

**«APPROVED»**  
**by the decision of annual**  
**general shareholders' meeting of**  
**«KOKAND BIOCHEMICAL»**  
**June 20, 2020 year**

**H.A.Omonov** \_\_\_\_\_

Chairman of the meeting    signature

***JOINT-STOCK COMPANY***  
***«KOKAND BIOCHEMICAL»***

**REGULATION**  
**ON THE INFORMATION**  
**POLICY**

*2020 year*

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### **I. GENERAL PROVISIONS**

1. This Regulation «On the information policy» (hereinafter referred as – the Regulation) was developed in accordance with Laws of the Republic of Uzbekistan "On the securities market" and "On joint stock companies and protection of shareholders' rights", "Rules for submission and publication of information on securities market" registered by the Ministry of Justice of the Republic of Uzbekistan on July 31, 2012 № 2383 , Regulation “On requirements for corporate websites of joint-stock companies” approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated July 2, 2014 № 176 "On measures for further improvement of the corporate governance system in joint-stock companies", The Basic requirements to the official website of local self-governing bodies and economic bodies” approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated December 31, 2013 № 355 "On measures for implementation of the state system of development of information and communication technologies in the Republic of Uzbekistan", the Charter of “KOKAND BIOCHEMICAL” Joint-Stock Company (hereinafter referred as – the Company), Recommendations of the Corporate Governance Code approved by the Decision of the Commission on Improvement of the Efficiency of the Joint-Stock Companies and Improvement of the Corporate Governance System, minutes dated December 31, 2015 № 9

2. The present Regulation discloses the purpose, principles and directions of the Company's information policy and rules and approaches related to disclosure of publicly available information which are subject to disclosure in accordance with the requirements of legislation as well as determines additional information to be disclosed by the Company in accordance with the recommendations of the Corporate Governance Code, responsibilities of the Executive Body for disclosure of information about the Company, procedures for providing information and documents to shareholders, procedures and criteria for sharing information with interested parties and defining confidential information.

3. The present Regulation is a document that is binding on the Company's management and control bodies, officials and employees of the Company.

## **II. THE PURPOSE, PRINCIPLES AND DIRECTIONS OF THE COMPANY'S INFORMATION POLICY**

4. *The purpose of the information policy of the Company* is to ensuring openness and transparency of the Company through providing information on Company and its activities to shareholders, investors, customers, creditors, partners, suppliers, professional participants of the securities market, government agencies, the public and other interested parties (hereinafter referred to as – the interested parties).

5. *The basic principles of information policy of the Company* are regularity, efficiency, availability, completeness, equality, proportionality and protection of information resources.

6. The principle of regularity is aimed at providing to the interested parties information about the Company on a regular basis.

7. The principle of promptness means that the Company informs the interested parties about significant events and facts that, in a short time, affect the financial and economic activities of the Company, as well as its interests.

8. Access to information means the use of distribution channels and methods to ensure that the interested parties have access to information about the Company's activities in a free, easy-to-follow and equally effective manner.

9. The principle of completeness means that the Company provides all interested parties with sufficient information to enable them to form a full picture of the Company and the results of its activities without delaying disclosing negative information about it.

10. The principle of equality means that the Company provides equal rights to all interested parties in obtaining and using information about the activities of the Company.

11. The principle of proportionality entails observing a reasonable balance between the openness and transparency of the Company and ensuring its commercial interests. The following are mandatory conditions:

a) protection of confidential information;

b) following the rules for the dissemination and using of information which may have a significant impact on the price of the Company's financial instruments and products, the dissemination or provision of such information defined by the legislation and the Company's internal regulations.

12. The principle of protection means using of information constituting a trade secret or other secret or information constituting confidential information in ways and means permitted by law.

13. The information policy of the Company is implemented in the following areas:

a) disclosure of information subject to mandatory disclosure by the Company in accordance with the requirements of legislation;

- b) disclosure by the Company of additional information in accordance with the recommendations of the Corporate Governance Code;
- c) providing shareholders with information and documents;
- d) providing interested parties with information and documents;
- e) disclosure of information by members and officials of the Company's Executive bodies.

### **III. RULES AND APPROACHES TO DISCLOSURE OF PUBLICLY AVAILABLE INFORMATION THAT ARE SUBJECT TO MANDATORY DISCLOSURE BY THE COMPANY IN ACCORDANCE WITH THE REQUIREMENTS OF THE LEGISLATION**

14. In accordance with the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights" (Article 106 "Information on the Company") the Company is obliged to disclose information about itself in the order and terms established by the legislation.

