

“APPROVED”

Appendix No.2
to the decision of the sole shareholder
of the Joint-Stock Company
“Entrepreneurship Development
Company”
No. 4-2024 dated July 31, 2024

“AGREED”

Appendix No.3
to the minutes of the meeting of the
Supervisory Board
of the Joint-Stock Company
“Entrepreneurship Development
Company”
No. 6/24 dated April 29, 2024

REGULATION

on the Procedure for Actions in the Event of a Conflict of Interest
at the Joint-Stock Company “Entrepreneurship Development Company”

“SUBMITTED”

Executive Body
JSC "Entrepreneurship Development
Company"

Tashkent – 2024

I. General Provisions

1. This Regulation has been developed in accordance with the applicable legislation of the Republic of Uzbekistan, the Charter of the Joint-Stock Company "Entrepreneurship Development Company" (hereinafter – the "Company"), and the Corporate Governance Code. It establishes the procedure for identifying and resolving conflicts of interest arising within the Company.

2. In the course of the Company's activities, conflicts of interest may arise due to contradictions between the property or other interests of the Company (its management and control bodies, officials, employees) and the property or other interests of creditors, counterparties, other organizations, and individuals with whom the Company enters into contractual relationships (hereinafter referred to as the "Clients"). Such conflicts may result from actions (or inactions) of the Company's management and control bodies and/or its employees that lead to violations of the rights and legitimate interests of the Clients.

Additionally, conflicts of interest (corporate disputes) may arise between the Company's management and control bodies and the shareholder(s).

3. This Regulation addresses the following cases of conflicts of interest:

Conflicts of interest between the Company's management bodies and its shareholder(s);

Conflicts of interest between the Company's management bodies and public oversight bodies, officials, employees, and clients;

Conflicts of interest arising between officials and employees of the Company in the course of performing their official duties.

II. Scope of persons subject to this Regulation

4. This Regulation applies to the Company's management and control bodies, as well as to all its employees regardless of their positions.

5. The requirements for compliance with this Regulation apply to individuals cooperating with the Company under civil law contracts, in cases where the corresponding obligations are confirmed by the contracts concluded with them, their internal documents, or are directly applicable in accordance with the law.

III. Key Rules and procedures for managing conflicts of interest in the company

6. The management of conflicts of interest in the Company is based on the following key procedures and rules:

The obligation to disclose actual and potential conflicts of interest;

To separately consider and assess the risks of reputational damage to the Company when identifying each conflict of interest situation and to take measures to resolve them;

Strict confidentiality of the process of disclosing and resolving conflicts of interest;

To maintain a balance between the interests of the Company's management and control bodies and its employees when resolving conflicts of interest;

To protect an individual from retaliation due to the timely disclosure and resolution (elimination) of a conflict of interest by the employee and the Company.

IV. Causes (Conditions) of conflict of interest

7. Conflicts of interest between the Company's management bodies and shareholders may arise as a result of the following circumstances::

Non-compliance with laws, regulatory documents, and the Company's internal documents;

Entering into major transactions and contracts without following the established procedure for transactions with affiliated parties;

Decisions made by the Company's management bodies that may lead to a deterioration of the Company's financial condition;

Failure to comply with the requirements of applicable legislation regarding the non-disclosure or incomplete disclosure of information about positions held in the management bodies of other organizations, as well as about ownership of shares (interests) in other companies by individuals who are members of the Company's management bodies.

Conflicts of interest between the Company's management and control bodies, officials, employees, and clients may arise as a result of:

Non-compliance with laws, the Company's founding and internal documents;

Breach of the principle of client interest priority over the Company's interests;

Failure to comply with standards of business communication and professional ethics;

Failure to fulfill contractual obligations by both the Clients and the Company;

Failure to fulfill obligations established by legislation and the Company's internal documents.

Conflicts of interest between the Company and its officials or employees may arise as a result of:

- violation of the requirements of laws and the Company’s internal documents;
- failure to comply with standards of business communication and professional ethics;
- engaging in commercial activities, both personal and family-related, connected with the Company’s operations;
- having financial interests in another company with which the Company has contractual relations;
- working as a manager or official in another organization on a part-time basis or participating in its governing bodies;
- Providing practical opportunities to other organizations for personal gain to the detriment of the Company’s interests

V. Prevention of Conflicts of Interest

8. The Company's Charter and its internal documents provide measures for the prevention of conflicts of interest..

9. This Regulation establishes mandatory measures to be taken by the Company's management and control bodies, officials, and employees to prevent conflicts of interest.

