

**“APPROVED»**

by decision of the supervisory board

JSC "BIOKIMYO"

No. 1 from 7 yyly2021 years

Chairman of the meeting A.Tugizbayev

*(print)*

**POSITION  
ABOUT THE COMPLIANCE SERVICE  
JOINT-STOCK COMPANY  
«BIOKIMYO»**

*(new version)*

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## **I. General provisions**

1.1. This Regulation regulates the Company's activities Compliance Services JSC "BIOKIMYO" (hereinafter – Service). Sets the procedure for the creation and operation of its services, the appointment of a manager, as well as his rights and obligations.

1.2. The Service is a structural division of the joint-stock company "BIOKIMYO" (hereinafter – the Company), directly subordinated to the Chairman of the Management Board, in accordance with the approved structure of the Company's executive body.

1.3. The Service has the right of direct communication to the Supervisory Board of the Company, bypassing the Chairman of the Management Board of the Company in the following cases::

Unjustified failure by the Chairman of the Management Board to take measures to develop and improve the anti-corruption system in the Company (including unjustified refusal to allocate resources for anti-corruption measures);

failure by the Chairman of the Management Board to respond to violations of the Company's Anti-Corruption Policy, other anti-corruption policies and procedures, or applicable anti-corruption legislation;

violations of the Company's Anti-Corruption Policy, other anti-corruption policies and procedures, or applicable anti-corruption legislation by the Chairman of the Management Board.

1.4. The organizational form of the Service is established by the Company's staffing table, approved by the order of the Chairman of the Management Board of the Company.

1.5. The Service is headed by the head of the Service, who is appointed by the order of the Chairman of the Management Board of the Company, and is responsible for high-quality and timely performance of the tasks assigned to the Service.

1.6. The Service's activities are aimed at providing methodological and operational guidance on the implementation of the anti-corruption compliance system in the Company's activities, as well as its functioning, monitoring and subsequent control over the implementation of anti-corruption measures and procedures provided for.

1.8. The Service is guided in its activities by:

The Constitution and current legislation of the Republic of Uzbekistan;

By the Company's Charter;

decisions of the General Meeting of Shareholders and the Supervisory Board of the Company;

Кодексом и правилами Corporate Governance Code and Rules and the Company's Code of Ethics;

this Regulation and job descriptions of Service employees;

internal labor regulations;

decisions, resolutions, orders, orders, instructions and other local acts of the Company.

1.9. The Service carries out its activities in cooperation with other structural divisions of the Company, joint-stock companies and industry organizations, other bodies, ministries and departments.

## **II. Service Structure**

## **Requirements for the candidacy of the Head of the Service**

2.1. The Company is created by a resolution of the General Meeting of Shareholders of the company.

2.2. Chief of Staff Services are approved by the Chairman of the Management Board, and are directly subordinate to him and accountable to the Supervisory Board.

2.3. Job descriptions of the Head of the Service are approved by the Chairman of the Management Board of the Company. Chief of Staff Service personnel must be familiar with these Regulations and the job description in accordance with the procedure and terms established by the Labor Code of the Republic of Uzbekistan and local acts of the Company.

2.4. The Head of the Service must have sufficient knowledge, experience and qualifications to perform the duties assigned to him / her, have an impeccable reputation and enjoy the trust of the Company's governing bodies.

2.5. The post of the Director shall be appointed a person who has a higher legal or economic education, in the absence thereof – other higher education and qualification in the areas of compliance and/or risk management and/or internal controls and/or internal audit experience in the specialty for at least 5 years, who can lead, work in a team with the skills to use modern information technologies, and work with appeals of individuals and legal entities.

2.6. The Head of the Service is obliged to take care of systematic professional development.

2.7. The Service's work plan is approved by the Chairman of the Management Board of the Company.

## **III. Tasks and functions of the Service**

3.1. The main tasks of the Service are:

organization, implementation, operation and monitoring of antimonopoly compliance;

Identification and assessment of risks of violation of the competition law in the company;

creation, regulation and improvement of the anti-corruption system in the Company;

monitoring and control of the effective functioning of the anti-corruption system in the Company;

internal investigations and timely response to corruption actions in the Company;

interaction with anti-corruption societies;

interaction with law enforcement agencies to combat corruption.