15. In accordance with the Law of the Republic of Uzbekistan "On the securities market" disclosure of information is to ensure that interested parties in the securities market, regardless of the purpose of the information, use this information in any form that guarantees availability of the information.

16. The Company discloses the information subject to mandatory disclosure in the volume, terms and conditions stipulated by the Laws of the Republic of Uzbekistan "On the securities market" and "On joint stock companies and shareholders' rights" and on the basis of other legislative acts which includes rules for submission and publication of information.

17. **Mandatory disclosure of information** is performed as follows:

- a) on a single corporate information portal (on the official website of the authorized state body for securities market regulation);
- b) on the official website of the stock exchange ([www.uzse.uz](http://www.uzse.uz));
- c) on the Company's corporate website;
- d) in the Mass media.

18. *The following information and documents are subject to obligatory disclosure on the official website of the authorized state body on regulation of the securities market:*

- a) information about the place and procedure of familiarization with the text of the prospectus of securities issue, the following information in the prospectus of issue;
- b) full and abbreviated name of the issuer, its location (postal address), bank details, state registration of legal entities, registration and identification numbers issued by the state statistics and tax authorities;
- c) the main activities and types of products (services);
- d) an independent rating, if there is any, with relevant comments;
- e) terms of issue and placement of securities in accordance with a decision on securities issue. This information is disclosed no later than two weeks before the placement of the securities, except for the private placement of the securities;
- f) annual report of the Company;

- j) Company's report for the first quarter, first half and nine months;
- h) Information on essential facts in the Company's activities.

The Company discloses the above mentioned information in the form and in the manner specified in the "Rules of Submission and Publication of Information on the Securities Market" (registered on July 31, 2012 № 2383).

**19. If the Company's securities are included in the stock exchange quotation list and/or are in, the Company additionally discloses the following information on the stock exchange's official website:**

- a) information specified in paragraph 18 of the present Regulation;
- b) the Charter of the Company and all changes and amendments;
- c) necessary information in accordance with the requirements of the Regulation on the Exchange Bulletin.

**20. The following information is subject to obligatory disclosure *in mass media*:**

- a) notification on conducting of the General Meeting of Shareholders. This information is published not later than 21 (twenty one) days before the date of the general meeting of shareholders, but not later than 30 (thirty) days before the date of the general meeting of shareholders;
- b) notice to shareholders about change of the Company's location (postal address) and e-mail address;
- c) proposals to the Company's preferred stockholders for the purchase of shares or convertible securities;
- d) information on buyback of the placed shares by the Company;
- e) information on the liquidation of the Company, as well as the procedure and terms for lodging claims by its creditors.

The Company discloses the following mandatory information *on its official corporate website*:

- a) Information specified in the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan № 176 dated, July 2, 2014 "On further measures to improve the corporate governance system in joint-stock companies";
- b) annual report;
- c) quarterly report;
- d) important facts;
- e) other information in accordance with the legislation.

Information subject to mandatory disclosure is published on the Company's website in the state language as well as in other languages.

#### **IV. LIST OF ADDITIONAL INFORMATION TO BE DISCLOSED BY THE COMPANY IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE AND THE PROCEDURE FOR THEIR DISCLOSURE**

21. The company should not take a formal approach to the disclosure of information and the company should disclose important information about its activities, even if such disclosure is not stipulated by law.

The company should disclose not only information about itself, but also information about legal entities under its control.

22. In addition to the information provided by the legislation, the Company additionally discloses the following information:

a) information on the Company's mission, long-term and medium-term strategy, corporate values, objectives and policies adopted by the Company;

b) plans for the expansion, reconstruction and technical re-equipment of production facilities in the form of investment projects, showing the expected net profit of the Company;

c) information on stock quotes, if any, as well as the results of fundamental and technical analysis, comments and forecasts of experts and consultants;

d) justification of the amount of net profit and dividends offered for distribution, assessment of their compliance with the Company's dividend policy, as well as explanation and economic justification for allocating some of the net profits to the needs of the Company;

e) if available, the amount of capital of the Company's business types and the weighted average capital of the Company based on the importance of these indicators;

e) information on the Executive Body, including the period of work in the Company;

j) results of an assessment of the effectiveness of the executive body of the Company;

h) procedure, conditions of charitable (sponsorship) or non-repayable aid (receipt), and decision-making, as well as information on actual (received) charity (sponsorship) or gratuitous aid;

i) information on shareholders owning more than 20% of the Company's shares;

23. The Company additionally discloses the following information on the Company's financial activities and financial condition:

a) Report or audit report prepared in accordance with national financial reporting standards;

b) Report or audit report prepared in accordance with International Financial Reporting Standards.

