

“APPROVED”

by the decision of the extraordinary general meeting
of shareholders of JSC "BIOKIMYO"

dated June 26, 2025

Chairman of meeting

O.Khurramov



POSITION

**On remuneration of members of the supervisory board,
audit commission and executive body**

JOINT STOCK COMPANY

BIOKIMYO

(New edition)

Yangiyul city – 2025

1. General Provisions

1.1. This Regulation has been developed in accordance with the current legislative acts of the Republic of Uzbekistan, the Labor Code of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights", Decree of the President of the Republic of Uzbekistan dated April 24, 2015 No. UP-4720 "On Measures to Implement Modern Methods corporate governance in joint-stock companies ", by decision of the Cabinet of Ministers of the Republic of Uzbekistan No. 356 dated April 26, 2019, Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated December 9, 2020 No. 775" On measures to further improve the system for assessing the effectiveness of the executive body of state enterprises, " Corporate Governance "(hereinafter referred to as the" Code "), approved by the minutes of the meeting of the Commission to improve the efficiency of joint stock companies and improve the corporate governance system dated December 31, 2015 No. 9.

1.2. This provision is approved by the decision of the general meeting of shareholders of the company and all changes and additions to it are made on the basis of the decision of the general meeting of shareholders of the company.

1.3. The main purpose of the material remuneration (bonus) of the members of the Corporate Governance is to increase their responsibility, stabilize the financial situation of the company, ensure the implementation of the business plan approved by the general meeting of shareholders, increase the net profit received by the enterprise, achieve a real effect from their activities, increase their responsibility.

II. Terms and Definitions

2.1. In this provision, the following terms and definitions are used:

The Supervisory Board is a body exercising general management of the Company's activities, with the exception of resolving issues referred by the Charter of the Company to the exclusive competence of the General Meeting of Shareholders.

The Revision Commission is a body that exercises control over the financial and economic activities of the company and is accountable to the general meeting of the company.

The Management Board shall manage the current activities of the Company by the collegial Executive Body, with the exception of issues referred to the exclusive competence of the General Meeting or the Supervisory Board.

Members of the Supervisory Board, Audit Commission and the Management Board are persons elected by the General Meeting of Shareholders or the Supervisory Board in the manner prescribed by the Law of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of Shareholders' Rights" and the Charter of the company for a period of one year.

Compensation - payment or compensation of expenses related to the performance of functions and duties.

MWE - the minimum wage established in the Republic of Uzbekistan..

III. Right to Payments and Remuneration

3.1. Remuneration based on the results of work is issued to the chairman and members of the Supervisory Board, the Audit Commission, the chairman and members of the executive body.

3.2. Remuneration of members of the Executive Body is carried out in accordance with the annual labor contract concluded with them.

3.3. Remuneration of the above persons with the right to remuneration is carried out until the termination of their powers in accordance with the decisions of the General Meeting of Shareholders or the Supervisory Board.

3.4. If a person who has the right to remuneration has terminated his powers ahead of schedule during the annual work period, the amount of remuneration (bonus) is established in accordance with the period of fulfillment of his powers.

IV. Criteria taken into account when determining the size of payments and remuneration

4.1. Principles of remuneration (bonuses) of the members of the Supervisory Board, the Audit Commission and the executive body of the company:

4.2. Fulfillment of indicators of the annual business plan approved by the general meeting of shareholders;

4.3. Full observance of the material interests of shareholders, timely payment of dividend payments, in the absence of overdue receivables and payables.

4.4. Fulfillment of forecast indicators defined in the framework of the business plan of the Company, based on the results of work performed for the growth of net profit.

4.5. One of the directions in the activities of the Supervisory Board is the effectiveness of work to increase the investment attractiveness of the company and the effectiveness of work to increase the level of capitalization.

4.6. Work on modernization of the Company's production, reduction of production costs, optimization of the number of employees, organization of new types of production, creation of additional jobs, and work to improve the services provided by the employees.

4.7. The quarterly remuneration (bonus) of the members of the Supervisory Board is established on the basis of the results of financial and independent evaluations of the corporate governance system;

4.8. The Chairman and members of the Management Board are remunerated on the basis of the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan PKM-207 dated July 28, 2015 "On the implementation of criteria for assessing the performance of joint-stock companies and other economic entities with a state share" and PKM-775 dated December 9, 2020 "On measures to further improvement of the system for assessing the effectiveness of the executive body of state enterprises "

4.9. The amounts of payments and remuneration are established on the basis of key (integrated) performance indicators adopted by the company, as well as actual participation in the formation of performance.

V. Types, sizes, frequency of payments and fees and sources of payments

5.1. Types of payments and remuneration: constantly established, based on the results of the quarter.

5.2. Payment frequency: monthly, quarterly, bonus.

5.3. Members of the Supervisory Board are paid remuneration and (or) compensated expenses related to the performance of their functions within one quarter in the amount of no more than 17.6 (seventeen and six) times the established minimum wage.

