to the Supervisory Board and conducts a review of business contracts to ensure adherence to regulations. In addition, the service supports structural divisions in maintaining accounting records and preparing financial statements while providing advice on taxation, finance, and internal control optimization. The Internal Audit Service identifies potential issues and provides solutions to enhance operational efficiency, mitigate risks, and prevent fraud, waste, or abuse. The results of internal audits offer recommendations for improvements in current processes, including information technology systems and supply-chain management. The service also collaborates with the Supervisory Board in developing their Terms of Reference and evaluating external audit proposals. Furthermore, the Internal Audit Service adheres to regulations and internal policies while performing other necessary functions.

Security Service -

is responsible for detecting and dealing with potential threats that may pose a risk to the company's survival and resilience. It serves as the central governing body that supervises and regulates all operations related to security, continuity, and safety within the organization. The Security Service is accountable to both the Supervisory Board and the Executive Body, led by the General Director of the Company.

Compliance and ethics

A significant portion of our success is attributed to the high ethical standards we maintain in our workplace

Over the course of 30 years, UzAuto Motors underwent various stages of development, including changes in management, significant business growth, and an increase in the number of employees. However, the most notable development during this time was the company's establishment of a strong ethical management framework. By creating a code of ethics and compliance centered around values such as integrity and honesty, UzAuto Motors transformed into an ethical actor. The company is deeply committed to conducting its business in an ethical manner and adhering to all relevant laws.

Compliance Service

The Compliance Service abides by the laws of the Republic of Uzbekistan, regulatory directives from the EU for foreign companies, and the laws of the United States for foreign entities, as well as other international legal frameworks. It also follows the best practices for combating corruption and international standards as set out in the United States Foreign Corrupt Practices Act (FCPA) and the United Kingdom Bribery Act of 2010 (UKBA).

As an independent unit, the Compliance Service operates separately from the Executive management and reports directly to the Supervisory board through the Compliance Committee. The Service is authorized with the powers of an external auditing body to detect and prevent cases of corruption, financial and corporate misconduct throughout the company's value chain.

The Compliance service provides guidelines and codes of conduct, as specified in the Compliance Handbook and Code of Ethics and Compliance, along with relevant training materials, to prevent financial and industrial misconduct, corruption and economic looting. It also enforces compliance requirements specified in agreements with international partners, including General Motors Company.

Through its high level of corporate integration, the Compliance Service is involved in reviewing the Company, its entities, affiliates, subsidiaries, branches, and local and international partners to ensure adherence to compliance requirements.

List of overviewed operations and branches of the Compliance Service:

Control against Corruption & Monopolization	Procurement, Localization & Supply	General inspections & ongoing monitoring	Finance, economics, & marketing	Production & QC
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Compliance

Grievance reporting

UzAuto Motors has established a grievance system (commonly known as the whistleblower mechanism) to encourage and facilitate the reporting of illegal, unethical, or fraudulent activities within the organization. The mechanism is designed to protect interests of reporting persons.

The whistleblower mechanism of UzAuto Motors provides a confidential or anonymous reporting option for employees to report wrongdoing. Reports may be submitted through various channels, such as a hotline (anti-bribery hotline and compliance department hotline), direct interaction with HR or compliance officers, or email. Once a report is received, the organization will investigate the allegations and take appropriate action, which may include disciplinary action against the wrongdoer or changes to the organization's policies or practices.

Our grievance mechanism is an important part of UzAuto Motors' commitment to ethical behaviour and good corporate governance. It helps to identify and address issues that could cause harm to the organization or its stakeholders, such as employees, customers, or shareholders. Additionally, it can deter illegal or unethical behaviour by sending a message that such actions are not and will not be tolerated.

Our grievance mechanism is monitored and addressed by various departments, including Human Resources, Compliance Service, Audit Committee, Audit Service, and the Trade Union, depending on the specific issue. The mechanism is accessible to all staff levels. Such functional dispersion by topic-specific reporting channels to help ease communication with employees and stakeholders and facilitate rapid action-taking.

To further support high ethical standards among top management, newly employed members are required to become familiar with the behavioral

principles outlined in the Code of Conduct, Compliance Handbook, and additional notes provided by the Internal Communications department. The Code of Conduct and Compliance Handbook mandate employees to report any witnessed issues of non-compliance. The whistleblower mechanism is an integral part of UzAuto Motors' reporting channels to ensure compliance with the behavioural principles and other applicable laws and regulations.

Reports gathered during the first 6 months of 2022

99 number of reviewed issues brought up by various stakeholders

3 recommendations on improvement of product lineup

2 private queries

1 number of issues brought up by employees

Further breakdown of stakeholder reports and suggestions by area and topic of appeal:

- Operations - 7 reports
- Bad actor (wrongdoing of an employee) - 1 report
- Problems with reimbursements and returns - 7 reports
- Issues with warranty service - 6 reports
- Product quality - 5 reports
- Purchasing procedures - 23 reports
- Issue with a dealership - 26 reports
- Call-center - 1 report
- Product delivery - 18 reports
- Recommendations - 3 reports
- Requests - 2 reports

Letter to responsible actors

”

We are happy to announce that all grievances that were submitted during the reporting period have been reviewed and resolved. Several of the reports helped identify wrongdoings on the side of partner organizations. All issues were resolved in accordance with our policy of zero tolerance to fraud and bribery.

We acknowledge the significance of having a system in place to handle grievances and concerns, and we are devoted to making sure that all employees' issues are heard and resolved in a timely fashion.

We recognize that it takes courage to raise concerns, and we want to reassure all our stakeholders that we treat all your reports with confidentiality, respect, and without any fear of retaliation. We appreciate your trust in our grievance mechanism, and we will continue to work hard to uphold the credibility of our system.

If you have submitted a grievance and have not received a response, please feel free to reach out to us to confirm that your concern has been received and addressed. We urge you to continue using the available channels to report any problems that may occur in the future.

Thank you for your continuous support in maintaining a secure and healthy workplace environment.

Compliance service team

General Director & CEO

The company follows a traditional approach to the edifice of management structure. The CEO of the Company is the acting General Director with functions of the main manager with highest executive authority. The CEO reports directly to the Supervisory board and the General Meeting of stakeholders and is entrusted to fulfill several key functions aimed to improve company position.

List of key functions:

- ◆ Integration and development of efficient operations in a sustainable manner,
- ◆ execution of decisions of the General Meeting of Shareholders and the Supervisory Board of the Company,
- ◆ facilitation of effective interaction between Company's divisions,
- ◆ securing of financial sustainability and growth,
- ◆ ensuring stakeholder engagement,
- ◆ establishment of strong partnership relations throughout the value chain,
- ◆ safeguarding of operational transparency.



Bo Inge Andersson
Chief Executive Officer
Hilton Hotel, Tashkent



Bo Inge Andersson
Chief Executive Officer
UzAuto Motors HQ, Asaka

Business model

UzAuto Motors is an automotive manufacturer that operates under a vertically integrated business model. This means that the Company is involved in all stages of the production process, from design and development to manufacturing and distribution.

The operates through a diversifies its production to safeguard its financial position by producing a range of mobility products including passenger cars, Multi Purpose (passenger) Vehicles (MPVs) and commercial vehicles, and supplementary products as spare parts and complete components. The company provides non-warranty based repairs and other additional services for legacy cars, discontinued vehicles and cars out of warranty as part of its after-sales services business.

In addition to its manufacturing operations, UzAuto Motors also focuses on research and development, investing in new technologies and innovations to improve the performance, safety, and sustainability of its products. The company also places a strong emphasis on quality, customer satisfaction, and environmental sustainability in its operations.

MAIN FACILITIES

- **Press shops**
Two independently operating stamping units
- **Welding shops**
Two independently operating stamping units
- **Paint shop**
- **Assembly shop**
- **Tools shop**
- **Support frame production and dismantling unit of exported cars**

AUXILIARY FACILITIES

- Tool shop
- Maintenance shop
- Battery shop
- Production management, forklift repair area
- Logistics centre
- Engineering product management
- Engine test laboratory
- Utilities department
- Boiler room
- Fuel and lubricants warehouse
- Fuel-oil warehouse
- Carbon dioxide filling station
- Waste water treatment plants
- Chemical water treatment section
- DCS
- Disposal site
- The finished product warehouse
- Spare parts warehouse
- Container yard
- Chemicals warehouse
- Central warehouse
- Test Site
- Canteen

SUBSIDIARIES

The company retains full ownership (e.g. 100 percent ownership and full voting rights) over following three companies operating in the service sector, outside the automotive industry, including construction management company Avtosanoat-Injiniiring LLC, recreational business Khonobod Sihatgoi LLC (sanatorium, health resort), healthcare business Kurgontepa Tibbiyot Diagnostika Markazi LLC and majority ownership rights (e.g. 98 percent ownership and 97.73 percent voting rights) in cars dealership Avtosanoat-Injiniiring LLC, all located and operating in Uzbekistan. Under ongoing plans for termination of non-pertinent operations the company is planning to liquidate or minimize ownership in listed companies.

