

**«APPROVED»**  
**By the decision of Supervisory**  
**Board**  
**Of the JSC «BIOKIMYO»**  
**Of November 29, 2016**  
**minutes № 7**

**PROVISION**  
**ON THE COMMITTEE ON COMPETITIONS,**  
**APPOINTMENTS AND REMUNERATIONS**  
**OF THE JSC «BIOKIMYO»**

Yangiyul district - 2016

## **General Provisions**

- 1.1. This Regulation on the Committee of the Supervisory Board of the Company "BIOKIMYO" (hereinafter referred to as the Company) for appointments (competition) and remunerations (hereinafter referred to as the Committee) is developed in accordance with the legislation of the Republic of Uzbekistan, the Charter of the joint-stock company, the Code of Corporate Governance and defines the tasks, functions and powers of the Committee, As well as the composition of the Committee, the procedure for its formation, work and interaction with the bodies of the Company.
- 1.2. The Committee is a consultative and advisory body of the Supervisory Board. All decisions of the Committee are recommendations that are submitted for consideration to the Company's Supervisory Board.
- 1.3. The Committee is accountable to the Supervisory Board and acts within the powers granted to it by the Supervisory Board and these Regulations.

## **2. Tasks of the Committee:**

The Committee is established and acts to assist the Supervisory Board by developing and submitting recommendations to the Supervisory Board on:

- 2.1 Planning continuity of the Supervisory Board and the Management Board of the Company;
- 2.2 Ensuring a permanent and objective evaluation of the activities of the Supervisory Board, the Management Board, the Corporate Secretary and other employees of the Company in accordance with the list determined by the decision of the Supervisory Board of the Company;
- 2.3 Ensuring an effective personnel policy, remuneration system, as well as social support, professional development and training of officials and employees of the Company.
- 2.4 Organization and conduct of competitions for the selection of audit organizations, consultants and independent experts.

## **3. Functions of the Committee:**

- 3.1. Making recommendations on the requirements for candidates to the Supervisory Board, the Management Board of the Company, the position of the Chairman of the Management Board of the Company, the Corporate Secretary of the Company, as well as other positions according to the list determined by the Supervisory Board decision;



- Determination of methods and criteria for evaluating the activities of the Supervisory Board, the Management Board, the Corporate Secretary of the Company, and other employees according to the list determined by the Supervisory Board decision;
- 3.3. Control over the implementation of personnel policy in the Company, including control over the formation of the Company's personnel reserve;
- 3.4. Preparation of recommendations on the evaluation of the performance by the members of the Management Board of the Company of key performance indicators, as well as the results of the activities of the Corporate Secretary of the Company, and other employees on the list determined by the Supervisory Board decision;
- 3.5. Control over the effectiveness of the remuneration system, as well as social support, professional development and training of the Company's officials;
- 3.6. Preparation of recommendations to the Supervisory Board on the amount and form of remuneration, social support, professional development and training of Company officials;
- 3.7. Organization and conduct of competitions for the selection of auditors to conduct audits, competitions for the selection of consultants, experts to conduct an independent evaluation of the corporate governance system.
- 3.8. Development and approval of criteria for evaluating tender documentation for determining the winner of competitions.
- 3.9. Preparation of the competitive invitation and the timing of the competitions.
- 3.10. Establishment of a list of requirements or competitive documents for tender participants.
- 3.11. Preparation of information on the outcome of the competition.

#### **4. Powers of the Committee:**

##### **4.1. The Committee has the right:**

- 4.1.1. Request the Board, officers, the head of the Internal Audit Service, the Corporate Secretary and other officials and employees of the Company to provide information, official documents, as well as explanations necessary for the Committee to perform tasks and perform the assigned functions;
- 4.1.2. Consider appeals from shareholders, the Supervisory Board, the Company's officials, as well as other third parties, on issues that are part of the Committee's

functions;

4.1.3. Invite the Company's officials, as well as any other third parties at their own discretion, to participate in the work of the Committee, without granting the right to vote;

4.1.4. To enjoy other rights necessary for the exercise of the powers conferred on him.

4.2. The Committee shall:

4.2.1. be guided in the activity by the current legislation of the Republic of Uzbekistan, the Charter, the Code of corporate management and other internal documents of the Company;

4.2.2. To carry out its activities in the interests of the Company and its shareholders;

4.2.3. Do not allow the conflict of interests of Committee members to influence the Committee's activities;

4.2.4. Provide, at the request of the Supervisory Board, a report on the activities of the Committee;

4.2.5. To submit for consideration of the Supervisory Board a report on the activities of the Committee based on the results of the half-year;

4.2.6. Provide the Secretariat of the Supervisory Board with an annual report on the activities of the Committee, for inclusion in the annual report of the Supervisory Board.

