

**“APPROVED”**

**BY THE GENERAL EXTRAORDINARY  
MEETING OF SHAREHOLDERS OF JSC**

**“NAVOIYAZOT”**

**on May 10, 2016**

**MINUTES No. 25**

**REGULATION  
ON INFORMATION POLICY OF  
JSC “NAVOIYAZOT”**

**2016**

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This "Regulation on the information policy of JSC "Navoiyazot" (hereinafter referred to as the "Regulation") was developed in accordance with the Civil Code of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights" in the new edition, current regulatory legal acts of the Republic of Uzbekistan and constituent documents of the Company, as well as taking into account the recommendations of the Corporate Governance Code, approved by the minutes of the meeting of the Commission on increasing the efficiency of joint-stock companies and improving the corporate governance system dated 02/11/2016 No. 02-02/1-187. This Regulation contains the basic principles and procedure for disclosing information about Navoiyazot.

## 1. DEFINITIONS AND INTERPRETATIONS

### 1.1. Definitions

The Regulation applies the definitions used in the Charter of JSC "Navoiyazot" and as defined below:

<i>"Charter"</i>	the Charter of the Joint Stock Company "Navoiyazot" (hereinafter referred to as the Charter), registered by the inspection for registration of business entities under the Khokimiyat of the city of Navoi "_____" 2016y.No. 172
<i>"General meeting of Shareholders"</i>	means the supreme governing body of Navoiyazot
<i>"Supervisory Board"</i>	has the meaning disclosed in Chapter XXIII of the Charter
<i>"Executive body"</i>	has the meaning disclosed in Chapter XXVIII of the Charter
<i>"Chairman of the Board"</i>	has the meaning disclosed in Chapter XXVIII of the Charter
<i>"Audit Commission"</i>	has the meaning disclosed in Chapter XXXI of the Charter
<i>"Audit organization"</i>	means an audit organization appointed by the Supervisory Board of Navoiyazot to audit the results of financial and economic activities of Navoiyazot.

### 1.2. Interpretations

In the present Regulation, unless the context otherwise requires, words expressing only the singular shall include the plural and vice versa.

## 2. OBJECTIVES OF INFORMATION POLICY

- 2.1 The objective of Navoiyazot's information policy is to satisfy the information needs of shareholders, potential investors and other stakeholders with reliable information about Navoiyazot and its activities.
- 2.2 The information policy of Navoiyazot contributes to ensuring the rights of shareholders in terms of obtaining information significant for making management decisions.

## 3. BASIC PRINCIPLES OF INFORMATION POLICY

- 3.1 The main principles of Navoiyazot's Information Policy are reliability, completeness, efficiency, accessibility, regularity, balance, equality, and security of information resources.

- 3.2 The principle of reliability determines Navoiyazot's intention to provide all interested parties with the necessary information that corresponds to reality, and to ensure that the information provided is not distorted or erroneous.
- 3.3 The principle of completeness determines Navoiyazot's intention to provide a sufficient amount of information about itself to provide interested parties with the most complete understanding of issues of interest.
- 3.4 The principle of efficiency determines Navoiyazot's intention to inform interested parties in the shortest possible time about the most significant events and facts affecting their interests and the activities of Navoiyazot.
- 3.5 The principle of accessibility defines Navoiyazot's intention to provide interested parties with free and easy access to relevant information about Navoiyazot.
- 3.6 The principle of regularity determines Navoiyazot's intention to provide interested parties with the necessary information about Navoiyazot on a regular basis through the information and communication technologies at its disposal.
- 3.7 The principle of balance implies a reasonable balance of openness and transparency of the information provided, in order to ensure the rights of shareholders to receive the necessary information, subject to strict protection of the interests of shareholders in terms of limiting access to certain information containing confidential information about Navoiyazot.
- 3.8 The principle of equality determines Navoiyazot's intention to ensure equal rights and opportunities in obtaining and accessing information for all shareholders, taking into account the requirements of the current legislation of the Republic of Uzbekistan.
- 3.9 The principle of security determines Navoiyazot's intention to provide means and methods of protecting information permitted by the legislative acts of the Republic of Uzbekistan.