10. In order to prevent any types of conflicts of interest, the Company's management and control bodies, officials, and employees are required to perform the following actions:

- compliance with the requirements of laws, regulatory documents, the Charter, and the Company’s internal documents;
- not to take actions or make decisions that may lead to a conflict of interest;
- ensuring effective management of the Company;
- preventing the Company’s involvement in illegal activities, including money laundering and terrorist financing.
- prohibition of transactions using insider information within the Company;
- to ensure maximum efficiency in the production of goods (performance of work, provision of services);
- to report quarterly to the management bodies in accordance with the legislation;
- conducting internal and external control in accordance with the Charter and internal documents of the Company;
- submission to the Supervisory Board for review of major transactions, individual transactions, or a series of related transactions exceeding the limits established by law and the Company’s Charter;

conducting, together with regulatory authorities, reviews of the terms of major

transactions and transactions with affiliated parties;

If necessary, upon approval of transaction decisions by the Supervisory Board in accordance with legal requirements, engaging an independent appraisal organization to determine the market value of the property;

Ensuring the recording of information about affiliated parties;

the following

a) affiliated persons;

b) Ensuring the development and compliance with procedures for transactions with the Company's shareholders and its affiliated parties;

Not to enter into major transactions and transactions with affiliated parties without prior approval in the prescribed manner by the authorized bodies of the Company;

Not to hold positions in the management and control bodies of other legal entities without the permission of the Company's Supervisory Board;

Disclosure of information about the Company's activities in accordance with applicable legislation and additional information in accordance with the Company's Information Policy Regulation;

Ensuring the unconditional accuracy of financial statements and other published information provided to shareholders and Clients, management and control bodies, and other interested parties, including for advertising purposes;

Development and improvement of measures to prevent the use of information available within the Company for personal purposes by individuals authorized to access such information;

Timely verification of the accuracy and impartiality of negative information about the Company in mass media and other sources. Prompt response to any emerging negative or unfounded information;

Ensuring the Company's sustainable income generation in the medium and long term;

Participation in identifying deficiencies in the Company's internal control system;

Ensuring that the remuneration of members of the Company's management and control bodies corresponds to the Company's financial position and achieved results based on the planned performance indicators of the Company;

Compliance with professional ethics standards.

11. In order to prevent conflicts of interest between the Company's management and control bodies, officials, employees, and the Company's shareholder(s), the management and control bodies, officials, and employees of the Company are required to:

Respecting the rights of shareholders as established by the Law "On Joint Stock Companies and Protection of Shareholders' Rights," regulatory documents, the Charter, and the Company's internal documents;

Ensuring the timely communication to the shareholder of the Company's clear and substantiated position on matters related to protecting the shareholder's legal rights;

Timely payment of declared dividends;

Providing the shareholder with complete information on issues that may cause a conflict, in the prescribed manner;

Identification of transactions involving the interest of members of the Company's management bodies in the acquisition of shares (stakes) of a competing Company, as well as the participation of such individuals in the management bodies of competing organizations;

The pursuit of nominating independent members to the Supervisory Board to ensure objectivity, impartiality, and independence of decisions made by the management bodies.

12. To prevent conflicts of interest between the Company's management and control bodies, officials, employees, and Clients, the Company's management and control bodies, officials, and employees are required to:

ensure the provision of information about the Company in the prescribed manner;

ensure strict compliance with the procedures for using confidential and other important information;

sell products (services) and charge the Client a fee in the amount established by mutual agreement in the contract or in accordance with fully disclosed tariffs;

ensure highly qualified, complete, and honest delivery of products (services) to Clients, as well as fulfill Client orders in the best possible way in terms of financial efficiency, taking into account current market conditions;

in the event of an obvious error made by the Client (including in an order, application, or other document signed by the Client), prevent employees from knowingly exploiting the situation for personal gain. If such an error is discovered in the Client's instruction, the Company's employee is obliged to take reasonable measures to prevent the execution of the erroneous instruction and notify the Client accordingly;

ensure that recommendations provided to the client are based on a good-faith analysis of the available information on the relevant issue;

Improve the system for storing information created, acquired, and collected in the course of the Company's activities in such a way that information related to the Company's operations or containing commercial secrets, available on paper, magnetic, or other media, is not subject to sale, transfer, copying, reproduction, exchange, or other dissemination and reproduction without the consent of the Company's management bodies or their authorized officials.

13. To prevent conflicts of interest between the Company and its officials

and employees that may arise during the performance of their official duties, officials and employees are required to:

- compliance with the norms of business communication and the rules of professional ethics;

- conclusion of contracts in the prescribed manner;

- informing the executive officer, management, and supervisory bodies of the Company about the intention to acquire a stake (shares) in an organization that competes with the Company;

- timely informing of the highest-ranking official about the emergence of conditions that may lead to a conflict situation;

- written notification to the highest-ranking official about organizations in whose commercial activities the official or their family members are involved or plan to become involved, and in which they have significant financial interests.

- abstaining from any activity that directly affects the relationship between the Company and organizations in which the official or their family members have a significant financial interest or are affiliated persons;

- obtaining prior permission from the head of the Company’s executive body to participate in the management bodies of other organizations whose interests may conflict with those of the Company;

- provide advance notice to the highest-ranking official of the intention to take up secondary employment in another organization and submit information confirming that the proposed work does not conflict with the interests of the Company.

