

**“APPROVED”**

Appendix 8 to the Resolution of  
the Supervisory Board of JSC  
“Entrepreneurship Development  
Company” No. 6/24 dated April 29,  
2024

**CONFLICT OF INTEREST MANAGEMENT POLICY  
of the Joint-Stock Company “Entrepreneurship Development Company”**

**“INTRODUCED”**

Executive Body of JSC “Entrepreneurship  
Development Company”

**Tashkent – 2024**

## **I. General Provisions**

1. Joint-Stock Company "Entrepreneurship Development Company" (hereinafter referred to as the Company) strives to conduct business in which employees' business judgments and decision-making are not influenced by personal interests. A conflict of interest arises when employees' personal interests (direct or indirect) influence, may influence, or are likely to influence their decision-making within the Company.

Conflicts of interest in the Company's activities are regulated on the basis of the Conflict of Interest Management Policy (hereinafter referred to as the Policy). The Policy enters into force after its approval by the Company's Supervisory Board.

2. A conflict of interest may arise when personal interests are placed above the interests of the Company and such personal interests affect an employee's business judgments, decisions, or actions. Such situations may arise in relations with the Company's business partners and/or clients, including suppliers, as well as with government authorities.

In addition to employees, their close relatives may also be involved in such situations. Acting, making decisions, or taking actions under conditions of a conflict of interest complicates the objective and effective performance of official duties and may also lead to legal and regulatory consequences.

Therefore, employees must:

be able to identify situations in which a conflict of interest arises or seek advice when there is doubt;

avoid conflicts of interest whenever possible;

disclose existing conflicts of interest.

In addition, the Compliance Service must ensure the proper review and management of conflicts of interest.

## **II. Purpose of the Policy**

3. Through this Policy, the Company takes measures to provide employees, including members of the Executive Body and the Supervisory Board, with relevant principles and rules for preventing or managing conflicts of interest, as well as practical guidance on how such principles and rules should be implemented.

## **III. Scope and Applicability**

4. This Policy applies to all employees of the Company, including members of the Executive Body and the Supervisory Board, and to any situations in which employees' personal interests may conflict with the interests of the

Company. Upon employment, employees complete information in the form provided in the relevant annex regarding the existence or absence of conflicts of interest and subsequently update it on an annual basis.

Employees are also required to update the information provided in a timely manner whenever circumstances so require.

#### **IV. Basic Concepts and Definitions**

5. **A conflict of interest** means a situation in which personal interests (direct or indirect) affect or may affect the proper performance by an employee of his or her official duties, and in which a conflict arises or may arise between personal interests and the lawful interests of the Company.

Within the scope of the Company's economic activities, a conflict of interest may arise both as a result of external circumstances and as a result of the actions of an employee. Examples of conflict of interest situations include cases where an employee or his or her close relative:

- holds senior positions in other companies whose economic activities mainly compete with the economic interests of the Company;

- participates in the Supervisory Board of any company whose activities and/or objectives directly compete with the activities of the Company;

- within the scope of performing official duties becomes aware of a specific investment opportunity and discloses it to third parties, or makes relevant personal investments, or otherwise uses such information in his or her own interests;

- has a significant economic participation or other substantial interest in any of the Company's suppliers, customers, or competitors;

- receives money, non-monetary gifts, excessive hospitality, loans, guarantees, or other preferential treatment from any supplier, customer, or competitor of the Company;

- competes with the Company or assists a relevant party in competing with the Company.

- participates, for his or her own benefit, in a significant personal transaction related to the Company;

- has direct or indirect financial, economic, or other personal interests that may be considered as affecting his or her objectivity and independence in the process of selecting a supplier;

- as well as cases where, if such a transaction has not been approved in accordance with the established procedure, an employee participates in any transaction of the Company as a beneficiary or authorized representative under conditions that are not available to third parties or other employees.

6. **Close relatives** include parents, full and half brothers and sisters,

spouses, children, including adopted children, grandparents, grandchildren, as well as the parents, full and half brothers and sisters of a spouse, and other persons defined by the legislation of the Republic of Uzbekistan.