#### **4. PUBLIC DISCLOSURE OF INFORMATION**

- 4.1 The composition of publicly disclosed information of Navoiyazot is regulated by the requirements of the current Legislation of the Republic of Uzbekistan and is based on the obligations of Navoiyazot.
- 4.2 In accordance with the norms and requirements of the current Legislation, Navoiyazot publicly discloses the following information:
- Quarterly reports of Navoiyazot;
  - Navoiyazot annual reports;
  - Annual financial statements of Navoiyazot;
  - Significant facts (events, actions) affecting the financial and economic activities of Navoiyazot:
- Change of name;
- Change of location (mailing address);
- Reorganization;

Suspension of activities;

Termination of activities;

Decisions made by the issuer's supreme management body;

Change of rights to securities;

Changes in the personnel composition of officials (executive body);

Changes in the list of branches;

Changes in the list of representative offices;

Changes in the list of subsidiaries;

Changes in the list of dependent business entities;

Seizure of property and (or) bank accounts;

Claim against the issuer in an amount exceeding 10% of the value of the assets;

Obtaining a loan in an amount exceeding 50% of the authorized capital;

Obtaining a loan in an amount exceeding 50% of the cost of fixed and working assets;

One-time increase in asset value by more than 10%;

A one-time decrease in the value of assets by more than 10%;

One-time transactions of the issuer, the size of which or the value of the property, for which amounts to more than 10% of the issuer's assets;

Conclusion of a major transaction by the issuer;

Concluding a transaction with an affiliate;

Obtaining a license to carry out certain types of activities;

Cancellation of a license or termination of a license issued to carry out certain types of activities;

Suspension of a license issued to carry out certain types of activities;

Issue of securities;

Suspension of the issue of securities;

Resumption of the issue of securities;

Recognition of the issue of securities as invalid;

Recognition of the issue of securities as invalid;

Changes in the list of legal entities in which the issuer owns 10 percent or more of shares (shares,

shares);

The arrival of deadlines for the fulfillment of the issuer's obligations to the owners of its securities;

Accrual of income on securities;

Introduction of bankruptcy proceedings against the issuer;

Changes in the ownership of shares of the issuer by members of the supervisory board; Changes in the ownership of the issuer's shares by members of the executive body; Changes in the list of affiliates;

The emergence of the right of securities owners to demand repurchase by the issuer of their securities;

- The Charter, amendments and additions to it, as well as provisions and regulations governing the activities of Navoiyazot's management bodies, the General Meeting of Shareholders of Navoiyazot, the Management Board, with all amendments and additions to them.
- Other information provided for by the current legislation of the Republic of Uzbekistan, mandatory for their disclosure.

4.3 Navoiyazot prepares and discloses the following information about its activities (in addition to those required by current legislation, as well as those arising from Navoiyazot's obligations related to the circulation of its securities on stock exchanges):

- On the principles of corporate governance of Navoiyazot;
- About Navoiyazot's strategy and further development projects;
- The composition of the Navoiyazot Board, including information on changes in its composition that took place in the reporting year, and information about the members of the Board, their brief biographical information;
- Information about the Chairman of the Board of Navoiyazot, including his brief biographical information;
- Periodic information on the production, financial, economic and internal corporate activities of Navoiyazot;
- About important events and results of the work and activities of Navoiyazot;
- About the social policy of Navoiyazot;
- About Navoiyazot's activities in the field of ecology;
- About the speeches of the Chairman of the Board of Navoiyazot in the media, Navoiyazot press releases.

4.4 Procedure, forms and methods of disclosing publicly disclosed information:

4.4.1. The Company discloses information in the amount, manner and forms established by

the current legislation of the Republic of Uzbekistan (including disclosure in the news feed of authorized agencies, publication in the media, posting information on the Navoiyazot corporate website on the Internet ([www.navoiyazot.uz](http://www.navoiyazot.uz))).