Standardization of management systems

The history of certifications and recognition awards acquired by UzAuto Motors is as follows:

December 1999:	Obtained ISO 9001:1994 certificate.
April 2003:	Obtained ISO 9001:2000 international certificate.
June 2004:	Awarded by the International Quality Summit New York.
August 2006:	Obtained ISO 9001:2000, ISO 14001:2004, OHSAS 18001:1999 integrated management system certificates.
August 2009:	Re-certified for compliance with the requirements of the integrated management system standards ISO 9001:2000, ISO/FDIS 14001:2004, OHSAS 18001:2007.
September 2010:	Obtained the ISO 9001:2008 international certificate.
November 2012:	Recertified for compliance with ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 integrated management system standards.
December 2018:	Recertified for compliance with ISO 50001:2015 standards.
January 2019:	Recertified for compliance with ISO 9001:2015, ISO 14001:2015 standards.
August 2019:	Received the state-issued ISO 9001:2015 integrated management system certificate.

UzAuto Motors chooses to comply with and acquire international management certifications to meet necessary international standards in efficient and effective corporate management. The certifications also serve as a reputational tool that helps improve company's credibility with customers, investors and other stakeholders.

We understand the necessity of meeting legal and regulatory requirements. Many industries are subject to environmental, anti-bribery, occupational health and safety, energy management, and quality management regulations, and ISO certification can demonstrate compliance with these requirements. Some standards apply for establishment of robust, long-term relations with customers often require their suppliers to have ISO certification as a condition of doing business with them.

As a good actor the company constantly seeks areas of improvement and implementing an environmental management system, anti-bribery management system, occupational health and safety management system, energy management system, or quality management system can help the Company identify areas for improvement and increase of efficiency.

ISO certification can be a competitive advantage in the marketplace, demonstrating a company's commitment to quality, safety, sustainability, and ethical business practices.

Overall, obtaining ISO certification can help us achieve a variety of goals related to environmental sustainability, anti-bribery, occupational health and safety, energy management, and quality management.

Risk management

Risk management is a crucial part of business management and is essential to progressive development of the Company's business plans. UzAuto Motors prefers careful management of risks, through integration of accountability measures throughout all operational levels, without opportunity for exception. We strive to provide mobility products with minimal environmental influence and serve as a social benefactor for the people. Hence, we view management of associated risks as a reliable tool for achievement of corporate and social success.

Risk prevention and risk mitigation measures of UzAuto Motors covers an array of possibilities, not limited to financial performance, competition management, and regulatory adaptation. We oversee effects of our performance on local environments, social situations, occupational health and safety and measure the influence of externalities on our business, including industrial accidents; legal action; portfolio management; investor decisions; workforce retention; international legal environment and most recently to supply chain related disruptions and climate change.

Considerations on various types of risks are established on measurable and foreseeable impacts. Impacts are measured based on their tangible quantitative values as well as qualitative consequences. We support a self-awareness policy enforced throughout the chain of management and qualify use of cross-group evaluation of projects and processes. Similarly, the Company does not rely on a single monitoring agent for identification of risks but rather disperses monitoring and management among management groups associated with the risk.

The process is dynamically structured, in form of an approval mechanism with open dialog system (i.e., within corporate EDO - Digital documentation exchange system). Company provisions require clear outlining of projects and processes for obtaining approval. Special execution frameworks are developed for reoccurring issues to guarantee timeliness of the system. Identified risks are reported to the responsible body, associated with a running project and process, for that body to develop preemptive arrangements to

reduce likelihood of negative impact, where possible. In this regard, we heavily rely on the transparency mechanisms set to control for inadequate or inefficient use of funds and resources. Additionally, the company relies on insurance mechanisms to prevent financial risks that can arise as part of foreign operations and dealings with foreign financial institutions to insure sustainable financial standing.

Business continuity and long-term risk management

Management of production processes is a complicated endeavor as the latter being subject to a growing list of external influences. Major disruptions and turbulences in the supply chain are common occurrence in the international automotive sector. Any major halts on the supply side or other disruptions as natural disasters, pandemics, issues with machinery equipment, digital malfunctions, and other unpredictable events might lead to severe deviations in performance.

Financial risks

As part of the planning process, financial risks and financial contingencies are accounted on a mid- and long-term basis with a one- and five-year observation horizon, respectively. Budgeting of proposed projects and changes to ongoing projects are the responsibility of associated groups, requiring them to present a clear grounding for expenditures. Thereafter, the budget proposals are pushed up the management chain for evaluation and approval with the participation of the compliance committee and chief officers.

Disruptions in the supply chain

International markets are subject to contingencies. International and local supply chains, due to dependency on foreign capital goods, are co-managed by the Company and its strategic partner, General Motors.

continued

Purchases are made on long-term basis contracts, and flexibility frameworks within the contractual terms in favor of the Company, including requirements for strict quality control of incoming capital goods and ready components. International procurement conducted within the General Motors value chain are delivered on the same basis and provide access to higher rate of diversification. In case of machinery failure, the Company is at all times able to substitute locally produced parts and components from the international value chain without critical disruptions to the production process.

The Company relies on several safeguards, as constant monitoring procedures conducted by the Strategic Planning and Development, and financial departments, set in place to prevent resources dissipation. All business-related risks are closely monitored by the Supervisory Board of the Company and are reviewed every six or less months. Additionally, at the beginning of the year, each section presents a detailed list of associated risks on processes within or adjacent to the section.

Climate change risk

We do not have a set list of precautionary measures in form of climate change mitigation or climate change adaptation strategies that would help us perform beyond regulatory measures enforced by the legislative statutes of Uzbekistan. Due to harsh climate conditions and historical occurrence of environmental disasters, both natural and man-made (technogenic) in the region, set national legislation encompasses an extensive list of ESG related risk prevention measures serving interests of the society, environment, and state economy.

The government has a strong role in determining organizational structure of the company, hence regulates its performance in terms of environmental influence, including economic and organizational terms; effects on biodiversity; water use and management of water resources; air quality management; land use management; preparedness for occurrence of natural disasters and employees training, beyond prerequisites of

Occupational Health and Safety management; Building safety and construction procedures and certification; workplace quality; labor relations; management of hazardous material; and beyond. This provides us with a frame of reference for ESG performance management.

We seek to adapt such measures in likeness to best international practices.

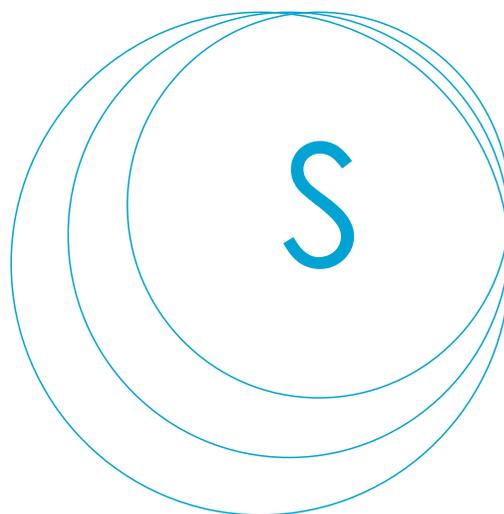
Non-compliance, reluctance to report, or misreporting risks

The non-compliance risk with the arising legal and financial issues is a constant probability and a threat to the performance. Currently applied counter measures to such risks are company's reporting framework (grievance framework) that is at all times at the disposal of all employees and stakeholders of the company. Employees have a timely access to consulting member of the Compliance Service to address misconduct, mistreatment, corruption, harassment, issues with performance of the company on labor contracts, inequalities and other arising problems.

Issues arising due to non-compliance are addressed in accordance with corporate and civil law, partnership terms and regulations extended by General Motors, and the requirements of foreign jurisdictions in which the company or its strategic partner are present.

Despite availability of grievance mechanisms, employees feel reluctant to share testimonies and evidences against company management or other member of staff, either due to own perception or social pressure. The issue is addressed through use of different reporting channels with presence of dedicated specialists to explain in detail the necessity and proceedings of grievance reporting.

Social value and interactions



Safety of drivers, passengers and pedestrians

As an OEM producer of Chevrolet cars, UzAuto Motors is required to follow the safety standards and regulations set by General Motors (GM), the parent company of Chevrolet. UzAuto Motors adheres to the safety measures and applies same features implemented by GM to ensure the safety of drivers, passengers, and pedestrians. As such, General Motors addresses concerns about drivers, passengers, and pedestrians safety by implementing several safety measures and features in their vehicles.

Firstly, GM focuses on designing and engineering vehicles that meet or exceed safety standards set by regulatory bodies such as the National Highway Traffic Safety Administration (NHTSA) and the European New Car Assessment Programme (Euro NCAP). They conduct rigorous crash testing and safety evaluations during the development process of their vehicles to ensure that they are safe for drivers, passengers, and pedestrians.

Secondly, GM incorporates various safety features and technologies in their vehicles such as advanced driver assistance systems (ADAS), lane departure warning systems, forward collision warning systems, automatic emergency braking, blind-spot monitoring, rear cross-traffic alert, and adaptive cruise control, among others. These safety features help to prevent accidents, reduce the severity of accidents, and protect drivers, passengers, and pedestrians.

Thirdly, GM conducts extensive research on safety

and collaborates with other organizations to improve safety. They work with organizations such as the NHTSA, the Insurance Institute for Highway Safety (IIHS), and Global NCAP to promote safety and improve vehicle safety standards.

In addition to the safety measures and features provided by GM, vehicles produced by UzAuto Motors are subject to safety regulations set by the government of Republic of Uzbekistan concerning minimization of distracting features, general reliability of vehicles and adaptive systems necessary for good performance on local roads.

