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|  [Translated from Uzbek to English - www.onlinedoctranslator.com](https://www.onlinedoctranslator.com/en/?utm_source=onlinedoctranslator&utm_medium=docx&utm_campaign=attribution) **"APPROVED"****Decision of the meeting of Joint-Stock "BIOKIMYO"** **Supervisory Board** **N 2 on 23.08.2023 year.****Joint-Stock "BIOKIMYO"** **Annex to the Conflict of Interest Management** **POLICY**Yangyol city |

1. **General rules**
2. Joint-Stock Company "BIOKIMYO" (hereinafter referred to as "the company") strives to conduct business in which personal interests do not influence the business judgments and decisions of employees. A situation of conflict of interest occurs when the personal interests of employees (directly or indirectly) influence, can influence, or are likely to influence their decision-making in society.

In community activitiesconflicts of interest are regulated on the basis of the "Conflict of Interest Management Policy" (hereinafter referred to as the "Policy"). The policy will come into force after approval by the Supervisory Board of the society.

1. A conflict of interest may arise when personal interests are placed above the public interest and when such personal interests influence an employee's business judgments, decisions, or actions. Such situations may arise in relations with the company's business partners and/or customers, including suppliers, as well as with government agencies.

In addition to employees, their close relatives may also be involved in these cases. Making judgments, making decisions, or taking actions in situations of conflict of interest makes it difficult to perform the duties of the office objectively and effectively, and may have legal and regulatory consequences.

Therefore, employees:

- to be able to identify a situation where there is a conflict of interests or to get advice when in doubt;

- to avoid conflicts of interest as much as possible;

- must report any existing conflicts of interest.

Also, the Compliance Service should ensure that conflicts of interest are properly addressed and managed.

1. **The purpose of the policy**
2. With the help of this Policy, the Company takes measures to provide employees, including members of the Executive Body and the Supervisory Board, with relevant principles and rules for preventing or managing conflicts of interest, as well as practical instructions on how to implement such principles and rules.
3. **Application and scope**
4. This policy applies to all employees of the company, including members of the Executive Body and the Supervisory Board, and to any situation where the personal interests of employees may conflict with the interests of the company. Employees fill out information on the application on the presence or absence of a conflict of interest at the time of employment, and then fill it out annually.

Employees are also required to update the information provided annually as the situation warrants.

1. **Basic concepts and rules**
2. ***Conflict of interest***means a situation in which personal interests (directly or indirectly) affect or may affect the employee's proper performance of official duties, and a conflict between personal interests and the legitimate interests of the company occurs or may occur.

Within the framework of the economic activity of the society, a conflict of interest may arise as a result of external conditions and as a result of the employee's actions. An example of a conflict of interest is when an employee or a close relative:

- those who hold high positions in other companies whose economic activity mainly competes with the economic interests of the society;

- who participates in the Supervisory Board of any company whose activities and/or goals directly compete with the company's activities;

- who learns about a certain investment opportunity and discloses it to third parties or makes relevant personal investments or uses it in another way for his own benefit;

- societyhas a significant share of economic participation or other type of interest in one of its suppliers, customers or competitors;

- of societyreceives money, gifts of no nominal value or excessive hospitality, loans, guarantees or other special treatment from any supplier, customer or competitor;

- competes with the company or helps the relevant party to compete with the company;

- who participates in an important private transaction related to the society for his own interests;

- have direct or indirect financial, economic or other personal interests that can be considered to affect their impartiality and independence in the context of the supplier selection procedure;

- also include cases where third parties or other employees participate in any operation of the company as a beneficiary or authorized representative of the company, if such a transaction is not approved in a predetermined manner.

1. ***Close relatives***including parents, biological and step-brothers and sisters, spouse, children, including adopted children, grandparents, grandchildren, as well as parents, biological and step-brothers and sisters of the spouse includes siblings, other persons defined by the legislation of the Republic of Uzbekistan.
2. ***Gift and/or personal gain***refers to items or services of nominal value offered as a token of friendship or appreciation.A gift is given openly without expectation of benefit or reward in return. It is usually given or received to initiate, strengthen or develop business relationships. Employees should not accept gifts or personal benefits if their value exceeds 5 times the BHM amount.
3. **Basic principles and rules**
4. Employees should not provide services to any other employer without the prior consent of the relevant body of the society, as well as not engage in other activities that serve the interests of third parties and fall within the scope of the society's interests. If an employee's close relative is involved in such activities, the employee must immediately notify his immediate supervisor.

In turn, together with the Compliance Service, it must take the necessary measures to prevent possible consequences for society.

1. Employees are prohibited from soliciting or accepting, directly or through a third party, any benefit in the performance of their duties for themselves or any other party in return for any future or past act or omission, and similarly, employees are prohibited from accepting any promise of such benefit. .

Also, employees are not permitted to accept any gifts beyond the nominal value set forth in this Policy or receive personal benefits in the form of discounts or favorable terms in their personal dealings with any actual or potential contractor, supplier, etc. of the Company.

1. Employees must not be in a controlling or controlling relationship with close relatives (for example, influence the terms of employment) or participate in any hiring decisions (including internal and external hiring, as well as employee transfers within the company) regarding close relatives.
2. Employees should not participate (ie refuse) in making any decisions where their personal interests may be in conflict with the interests of the company, and if in doubt, contact the Compliance Department for advice.
3. **Identifying conflicts of interest in policy implementation**
4. The Company shall apply appropriate mechanisms and procedures to identify conflicts of interest both before starting work in the Company and during the performance of service obligations.
5. Before starting their duties, new employees must complete and sign a conflict of interest disclosure form in accordance with the appendix, declaring that they do not have a conflict of interest as defined in this Policy or, alternatively, describing any existing circumstances that may give rise to a conflict.
6. Upon identifying a potential conflict of interest, the Compliance Office shall report it and provide its findings and recommendations to:
* to the new employee's immediate supervisor;
* In the case of a member of the executive body, to the Supervisory Board.