24. The Company additionally discloses the following information in the field of corporate governance:

a) Information on commitment and compliance with the recommendations of the Corporate Governance Code. When it is impossible to adhere to certain recommendations of the Code, the Company fully discloses its reasons for noncompliance according to the international principle of "comply or explain";

b) transparent dividend calculation mechanism;

c) statement of circumstances which led to conflict of interest;

d) results of the assessment of corporate governance in the Company, together with the conclusion of the independent organization conducting the assessment;

e) other information.

25. In accordance with the Corporate Governance Code, the Company discloses additional information through the following information channels:

a) on the Company's corporate website;

- b) on the stock exchange website;
- c) mass media;
- d) in other sources stipulated by the legislation for the disclosure of information.

The Company provides for the improvement of the official website of the Company with the translation of all information available in the official language into English, Russian and other languages, for the benefit of shareholders, local and foreign investors and other interested parties.

26. Additional information may also be disclosed at the General Meeting of Shareholders. Information on the amount of remuneration paid to the Supervisory Board and the Executive Body is disclosed at the General Meeting of Shareholders and recorded in minutes of the General Meeting of Shareholders.

27. The Company also provides disclosure of information about the Company in other sources provided by the legislation.

## **V. OBLIGATIONS OF THE COMPANY'S EXECUTIVE BODY TO DISCLOSE INFORMATION**

28. Collection, preparation and disclosure of additional information in accordance with the requirements of legislation and the Company's Corporate Governance Code is carried out by the Company's Corporate Relations Service (Division).

29. Company's Corporate Relations Service (Division) of the Company organizes timely submission of relevant information and documents by the Company's Executive Body, Supervisory Board, Audit Commission, Internal Audit Service and Corporate Consultant.

30. The executive body organizes timely submission of relevant information and documents by all structural divisions of the Company to the Company's Corporate Relations Service (Division) with shareholders.

31. The head of the executive body is responsible for the timeliness, completeness and reliability of the information to be disclosed.

32. The head of the executive body quarterly reports to the Supervisory Board about compliance with the disclosure requirements.

## **VI. PROCEDURE OF PROVIDING INFORMATION AND DOCUMENTS TO SHAREHOLDERS**

33. The right of shareholders to use information and documents of the Company, including documents prohibited for disclosure by the Company, is one of the most important elements of the mechanism for ensuring the responsibility of the Company's controllers and members of its governing bodies, this will allow the Company's shareholders to justify their claims for compensation to the Company

34. The Company is recommended to ensure a reasonable balance between the interests of the Company in providing information to shareholders and the storage of important commercial information that may have a significant impact on the interests of certain shareholders and its competitiveness.

35. The minority shareholder of the Company should not impede the activity of the governing body of the Company by unreasonable demand of documents and application of confidential information, trade secrets.

36. The company is obliged to provide obligatory information to shareholders in accordance with the requirements of the legislation.

37. Mandatory information is provided to shareholders by means of mass media, e-mail, written notice, as well as on the request of shareholders.

38. The list of mandatory information to be provided to shareholders in accordance with the legislation requirements includes:

a) Securities issue prospectus. This document may be viewed at the address specified in the Company's public offering of securities, or upon request, a copy of the document may be obtained;

b) Notification on holding the General Meeting of Shareholders. This information is published on the Company's official website and in mass media, and is sent by email to shareholders not later than 21 (twenty one) days before the date of the General Meeting of Shareholders, but not earlier than 30 (thirty) days before the date of the General Meeting of Shareholders;

c) Information on the Annual General Meeting of Shareholders (Annual report of the Company, the conclusion of the Auditing Committee and the Audit Organization on the results of the annual financial and economic activities of the Company). The conclusion of the Supervisory Board, as well as information about the candidates for membership in the Supervisory Board and the Audit Committee, the draft amendments and additions in the Charter or in the Charter of the Company or the draft of new wording of the Charter of the Company, and etc). Shareholders may view this information at the address specified in the notice of the Annual General Meeting of Shareholders, or upon request;

d) Information in preparation for the Extraordinary General Meeting of Shareholders. Shareholders can get acquainted with this information at the address specified in the notice of the Extraordinary General Meeting of Shareholders, or upon request;

e) Information on the change of the Company's location (postal address) and e-mail address. This information is provided by publishing a notice in the media.