Safety feature installed in locally produced vehicles

UzAuto Motors made cars come with different safety features depending on the model. The Chevrolet Spark, Cobalt, and Lacetti models are equipped with ABS, AirBag (for the front row only), and ISOFIX. The Chevrolet Nexia model comes with ESC & BAS and TPMS. The Chevrolet Tracker and Chevrolet Onix models are both equipped with HAS (Hill Start Assist) and front row AirBags (Front and side airbags for front row). The Premium and LTZ level models of Chevrolet Tracker and Chevrolet Onix are equipped with Ultrasonic blind spot alert. The Premium model of Chevrolet Tracker is additionally equipped with Front collision sensors.

Participating in roads safekeeping.

EMPLOYEES AND WORKPLACE INTEGRITY

Labour rights regulation

UzAuto Motors has a labour policies that are implemented by the Human Resources department in accordance with the National Labour Act (NLA) and International Finance Corporation Performance Standard 2. This policy is reflected in the Collective Agreement and Internal Labour Framework of the company and guides the objectives and targets of the human resources management system. Without further information, it is difficult to provide a more detailed description of UzAuto Motors' labour policies.

Standardized recruitment process

The company has developed, implemented and maintains an Employee Recruitment Policy (Ts 15359652-11200-1:2021 reg. no. 220-2021 dd 03.03.2021) based on which the selection process is established on a competitive basis. Selection of candidates is held with the use of multi-level interviews and standardized assessment practices. The recruitment procedure complies with the requirements of NLA and IFC PS2.

Labour relations

The provision of adequate working conditions by the company for its employees is outlined in the Employer's obligations listed in the Collective Agreement and Internal Labour Rules of UzAuto Motors and fully complies with the requirements of NLA and IFC PS2.

Non-discrimination and equal opportunities

The company's internal labour regulations clearly state that any form of discrimination against another employee or any individual, including age, gender, religion, nationality, ethnicity, nationality, race, health (disability), social status, etc., expressed in words or actions is a gross violation of company rules and state legislation. UzAuto Motors applies the principles of equal opportunity and non-discrimination through effective and acceptable national legislation.

Professional associations

An employee's trade union is an association of employees, the employees of a company, who have a common occupational and professional interest. The main purpose of the trade union is to protect the social and labour rights and interests of the employees.

Employees' trade union provides:

- free professional help and advice on legal matters;
- protection of social, economic and professional rights;
- comprehensive support in case of conflict with the employer;
- monitoring the implementation of the employment contract, the Collective Agreement, the Internal Labour Rules and other internal company regulations and documents;
- addressing issues of increasing salaries and improving working conditions, etc.

The trade union of UzAuto Motors employees is a member of the Republican Council of the Trade Union of Employees of the Metallurgical and Engineering Industries of Uzbekistan. The trade union operates as an independent entity within the company under the protection of the state.

EMPLOYEES AND WORKPLACE INTEGRITY

continued

Staff reduction

The collective agreement includes measures to mitigate the effects of reduction. This includes financial support system and quantity limitations per the labour protection laws of Uzbekistan.

Complaints consideration mechanism

The mechanism of submission and consideration of complaints in the company is implemented per the Labour Code of Uzbekistan. The Company has a Labour Dispute Commission consisting of 3 members of the Trade Union Committee. Employees can also contact the trade union committee to complain about labour relations issues. The mechanism of submission and consideration of complaints is in line with NLA and PS IFC.

Child labour

UzAuto Motors does not use child labour.

Forced labour

UzAuto Motors does not use forced labour.

Occupational Safety and Health

UzAuto Motors pays special attention to the health and safety of its employees, employees of key suppliers and employees hired by third parties. To implement occupational health and safety, UzAuto Motors has adopted, implemented and maintains the company's Occupational Health, Industrial Safety & Environment Policy.

Nurturing personal development & promoting safety.

EMPLOYEES AND WORKPLACE INTEGRITY

Employees training

Professional training

We training and development of our employees to facilitate personal and professional development, acquisition of deep knowledge and improvement of skills. The company has developed and implemented a comprehensive Training and Requalification Procedure (Ts15359652-11200-12:2020), which is regularly maintained.

To create an annual training plan for employees, the Company takes into consideration several factors. Firstly, the employee's qualifications and job description are evaluated against the requirements of legislation and international standards. Secondly, the plan is developed based on the results of an annual employee performance assessment, which serves as a basis for employee development. Thirdly, individual employee development curriculum, succession curriculum, and carrier personal curriculum are taken into consideration.

The Company ensures that new employees receive mandatory training on their first working day. This training includes a video briefing at the entrance to the Company's premises, covering safety and environmental videos, introductory fire safety briefing, introductory safety briefing, and internal work regulations.

The company has also developed training plans for team management in emergencies, earthquakes, fires, and chemical spills, which comply with NLA requirements and IFC performance standards.

Workplace safety

Emergency action training

The Company places high importance on emergency preparedness, and has taken steps to ensure the safety of its employees and property. To achieve this, the company has developed an Emergency Prevention and Response Plan, which includes steps to save lives and manage accidents. The plan is supported by a fire-safety commission, which helps to identify shortcomings and draw up corrective action plans.

Additionally, the Company has an established civil protection headquarters and evacuation commission, along with civil defence teams and fire safety officers in its workshops, warehouses, buildings, and subdivisions. The company has also collaborated with various government departments to develop a Joint Action Plan for the prevention and elimination of emergencies.

To ensure that its personnels are prepared for emergencies, the Company has provided training to personnel of civil defence units and members of volunteer fire brigades, and has developed an organisational instruction for the training of personnel of the structural unit of civil defence, workers, and employees. The company has also developed a joint action plan on evacuation and first aid for employees, their families, and clients in the event of emergencies, and a Civil Protection Plan for emergency situations.

To further enhance its emergency preparedness, the Company has developed a regulation on the administration of facilities and their authorized structural subdivisions within the company, a management body for the territorial subsystem of emergency prevention and action, and an action plan to notify the management of the company and the command staff of the teams and services of the Civil Defence Service in case of emergency. The company has also established sufficient stocks of material resources, a

EMPLOYEES AND WORKPLACE INTEGRITY

continued

protective shelter with a capacity to accommodate 2,000 people, and a amount of a minimum of 49 employees on permanent duty, and two fire-fighting vehicles on facility at all times. The Company also ensures the safety of its personnel and property against fire hazards by using various hazard prevention and protection approaches, such as with installed and maintenance of accessible escape routes, fire detection systems, notification and evacuation systems, smoke protection systems, primary fire-fighting equipment, and automatic fire-fighting systems. The fire alarm and automatic fire-fighting systems in The Company are connected to various other systems, such as public address, ventilation, access control, and evacuation control systems, to ensure prompt and effective response in case of fire.

Uzauto Motors currently has a total workforce of 11,000 employees, with a distribution of 20% - administrative staff and 80% - manufacturing staff. Out of the total workforce, 4% are women, which is representative of the automotive sector in the region. This is a concerning development that the company targets for improvement, as inclusiveness is prime social development goal well highlighted within the public sector of Uzbekistan.

As of reported period between 2019 and H1 2022 the company hired over 110 expats. In terms of recent hiring activity, the company has hired a total of 2,403 new employees from 2019 to the first half of 2022.

Distributions

	2019	2020	2021	H1 2022	
Total number of employees	10991	11249	11114	11072	
Total hired	896	664	543	330	
White collars hired (administrative floor)	64	150	93	54	
Blue collars hired (manufacturing floor)	832	514	450	276	
Women hired	52	40	8	36	
Foreigners hired	33	39	23	15	
Total releases from duties	422	375	683	348	
Quit the job (Left the position)	277	260	505	260	
Fired	0	0	1	0	
Total number of employees	10991	11249	11114	11072	
Total number of women employed	416	414	418	417	
Total number of men employed	10575	10835	10696	10655	
Employment rate of women to men	4%	4%	4%	4%	
Total number of administrative staff	2200	2357	2436	2482	
Total number of manufacturing staff	8791	8892	8678	8590	
	Age group	2019	2020	2021	H1 2022
	18-24	132	138	190	651
	25-39	5491	5424	5282	6577
	40-54	2893	3044	2953	3341
	55+	440	500	433	503

Social activities



Supporting education, art and local communities

Establishment of Astrum IT Academy

In 2021, UzAuto Motors founded the Astrum IT Academy by investing the authorized capital of Uzavtosanoat Injineri to build a modern facility in the Ukurochirchik district of the Tashkent region. The project is an economic and social initiative aimed at supporting information technology specialists and the aspired youth to take up a speciality in the Information Technology sector.

The complex of 8,500 square meters was set on an area of 3.5 hectares. The educational institution is equipped with over 700 workstations. The academy functions as an education and production cluster where students learn programming and then pursue careers in the field. Lessons at the academy were developed by experts from Silicon Valley, and student progress is assessed using artificial intelligence.

House of Creativity

UzAuto Motors has undertaken an economic and social initiative to construct a cultural and creative complex, the House of Creativity, designed for the recreation and artistic pursuits of writers. This project is part of the improvement plan for the "Zarkent" microdistrict located in the Parkent district. The new complex offers a conducive environment for artists to rejuvenate, restore their health, and create new works of art.

The complex covers an area of 2 hectares and includes a three-story dormitory that accommodates 52 persons, built to meet modern standards. The complex also features a stage-amphitheater, equipped with lighting for night performances, which serves as an outdoor venue for cultural and entertainment events and gatherings. The area has been landscaped with ornamental trees and a water tower 7.1 meters high.

To encourage a healthy lifestyle among incoming artists, a sports area with a large olympic swimming pool has been developed for regular use. Overall, the House of Creativity is a unique initiative that showcases UzAuto Motors' commitment to social and cultural development and preservation of cultural heritage.