Accordingly, the immediate supervisor or the Supervisory Board must decide on the necessary measures to manage the conflict of interest.

1. Employees must submit annual information on the presence or absence of conflicts of interest to the Compliance Service, and relevant information must be updated and maintained in the community. The Compliance Service monitors all employees' annual reporting obligations.
2. In cases where a conflict of interest is identified, the Compliance Service must report it to the following and provide its conclusions and recommendations:
* to the employee's direct supervisor;
* to the Supervisory Board in the case of a member of the executive body.

Accordingly, the immediate supervisor or the Supervisory Board must decide on the necessary measures to regulate the conflict of interest.

1. The Compliance Service records all identified conflicts and enters information about their management into the conflict of interest register.
2. Avoidance of conflicts of interest is not always possible and may arise as business circumstances evolve, requiring employees to disclose information. In the performance of his duties, an employee may become aware of a conflict of interest that did not exist at the time the annual conflict of interest form was filed. In such a case, the employee must disclose the personal interest to his or her immediate supervisor, and then notify Compliance by updating the conflict of interest form.

The disclosure must contain sufficient information about the conflicting interest to make an informed decision about the appropriate resolution of such conflict.

1. When determining a conflict of interest, the Compliance Service provides information, as well as its findings and recommendations:
* to the employee's direct supervisor;
* to the Supervisory Board in the case of a member of the executive body.

Accordingly, the immediate supervisor or the Supervisory Board must decide on the necessary measures to manage the conflict of interest.

1. The Compliance Service shall enter the necessary information into the Conflict of Interest Registry in accordance with the requirements of this Policy.
2. **Managing conflicts of interest**
3. Information submitted to the Compliance Service regarding the existence or absence of a conflict of interest is kept in the employee's personal file.
4. The Compliance Service analyzes the information received about the existence or absence of a conflict of interest, and also evaluates any information provided to the Compliance Service by the employee, his immediate supervisor or the Supervisory Board. After due diligence, collection of necessary information and preliminary assessment of each case, it will be determined whether there is a conflict of interest, if any, the type of conflict of interest, i.e. real, potential or perceived conflicts.
5. The Compliance Service must evaluate the possible consequences of this conflict and how such a conflict may affect the interests of society, as well as make recommendations to the employee's immediate supervisor or the Supervisory Board on how to manage the conflict of interest.

These measures may include updating the community's existing policies and procedures to introduce additional controls or strengthen existing controls to prevent such conflicts.

1. In cases where there is a serious risk to the interests of society (for example, the reputation of the company, its strategy, its financial situation, etc.), the Compliance Service, in agreement with the direct manager or the Supervisory Board, on the recommendations of the Compliance Service, about the necessary actions to eliminate this risk and resolve conflicts of interest must notify the head of the Executive body to make a decision.

Depending on the nature of the conflict of interest, these actions may include denial, disqualification, transfer, restriction of access to confidential information, relocation or other appropriate measures to resolve the conflict.

1. **Conflict of interest register**
2. The Compliance Service maintains, updates and maintains a register of all potential conflict of interest situations, with reference to the parties involved, the conflicting activities and services, as well as the management of each conflict. The register provides a record of how the situation was resolved, as well as a sequence of community actions to manage conflicts of interest.
3. **Education and awareness**
4. The Compliance Department ensures that all employees are continuously informed and trained on the issue of conflicts of interest. The Compliance Service implements the following measures regarding the training of employees:

- provides up-to-date information on conflict of interest issues during internal seminars and open discussions that ensure employees are aware of conflict of interest issues;

- develops employees' skills in identifying and managing conflicts of interest through coaching and continuous training provided by employees, managers and the Compliance Service in close cooperation with the Human Resources Department, as well asensure that new employees are familiar with this Policy as part of their onboarding programs.

1. **Violation of the Conflict of Interest Management Policy and Accountability**
2. Violations of this Policy will not be tolerated. Violations of this Policy may result in investigation and disciplinary action as provided in the Company's Code of Conduct.
3. Line managers must report any potential violations of this Policy by responsible employees to Compliance. All other employees who become aware of an actual or potential violation of this Policy by another employee must immediately report their observations to the Compliance Department in accordance with the Code of Conduct.
4. **Overseeing compliance with the requirements of the conflict of interest management policy**
5. The Compliance Department is responsible for ensuring compliance with the requirements of this Policy. The Compliance Service ensures that the Policy is improved based on best practices.
6. The Compliance Service reviews the Policy at least once every two years or periodically as necessary to determine the necessary changes and additions to the goals of the Policy, as well as to ensure compliance with applicable laws and internal policies and procedures of the company.

**The head of the compliance Z.V. Ungarbaeva**

Joint-Stock "BIOKIMYO"

Annex to the Conflict of Interest Management Policy

**About the presence or absence of a conflict of interest**

**INFORMATION**

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| S.N.P |  |
| Division |  |
| The date |  |

I have read and understood the Conflict of Interest Management Policy and agree to be bound by it.

a) I have no current conflicts of interest that I am required to disclose under the Policy.

MesocietyI undertake to disclose any conflict of interest that may arise in the performance of my duties.

b)I hereby declare that I have personal interests that may lead to a conflict of interest and I hereby declare the following information:

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*Describe in as much detail as possible the evidence indicating the possibility of a conflict of interest situation.*

If there are relevant guidelines, I will follow any instructions or measures introduced by the management of the society to resolve the conflict of interest.I undertake the obligation.

Date:\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_

signature