

**«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 STRATEGY COMMITTEE**

*2020 year*

## **I. GENERAL PROVISIONS**

1.1 The Regulation on The Strategic Committee (hereinafter as - the Committee) of «KOKAND BIOCHEMICAL» Joint-Stock Company (hereinafter as - the Company) was developed in accordance with the legislation of the Republic of Uzbekistan, the Charter of the Company, the Code of Corporate Governance and it defines the duties, functions and competence of the Committee. It also determines the composition of the committee, the procedure for its formation, interaction with the company's bodies and defines the order of interaction.

1.2 The Committee is a consultative advisory body to the Company's Supervisory Board (hereinafter as - the Supervisory Board). All decisions of the Committee are considered as recommendations. In its activities, the committee reports to the Supervisory Board. The Committee cannot act on behalf of the Supervisory Board. The Committee is not the managing body of the Company.

## **II. DUTIES OF THE COMMITTEE**

The Committee is established to facilitate the work of the Supervisory Board and develops recommendations to the Supervisory Board on:

- 2.1 The company's development strategy, business plans and investment policies, including the Company's priorities areas;
- 2.2 Increasing the investment attractiveness of the Company;
- 2.3 Proper planning of financial and economic activities of the Company;
- 2.4 Ensuring the implementation of innovation in the Company.

## **III. FUNCTIONS OF THE COMMITTEE**

The Committee prepares recommendations to the Supervisory Board on:

- 3.1 Approval of the Company's business plan, medium and long-term development strategy;
- 3.2 Determination of the priority directions of activity (development) of the Company and assessment of observance of the approved priorities (development) of activity of the Company;
- 3.3 Implementing of new or terminating using existing technologies, as well as expand the areas and scope of the Company, and using other opportunities to improve the economic efficiency and quality of the Company;

3.4 Defining the terms of issue, placement and repurchase of the Company's securities;

3.5 Purchasing and alienation by the Company of ten or more percent of the shares (shares in the charter capital) of other legal entities;

3.6 Using of other opportunities to increase the effectiveness and quality of activities, potentially aimed at improving technological and innovation development;

3.7 Approval of the Company's accounting policy.

#### **IV. COMPETENCE OF THE COMMITTEE**

##### **Competence of the committee:**

4.1 Receiving information, official documents, and explanations from management, officials, head of internal audit services, corporate secretary and other company's officials to perform the functions and tasks assigned to the Committee;

4.2 Reviewing the appeals of shareholders, supervisory boards, officials and employees of the company, other third parties on matters within the competence of the Committee;

4.3 Invitation of officials and employees of the Company, as well as any other third parties, to voluntarily participate in the work of the Committee without granting them the right to vote;

4.4 Exercise other rights to exercise the authority entrusted to the Committee.

##### **Obligations of the committee:**

4.5 To carry out its activities in accordance with the current legislation of the Republic of Uzbekistan, the charter of the Company, the Code of corporate governance and other internal documents of the Company;

4.6 Act in the interests of the Company and its shareholders;

4.7 To prevent the effect on the Committee's activities the conflict of interests of the members of the Committee;

4.8 At the request of the Supervisory Board, submit a report on the activities of the Committee.

## **V. FORMATION OF THE COMMITTEE**

5.1. The Committee is formed of the members of the Supervisory Board, the Auditing Committee, the Internal Audit Service, the Executive Body and experts who have the necessary professional knowledge to work in the Committee.

5.2. The Chairman and members of the Committee are elected by the Supervisory Board in the manner prescribed by the Company's Charter.

5.3. The terms of powers of the Committee members coincide with the terms of their Supervisory Board members, but are reviewed annually by the Supervisory Board.

5.4. The experts of the Committee participate in the meetings of the Committee without voting rights. The experts of the Committee have the right to initiate the meetings of the Committee, and to terminate their powers ahead of time, upon their own initiative in writing by the Secretary of the Committee.

## **VI. CHAIRMAN OF THE COMMITTEE**

- 6.1. Organizes the work of the Committee;
- 6.2. Convene and chair the meetings of the Committee;
- 6.3. Approve the agenda of the Committee meeting;
- 6.4. Organizes effective resolution of issues at Committee meetings;
- 6.5. Ensures the development of plans of the Committee's meetings;
- 6.6. Ensures preparation reports on the work of the Committee.

## **VII. ORGANIZING THE WORK OF THE COMMITTEE**

7.1. The work of the Committee is held in the form of open meetings.

7.2. The Secretary of the Committee ensures the preparation and conduct of the meetings of the Committee, the collection and systematization of the materials for the meetings, the timely notification of the Committee members and the invited persons, the agenda, keeping the minutes of the meetings, preparation draft resolution of the meetings.

7.3. The Secretary ensures that members of the Committee receive the necessary information and documents in a timely manner.

7.4. The meetings of the Committee may be held in accordance with the plan approved by the Chairman of the Committee and, as appropriate, on the instructions of the Supervisory Board.

7.5. Decision on convening, date, time and venue of the meeting committee, agenda, as well as the list of persons invited to the meeting committee is taken up by the Chairman of the Committee.

7.6. An extraordinary meeting of the Committee is held at the decision of the Chairman of the Committee. Any member of the Committee may be initiated by the Supervisory Board.

7.7. The notice of the meeting of the Committee shall be sent, along with the agenda, to the persons present at the meeting of the Committee at least five business days before the date of the Committee's meeting.

7.8. Committee meetings may be convened by the Chairman of the Committee at the suggestion of the Committee Chairman, without the right to vote on the agenda of the Committee.

7.9. Decisions of the Committee shall be made by a simple majority of all the members of the Committee. The quorum required for a decision by the Committee is one-half of the total number of members. In case of equality of votes, the vote of the Chairman of the Committee shall be decisive.

7.10. Minutes of the meeting of the Committee shall be drawn up in duplicate, one of which shall be forwarded to the Supervisory Board with the documents attached by the Chairman and the Secretary of the Committee.

7.11. The notice of the meeting of the Committee is sent along with the agenda to the persons invited to the meeting of the Committee at least five business days before the date of the Committee's meeting.

7.12. At the Committee's meetings at the suggestion of the Committee Chairman the third parties can participate without the right to vote on the agenda of the Committee meeting.

7.13. A decision of the Committee is made by a simple majority of all the members of the Committee. The quorum required for a decision by the Committee is one-half of the total number of members. In case of equality of votes, the vote of the Chairman of the Committee is decisive.

7.14. Minutes of the meeting of the Committee is drawn up in two original copies, after signing by the Chairman and the Secretary of the Committee one of which is forwarded to the Supervisory Board with the documents attached.

## **VIII. AMENDMENT OF THE POSITION**

8.1. Changes and amendments to the Regulation are made by the decision of the Supervisory Board.