Tree planting and infrastructure restoration projects

On a territory of Bektemir district, in communities of "Abay", "Husayn Boigaro", "Bektemir", "Oltynotopgan" and "Nurafshan" mahallas the company participated in restoration of greenery on a total area of 5000 sq.m. Employees and area residents planted 100 fir trees, 100 Crimean spruces and 300 seedlings of fruit trees and nuts. The Company financed reconstruction and repair works, landscaping projects, and roads and sidewalks restoration works.

Building affordable housing for residents of Asaka

A socio-economic project is underway in Asaka district of Andijan region, based on the President's Decree to improve the area as well as the architectural image of the district town. From 2021 to 2024, a total of 4,631 apartments will be constructed in 71 multistory buildings. Out of these, 156 apartments have already been completed and are ready for occupancy.

Long-term sponsorship of Pearl of the Silk Road cinema festival

UzAuto Motors has been sponsoring the ongoing annual Tashkent International Film Festival, also known as "Pearl of the Silk Road,". The festival showcases the best of Central Asian cinema for critical evaluation by international film critics and industry professionals. The festival features over 300 artists and guests from dozens of countries and aims to foster young creative talent

Abdulloh Tugdod Memorial Complex



continued

through masterclasses and seminars. One of the festival's unique highlights is the Grand Prix, a competition for fledgling filmmakers to shoot short films across Uzbekistan in just five days. The festival also helps bring regional co-productions to life and aims to boost both Uzbekistan's and the wider region's flourishing film industry.

Restoration of the memorial complex of Abdulloh Tugdod

UzAuto Motors actively participates in public works and in development of local infrastructure in Uzbekistan. One such project was the restoration of the Mausoleum of Khoja Abdullah Tugdod in Asaka, a shrine of historical and spiritual significance. Built in 1840, the mausoleum had deteriorated over time and was at risk of being lost forever. In May 2021, UzAuto Motors undertook the restoration of this sacred site and established a restoration fund of 2B UZS. The project was carried out by the Company's subsidiary Avtosanoat Injiniring and involved specialists in architectural monument restoration from all over Uzbekistan. The tomb and surrounding structures were fully restored, lost parts were recovered additional comfort facilities were added to the territory of the memorial. As a socially responsible company, UzAuto Motors is committed to preserving the cultural and spiritual heritage of Uzbekistan through similar projects.

Minor sponsorship projects

In the Asaka district of the Andijan region, the Company assisted ten low income families in conducting traditional celebrations. The company fully sponsored the events and local children with bicycles and their parents with home appliances.

Sports

UzAuto Motors is deeply associated with sports events and tournaments as a common sponsor and promoter of healthy lifestyle.

- We are know financial benefactor of sports an offer financial support to Olympic athletes, helping cover their training and competition costs.
- Often UzAuto Motors is involved in development and construction of training facilities open for public use all over the country. We believe that accessibility of better sports facilities helps young athletes and sports amateurs approach sports from a more professional angle.

Cheering for gymnastics team

Today the Uzbekistan Gymnastics Federation is one of the highest ranking organizations among other 162 international gymnastics organization. The company is honored to hold the general sponsor of the federation and of the member athletes. For several years, the company has provided significant financial support to the national gymnastics federation and helped young athletes to aspire for better performance and highest possible results. Management of the company seeks to continue this good tradition and close ties with the federation to help further develop nurturing environment where athletes are able to professionally improve.



continued

Andijan FC

The Company is the sole sponsor of the headquarters home team “Andijan” Football Club and is engaged in various types of sponsorship activities supporting progression of the club in the national football league. UzAuto Motors provides financial support to Andijan Football Club to help cover the costs of running the club, including player salaries, coaching staff salaries, travel expenses, and other operational costs. Financial support covers procurement costs of the club with the club’s uniforms and equipment, such as jerseys, shorts, socks, and other gear visibly covered with UzAuto Motors’ symbolics.

UzAuto Motors takes up additional roles to engage local communities in the activities of the Andijan Football Club, such as by sponsoring events or initiatives that benefit the local community, supporting local charities, or promoting youth sports development.

As a result of Companies activities and the performance of the FC, both the Company and the Club received favorable recognition among local communities. The communities are now more engaged in the sport than before.

Sponsor of the National Olympics committee

The company encourages the promotion of healthy lifestyles and popularization of sports among small communities. We assist athletes in their efforts to become financially independent and be able to confidently dedication themselves to sports. We hope to facilitate larger participation rate of local athletes in the Olympic and Paralympic Games.



Environmental transformation



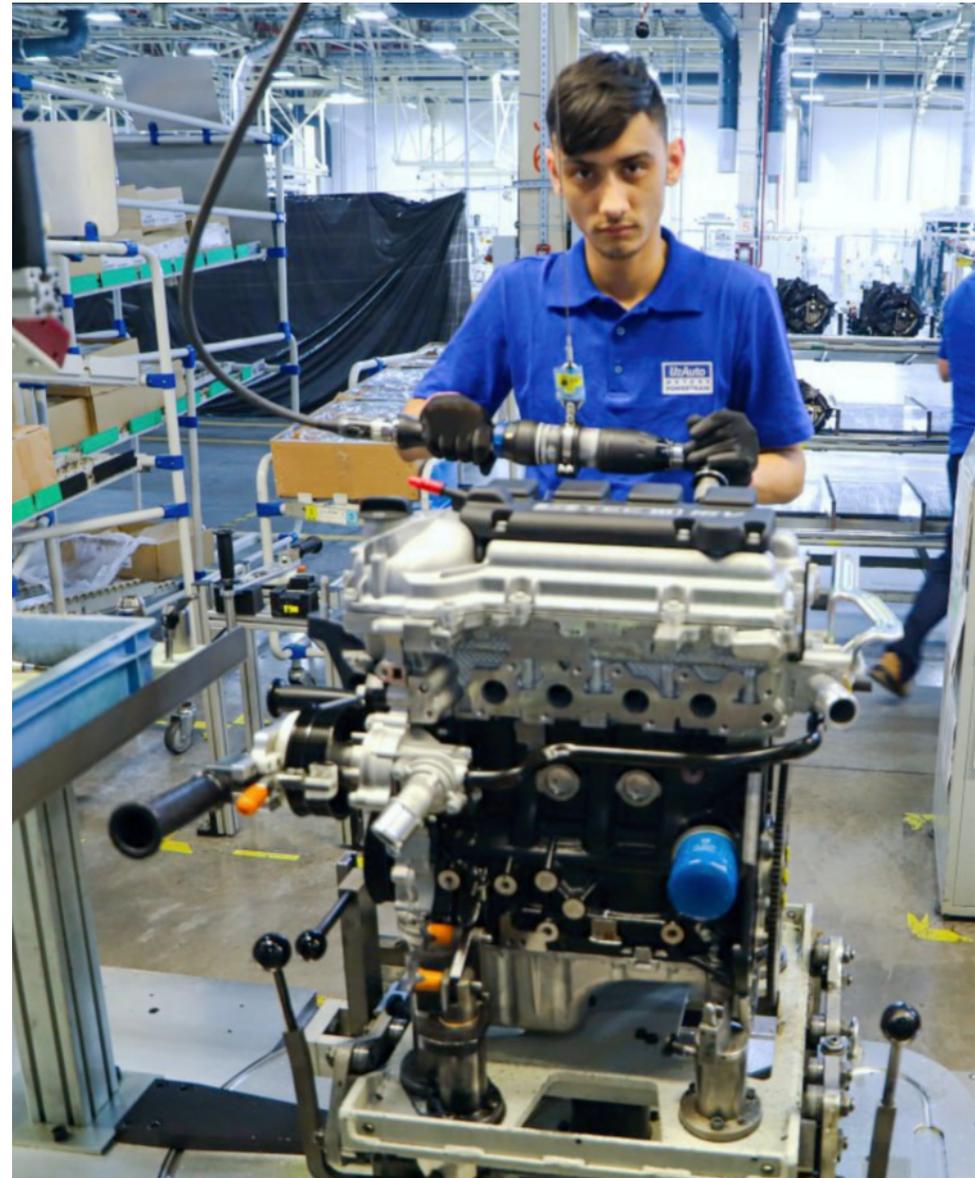
Environmental protection

Our company is committed to reducing our environmental impact by developing solutions that promote environmental protection. We have established Environmental Guidelines in line with ISO 14001 and ISO 50001 standards to ensure that sustainable environmental values are instilled in our products and operations. We evaluate the impact of our vehicles on the environment throughout their entire life cycle, from production to disposal. We prioritize efficient powertrains, weight reduction, safety, quality, increased use of renewable materials, and the introduction of alternative energy-based mobility products in our responsible vehicle development approach.

We also encourage the safe and environmentally-friendly use of our products, and expect our partners throughout the value chain to comply with environmental regulations and contribute to improving environmental impact. Our employees are encouraged to actively participate in our efforts to protect the environment through engagement opportunities, communications, and training activities.

Recognizing the challenges of climate change, we are committed to transitioning to low-carbon output levels. To achieve this, we are working to reduce CO2 emissions and improve fuel economy, even without strict regulatory requirements in the country. Our mid-term goal is to set new fuel economy targets by integrating new engine systems in the modern GEM platform-based vehicles.

We aim to sustain low emissions per unit produced while increasing our involvement in the full-cycle production process through the introduction of well-regulated and highly efficient production lines. An example of our success in reducing emissions is the Chevrolet Onix, which achieves fuel economy of 4.7-5.2 liters per 100 km.





