CONTENT

1. GENERAL PROVISIONS………………………………………………………………………………..…..2
2. SCOPE OF PERSONS FALLING WITHIN THE PROVISIONS **………………………………...**……2
3. BASIC PRINCIPLES OF CONFLICT OF INTEREST MANAGEMENT IN COMPANY……..2
4. REASONS (CONDITIONS) FOR CONFLICTS OF INTERESTS… ………………………………… 3
5. PREVENTION OF CONFLICTS OF INTEREST …………….…………………………………………..3
6. RESOLUTION OF CONFLICTS OF INTEREST…………………………………………………………..5
7. FINAL PROVISIONS……………………………………………………………………………………………..6
8. **GENERAL PROVISIONS**

1. This Regulation is developed in accordance with current legislation of the Republic of Uzbekistan, Charter of «ВМКВ-AGROMASH» JSC (hereinafter-the Company), Code of Corporate Governance and defines the procedure for identifying and resolving conflicts of interest arising in the Company.

2. In carrying out the Company's activities, conflicts of interest may arise due to a conflict between property or other interests of the Company (its management and control bodies, officials, employees) and property or other interests of creditors, contractors and other customers (hereinafter - the Clients), when as a result of actions (inaction) of management and control bodies of the Company and (or) its employees, there may be cases of violation of the rights and legitimate interests of shareholders.

In addition, there may be conflicts of interest (corporate conflict) between interests of the company's shareholders, between interests of management and control bodies of the Company and the shareholder (s).

3. This Provision deals with the following cases of conflicts of interest:

between majority shareholders (shareholders holding large blocks of shares) and minority shareholders (shareholders owning a small number of shares);

between management bodies of the Company and its shareholder (shareholders);

between management and control bodies of the Company, officials, employees of the Company and customers;

between Company, and officials, employees of the Company in the performance of their official duties.

1. **SCOPE OF PERSONS FALLING WITHIN THE PROVISIONS**

4. This Provision applies to members of management and control bodies and all employees of the Company, regardless of level of their position.

5. Requirements for compliance with this Provision apply to individuals who cooperate with the Company on the basis of a civil contract in cases where the relevant obligations are enshrined in contracts with them, in their internal documents or directly derived from the law.

1. **BASIC PRINCIPLES OF CONFLICT OF INTEREST MANAGEMENT IN COMPANY**

6. Conflict of interest management in the Company is based on the following principles:

mandatory disclosure of information on real and potential conflicts of interest;

individual consideration and assessment of reputational risks for Company in identifying each conflict of interest and its settlement;

strict confidentiality of process of disclosure of information about conflict of interest and its settlement.

1. **REASONS (CONDITIONS) FOR CONFLICTS OF INTERESTS**

7. Conflicts of interests that may arise between majority and minority shareholders of the Company, between management bodies of the Company and shareholders as a result of:

non-compliance with the requirements of legislation, regulations and internal documents of the Company;

execution of major transactions and transactions with affiliates without prior approval of the authorized management bodies;

8. Conflicts of interest that may arise between management and control bodies, officials, employees and Customers as a result of:

non-compliance with legislation, constituent and internal documents of the Company;

non-compliance with principle of priority of the Company's shareholders ' interests;

non-compliance with standards of business communication and principles of professional ethics;

non-performance of contractual obligations, both on the part of Company and on the part of Customers;

failure to fulfill its obligations established by legislation and internal documents of the Company.

9. Conflicts of interests that may arise between Company and officials, employees as a result of:

violations of legal requirements and internal documents of the Company;

non-compliance with standards of business communication and principles of professional ethics;

conducting business activities, both own and family members;

having financial interests in another company with which the Company maintains business relations;

part-time work in another organization as a head, official or participation in its governing bodies;

1. **PREVENTION OF CONFLICTS OF INTEREST**

10. Charter of the Company and its internal documents provide with general mechanisms to prevent conflicts of interest.

This Regulation establishes measures to prevent conflicts of interest that are mandatory for management and control bodies of the Company, officials and employees of the Company.

In order to prevent any types of conflicts of interest, the Company's management bodies, control bodies, officials and employees are obliged to:

comply with the requirements of legislation, regulations, Charter and internal documents of the Company;

ensure sustainable achievement of the Company's profitability in medium and long terms;

refrain from taking actions and making decisions that may lead to conflict situations;

ensure effective management of the Company;

exclude the possibility of involving the Company in illegal activities, including the legalization (laundering) of proceeds from crime and financing of terrorism;

provide the maximum possible efficiency in production of goods (works and services);

report to governing bodies in accordance with legislation quarterly;

perform internal and external control in accordance with Charter and internal documents of the Company;

submit for consideration of Supervisory Board large transactions, individual transactions or a number of related transactions, amounts of which exceed the amounts established by legislation and Charter of the Company;

provide accounting information on affiliated persons;

ensure the development and compliance with the procedures of transactions:

1. with affiliates;
2. with shareholders of the Company and their affiliates;

not to make major transactions and transactions with affiliates without the prior approval of their authorized bodies of the Company;

not to hold positions in management and control bodies of other legal entities, without the permission of superior bodies;

disclose information on the Company's activities in accordance with requirements of current legislation and additional information in accordance with Regulations on the Company's information policy;

ensure the accuracy of financial statements and other published information provided to shareholders and Customers, regulatory and Supervisory authorities and other interested parties, including for advertising purposes;

participate in identification of shortcomings of the Company's internal control system;

12. In order to prevent conflicts of interests between shareholders of the Company, as well as between management and control bodies, officials, employees of the Company and its shareholder (s), management and control bodies, officials and employees of the Company are also obliged to:

respect the rights of majority and minority shareholders, fixed by Law "On joint-stock companies and protection of shareholders 'rights", normative acts, Charter and internal documents of the Company;

timely payment of accrued dividends;

provide shareholders with comprehensive information on issues that may be the subject of conflict;

13. In order to prevent conflicts of interests between management and control bodies, officials, employees of the Company and Customers, management and control bodies, officials and employees of the Company are also obliged to:

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

ensure strict compliance with the use of confidential and other important information;

sell goods (services) and charge the Customer a fee in the amount established on a mutually agreed basis in the contract, or at the rates, information about which is fully disclosed;

prevent transactions with Clients that may negatively affect the Company's reputation;

sell goods (services) for their Customers professionally and conscientiously;

14. In order to prevent conflicts of interest between the Company and officials, employees in performance of their duties, officials and employees are also obliged to:

comply with the rules of business communication and principles of professional ethics;

sign the agreement in prescribed manner;

notify the superior officer or management and control bodies about intention to acquire a share (shares) of organization competing with the Company;

timely inform the higher official about occurrence of circumstances that contribute to the conflict situation;

pre - obtain permission from superior bodies of the Company to participate in governing bodies of another organization, the interests of which may conflict with the interests of the Company;

to inform the higher official about intention to work in combination in other organization and that the supposed work does not contradict interests of Society.

1. **RESOLUTION OF CONFLICTS OF INTEREST**

15. In order to resolve conflicts of interests arising in the Company, management and control bodies, officials and employees of the Company carry out pre-trial procedures in order to find a solution that, being legitimate and reasonable, would meet the interests of the Company.

16. Officials are obliged to ensure the accounting and timely consideration of letters, applications and requirements (including oral) of shareholders and Clients addressed to management and control bodies, corporate Secretary and structural units.

17. Accounting for corporate conflicts shall be conferred on corporate Secretary of the Company.

18. Corporate Secretary of the Company analyzes frequently occurring conflicts, makes decisions on the need to provide additional information to all parties of conflict and / or makes a proposal to head of authorized body of the Company to change internal procedures and instructions, to carry out other activities in order to eliminate the causes of this kind of conflicts;

19. The employee who has received information about conflict situation from the Client or other sources shall immediately inform the superior officer about it.

20. The authorized person (Commission) shall take all measures to resolve the conflict of interest.

21. This information is considered by Committee (working group) under Supervisory Board established to identify and resolve conflict situations.

22. To settle any kind of conflict of interest arising in Company the Management bodies of the Company are obliged to:

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

clearly delineate competence and responsibility of the Company's management bodies;

determine the authorized person of the Company or, if necessary, create a Commission to regulate the conflict;

ensure that persons whose interests are or may be affected by conflict are not involved in resolution of the conflict.

23. To resolve conflicts between shareholders, between the Company's management bodies and shareholders:

independent member of Supervisory Board may act as an intermediary in settlement of conflict between shareholders of the Company;

authorized person or authorized body of the Company may participate in negotiations between shareholders, provide shareholders with information and documents available to them and related to conflict, explain legislation, Charter and internal documents of the Company;

authorized bodies or authorized persons of the Company give advice and recommendations to shareholders, prepare draft documents on settlement of conflict for their signing by shareholders, on behalf of the Company within its competence, assume obligations to shareholders to the extent that it can contribute to the settlement of the conflict;

management bodies of the Company, in accordance with their competence, shall organize the implementation of decision on settlement of corporate conflict and facilitate the execution of agreements signed on behalf of the Company with a party to conflict.

This list of measures is not exhaustive. In each case, there may be other forms of conflict resolution depending on the sector of conflict of interest.

1. **FINAL PROVISIONS**

24. This Regulation, as well as amendments and additions thereto shall be approved by the General Meeting of Shareholders by a simple majority vote.

25. If certain provisions of this Regulation come into conflict with current legislation of the Republic of Uzbekistan and / or the Charter of the Company, these articles lose their force and in terms of the issues regulated by these articles should be guided by the norms of current legislation of the Republic of Uzbekistan and / or Charter of the Company until the relevant amendments to this Regulation are made.