f) Information on the Company's offer to its preferred stockholders to issue shares or convertible securities at par value equal to the number of shares held by these shareholders at a price determined by the Management Board of the Company. This information is provided by publishing in mass media within ten days from the date of the state registration of the issue of shares or convertible securities;

g) Information on the purchase the Company's placed shares and the condition to purchase. This information will be provided not later than ten days prior to the start of the period of the action by posting it in the media and posting information on its official website;

h) Information on the right of shareholders to demand repurchase by the Company of their shares and the procedure for repurchase in cases stipulated by the legislation. This information is provided to them by sending a written notice not later than seven days from the date of the decision which led to the Company's right to repurchase the shares;

i) Full and reliable information on the results of financial and economic activities of the Company. This information is provided upon request of shareholders.

39. The Company provides shareholders with additional information in accordance with the recommendations of the Corporate Governance Code, except for trade secrets and other confidential information.

40. Additional information is provided to shareholders upon request.

41. The additional list of information to be provided to shareholders in accordance with the recommendations of the Corporate Governance Code includes:

a) the necessary information on the agenda, including the position of the Supervisory Board on the agenda of the General Meeting. This information is provided to shareholders prior to the General Meeting of Shareholders;



b) information on the equity capital structure;

c) information on legal entities under the control of the Company. The Company makes the necessary efforts to obtain such information from the Company's subordinate body to provide such information to its shareholders;

d) other information that is necessary for shareholders to make informed decisions, except for trade secret, job secret and other confidential information.

42. The procedure for access of shareholders to information and documents of the Company should not be difficult for shareholders.

43. For simplification of relations with shareholders, the Company includes addresses on its corporate website, in which written or electronic inquiries may be sent, including information on changes in shareholders' contact details and bank details.

44. The Company provides a convenient procedure for shareholders to submit requests for access to information and documents of the Company, taking into account its technical capabilities (regulates the use of modern methods of communication and exchange of information in electronic form).

45. The Company provides shareholders with information and documents in an easy and convenient way for shareholders, including electronic means and modern means of communication (taking into account the wishes of shareholders who submitted a request for submission of documents and information, the form of their submission, the reliability of the copies of the documents and the manner of their delivery).

46. Obligations to provide information to the Company's shareholders are assigned to the Company's Corporate Relations Service (Division).

47. All requests for information are recorded in a special register for recording and registering shareholders' requests.

48. If the shareholder's request for documents or copies is submitted, the Company does not refuse to satisfy the request if there are typos or other minor defects. If there are significant deficiencies that do not allow the Company to respond to the request of the shareholder, the Company informs the shareholder about it to enable them to correct them.

49. Information on request is provided to shareholders within a week, unless otherwise provided by the legislation.

50. The Company should not artificially increase the cost of preparing and sending copies of documents. The amount of expenses should not exceed the actual costs of preparing and sending copies of documents.

51. Shareholders have no right to disclose information about the Company or its business, constituting commercial secret or other secret protected by law.

## **VII. DISCLOSURE OF INFORMATION BY MEMBERS AND OFFICIALS OF THE COMPANY'S GOVERNING BODIES**

52. The Chairman of the Supervisory Board or his/her representative have the right to comment on decisions made by the Supervisory Board, as well as restrictions on disclosure of the Company's trade secret, job information and other confidential information on issues considered at the meetings of the Company's Supervisory Board (in interviews, public events, telephone calls, etc.) to express the position of the Supervisory Board.

53. Members of the Supervisory Board have the right to express his/her opinion publicly on matters considered at the meetings of the Supervisory Board, as well as decisions taken by the

Supervisory Board, taking into account the limitations of disclosure of the Company's trade secret, job information and other confidential information, in a reasonable and responsible manner.

54. The head of the executive body of the Company, as well as the chairman of the Supervisory Board, authorized representative of the Company for public relations and other officials of the Company (within the powers established by the head of the executive body) are entitled to issue an official statement on behalf of the Company.