Tools provided by SAP S/4 HANA (ERP) help us optimize our operations, design highly efficient products, comply with regulations, and consistently drive our sustainable development.

By having access to a unified view of all business data, we are enabled to gain real-time insights into our operations and make data-driven decisions.



EDO (rus. Электронный документооборот) (ECM) aids our sustainability efforts by reducing paper usage, enabling document control, promoting collaboration and workflow automation, and improving compliance with sustainability regulations and standards.

Digitalization

UzAuto Motors has implemented a digitization process with a strong focus on minimizing its environmental impact. The company has recently switched to an SAP S4 based information and reporting management system, which has allowed for more accurate and efficient tracking and reporting of environmental data.

As part of its digitization process, UAM has limited the use of stationery and paper across all its offices and manufacturing facilities. Instead, the company has implemented digital solutions such as electronic signatures, digital documentation and cloud-based file sharing to reduce paper consumption. This not only reduces the environmental impact of the company's operations but also streamlines workflows, increases productivity, and reduces costs.

Furthermore, the Company has implemented a number of other initiatives to reduce its environmental impact. These include the use of energy-efficient technology in its facilities, recycling programs, and the optimization of transportation routes to reduce emissions.

Overall, UAM Corporation's digitization process has been instrumental in reducing its environmental impact. By switching to an SAP S4 based system and limiting the use of paper and stationery, the company has reduced its carbon footprint and increased its efficiency. The company's commitment to sustainability and environmental responsibility is reflected in its continued efforts to reduce its environmental impact.

UzAuto Motors uses a systematic approach to evaluate its performance in sociological and environmental management. This includes monitoring, measuring, analysing, and assessing its environmental performance against set objectives, significant environmental aspects, compliance obligations, and operational controls. To achieve this, the company has established a "Procedure for Health, Safety and Environmental Audits," which is regularly maintained and implemented. The monitoring and measurement process ensures that planned activities are met and that corrective actions are taken.

Reports on environmental and social monitoring are provided to stakeholders, and monitoring is carried out according to NLA and IFC standards.

ISO 14001 specifies the requirements for an environmental management system (EMS) and includes procedures such as:

- ◆ Environmental Aspect and Impact Assessment: A procedure to identify, evaluate, and prioritize significant environmental aspects associated with the organization's activities, products, and services.
- ◆ Following legal and Other Requirements: A process to identify and ensure compliance with relevant environmental regulations and other requirements.
- ◆ Objectives, Targets, and Programs: A method to establish measurable environmental objectives, targets, and programs to achieve them.
- ◆ Operational Controls: A procedure to establish and maintain operational controls to manage the significant environmental impacts of the organization's activities, products, and services.
- ◆ Monitoring and Measurement: A process to monitor and measure environmental performance, including compliance with legal and other requirements, to evaluate the effectiveness of the EMS and identify opportunities for improvement.
- ◆ Management Review: A regular review of the EMS by top management to ensure its continued suitability, adequacy, and effectiveness.

ISO 50001 provided us with a framework for establishing, implementing, maintaining, and improving energy management systems. The adoption of this standard brought a list of changes and new procedures to the company:

The guiding principles of the energy management framework established by UzAuto Motors in accordance with ISO 50001 standards include the establishment of an energy baseline, the use of energy performance indicators, the development of an energy management plan, the provision of training and awareness programs, the maintenance of documentation, and the conducting of internal and external audits. These principles aim to improve energy performance, reduce costs, and achieve sustainability goals.

In long term the adoption of ISO 50001 should reflect in the upcoming reporting cycles on energy use accounting, management of own energy sources and revision of company strategies in accordance with global environmental principles. These changes can help us to improve energy performance, reduce costs, and meet own and external (General Motors) guided sustainability goals.

Resources consumption

VOLUME OF CONSUMPTION OF RESOURCES

SECTOR	TYPE OF FUEL	MEASUREMENT	2019			2020			2021			H1 2022		
			Pitnak	Asaka	TOTAL FY									
Manufacturing	Total use of Renewables (amount for the period)	K. watt	7 600	-	7 600	15 400	-	15 400	7 000	-	7 000	16 850	54 000	70 850
Manuf. Resources supply	Electricity	K. watt	19 492 620	69 005 600	88 498 220	17 831 866	74 966 100	92 797 966	21 252 940	67 182 800	88 435 740	13 061 033	45 357 800	58 418 833
Manuf. Resources supply	Fresh water	cu. meters	203 881	801 100	1 004 981	200 026	785 200	985 226	288 609	723 600	1 012 209	110 600	431 900	542 500
Manuf. Resources supply	Natural gas	cu. meters	3 851 857	11 372 200	15 224 057	4 282 982	12 125 900	16 408 882	4 326 853	10 807 700	15 134 553	2 528 262	5 971 800	8 500 062
Manuf. Resources supply	Production of Solar Energy	K. watt	7 600	-	7 600	15 400	-	15 400	7 000	-	7 000	16 850	54 000	70 850
Manuf. Resources supply	Consumption of solar Energy	K. watt	7 600	978 920	986 520	15 400	-	15 400	7 000	-	7 000	16 850	54 000	70 850
Manuf. Resources supply	Dumped solar energy in the local grid	K. watt	14	-	14	16	-	16	16	-	16	480	-	480
Manuf. Emissions	Petrol (Gasoline)	liters	428 891	978 920	1 407 811	438 179	1 674 757	2 112 936	520 058	1 686 109	2 206 167	326 108	937 762	1 263 870
Manuf. Emissions	Diesel	liters	2 829 881	3 071 989	5 901 870	2 376 328	5 168 911	7 545 239	2 603 335	8 775 082	11 378 417	1 434 908	4 411 166	5 846 074
Manuf. Emissions	Methane	liters	107 390	105 373	212 763	120 630	237 431	358 061	322 000	615 738	937 738	199 700	277 468	477 168
Manuf. Emissions	Butane, Propane	liters	200	5 880	6 080	-	3 920	3 920	-	1 960	1 960	-	1 960	1 960
Manuf. Emissions	Other fuel	liters	-	-	-	-	-	-	-	-	-	-	2 500	2 500
Office	Electricity (administrative)	K. watt	-	9 746	9 746	-	10 786	10 786	-	13 306	13 306	-	8 285	8 285
Office	Water (administrative)	cu. meters	-	55	55	-	53	53	-	58	58	-	29	29
Office	Natural gas (administrative)	cu. meters	-	-	-	-	-	-	-	6 513	6 513	-	2 412	2 412
Manuf. Waste mngt	Energy spent for in-house recycling or waste management	K. watt	-	-	-	-	-	-	-	1 920	1 920	-	2 880	2 880

Energy intensity

ENERGY CONSUMPTION ACCORDING TO BRITISH PETROLEUM CONVERSION FACTORS AND EIA (U.S. Energy Information Administration)

SECTOR	TYPE OF FUEL	MEASUREMENT	2019			2020			2021			H1 2022		
			Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY
Manufacturing	Total use of Renewables (amount for the period)	GJ	27,36	-	27,36	55,44	-	55,44	25,20	-	25,20	60,66	194,40	255,06
Manuf. Resources supply	Electricity	GJ	70 173,43	248 420,16	318 593,59	64 194,72	269 877,96	334 072,68	76 510,58	241 858,08	318 368,66	47 019,72	163 288,08	210 307,80
Manuf. Resources supply	Natural gas	GJ	138 666,85	409 399,20	548 066,05	154 187,35	436 532,40	590 719,75	155 766,71	389 077,20	544 843,91	91 017,43	214 984,80	306 002,23
Manuf. Emissions	Petrol (Gasoline)	GJ	14 452,23	32 986,42	47 438,66	14 765,21	56 433,87	71 199,08	17 524,26	56 816,40	74 340,67	10 988,78	31 599,53	42 588,31
Manuf. Emissions	Diesel	GJ	103 486,88	112 340,61	215 827,49	86 900,75	189 023,67	275 924,41	95 202,24	320 898,96	416 101,20	52 473,64	161 313,43	213 787,07
Manuf. Emissions	Methane	GJ	2 423,47	2 377,95	4 801,42	2 722,26	5 358,10	8 080,36	7 266,57	13 895,37	21 161,94	4 506,63	6 261,61	10 768,24
Manuf. Emissions	Butane, Propane	GJ	4,51	132,69	137,21	-	88,46	88,46	-	44,23	44,23	-	44,23	44,23
Manuf. Emissions	Other fuel	GJ	-	-	-	-	-	-	-	-	-	-	84,24	84,24
Office	Electricity (administrative)	GJ	-	35,09	35,09	-	38,83	38,83	-	47,90	47,90	-	29,83	29,83
Office	Natural gas (administrative)	GJ	-	-	-	-	-	-	-	146,98	146,98	-	54,43	54,43
Manuf. Waste mngt	Energy spent for in-house recycling or waste management	GJ	-	-	-	-	-	-	-	6,91	6,91	-	10,37	10,37
ENERGY PRODUCED	Total energy produced (opposite to consumed)	GJ	329 234,74	805 692,12	1 134 926,86	322 825,72	957 353,29	1 280 179,01	352 295,57	1 022 792,03	1 375 087,60	206 066,86	577 864,95	783 931,81
	Energy intensity per CKD unit of production (vehicle)	GJ per unit			4,41			4,57			6,32			4,84
	Energy intensity per unit of production (vehicle) total production	GJ per unit			4,17			4,37			5,99			4,62

Emissions

EMISSIONS EQUIVALENT ACCORDING TO EPA (US) CONVERSION RATES AND EIA (US)