7. **A gift and/or personal benefit** means items or services of nominal value provided as a sign of friendship or gratitude. A gift is given openly without expecting any benefit or reward in return. It is usually given or received to initiate, strengthen, or develop business relations. If their value exceeds five times the amount of the base calculation value, employees must refrain from accepting gifts or personal benefits.

## **V. Fundamental Principles and Rules**

8. Employees must not provide services to any other employer without the prior consent of the relevant body of the Company, nor engage in any other activities that serve the interests of third parties and fall within the scope of the Company's interests. If any close relative of an employee is involved in such activities, the employee must immediately inform his or her direct supervisor.

In turn, together with the Compliance Service, the supervisor must take the necessary measures to prevent any possible adverse consequences for the Company.

9. Employees are prohibited from directly or indirectly, or through third parties, requesting or accepting any benefit for themselves or for any other party in exchange for actions or inaction already taken or to be taken in the future in the performance of their duties, as well as from accepting any promises of such benefits.

Employees are also not permitted to accept any gifts exceeding the nominal value established by this Policy, or to obtain personal benefits in the form of discounts or favorable terms in their personal relationships with any current or potential contractors, suppliers, or other counterparties of the Company.

10. Employees must not be in supervisory or audit relationships with their close relatives (for example, influencing the terms of employment), nor participate in making any decisions on hiring close relatives (including internal and external recruitment, as well as transferring an employee within the Company).

11. Employees must refrain from participating in the adoption of any decisions in which their personal interests may conflict with the interests of the Company, and in case of doubt, must seek advice from the Compliance Service.

## **VI. Identification of Conflicts of Interest in the Implementation of the Policy**

12. In order to identify conflicts of interest, the Company applies relevant

mechanisms and procedures both prior to the commencement of employment with the Company and during the performance of official duties.

13. Before assuming their duties, new employees must complete and sign a declaration in the form set out in the appendix on the existence or absence of conflicts of interest, either declaring the absence of conflicts of interest as defined in this Policy or, alternatively, describing any existing circumstances that may give rise to a conflict.

14. Upon identifying a potential conflict of interest, the Compliance Service must notify the following parties and submit its conclusions and recommendations:

the direct supervisor of the new employee;

in cases involving a member of the Executive Body, the Supervisory Board.

Accordingly, the direct supervisor or the Supervisory Board must decide on the necessary measures to manage the conflict of interest.

15. Employees must submit annual declarations to the Compliance Service on the existence or absence of conflicts of interest, and the relevant information must be duly updated and maintained within the Company. The Compliance Service monitors compliance by all employees with the obligation to submit annual declarations.

16. Where a conflict of interest is identified, the Compliance Service must notify the following parties and provide its conclusions and recommendations:

the employee's direct supervisor;

in cases involving a member of the Executive Body, the Supervisory Board.

Accordingly, the direct supervisor or the Supervisory Board must decide on the necessary measures to regulate the conflict of interest.

17. The Compliance Service records all identified conflicts and enters information on their management into the Conflict of Interest Register.

18. It is not always possible to prevent conflicts of interest, and they may arise as business conditions evolve; in such cases, employees must disclose the relevant information. In the course of performing official duties, an employee may become aware of a conflict of interest that did not exist at the time the annual declaration was submitted. In such a case, the employee must disclose the personal interest to their direct supervisor and subsequently notify the Compliance Service by updating the conflict of interest declaration form.

When disclosing information, sufficient details regarding the conflicting interests must be provided to enable a reasoned decision on the appropriate resolution of such conflict.

19. In identifying conflicts of interest, the Compliance Service submits relevant information, as well as its conclusions and recommendations, to:

the employee's direct supervisor;

in cases involving a member of the Executive Body, the Supervisory Board.

Accordingly, the direct supervisor or the Supervisory Board must decide on the necessary measures to manage the conflict of interest.

20. The Compliance Service enters the required information into the Conflict of Interest Register in accordance with the requirements of this Policy.

