

“APPROVED»

by resolution of the general meeting of shareholders

JSC "BIOKIMYO»

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Chairman of the General Meeting A.Tugizbayev

(MP)

JOINT-STOCK COMPANY

«BIOKIMYO»

REGULATION ON ANTIMONOPOLY COMPLIANCE

(new version)

City Yangiyul – 2021

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I. General provisions

1.1. This Regulation was developed in order to form a unified approach to the organization and functioning of the system of internal compliance with the requirements of competition legislation in the company (the antimonopoly compliance system).

The person responsible for ensuring the proper functioning of the antimonopoly compliance system is: the company's supervisory board, executive body, and compliance service.

1.2. The following basic concepts are used in this Regulation:

Antimonopoly body – the Antimonopoly Committee of the Republic of Uzbekistan and its territorial departments;

antimonopoly compliance – a system of internal measures and procedures to ensure compliance of activities with the requirements of competition law, identify and prevent risks of violations thereof;

state bodies – state administration bodies and local government bodies;

antimonopoly compliance report – a document containing information on the organization of work on compliance with competition laws in state bodies and business entities;

authorized person (service) – a separate full-time unit (s) or head of a public service responsible for ensuring the development, implementation and proper monitoring, as well as the functioning of the antimonopoly compliance system, which is directly subordinate to the head of the company;

bidding – procurement procedures, including electronic ones, carried out by the company.

II. Goals and objectives of antimonopoly compliance

2.1. The main objective of the antimonopoly compliance system is to ensure that the company's activities comply with the requirements of competition law.

2.2. The main objectives of the antimonopoly compliance system are:

identification of potential risks of violation of the competition law by the company;

assessment and management of risks of violation of competition laws by the company;

control over compliance of the company's activities with the requirements of the competition law;

prevention of violations of the requirements of the competition law in the company's activities, as well as the commission of anti-competitive behavior by officials and managers of the company in the course of their performance of their functions;

evaluation and ensuring the effectiveness of antimonopoly compliance functioning in the company;

develop сотрудников общества pro-competitive thinking among the company's employees through training on preventing violations of competition laws and systematically improving their skills in this area.

III. Authorized person (service)

3.1. In order to organize, implement, operate and monitor antimonopoly compliance in the company, the following tasks are assigned: Services at the compliance of the society.

3.2. General control over the organization, implementation and functioning of antimonopoly compliance in the company should be carried out by the head of the compliance service, who is responsible for::

1. collects and reviews materials (including conducting an inventory of internal documents to identify norms 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;

2. exercise control over elimination of risks of violation of the competition law;

3. monitors changes in competition legislation and ensures that the relevant changes are implemented in internal documents;

4. 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 factors that may cause competitive constraints and develops proposals to address them;

5. 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;

6. advises the company's employees on issues related to compliance with the competition law;

7. organizes interaction with other structural divisions of the company on issues related to the functioning of antimonopoly compliance;

8. initiates and participates in internal investigations related to violations of these regulations;

9. interacts with the antimonopoly authority regarding violations of the competition law;

10. regularly conducts (or organizes) antitrust compliance training and provides up-to-date information to relevant departments;

11. studies draft documents adopted by the state body or management bodies, 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 economic entity.

3.3. The activity of the authorized person (service) is carried out on the following principles::

- a) the authorized person (службы) is appointed and dismissed:
executive body with the approval of the Supervisory Board and subsequent notification to the antimonopoly authority.
- b) the authorized person (service) is accountable to:
toomy the Supervisory board
- c) the sufficiency of powers and resources required for the performance of their tasks by the authorized person (service);
- d) direct and unlimited opportunity to promptly discuss issues related to the risks of violating the competition law with the head of the state body, the Supervisory Board, the executive body of the company (depending on the accountability).

3.4. The authorized person (service) must meet the following requirements::

- a) higher education in one of the following areas::

Economy;

management;

right;

the main field of activity of the company.

- b) have at least one year of work experience in one of the following areas:

:

compliance;

risk management;

internal audit;

legal support of the company's activities.