5.4. To the Chairman and members of the Supervisory Board and the Audit Commission during the performance of their duties and in order to cover expenses in connection with the performance of work obligations within the amount specified in clause 5.3. of this provision, the following payments and payments are paid:

- to members of the Supervisory Board monthly at 3.5 (three and five) times the minimum wage established in the Republic of Uzbekistan;

- members of the Supervisory Board a one-time bonus at the end of the year 50 (fifty) times the minimum wage established in the Republic of Uzbekistan;

5.5. The members of the Supervisory Board are rewarded quarterly, provided that the forecast indicators (business plan) are fully implemented, the established size of indicators is met, and based on the results of an independent assessment of the corporate governance system, while the performance is recognized as “high” or “satisfactory”.

5.6. According to the results of the quarter, each member of the Supervisory Board is set the amount of remuneration based on Appendix-1, subject to the conditions of paragraph 5.3 of this clause.

5.7. Monthly and quarterly remuneration to the members of the supervisory board is accrued in the amount proportional to the number of meetings in which the member of the supervisory board participated in the reporting period.

5.8. Members of the executive body of the company are rewarded for the full implementation of the forecast indicators (business plan) and performance indicators by decision of the company's supervisory board.

The limits of these payments are determined from the percentage of completion and by recognition of the integrated performance indicators of the executive body in accordance with the Cabinet of Ministers Decree of July 28, 2015 No. 207 “Regulation on the criteria for evaluating the performance of joint-stock companies and other business entities with a state share”

5.9. The amount of quarterly remuneration to members of the executive body is calculated taking into account the following increasing factors according to Appendix-1, up to 50-75 percent of the amount of remuneration received during the reporting quarter.

5.10. The total amount of remuneration to the members of the Supervisory Board of the Company, the Audit Commission, the chairman and members of the executive body (in addition to monthly payments and salaries, one-time bonuses) for the quarter and for the year should not exceed 15 (fifteen) percent of the net profit received by the company.

5.11. In the case of a high assessment of the efficiency of the executive body at the end of the year, they may be assigned a one-time bonus (bonus) in the amount of up to five percent of the net profit received in accordance with the decision of the Supervisory Board.

Information on the amount of the paid bonus will be posted on the official website of the company within two days from the date of payment.

The total amount of the paid one-time bonus (bonus) is established based on the current financial position of the company and cannot exceed the established amount in the business plan.

A one-time bonus (bonus) to each member of the executive body is distributed in accordance with the terms of clause 5.7. of this provision based on the actual participation of a member of the executive body. Taking into account the responsibility of the head of the executive body, ensuring the stability of the financial condition of the enterprise, general responsibility and control over the implementation of the business plan approved by the general meeting of shareholders, a coefficient of 1.25 is applied to his bonus.

The head of the executive body has the right to make proposals on the distribution of remuneration to the members of the executive body

5.12. Remuneration for members of the Supervisory Board, Audit Commission, Chairman and Board members is calculated based on the amount of the company's net profit and at the expense of the current year.

5.13. Information on the remuneration paid to the members of the Supervisory Board, the Audit Commission and the Management Board in accordance with this regulation is disclosed by the Company in cases provided by law

VI. Payment and Remuneration Procedure

6.1. The amount of remuneration for individual members of the Supervisory Board may be reduced on the following grounds:

- did not participate in meetings of the supervisory board of not more than 50% held during the month without good reason, with the exception of business trips, labor leave, illness, etc., the amount of remuneration is reduced by 25%;
- did not take part in meetings of the supervisory board of more than 50% held during the month, without good reason, with the exception of business trips, labor leave, illness, etc., remuneration is not paid;
- the initiation of issues whose results will or may lead to a deterioration in the financial condition of the company or a violation of the established legislation;
- concealment of material data when decisions are made by the supervisory board, as a result of which the financial condition of the company will or may lead to a deterioration or violation of applicable law;
- confirmed facts indicated in the complaints in relation to individual members of the supervisory board of the company.

6.2. The quarterly remuneration of the members of the Supervisory Board and the executive body of the Company is carried out after an independent assessment of the corporate governance system and financial results of the company, members of the

executive body after the report on the results of the quarter and assessment of the effectiveness of quarterly activities.

6.3. The Secretary of the Supervisory Board monthly until the 5th day after the end of the reporting period ((month, quarter) provides information to the accounting department of the company for the payment of remuneration to members of the Supervisory Board.

6.4. When remunerating, the Chairman of the Supervisory Board is given the right to establish an additional fee of up to 25%, for the performance of labor debt and active participation of the chairman and members of the Executive Body of the Company for the quarter and for the year, as well as the right to reduce the amount of remuneration or not to give remuneration to members violating the “Labor and Performance Discipline”.

6.5. A member of the supervisory board may refuse to receive the remuneration stipulated by this regulation in whole or in part by sending an application for refusing to receive remuneration to the chairman of the supervisory board of the company or to the head of the executive body of the company.