## **5. Formation of the Committee**

5.1. The Committee is formed from the members of the supervisory board, the audit commission, the internal audit service, the executive body, the specialists of the departments and experts who have the necessary professional knowledge to work in the Committee.

5.2. The Chairman and members of the Committee are elected by the Supervisory Board in accordance with the procedure established by the Charter of the Company.

5.3. The terms of office of the members of the Committee coincide with the terms of their terms of office as members of the Supervisory Board, but are reviewed annually by the Supervisory Board.

5.4. The experts of the Committee attend the meetings of the Committee without the right to vote. The experts of the Committee have the right to initiate the meetings of the Committee, to terminate their powers ahead of schedule on their own initiative by written notification to the Committee through the Secretary of the Committee.

## **6. The Chairman of the Committee**

6.1. Organizes the work of the Committee;

6.2. Convene meetings of the Committee and preside over them;

6.3. Approves the agenda of the meetings of the Committee;

6.4. Organizes effective resolution of issues at meetings of the Committee;

6.5. Ensures the development of a plan of meetings of the Committee;

6.6. Provides a report on the work of the Committee.

## **7. Organization of work of the Committee**



The work of the Committee is carried out in the form of meetings in person or in the form of competitions.

7.2. The Secretary of the Committee is appointed by the Corporate Secretary of the Company.

7.3. The Secretary of the Committee ensures the preparation and holding of the Committee's meetings, the collection and systematization of materials for the meetings, the timely sending of notifications to Committee members and invited guests about the Committee's meetings, agenda of meetings, materials on agenda items, the recording of meetings, drafting decisions of the Committee, Storage of all relevant materials.

7.4. The Secretary ensures timely receipt by the Committee members of the necessary information and documents.

7.5. Meetings of the Committee can be held both in accordance with the plan approved by the Chairman of the Committee, and as necessary, but not less than four meetings a year.

7.6. The Chairman of the Committee decides on the convening of the next meeting (or competition) of the Committee, the date, time and place of the meeting and agenda items, as well as the decision on the list of persons invited to the meeting of the Committee.

7.7. An extraordinary meeting of the Committee shall be held upon the decision of the Chairman of the Committee, and may be initiated by any member of the Committee, the Supervisory Board, the Management Board or the Sole Shareholder of the JSC.

7.8. Notification of holding meetings of the Committee (or competitions) along with the agenda should be sent to the persons participating in the meeting (or in the competition) not later than five working days before the date of the meeting (or competition) of the Committee.

7.9. At the Committee's meetings, third parties without the right to vote on the agenda of the meeting of the Committee may be present at the invitation of the Chairman of the Committee.

7.10. Decisions of the Committee are taken by a simple majority of votes of the total number of all members of the Committee. The quorum required for the Committee's decision is at least half of the total number of members of the Committee. In case of a tie, the vote of the Chairman of the Committee is decisive.

7.11. Each member of the Committee has the right to state his dissenting opinion, which is attached in a sealed form to the minutes of the meeting of the Committee and is subject to disclosure only by decision of the Supervisory Board of the Company. In those cases when the decision on certain issues can not be taken due to the interest of the members of the Committee, this fact is to be reflected in the minutes of the meeting of the Committee.

7.12. The minutes of the meeting of the Committee are drawn up in two original copies, one of which, after signing by the chairman and secretary of the Committee, is sent to the Supervisory Board with the attachment of materials.

7.13. Members of the Committee do not participate in meetings of the Committee when considering issues related to their own appointment and / or remuneration. No person should be involved in the process of determining one's own appointment and / or remuneration

## **8. Procedure for changing the Regulations**

The introduction of amendments and additions to this Regulation is carried out on the basis of the decision of the Supervisory Board.

PROVISION ON THE COMMITTEE ON COMPETITION, APPOINTMENTS AND REMUNERATIONS OF THE JSC «BIOKIMYO»

The Supervisory Board of the JSC «BIOKIMYO» has decided to establish a Committee on Competition, Appointments and Remunerations (the Committee) with the following composition:

The Committee shall be composed of five members, three of whom shall be representatives of the shareholders and two shall be representatives of the employees of the JSC «BIOKIMYO». The members of the Committee shall be appointed for a term of three years.

The Chairman of the Committee shall be appointed from among its members by a majority vote of the Committee. The Chairman shall be responsible for the activities of the Committee and shall report to the Supervisory Board on its work.

The Committee shall have the right to request and receive from the management of the JSC «BIOKIMYO» all information necessary for the performance of its duties. The Committee shall also have the right to request the presence of the management of the JSC «BIOKIMYO» at its meetings.