TYPE OF FUEL	MEASUREMENT	2019			2020			2021			H1 2022		
		Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY	Pitnak	Asaka	TOTAL FY
Total use of Renewables (amount for the period)	tCO2e	3.29		3.29	6.67		6.67	3.03		3.03	7.30	23.38	30.68
Electricity	tCO2e	8,440.30	29,879.42	38,319.73	7,721.20	32,460.32	40,181.52	9,202.52	29,090.15	38,292.68	5,655.43	19,639.93	25,295.35
Natural gas	tCO2e	7,463.81	22,036.11	29,499.92	8,299.21	23,496.57	31,795.78	8,384.22	20,942.27	29,326.49	4,899.06	11,571.66	16,470.72
Petrol (Gasoline)	tCO2e	995.35	2,271.83	3,267.17	1,016.90	3,886.69	4,903.59	1,206.92	3,913.03	5,119.96	756.81	2,176.31	2,933.12
Diesel	tCO2e	7,617.80	8,269.53	15,887.33	6,396.87	13,914.27	20,311.14	7,007.96	23,621.77	30,629.73	3,862.65	11,874.48	15,737.13
Methane	tCO2e	163.12	160.06	323.18	183.24	360.66	543.89	489.11	935.30	1,424.42	303.34	421.47	724.81
Bulane, Propane	tCO2e	0.30	8.93	9.24	-	5.95	5.95	-	2.98	2.98	-	2.98	2.98
Other fuel	tCO2e	-	-	-	-	-	-	-	-	-	-	6.73	6.73
Electricity (administrative)	tCO2e	-	4.22	4.22	-	4.67	4.67	-	5.76	5.76	-	3.59	3.59
Natural gas (administrative)	tCO2e	-	-	-	-	-	-	-	12.62	12.62	-	4.67	4.67
Energy spent for in-house recycling or waste management	tCO2e	-	-	-	-	-	-	-	0.83	0.83	-	1.25	1.25
Total calculated emissions	tCO2e	24,677.40	62,630.11	87,307.50	23,610.75	74,129.12	97,739.87	26,287.70	78,524.72	104,812.42	15,470.00	45,679.68	61,149.68
Total calculated emissions / CKD production	tCO2e per unit			0.34			0.35			0.48			0.38
Total calculated emissions / CKD production	KGCO2e per unit			339.41			348.97			481.54			377.26

We are pleased to report on our emissions intensity for the past few years. In 2019, we had an emissions intensity of 339 kgCO₂ per unit produced, which increased to 349 in 2020, and significantly spiked to 482 in 2021. Unfortunately, these increases were caused by market inefficiencies due to shortages of essential components and parts in the global market, as well as the impact of the COVID-19 pandemic. However, we are proud to share that we were able to effectively manage and reduce our emissions costs in the first half of 2022, despite non-output related emissions related to the transportation of new production equipment. Going forward, we anticipate a slight increase in intensity due to the higher integration of our own production cycle in the total production of our products.

Hazardous materials use

PROCUREMENT AND USE OF HAZARDOUS (TOXIC) MATERIALS

MATERIAL AND GENERAL CLASSIFICATION MEASUREMENT		2019			2020			2021			H1 2022		
		Pitnak	Asaka	Total FY	Pitnak	Asaka	Total FY	Pitnak	Asaka	Total FY	Pitnak	Asaka	Total FY
Gases													
Freon R134a	KG	106.4		106.4	25.4	-	25.4	191.6	-	191.6	15.5	-	15.5
Freon R22	KG	-	136.0	136.0	-	95.2	95.2	-	-	-	-	81.6	81.6
Carbon dioxide (gas)	KG	40.6	95,000.0	95,040.6	94.0	140,000.0	140,094.0	112.0	159,200.0	159,312.0	145.0	95,000.0	95,145.0
Argon	KG	658.0	800.0	1,458.0	689.0	800.0	1,489.0	746.0	8,250.0	8,996.0	808.0	5,250.0	6,058.0
Flamable													
Enamel paint	liters	1,558.0	10,000.0	11,558.0	1,880.0	13,009.0	14,889.0	7,430.0	17,690.0	25,120.0	2,830.0	-	2,830.0
Solvents	liters	-	2,000.0	2,000.0	4,645.0	2,410.0	7,055.0	3,610.0	1,280.0	4,890.0	1,900.0	-	1,900.0
Aluminium sulfate	KG	5,065.0	-	5,065.0	4,550.0	-	4,550.0	4,955.0	-	4,955.0	2,320.0	-	2,320.0
Paint remover (Poly strip 100)	liters	-	-	-	55.0	-	55.0	701.0	2,000.0	2,701.0	200.0	-	200.0
Activated charcoal	KG	-	10,000.0	10,000.0	2,000.0	-	2,000.0	-	14,000.0	14,000.0	-	-	-
Corrosives													
Aluminium sulfate	KG	-	25,000.0	25,000.0	-	25,000.0	25,000.0	-	20,000.0	20,000.0	-	30,000.0	30,000.0
Hydrochloric acid 2N	liters	-	-	-	-	10.0	10.0	-	10.0	10.0	-	-	-
Sulfuric acid	liters	2,110.0	-	2,110.0	2,110.0	72.0	2,182.0	2,352.0	72.0	2,424.0	2,352.0	-	2,352.0
Nitric acid	KG	-	15,000.0	15,000.0	-	15,000.0	15,000.0	-	15,000.0	15,000.0	-	1,200.0	1,200.0
Various electrolites	liters	-	5,000.0	5,000.0	-	5,000.0	5,000.0	-	4,500.0	4,500.0	-	-	-
Sodium Hydroxide, Lye 99%	liters	525.0	-	525.0	625.0	72.0	697.0	795.0	72.0	867.0	417.0	-	417.0
Sodium Hydroxide, Lye 50%	liters	-	10,000.0	10,000.0	-	10,000.0	10,000.0	-	15,000.0	15,000.0	-	-	-
Sodium Hydroxide, Lye 100% (solid)	KG	-	25,000.0	25,000.0	-	25,000.0	25,000.0	-	20,000.0	20,000.0	-	30,000.0	30,000.0

Waste management

UzAuto Motors has a robust waste management system that targets waste reduction, recycling, and minimizing environmental impact. The system employs sustainable design and manufacturing practices of General Motors and of its subsidiaries to limit waste generation. This includes using materials that are recyclable, compostable, or biodegradable and implementing production processes that ultimately produce less waste.

UAM emphasizes recycling and reuse of waste materials, such as paper, cardboard, plastics, metals, and batteries. Programs such as single-stream recycling at its facilities, recycling bins in employee areas, and closed-loop recycling that reuses waste materials in production processes have been implemented to improve recycling rates. For instance, the company uses recycled plastics in the production of new vehicles.

In addition, UAM has programs to manage hazardous waste, which include proper storage, labeling, and disposal. To ensure safe handling of hazardous waste, the company adheres to strict regulations and standards.

UAM has initiatives in place to reduce waste generation in its facilities, such as reducing packaging waste, eliminating disposable products, and composting programs. This helps to minimize the amount of waste generated initially.

Finally, UAM monitors and reports on its waste management performance through its quartile reports to the management and the Supervisory Board, which tracks metrics such as waste reduction, recycling rates, waste resale for upcycling and hazardous waste management.

Overall, UAM's waste management system is comprehensive and includes sustainable design and manufacturing, recycling and reuse, hazardous waste management, waste reduction, and performance monitoring. By employing these initiatives, UAM can minimize waste generation, reduce environmental impact, and promote sustainability.

Sorted waste resale

Type	Measurement	2021 Qty.	H1 2022 Qty.
Paper waste	tons	4,350.0	3,618.0
Metals waste	tons	32,981.2	13,327.7
Wood waste	tons	2,893.0	1,676.0
Plastics (incl. polyethylene)	tons	1,743.0	531.4
Other waste	tons	718.0	306.0
	liters/kg	163,589.0	47,960.0
	units	23,069.0	4,450.0

Waste stored

Years	Storage of materials	Companies involved	Qty. tonnes/units
2019	General production waste	69	14,225.4
	Metal sheets	27	1,322.8
	Total fy	96	15,548.2
2020	General production waste	70	11,654.0
	Metal sheets	40	5,737.8
	Total fy	110	17,391.8
2021	General production waste	129	1,509,590.1
	Metal sheets		
	Total fy		
H1 2022	General production waste	66	839,751.8
	Metal sheets		
	Total fy		

Environmental projects

Green volunteering at Aydarkol

Over 450 workers contributed to the "Green Space" initiative by planting trees to enhance the country's ecology and promote the prudent utilization of bio-resources in the Aydar-Arnasoy lake system and the national tourism development program. The company was involved in the planting of 30,000 trees and shrubs.

In total, more than 60,000 ornamental trees of diverse origin and type (e.g. Japanese Sophora, Catalpa, pine, ash, and maple) were planted on 103 hectares of land. As trees are the ultimate carbon storage machines and can lock up carbon for centuries we plan to slowly reduce our carbon footprint. Currently we are not accounting our planting activities as a valid approach for curbing our carbon footprint.

According to preliminary estimates current input in amount of 60 thousand trees on 104 hectares will help remove over 41 thousand tons of carbon from the atmosphere. However, our target is to help restore degraded forests to create sustainable habitats for many species of animals. Our growing forest will help filter stormwater runoff and pollutants.

This is an ongoing project that continues to grow. In the coming years we plan to double our total input before moving our green projects to other regions of the country.