VI. Resolution of conflicts of interest

14. To resolution a conflict of interest arising within the Company, the management and supervisory bodies of the Company, as well as its officials and employees, shall take pre-litigation measures to find a lawful and reasonable solution that serves the interests of the Company.

15. Officials are obliged to ensure the proper recording and timely review of letters, applications, and requests (including oral ones) received from shareholders and clients addressed to the management and supervisory bodies, the corporate secretary, and structural divisions.

16. The Company’s corporate secretary (corporate consultant) is responsible for recording conflicts of interest. The corporate secretary provides a preliminary assessment of the corporate dispute, prepares the necessary documents on the merits of the matter, and, in coordination with the Company’s supervisory board, submits them to the Company’s authorized body responsible for reviewing the corporate dispute.

17. The Company’s corporate secretary analyzes frequently recurring questions and requests from shareholders, decides on the necessity of providing additional information to shareholders on these issues or to address the causes of such inquiries, and submits proposals to the head of the Company’s executive body regarding changes to internal procedures and instructions, as well as the implementation of other measures.

18. An employee who receives information about a conflict situation from a client or other sources is required to immediately report it to their supervisor. If the dispute cannot be resolved at the departmental level, the head of the department must, within one business day, provide the Director with information about the dispute, its causes, and the measures taken.

The Director determines the procedure for resolving the dispute and appoints an authorized person. If necessary, a commission will be established to resolve the conflict of interest..

19. The authorized person (or commission) takes all necessary measures to resolve the conflict of interest. If it is impossible to resolve the conflict, the General Director shall forward the information about the conflict to the Chairman of the Supervisory Board for further consideration.

20. This information will be reviewed by the Supervisory Board.

21. Information about a conflict of interest that has affected or may affect a Director of the Company at any stage of its development must be submitted to the Supervisory Board within three business days for a decision on the procedure for resolving the conflict.

22. If, as a result of the dispute review, there is a need to develop new internal documents of the Company or to amend existing internal documents, the Supervisory Board or the executive body shall decide on the development of the relevant document or on making amendments to the existing documents.

23. The governing bodies of the Company are obliged to take the following actions to resolve any conflict of interest arising within the Company:

- to identify emerging conflicts of interest as quickly as possible and determine their causes;

- clear delineation of the powers and responsibilities of government authorities.;

- appoint an authorized representative of the Company or, if necessary, establish a commission to resolve the dispute;

- within the shortest possible time, determine the Company’s position on the substance of the dispute, make the appropriate decision, and communicate it to the other party involved in the dispute;

- send the other party to the dispute a complete and detailed response presenting the Company’s position on the substance of the dispute, as well as a justified notice of refusal to satisfy the claim or demand of the disputing party based on laws,

regulatory documents approved by the Company’s shareholders, the Charter, and internal procedural documents;

ensure that the authorized person involved in resolving the dispute immediately reports if the dispute affects or may affect their interests or the interests of their family members.;

ensuring that individuals whose interests are affected or may be affected by the dispute do not participate in its resolution and decision-making.

24. For the resolution of disputes between the Company’s management bodies and a shareholder:

An independent member of the Supervisory Board may act as a mediator in resolving disputes between the Company’s management bodies and a shareholder;

Authorized persons or authorized bodies of the Company provide shareholders with consultations and recommendations, prepare draft documents for dispute resolution to be signed by the shareholders, and also, on behalf of the Company, assume obligations to the shareholder within their authority and to the extent necessary to facilitate dispute resolution;

The management bodies of the Company, within their authority, are obliged to organize the implementation of decisions on resolving corporate disputes and facilitate the execution of agreements signed by the parties to the dispute on behalf of the Company. In cases where there are no disputes between the disputing party and the Company regarding the substance of the obligations, but disagreements exist concerning the procedure, method, timing, or other conditions of their fulfillment, the Company has the right to propose to the disputing party to settle the disputes and specify the terms under which the Company is willing to satisfy the shareholder’s claims;

If the Company’s consent to satisfy the shareholder’s claims requires the shareholder to perform actions stipulated by law, the Charter, or other internal documents of the Company, the Company’s response must fully specify these conditions and provide the necessary information for their fulfillment (for example, the fee for producing copies of documents officially requested by the shareholder, the Company’s bank details, etc.)

25. This list of measures is not exhaustive. In each specific case, depending on the area of the conflict of interest, other forms of conflict resolution may be used.

VII. Final Provisions

26. This Regulation, as well as any amendments and additions thereto, shall be approved by the Shareholder.

27. In the event of a conflict between individual provisions of this Regulation and the current legislation of the Republic of Uzbekistan and/or the Charter of the

Company, such provisions shall become null and void. Until the corresponding amendments are made to this Regulation, the issues regulated by these provisions shall be governed by the applicable legislation of the Republic of Uzbekistan and/or the Company’s Charter.

Note:

This document is an unofficial translation of the original document in the Uzbek language and is provided for reference purposes only. In the event of any discrepancies, the original version of the document in the Uzbek language shall prevail.