## **VII. Management of Conflicts of Interest**

21. Information submitted to the Compliance Service on the existence or absence of a conflict of interest is kept in the employee's personal file.

22. The Compliance Service analyzes the information received on the existence or absence of a conflict of interest, and also evaluates any information submitted to the Compliance Service by the employee, the employee's direct supervisor, or the Supervisory Board. After conducting relevant reviews, collecting the necessary information, and carrying out an initial assessment of each case, it determines whether a conflict of interest exists and, if so, identifies the type of conflict of interest, namely actual, potential, or perceived conflict.

23. The Compliance Service must assess the possible consequences that may arise as a result of such conflict and how such conflict may affect the interests of the Company, and must also provide its recommendations on managing the conflict of interest to the employee's direct supervisor or the Supervisory Board.

These measures may include introducing additional controls or updating the Company's existing policies and procedures in order to strengthen existing controls to prevent such conflicts.

24. In cases where there is a serious risk to the interests of the Company (for example, to the Company's reputation, strategy, financial position, and others), the Compliance Service, in agreement with the direct supervisor or the Supervisory Board, must inform the Head of the Executive Body in order to make a decision on the necessary actions to eliminate such risk and resolve the conflict of interest based on the recommendations of the Compliance Service.

Depending on the nature of the conflict of interest, such actions may include recusal, removal of authority, transfer, restriction of access to confidential information, relocation, or other appropriate measures to resolve the conflict.

## **VIII. Conflict of Interest Register**

25. The Compliance Service maintains, updates, and stores a register of all situations related to conflicts of interest, with references to the parties involved, the activities and services in which conflicts arise, as well as information on the management of each conflict. The register ensures that the manner in which each situation was resolved is recorded, as well as the sequence

of actions taken by the Company to manage conflicts of interest.

### **IX. Training and Awareness**

26. The Compliance Service ensures continuous awareness-raising and training of all employees on conflict of interest matters.

In the area of employee training, the Compliance Service implements the following measures:

provides up-to-date information on conflict of interest issues during internal seminars and open discussions aimed at ensuring employee awareness of conflict of interest matters;

develops employees' skills in identifying and managing conflicts of interest through coaching and continuous training delivered in close cooperation with the HR service by employees, managers, and the Compliance Service, and also ensures familiarization with this Policy as part of onboarding programs for new employees.

### **X. Violations of the Conflict of Interest Management Policy and Accountability**

27. Violations of this Policy are not permitted. Breach of the provisions of this Policy may result in the application of investigation and disciplinary measures as provided for in the Company's Code of Ethics.

28. Direct supervisors are required to report to the Compliance Service any potential violations of this Policy by accountable employees. All other employees who become aware of an actual or potential violation of this Policy by another employee must immediately report their observations to the Compliance Service in accordance with the Code of Ethics.

### **XI. Oversight of Compliance with the Requirements of the Conflict of Interest Management Policy**

29. The Compliance Service is responsible for ensuring compliance with the requirements of this Policy. The Compliance Service ensures that the Policy is continuously improved based on best practices.

30. The Compliance Service reviews this Policy at least once every two years or, if necessary, on an ad hoc basis, in order to identify necessary amendments and additions in line with the objectives of the Policy, as well as to ensure its compliance with applicable legislation, internal policies, and the Company's procedures.

**STATEMENT**  
**on the Existence or Absence of a Conflict of Interest**

Full Name	
Department	
Date	

I confirm that I have read, reviewed, and agree to comply with the Conflict of Interest Management Policy.

a) I declare that I do not currently have any conflict of interest that must be disclosed in accordance with the Policy.

I undertake to disclose any conflict of interest that may arise in the course of performing my duties at the Company.

b) I declare that I have personal interests that may give rise to a conflict of interest, and I hereby disclose the following information:

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*Please describe in as much detail as possible the facts indicating the potential existence of a conflict of interest.*

If relevant instructions are provided, I undertake to comply with any instructions or measures introduced by the Company's management to resolve the conflict of interest.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Signature*