4.4.2. Navoiyazot, in order to exercise the shareholders' right to information, as well as ensure the promptness and availability of materially significant information, uses the following means of information:

- delivery (transfer) of documentary information (on paper);
- provision of information on magnetic media (in cases established by law);
- disclosure of information through the media;
- through the Navoiyazot website on the Internet;
- during public appearances, as well as group and personal meetings with Navoiyazot stakeholders.

4.4.3. The provision of mandatory disclosure information is carried out in accordance with the current legislation of the Republic of Uzbekistan and Navoiyazot's obligations related to the circulation of its securities on stock exchanges at intervals and within the time limits established by such legislation and relevant obligations.

4.4.4. Navoiyazot carries out systematic work to hold regular meetings with stakeholders dedicated to important events in the life of Navoiyazot, to clarify their position and opinion on significant issues of the development and activities of Navoiyazot (including during the preparation of the placement of its securities).

4.4.5. Navoiyazot publishes on its website on the Internet ([www.navoiyazot.uz](http://www.navoiyazot.uz)) all the most significant messages and materials, and, if necessary, issues brochures and booklets for distribution.

4.4.6. When placing Navoiyazot securities, information is disclosed about the motives for placing shares, about the persons who are going to purchase the shares being placed, including a large block of shares (if such information is available).

## **5. PROCEDURE FOR PROVIDING INFORMATION TO SHAREHOLDERS**

5.1 The provision of information to shareholders is organized by the Department of Corporate Relations and Information Resources (Corporate Secretary) of Navoiyazot, which are responsible for working with Navoiyazot shareholders.

5.2 Documents are provided to shareholders for review in accordance with the relevant requirements, drawn up in any written form addressed to the Chairman of the Board of Navoiyazot. The request indicates the surname, name and patronymic of the person applying (for a legal entity - name and location), the number of shares owned by him and the name of the requested document. When providing documents or their copies the fact of ownership of Navoiyazot shares by the applicant is verified.

5.3 Documents are provided to Navoiyazot within seven days from the date of presentation of the relevant request at the premises of the executive body of Navoiyazot (at the address: Republic of Uzbekistan, Navoi-5, Industrial Zone).

5.4 At the request of persons entitled to access documents, Navoiyazot provides them with copies of

these documents (including by mail, by sending a registered letter with notification). At the same time, the fee charged by Navoiyazot for providing these copies cannot exceed the cost of their production.

- 5.5 Navoiyazot is obliged to provide shareholders with access to documents, while shareholders with a total of at least 25% of the voting shares of Navoiyazot have the right to access accounting documents and minutes of meetings of the Board of Navoiyazot.
- 5.6 The list of persons entitled to participate in the General Meeting of Shareholders is provided by Navoiyazot for review upon request of persons included in this list and holding at least 1% of the votes. In this case, document data and postal addresses of individuals included in this list are provided only with the consent of these individuals.
- 5.7 Access to Navoiyazot documents and provision of their copies is carried out in compliance with the requirements for the protection of confidential information of Navoiyazot.
- 5.8 The list of documents and materials presented to shareholders for resolving issues submitted to the annual general meeting of shareholders is annually approved by the Management Board of the Company. Moreover, among them there must be:

Navoiyazot annual report;

annual financial statements, including profit and loss statements; recommendations of the Board on the distribution of Navoiyazot's profits, including the payment of dividends, and the rationale for each such recommendation; conclusion of the audit commission of Navoiyazot;

conclusion of the audit organization Navoiyazot based on the results of the annual audit of the financial and economic activities of Navoiyazot; assessment of the audit report of Navoiyazot; information about candidates to the Board and the audit committee of Navoiyazot; information about candidates for auditors of Navoiyazot.