3.5. The authorized person (service) organizes the development разработ of a draft a budget plan for supporting activities and submits it for approval:

- a) the supervisory board or executive body.

3.6. The effectiveness of the organization and functioning обществе of the antimonopoly compliance system in the company is assessed by the Supervisory Board or the Executive body of the company, respectively.

IV. Regulations on the Antimonopoly Compliance system

4.1. For the organization of antimonopoly compliance in the company, the authorized person (service) must ensure the development and approval by the relevant management body of the internal regulations in accordance with paragraph 6 of Section III of these Regulations, which contain::

information about the authorized person (service) responsible for implementing and monitoring the proper functioning его функционирования of antimonopoly compliance in the company that evaluates the effectiveness of its functioning;

procedure for identifying and assessing risks of violation of the competition law in the course of the company's activities;

a system for handling reports of possible violations of the antimonopoly legislation, as well as the procedure for conducting internal investigations into such violations;

procedure for familiarizing the company's employees with the regulations on the organization of antimonopoly compliance;

measures aimed at exercising **общественным** control over the functioning of antimonopoly compliance by the company;

key indicators and procedures for evaluating the effectiveness of antimonopoly compliance in the company;

other measures, based on the risks and specifics of the company's activities, aimed at the effective functioning of the antimonopoly compliance system.

4.2. The Regulations on Antimonopoly Compliance should be posted on the company's official website on the Internet (hereinafter referred to as the official website).

V. Identification and assessment of risks of violation of the competition law in the company

5.1. In order to identify the risks of violation of the competition law, the authorized person (service) regularly conducts the following tests::

1-study of compliance with the legislation of internal documentation and outgoing correspondence of the company, as well as draft agreements and contracts concluded, in order to identify rules and regulations that entail or may entail violation of the competition law or restriction of competition in the market;

2-study of the company's actions that lead or may lead to abuse of the company's dominant position, setting monopolistically high or monopolistically low prices, imposing unfavorable and discriminatory contract terms on counterparties, creating obstacles to access to the commodity market of other economic entities;

3-study of the company's actions to establish collusions, agreements and concerted actions that entail or may entail violation of the competition law or restriction of competition in the market;

4-study of actions that lead or may lead to unfair competition in the market, cause losses to another business entity or damage its business reputation, block access to the commodity market for another business entity;

5-study of the company's compliance with the requirements for conducting and participating in competitive procedures, including trading and exchange trading;

6-analysis of violations of the competition law detected by the antimonopoly body in the company's activities (orders, fines, complaints, initiated cases) and the reasons for antimonopoly cases initiated by the antimonopoly body against the company;

7-analysis of potential antimonopoly risks and compilation of their list in the form of a compliance risk map;

8-systematic evaluation of the effectiveness of measures developed and implemented to reduce the risks of violation of competition law.

9-monitoring and analysis of the practice of applying competition legislation in the company;

10-изучить the issue of introducing new restrictions, new types of licensing procedures, licenses, as well as additional requirements or conditions for obtaining documents or licenses that have the property of a permit, as well as technical regulation requirements

11-analysis of compliance with antimonopoly requirements for tenders and exchange trading;

12-verification of public procurement compliance with competition law requirements;

13-analysis of identified cases of violation of competition law requirements;

14- based on the specifics of the company's activities, other measures aimed at the effective functioning of antimonopoly compliance are also implemented

5.2. When an authorized person (service) conducts (at least once a year) службой an analysis of revealed violations of the competition law (presence of orders, fines, complaints, initiated cases by the antimonopoly body), the following measures should be implemented::

collection of общественной information on violations of the competition law in the company's structural divisions;

the list of violations of competition law in society, which contains information about the violation (specify breached antitrust laws, a brief statement of the nature of the violation, the consequences of violations of the law on competition and the evaluation result of violation of the Antimonopoly authority), the position of the Antimonopoly body, information about the measures for elimination of violations, as well as on measures of state authority to prevent the recurrence of violations.

5.3. When monitoring and analyzing the practice of applying competition legislation in the company, the authorized person (service) should implement the following measures::

collection of information on the company's law enforcement practice on an ongoing basis общественной and preparation of an analytical report on changes and main aspects of law enforcement practice in the company;

holding (at least once a year) working meetings with the invitation of representatives of the antimonopoly body to discuss the results of law enforcement practice in the company.