Next steps

Identified development opportunities

Control for materials used:

1. Materials research addresses issue of resource constraints. Increase in competition from other industrial sub-sectors the availability of necessary assembly components and equipment, driving up procurement costs or causing production backstops due to shortages. Investment in new materials research provides new supply options and leverage for price management.
2. Control for use of toxic materials and output filtration gives us an edge over competition in terms of brand valuation. Improves the company value in the eyes of social and environmental stakeholders. A bargaining chip in governmental negotiations.

Recycling:

Use of recyclable materials, recycling, upcycling of equipment and use of recycled material in production and administrative divisions reduces long term costs. Reporting drives brand value and recognition.

Green renovation and building programs:

Maximizing use of natural light, ventilation and

Renewable energy:

Addresses Energy Scarcity if facilities are set on location. Offsetting addresses demand for responsible products. Decrease in reported CO2 emissions.

Infrastructural investment:

Improved livelihood of current and potential employees. Increased company value within local communities. Less physical amortization of own transportation equipment and cargo vehicles. Mediates effects of urban congestion (time loss) on our logistics lines.

Political:

Opportunity for integration of environmental standards that the company already applies requiring fair competition from other players. If we are first then we don't need to align to industry standards, rather standards align to us (Prevents excessive costs).

Every new production regulation pushed by US and EU goes unspotted by local buyers. Reflecting such standards in the reporting improves customer-based brand value.

Improvement of efficiency:

Already in use: Efficiency driving methodologies (e.g. Kaizen) lower capital and labour costs of production. Suggested administrative improvement: Agile development processes to improve iterative document build and internal information exchange.

Public Health and Safety:

Safeguarding labour value. Prevention of additional training costs.

Driving consumer demand:

Great PR opportunity. Defining a link between more responsibly produced cars and the quality of life in Uzbekistan. We might affect less car buyers but we can reach a lot of people at the age of 20-25 and mostly from middle- and high-income households (target group) that are already influencing the purchase decision of their friends and families.

UzAuto plans to focus on the below items as part of its business strategy over the next 3-5 years:

Capacity expansion: UzAuto Motors will focus on expanding its production capacity at its two main facilities in Andijan and Khorezm regions. This will involve investing in new manufacturing technologies and equipment, as well as upgrading existing facilities to improve efficiency and productivity. The goal is to increase total production capacity to 550,000 units by 2026.

Diversification of product portfolio: In addition to the current GEM platform-based cars, UzAuto Motors plans to introduce new models to its product portfolio, including electric and hybrid vehicles. The company will also explore opportunities to produce parts and components for other industries.

Expansion into new markets: UzAuto Motors will explore opportunities to expand its sales and distribution network in new markets, including the Middle East, North Africa, and Asia. The company will also consider establishing new production facilities in neighbouring countries such as Turkmenistan, Tajikistan, and Ukraine to increase its market share in the region.

Partnerships and collaborations: UzAuto Motors will seek to establish new partnerships and collaborations with other companies and organizations to leverage their expertise and resources. This could include joint ventures with local manufacturers, collaborations with universities and research institutions, and partnerships with suppliers and vendors to improve supply chain efficiency.

Sustainability and innovation: UzAuto Motors will prioritize sustainability and innovation in its operations and product development. The company will work to reduce its environmental footprint by implementing more sustainable manufacturing practices and developing more fuel-efficient and eco-friendly vehicles. UzAuto Motors will also invest in research and development to stay at the forefront of automotive innovation.

Supplementary documents

Annex 01:

List of relevant regulative documents and legislations

Legislative and regulatory acts of the Republic of Uzbekistan on environmental, social, labour and corporate management and safety.

- ◆ The Law of the Republic of Uzbekistan "On Nature Protection" (1992) establishes the legal, economic and organizational framework for the purpose of environmental protection, ensures sustainable development and finally, defines principles.
- ◆ The Law of the Republic of Uzbekistan on "Environmental Expert Review" (2000) provides for a mandatory environmental expert review of environmental and human health impacts as well as a legislative basis for environmental expert review.
- ◆ The Law of the Republic of Uzbekistan on "Water and Water Use" (1996) ensures the rational use of water, the protection of water resources, the protection and reduction of negative impacts, and compliance with national legislation.
- ◆ The Law of the Republic of Uzbekistan on "Atmospheric Air Protection" (1996) ensures the preservation of the natural composition of the atmospheric air, prevents and reduces harmful chemical, physical, biological and other effects on atmospheric air, and regulates the activities of State bodies, enterprises, institutions, organizations, voluntary associations and citizens in the area of atmospheric air protection.
- ◆ The Law of the Republic of Uzbekistan on "Land Code" (1998) provides basic rules and regulations for land use and establishes rights to land.
- ◆ The Law of the Republic of Uzbekistan "On protection of population and territories against natural and man-made emergencies" (1999) regulates social relations in the field of protection of population and territories against natural and man-made emergencies and is aimed at preventing the emergence and development of emergencies, reducing losses from emergencies and eliminating emergencies.
- ◆ The Law of the Republic of Uzbekistan on "Applications of Individuals and Legal Entities".
- ◆ The Law of the Republic of Uzbekistan on "Labor Protection". Order No. ZRU-410 dated 22.09.2016.
- ◆ The Law of the Republic of Uzbekistan on "the National Guard" ZRU-647 dated 18.11.2020
- ◆ The Decree of the President of the Republic of Uzbekistan No. UP-5863 dated October 30, 2019 on "Approval of the Environmental Protection Concept of the Republic of Uzbekistan until 2030".
- ◆ The Decree of the President of the Republic of Uzbekistan PP-4477 dated 04.10.2019. "On Approval of the Strategy for Transition of the Republic of Uzbekistan to a Green Economy for 2019-2030 period".
- ◆ Cabinet of Ministers Decree No.541 "On Further Improvement of the Mechanism for Environmental Impact Assessment" (2020).
- ◆ The Housing Code of the Republic of Uzbekistan.
- ◆ Cabinet of Ministers Decree No. 911 (16.11.2019) "On additional measures to improve the procedure for granting compensation for the seizure and granting of land plots and ensuring the guarantee of property rights of individuals and legal entities".
- ◆ Methodology for assessing working conditions and certifying workplaces based on working conditions. No.1/5. Tashkent, 1996.
- ◆ Hygiene classification of working conditions according to indicators of harmful and dangerous factors of the working environment, severity and intensity of the working process. SanPin No. 0141-03, Tashkent, 2003.
- ◆ Occupational Health and Safety Standards System "General Sanitary and Hygienic Requirements to Working Area Air", GOST 12.1.005-88;
- ◆ Sanitary norms and regulations "Natural and artificial lighting", KMK 2.01.05-98. Tashkent, 1998.
- ◆ SanPiN No. 0120-01 "Sanitary norms of permissible noise levels in workplaces", Tashkent, 2001.
- ◆ SanPiN No. 0122-01 "Sanitary norms of general and local vibration in the workplace". Tashkent, 2001.
- ◆ SanPiN No. 0117-01 "Sanitary norms of infrasound in the workplace", Tashkent, 2001.
- ◆ Labor Code of the Republic of Uzbekistan, Tashkent, 1996.
- ◆ Collection of regulations on pension and occupational health and safety in the Republic of Uzbekistan. Tashkent, 2000.

Annex 01: continues

- ◆ SanPiN No. 0100-00 "Sanitary rules and norms for work on personal computers, videodisplay terminals and office equipment". Tashkent, 2000.
- ◆ SanPiN No. 0118-01 "Sanitary norms and regulations on permissible levels of electromagnetic fields of radio frequencies". Tashkent, 2001.
- ◆ The procedure for free issue of milk or other equivalent foodstuffs to workers directly employed in hazardous working conditions. Tashkent, 2004.
- ◆ Order No. 200 of the Ministry of Health of the Republic of Uzbekistan on "Improving the system of initial and periodic medical examinations of workers of the Republic of Uzbekistan". Tashkent, 2012.
- ◆ GOST Republic of Uzbekistan 981:2000 Security in Emergency Situations, 2000.
- ◆ GOST Republic of Uzbekistan 1017:2001. Sources of man-made emergencies, 2001.

Annex 02:

International certificates and recognitions acquisition

The following list relates to international standards and management and/or operational guidelines.

- ◆ December 1999 - ISO 9001: 1994: This is an international standard for quality management systems that helps organizations ensure their products and services meet customer needs and regulatory requirements.
- ◆ November 2001 - Certificate of Accreditation for Calibration and Repair: This certificate grants UzAuto Motors the right to carry out calibration and repair work, indicating that the company has demonstrated its competence and capability to provide reliable calibration services.
- ◆ April 2003 - ISO 9001: 2000: This certificate is an updated version of the ISO 9001 standard and specifies requirements for a quality management system. The certificate demonstrates that UzAuto Motors has implemented a quality management system that ensures consistent quality of its products and services.
- ◆ June 2004 - International Quality Summit New York International Prize for Quality, Leadership, Advanced Technologies, and Innovations: This prize recognizes UzAuto Motors' commitment to quality, leadership, and innovation in the automotive industry.
- ◆ July 2004 - Certificate of Accreditation of the Testing Laboratory: This certificate indicates that UzAuto Motors has established and maintained a testing laboratory that meets the requirements of ISO/IEC 17025, the international standard for testing and calibration laboratories.
- ◆ February 2005 - Winner of the "Best Products of 2004" contest: This award recognizes the quality of UzAuto Motors' cars produced in 2004.
- ◆ August 2006 - Integrated Management System Certificate: ISO 9001: 2000, ISO/FDIS 14001: 2004, OHSAS 18001: 1999: This certificate shows that UzAuto Motors has implemented an integrated management system that meets the requirements of three international standards for quality, environmental, and occupational health and safety management systems.
- ◆ August 2009 - Recertification of the Integrated Management System: ISO 9001: 2000, ISO/FDIS 14001: 2004, OHSAS 18001: 2007: This is a recertification of the integrated management system, showing that UzAuto Motors has maintained its high standards in quality, environmental, and occupational health and safety management systems.
- ◆ September 2010 - ISO 9001: 2008: This certificate is an updated version of the ISO 9001 standard and demonstrates that UzAuto Motors has implemented a quality management system that ensures consistent quality of its products and services.
- ◆ November 2012 - Certificates meeting the requirements of ISO 9001: 2008, ISO 14001: 2004, OHSAS 18001: 2007: This certificate indicates that UzAuto Motors has implemented an integrated management system that meets the requirements of three international standards for quality, environmental, and occupational health and safety management systems.