- 5.9 If the agenda of the general meeting of shareholders includes the issue of placement of additional shares and the draft decision on placement provides for payment for shares other than cash, shareholders are provided with a list of property that can be used to pay for securities and a report on the valuation of this property.
- 5.10 If there are issues on the agenda of the General Meeting of Shareholders, voting on which may entail the right to demand the redemption of shares by the company, the following documents are additionally provided to shareholders:
- a report from an independent appraiser on the market value of Navoiyazot shares, the redemption requirements of which may be presented to Navoiyazot;
  - calculation of the net asset value of Navoiyazot according to the financial statements of Navoiyazot for the last completed reporting period;
  - minutes (extract from the minutes) of the meeting of the Navoiyazot supervisory board, at which a decision was made to determine the price for repurchasing of the company's shares, indicating the price for repurchase of shares.
- 5.11 If the agenda of the general meeting of shareholders includes the issue of reorganization of Navoiyazot, shareholders are additionally provided with the following documents:
- justification of the conditions and procedure for the reorganization of the company contained in



the decision on division, separation or transformation, or in the merger or accession agreement, approved (adopted) by the authorized body of Navoiyazot;

- annual reports and annual financial statements of all organizations participating in the reorganization for three completed financial years preceding the date of the general meeting, or for each completed financial year from the date of formation of the organization, if the organization has been operating for less than three years;
- quarterly financial statements of all organizations participating in the reorganization for the last completed quarter preceding the date of the general meeting.

5.12 The content of the annual report presented to shareholders for the annual general meeting of shareholders shall comply with the requirements of the current legislation of the Republic of Uzbekistan regulating the procedure for preparing, convening and holding meetings of shareholders.

5.13 The annual report is signed by the Chairman of the Board of Navoiyazot, the chief accountant, after the preliminary approval of the Board of Navoiyazot.

## **6. INFORMATION CONTAINING CONFIDENTIAL INFORMATION**

6.1 Confidential information is documented information, access to which is limited in accordance with the law, including information that has commercial value due to its unknown to third parties, to which there is no free access, and the owner of which takes measures to protect its confidentiality.

6.2 Confidential information should include all information with limited access that constitutes any type of secret. The general basis for classifying information as protected is the value of the information, since it is the value of the information that dictates the need to protect it.

6.3 Criteria for public information:

- the necessity of information for legal support of the enterprise's activities (documented information regulating the status of the enterprise, the rights, duties and responsibilities of its employees);
- the necessity of information for production activities (information related to research, design, engineering, technological, trading and other areas of production activities);
- the necessity of information for management activities (information required for making management decisions, as well as for organizing production activities and ensuring their functioning);
- the necessity of information for financial activities;
- the necessity of information to ensure the functioning of the social sphere;
- the necessity of information as an evidentiary source in case of conflict situations;
- the importance of information as a historical source that reveals the directions and features of the enterprise's activities.

6.4 The basic criterion when determining confidential information is the possibility of obtaining benefits from the use of information due to its unknownness to third parties. In the field of commercial activity, the value of information is determined primarily by the market need for

information as a source of profit, therefore classifying information as a trade secret allows you to make a profit and prevent losses. The confidentiality of such information creates competitive advantages for its owner and acts as a means of protection against unfair competition. Examples include (without limitation) the following:

sales, marketing and other corporate databases; pricing and marketing strategies and plans; confidential product information and trade secrets; research and technical data; materials on new product development; business ideas, technologies, proposals or strategies; unpublished financial information and results; the Company's plans;

personnel data and issues affecting the labor discipline of Employees; software purchased or developed by Navoiyazot.

- 6.5 The information about personal data of individuals is classified as confidential information. It is not permitted to collect, store, process, distribute and use information about private life, as well as information that violates the secret of private life, the privacy of correspondence, telephone conversations, postal, telegraph and other messages of an individual without his consent.
- 6.6 The information containing confidential information related to the tasks solved by Navoiyazot in accordance with the constituent documents, information related to management, finance and other areas of activity of Navoiyazot, disclosure (distortion, transfer, leakage, etc.) of which may harm the interests of Navoiyazot determined by the List.
- 6.7 Navoiyazot, represented by the Chairman of the Board and heads of structural divisions ensuring information security, takes comprehensive measures to protect the confidentiality of information, establishes the procedure for access to it, maintaining a reasonable balance between Navoiyazot's openness and the desire not to harm its interests.
- 6.8 The list of confidential information, as well as the procedure for working with such information, is determined by Navoiyazot's internal documents.