5.4. When identifying risks of violation of competition law by an authorized person (service), the following measures are implemented::

submission of a report on termination of actions (omissions) containing signs of violation of the competition law to the head of the company for further transmission to the relevant departments and taking appropriate measures;

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

5.5. Identified risks of violation of the competition law are distributed by the authorized person (service) according to the levels **set out in the appendix to these Regulations**.

5.6. On the basis of the conducted assessment of risks of violation of the competition law, the authorized person (service) draws up a risk description, which also includes an assessment of the causes and conditions for the occurrence of risks.

5.7. Information on conducting, identifying, and assessing risks of competition law violations is included in the antimonopoly Compliance report.

VI. Measures to reduce the risk of competition law violations

6.1. In order to reduce the risks of violation of the competition law by the authorized person (service), the following documents should be developed: "Road map" – a plan of actions for the year to reduce the risks of violation of competition laws.

6.2. The authorized person (service) should monitor the implementation of the measures provided for in the roadmap.

6.3. Information on the implementation of measures stipulated in the roadmap should be included in the antimonopoly compliance report.

VII. Evaluation of the effectiveness of antimonopoly compliance in the company

7.1. In order to assess the effectiveness of ~~обществе~~antimonopoly compliance in the company, key indicators should be set for the company as a whole.

7.2. The antimonopoly authority develops a methodology for calculating key indicators for evaluating the effectiveness ~~обществе~~of antimonopoly compliance functioning in the company.

7.3. The authorized person (service) must (at least once a year) assess the achievement of key performance indicators of antimonopoly compliance in the company.

7.4. Information on the achievement of key indicators for evaluating the effectiveness of the company's antimonopoly compliance should be included in the antimonopoly compliance report.

VIII. Antimonopoly Compliance Report

8.1. The Antimonopoly Compliance report should contain the following information::

on the results of the risk assessment of the company's violation of the competition law;

on the implementation of measures to reduce the risks of violation of competition law by the company;

on achieving key performance indicators of antimonopoly compliance.

8.2. The antimonopoly compliance report must be submitted (at least once a year)by the authorized person (service) to the Supervisory Board for approval, in accordance with clause 6 of Section III of these Regulations.

8.3. The approved report on the company's antimonopoly compliance **обществу** must be posted on the company's official website and sent to the antimonopoly authority within 3 business days of its approval.

IX. Powers (functions) of the antimonopoly body

9.1. Antimonopoly Authority:

assists and advises the company on the implementation and application of antimonopoly compliance;

examines the results of the implementation of the roadmap-an action plan for the year to reduce the risks of violating competition laws. When identifying cases of non-compliance with significant sections of the road map, it gives appropriate warnings to the company for their immediate implementation.;

analyzes the results of the conducted risk assessment of the company's violation of the competition law and can make recommendations based on the results of the analysis;

evaluates the results of key performance indicators of antimonopoly compliance.

notifies higher-level bodies of the company that do not ensure the fulfillment of critical values of key indicators, so that they can take appropriate measures to influence their managers;

examines the antimonopoly compliance report submitted by the company. In case of identification of shortcomings and violations, it gives appropriate warnings to the company.;

publishes a list of legislative acts that contain norms regulating competition requirements;

organizes seminars, conferences and practical trainings on the implementation of antimonopoly compliance with the involvement of consulting companies, state and non-state vocational training institutions.

X. Final provisions

10.1. Disputes related to the application of these Regulations are resolved in accordance with the procedure established by law.

10.2. Persons guilty of violating the requirements of these Regulations are liable in accordance with the procedure established by law.

APPLICATION
to the Regulation on Antimonopoly
Commission

CLASSIFICATION OF RISKS by the level of violation of competition law*

Assessment of the probability (possibility of occurrence)	Impact level		
	Low	Medium	High
High probability			

Average probability			
Low probability			

** The classification of risks according to the level of violation of competition law is recommended and can be changed based on the specifics of the activity and market concentration.*