3.2. To perform the tasks assigned to it, the Service performs the following functions::

3.2.1. as part of the organization, implementation, operation and monitoring of the Company's antimonopoly compliance:

collects and reviews materials (including conducting an inventory of internal documents to identify regulations that restrict competition and / or infringe on the rights and interests of consumers and other business entities), takes measures aimed at eliminating the identified shortcomings, as well as further preventing these actions;

- monitors the elimination of risks of violation of the competition law;
  - monitors changes in competition legislation and ensures that the relevant changes are implemented in internal documents.;
  - identifies risks of violation of the competition law, keeps records of circumstances related to the risks of violation of the competition law, determines the probability of occurrence of risks of violation of the competition law;
  - identifies conflicts of interest that may lead to restrictions on competition in the activities of employees and structural divisions of the company, develops proposals for their elimination;
  - advises the company's employees on issues related to compliance with the competition law;
  - organizes interaction with other structural divisions of the company on issues related to the functioning of antimonopoly compliance;
  - initiates and participates in internal investigations related to violations of this regulation;
  - interacts with the antimonopoly authority regarding violations of the competition law;
  - regularly conducts (or organizes) antitrust compliance training and provides up-to-date information to relevant departments;
  - examines draft documents adopted by the state body or management bodies of the company, and in case of identification of norms that may lead to a violation of the competition law, informs the head of the state body or management body of the company.
  - контролирует supervises the development of a draft a budget for supporting activities for утверждения approval by the Supervisory Board.
  - evaluate the achievement of key performance indicators of antimonopoly compliance in the company
- 3.2.2. as part of the creation, regulation and improvement of the anti-corruption system in the Company:
- develops drafts of internal regulatory documents aimed at implementing measures to combat corruption in the Company;
  - develops a plan of measures to combat corruption in the Company (including for a year, as well as for a long-term perspective) and submits it for approval to the Management Board and the Supervisory Board;
  - conducts an assessment of corruption risks, based on the results of which, if necessary, develops measures to minimize the identified risks.;
  - develops, initiates and implements proposals for optimizing the Company's processes in order to ensure compliance with the requirements of the applicable anti-corruption legislation, reduce reputational risks for the Company, as well as improve control procedures and internal regulatory documents of the Company in connection with building an anti-corruption system;
  - evaluates and gives an opinion on draft anti-corruption measures regarding their sufficiency, proportionality and relevance from the point of view of the Company's anti-corruption policies and procedures and applicable anti-corruption legislation;
  - participates in the process of analysis and resolution of situations of conflict of

interests to the extent and in accordance with the procedure established by the Company's internal regulatory documents, and also maintains a register of situations of conflict of interests of the Company;

participates in the process of checking job candidates and contractors' trustworthiness to the extent and in accordance with the procedure established by the Company's internal regulatory documents;

approves the Company's current operations in accordance with the Company's internal regulatory documents;

provides explanations and recommendations to the Company's employees on anti-corruption issues;

in order to identify corruption cases and corruption risks in the Company's activities, conduct surveys among the Company's employees and contractors regarding the Company's anti-corruption procedures adopted by the Company;

participates in the preparation of training plans for the Company's employees in terms of training in anti-corruption norms and requirements;

develops training materials on anti-corruption issues for the Company's employees and conducts appropriate training to the extent and in accordance with the procedure established by the Company's internal regulatory documents;

participates in the promotion of anti-corruption behavior among the Company's employees;

participates in the preparation of materials, as well as in planning and conducting external events held and / or attended by the Company in the framework of anti-corruption activities;

ensures that information is filled in and updated in the "Anti-Corruption" section of the Company's official website;

collects information on the state and trends of corruption offenses committed in other companies in order to assess the likelihood of similar offenses committed by the Company's employees;

3.2.3. as part of monitoring and controlling the effective functioning of the anti-corruption system in the Company:

performs regular checks of compliance with the control procedures established in the Company, monitoring of transactions and payments in areas of high corruption risk in accordance with the Company's internal regulatory documents.;

controls the elimination of identified violations of the anti-corruption legislation and internal regulatory documents of the Company in the field of anti-corruption;

supervises the implementation of anti-corruption training for all employees of the Company and their participation in accordance with the curriculum;

analyzes the results of the operation of information communication channels intended for reporting corruption facts, and brings analytical materials to the attention of the Management Board, as well as to the Company's employees in order to increase their awareness of corruption risks;

reports quarterly and as necessary to the Management Board on the work done to combat corruption in the Company.