Annex 03:

Hazardous materials

Health hazards by product categorized by type of influence

Gases:

Freon R134a: Low ozone depletion level but high 100-year global warming potential.

Freon R22: Low ozone depletion level but high 100-year global warming potential. Also, it poses some hazards including H280, H420, P202, P262, P271, and P403.

Carbon dioxide (gas): Low toxicity.

Argon: Low toxicity

Flammable materials:

Enamel paint: Medium level of physical hazard and highly flammable.

Solvents: Medium level of physical hazard and highly flammable.

Aluminium sulfate: Health hazard and NFPA 704 (1,0,0,n/a).

Paint remover (Poly strip 100): Physical hazard (respiratory and skin irritation).

Activated charcoal: Flammable.

Corrosives:

Aluminium sulfate: Low physical hazard (irritation) and NFPA (1,0,0,n/a).

Hydrochloric acid 2N: High physical damage, acute toxicity, and highly corrosive.

Sulfuric acid: High physical damage, toxic, highly corrosive, oxidizer, and reacts with water.

Nitric acid: Strong oxidizer, highly corrosive, and poses various hazards including H272, H300, H310, H330, H373, H411, P210, P220, P260, P305+P351+P338, P310, and P370+P378.

Various electrolytes: Low physical hazard (irritation).

Sodium Hydroxide, Lye 99%: Danger, highly corrosive, and poses various hazards including H290, H314, P280, P305+P351+P338, and P310.

Sodium Hydroxide, Lye 50%: Danger, highly corrosive, and poses various hazards including H290, H314, P280, P305+P351+P338, and P310.

Sodium Hydroxide, Lye 100% (solid): Danger, highly corrosive, and poses various hazards including H290, H314, P280, P305+P351+P338, and P310.

Annex 04: Conversion rates Fixed conversion rates

Carbon Dioxide Emissions Coefficients by Fuel

	Pounds CO ₂	Kilograms CO ₂	Pounds CO ₂	Kilograms CO ₂
	Per Unit of Volume or Mass	Per Unit of Volume or Mass	Per Million Btu	Per Million Btu
Carbon Dioxide (CO₂) Factors:				
For homes and businesses				
Propane	12,68 gallon	5,75 gallon	138,63	62,88
Diesel and Home Heating Fuel (Distillate Fuel Oil)	22,45 gallon	10,19 gallon	163,45	74,14
Kerosene	21,78 gallon	9,88 gallon	161,35	73,19
Coal (All types)	3 876,61 short ton	1 758,40 short ton	211,87	96,10
Natural Gas	120,96 thousand cubic feet	54,87 thousand cubic feet	116,65	52,91
Finished Motor Gasoline ^a	17,86 gallon	8,10 gallon	148,47	67,34
Motor Gasoline	19,37 gallon	8,78 gallon	155,77	70,66
Residual Heating Fuel (Businesses only)	24,78 gallon	11,24 gallon	165,55	75,09
Other transportation fuels				
Jet Fuel	21,50 gallon	9,75 gallon	159,25	72,23
Aviation Gasoline	18,33 gallon	8,32 gallon	152,54	69,19
Industrial fuels and others not listed above				
Petroleum coke	32,86 gallon	14,90 gallon	225,13	102,12
Nonfuel uses				
Asphalt and Road Oil	26,25 gallon	11,91 gallon	166,12	75,35
Lubricants	23,58 gallon	10,70 gallon	163,29	74,07
Naphthas for Petrochemical Feedstock Use	18,74 gallon	8,50 gallon	149,95	68,02
Other Oils for Petrochemical Feedstock Use	22,61 gallon	10,26 gallon	163,05	73,96
Special Naphthas (solvents)	19,94 gallon	9,04 gallon	159,57	72,38
Waxes	21,10 gallon	9,57 gallon	160,06	72,60
Coals by type				
Anthracite	5 715,11 short ton	2 592,33 short ton	228,60	103,69
Bituminous	4 933,59 short ton	2 237,84 short ton	205,57	93,24
Subbituminous	3 747,36 short ton	1 699,78 short ton	214,13	97,13
Lignite	2 813,18 short ton	1 276,04 short ton	216,40	98,16
Coke	7 196,24 short ton	3 264,17 short ton	250,59	113,67
Other fuels				
Geothermal (steam)	NA	NA	26,03	11,81
Geothermal (binary cycle)	NA	NA	0,00	0,00
Municipal Solid Waste ^{b,c}	1 552,88 short ton	704,38 short ton	109,98	49,89
Tire-derived fuel ^b	5 306,87 short ton	2 407,16 short ton	189,53	85,97
Waste oil ^b	22,51 gallon	10,21 gallon	163,14	74,00

Data source: Carbon factors provided by the U.S. Environmental Protection Agency, *Inventories of U.S. Greenhouse Gas Emissions and Sinks: 1990-*

^a Includes fuel ethanol blended into motor gasoline. The fuel ethanol component of finished motor gasoline is treated as nonemissive. See

^b Carbon factors for municipal solid waste, tire-derived fuel, and waste oil are provided by the U.S. Environmental Protection Agency, *Greenhouse*

^c The carbon factor for municipal solid waste has been adjusted to apply both to biogenic and non-biogenic waste

Note: To convert to carbon equivalents multiply by 12/44.

Coefficients may vary slightly with estimation method and across time.

Coefficients are based on data from 2020. EIA uses these coefficients for estimating 2021, and more recent, energy-related CO₂ emissions.

Carbon Dioxide (CO₂) Factors:

For homes and businesses	
Propane	1,52 KG CO ₂ per liter
Diesel and Home Heating Fuel (Distillate Fuel Oil)	2,69 KG CO ₂ per liter
Kerosene	2,61 KG CO ₂ per liter
Coal (All types)	1 938,31 KG CO ₂ per metric ton
Natural Gas	1,55 KG CO ₂ per thousand cubic meters
Finished Motor Gasoline ^a	2,14 KG CO ₂ per liter
Motor Gasoline	2,32 KG CO ₂ per liter
Residual Heating Fuel (Businesses only)	2,97 KG CO ₂ per liter
Other transportation fuels	
Jet Fuel	2,58 KG CO ₂ per liter
Aviation Gasoline	2,20 KG CO ₂ per liter
Industrial fuels and others not listed above	
Petroleum coke	3,94 KG CO ₂ per liter
Nonfuel uses	
Asphalt and Road Oil	3,15 KG CO ₂ per liter
Lubricants	2,83 KG CO ₂ per liter
Naphthas for Petrochemical Feedstock Use	2,25 KG CO ₂ per liter
Other Oils for Petrochemical Feedstock Use	2,71 KG CO ₂ per liter
Special Naphthas (solvents)	2,39 KG CO ₂ per liter
Waxes	2,53 KG CO ₂ per liter
Coals by type	
Anthracite	2 857,56 KG CO ₂ per metric ton
Bituminous	2 466,80 KG CO ₂ per metric ton
Subbituminous	1 873,68 KG CO ₂ per metric ton
Lignite	1 406,59 KG CO ₂ per metric ton
Coke	3 598,13 KG CO ₂ per metric ton
Other fuels	
Geothermal (steam)	NA
Geothermal (binary cycle)	NA
Municipal Solid Waste ^{b,c}	776,44 KG CO ₂ per metric ton
Tire-derived fuel ^b	2 653,44 KG CO ₂ per metric ton
Waste oil ^b	2,70 KG CO ₂ per liter

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” We thank all participating
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DISCLAIMER

This report contains forward-looking statements and information relating to UzAuto Motors' goals, strategies, plans, and expectations relating to sustainability and environmental performance. These statements and information are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties, and assumptions that could cause actual results to differ materially from those described in the forward-looking statements. UzAuto Motors does not undertake any obligation to update any forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information.

This report has been prepared by a group of experts who are employees of the company. The report has not been subject to external assurance by an auditing company. The information provided in this report pertains to the first half-year of 2022 only. All the information presented in this report is observational and has been provided based on the best understanding of reporting standards by the company employees. The information presented in this report is subject to further review and may be updated as part of the work on the preparation of the year-end sustainability report for 2022.

This disclaimer is included to alert readers that the report is based on management's current expectations and beliefs and that actual results could differ from those described in the report due to a range of factors. It also emphasizes that UzAuto Motors is not obligated to update the report based on changes in circumstances or events that may occur after the report is published. In case of changes being introduced to this report, UzAuto Motors is not liable to inform the public on the list or place of changes. The updated reports will be uploaded to the company website with the date of new publication added to the sustainable report page.

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