#### **VIII. THE ORDER OF INFORMATION EXCHANGE BETWEEN MEMBERS OF THE COMPANY'S MANAGEMENT BODIES, EMPLOYEES OF THE COMPANY AND OFFICIALS WITH INTERESTED PARTIES**

55. Ensuring effective information cooperation of the Company with investors, creditors, partners clients, government agencies, the public and other interested parties (hereinafter referred to as - interested parties) is one of the directions of the Company's information policy. Disclosure by the Company can create long-term relationships with these individuals and gain their trust, increase the value of the Company and its capital mobilization.

56. For the exchange of information between members of the Company's management bodies, officials, employees of the Company and interested parties, the Company's responsible officer, by order of the head of the executive body, is appointed. It may also be the head of the Company's Corporate Relations Service (Division).

57. At the request of interested parties to provide information (written or electronic), provided by the present Regulation, the Company's responsible officer provides all necessary information electronically except the disclosure of trade secrets, job information and other confidential information of the Company within a week, unless otherwise established by the legislation..

58. In case of need to provide copies of documents, the interested parties pay the fee, which does not exceed the cost of preparing copies of documents and costs associated with mailing the documents.

#### **IX. CONFIDENTIALITY OF INFORMATION**

59. It is recommended that the Company maintain a reasonable balance between the interests of the Company in providing information to shareholders and the maintenance of important commercial information that may have a significant effect on the interests of certain shareholders and its competitiveness.

60. In order to achieve a balance between the interests of certain shareholders and the interests of the Company, the requirements of the legislation (Regulation "On protection of confidential information by issuers" registered by the Ministry of Justice of the Republic of Uzbekistan on February 24, 2010 № 2081), as well as recommendations of the Corporate Governance Code, an internal document containing the procedure for including information of the Company in the category of classified information in the Company – Instruction "On the Company's information safety" is adopted.

61. The order of classification of the Company's information into the category of confidential information determines the specific criteria for including information in the category of confidential information and compiling a list of the Company's confidential information.

62. The Company's Instruction on "Information safety" defines the Company's list of confidential information, the procedure for the use of confidential information and the measures for the organization of protection of confidential information.

63. The shareholder is allowed to access to the Company's confidential information after the shareholder is warned about confidentiality of the information and assumes the obligation to keep it confidential, as well as following the requirements of the legislation.

64. The executive body of the Company and the Supervisory Board have the right to object against the request of the shareholder, if it is obvious from the point of view of the Company, the nature and amount of information requested by the shareholder of abuse of public information. Such objections should not be free and biased, and should be based on the principle of equal access for shareholders, that is, shareholders must have equal status.

65. Disclosure of confidential information by the Company to the state bodies is carried out in the cases and in the manner provided by the legislation.

#### **X. MEASURES TO ENSURE COMPLIANCE WITH THE COMPANY'S INFORMATION POLICY**

66. The executive body of the Company implements the information policy of the Company.

The head of the executive body of the Company is responsible for the completeness, reliability and timeliness of the information to be disclosed.

The quarterly report of the Executive Body to the Supervisory Board includes information on the Company's compliance with the information policy requirements.

67. The Supervisory Board of the Company monitors the implementation of the Company's information policy on a quarterly basis by hearing the Executive Body's report on the implementation of the requirements of the current Regulation.

68. The General Meeting of Shareholders has the right to impose liability on officials of the Company for failure to comply with the recommendations of the Code or for non-disclosure of information provided by the Code.

69. People found guilty of violating the requirements of this Regulation take responsibility in the manner prescribed by law.

#### **XI. FINAL PROVISIONS**

70. This Regulation comes into force after adopting the decision by the majority of votes of the members of the Supervisory Board presenting at the meeting, or in the case of a meeting of the Supervisory Board by absentee the decision of the Supervisory Board of the Company is adopted unanimously by all members of the Supervisory Board.

71. Changes and (or) additions can be made to this Regulation in connection with changes in legislation, changes and (or) additions to the Charter of the Company, internal documents of the Company, change of organizational structure of the Company and in other cases.

Changes and (or) additions to the present Regulation comes into force upon the decision of the Supervisory Board of the Company by a majority of votes of the members of the Supervisory Board presenting at the meeting or in case of a meeting of the Supervisory Board unanimously.

72. If certain paragraphs of the present Regulation contradict the current legislation of the Republic of Uzbekistan and/or the Charter of the Company, these paragraphs are considered to be invalid and the current legislation of the Republic of Uzbekistan and / or the provisions of the Company's Charter are applied.