performs monitoring and control over the fulfillment of tasks assigned to the Company by state anti-corruption programs;

3.2.3. within the framework of internal investigations and timely response to corruption actions in the Company:

in accordance with the procedure and scope established by the Company's internal regulatory documents, it analyzes and takes measures on appeals about corruption risks and offenses received by the Company's Helpline and other communication channels;

initiates and participates in internal investigations of corruption in the Company;

analyzes information on the results of internal investigations conducted on the facts of corruption actions in the Company for the purpose of further improvementAnti-corruption system;

controls the proportionality and sufficiency of punitive measures for persons brought to disciplinary responsibility for violations of anti-corruption requirements and norms;

3.2.4. as part of cooperation with law enforcement agencies to combat corruption:

in coordination with the Chairman of the Management Board or the Supervisory Board and in accordance with the procedure established in the Company's internal regulatory documents, it provides assistance to authorized representatives of law enforcement agencies in carrying out measures to prevent or investigate corruption in the Company.

3.2.6. The Service may perform other tasks and functions within the scope of its powers in accordance with the instructions of the Chairman of the Management Board and the Supervisory Board.

#### **IV. Rights and responsibilities of the Service**

4.1. To perform the tasks and functions assigned to it, the Service has the right, in accordance with the established procedure, to::

conduct (at least once a year) an analysis of detected violations of the competition law (presence of orders, fines, complaints, initiated cases by the antimonopoly authority)

conduct monitoring and analysis of the application of competition legislation in the company.

Implements measures to identify risks of violation of the competition law;

making a submission to the head of the company on bringing the guilty persons to administrative responsibility in accordance with the current legislation.

request, request and receive from employees of the Company and its Subsidiaries analytical materials, conclusions, primary and other supporting documents, statistical and other information on issues within their competence, necessary for the performance of the Service's duties;

in accordance with the Company's internal regulatory documents, have access to documentation and information, including trade secrets or other legally protected information, necessary for the performance of the Service's duties;

conduct inspections, request documents, receive written explanations from the Company's employees, as well as inspect buildings, premises and equipment, make copies of relevant documents, and record photos- and videos of the Company's activities within the framework of inspections provided for by the duties of the Service or agreed upon with the Chairman of the Management Board;

provide written instructions, assignment letters, and recommendations to the Company's employees and divisions as part of their activities;

submit proposals to the Chairman of the Management Board and the Supervisory Board of the Company on improving the anti-corruption system in the Company and its divisions;

request the Chairman of the Management Board of the Company to provide organizational and technical conditions and documents necessary for the performance of the Service's duties;

apply directly to the Supervisory Board on issues related to the Service's area of responsibility (subject to clause 1.3. of these Regulations);

represent the Company in ministries and departments of the Republic, public and other organizations on the range of issues under the Service's jurisdiction;

The Service may have other rights in accordance with the legislation and / or internal regulatory documents of the Company.

4.2. The effectiveness and efficiency of the Service's activities is evaluated by the Chairman of the Management Board of the Company in terms of achieving the target performance indicators of the Service and the anti-corruption system in the Company, which are established and evaluated in accordance with the procedure stipulated by the Company's local acts.

4.3. The Service is responsible for:

proper and effective performance of its assigned tasks;

timely detection of violations that entail negative consequences for the activities of the Company's anti-corruption system and the Company itself;

compliance with the regime of protection of confidential information that became known to them in the course of performing their official duties;

organization of high-quality study of draft acts, proposals and issues submitted to the Company's management bodies, other bodies and the Cabinet of Ministers in relation to the tasks of the Service;

ensuring discipline in accordance with the decrees of the President of the Republic of Uzbekistan of April 11, 2017, №PP-2881 "On personal responsibility of State advisors of the President of the Republic of Uzbekistan, heads of the Cabinet of Ministers and its complexes, bodies of state and economic management, as well as governments at all levels for the effective and efficient execution of acts and orders of the President of the Republic of Uzbekistan, as well as strengthen Executive discipline" and the Cabinet of Ministers dated 12 January 1999. No. 12 "On measures to strengthen Executive discipline".

4.4 The type and amount of liability of employees of the Service for non-performance or improper performance of their official duties are established in accordance with the current legislation of the Republic of Uzbekistan and local acts of the Company.