## **7. PRIVACY AND INFORMATION PROTECTION**

- 7.1 Navoiyazot employees are required to protect and maintain the confidentiality of all commercially sensitive information, trade secrets and other confidential information relating to them and their business activities.
- 7.2 None of Navoiyazot's Employees has the right to disclose any confidential information relating to Navoiyazot's business activities outside of Navoiyazot without the express permission of senior management.
- 7.3 If confidential information is subject to disclosure to another party, it may only be provided to representatives of Navoiyazot who have a confidentiality obligation to Navoiyazot and need such information to perform work on Navoiyazot's behalf, or in accordance with the terms of a written confidentiality agreement or agreement entered into with the other party.
- 7.4 If confidential information is to be transmitted electronically, technical and procedural standards should be agreed upon with the other party.
- 7.5 If confidential information is subject to disclosure pursuant to the terms of an order from any appropriate judicial, governmental, regulatory or supervisory authority, Navoiyazot Employees are required to notify the appropriate legal counsel of the Legal and Security Departments and provide such information only with their consent.

- 7.6 Access to confidential information relating to Navoiyazot or its activities should be limited to Employees who need it to perform their duties within Navoiyazot. No Employee may store on their personal premises any confidential information relating to Navoiyazot without taking appropriate measures to protect the security of such information.
- 7.7 None of the Navoiyazot Employees has the right to use confidential information relating to Navoiyazot for their own monetary benefit or for the monetary benefit of their friends or relatives.
- 7.8 Navoiyazot employees are required to ensure compliance with applicable data protection laws at all times. Access to personal information should be limited to Employees who have proper authorization and a clear business need for such information.
- 7.9 Navoiyazot employees should not solicit or knowingly obtain from any person confidential information belonging to another party.
- 7.10 Navoiyazot employees should exercise particular caution regarding the risk of inadvertently disclosing confidential information when conducting discussions and using documents in public areas.
- 7.11 If Navoiyazot Employees inadvertently receive information that they suspect may be confidential information belonging to another party, they are required to immediately notify their immediate supervisor and the appropriate legal adviser of the Legal and Security Department of Navoiyazot.

## **8. PROCEDURE FOR DISCLOSURE OF INFORMATION BY NAVOIYAZOT REPRESENTATIVES**

- 8.1 The Chairman of the Board, taking into account the opinion of the Board, officially comments and interprets the decisions made, and also sets out the Board's point of view on issues that have been considered at meetings of the Navoiyazot Board.
- 8.2 The Chairman of the Board of Navoiyazot has the right to delegate to members of the Board his powers specified in clause 9.1 of the Regulation. Members of the Board, to whom the Chairman has not delegated the powers specified in clause 7.1, have the right to express publicly their personal point of view on issues discussed at meetings of the Board, as well as on decisions made at meetings of the Board.
- 8.3 The chairmen of the specially created commissions under the Management Board have the right to inform interested parties about decisions made at meetings and comment on them.
- 8.4 The organization of interaction between Navoiyazot representatives and stakeholders in terms of presenting information on Navoiyazot's production and economic activities, covering the results of corporate events and other significant events in the life of Navoiyazot in the form of meetings, telephone and video conferences, round tables is carried out by a special representative who is assigned responsibilities for public relations.

## **9. MONITORING COMPLIANCE WITH REGULATIONS**

Monitoring compliance with the current legislation of the Republic of Uzbekistan and special requirements provided for by internal documents of Navoiyazot, to prevent conflicts of interest and limit abuse when using insider information between employees and divisions

of Navoiyazot, is assigned to members of the Board and the Chairman of the Board.

#### **10.PROCEDURE FOR APPROVAL AND CHANGE OF REGULATIONS**

- 10.1 The Regulation, as well as amendments and additions to it, are approved by the Navoiyazot Supervisory Board by a majority vote of its members present at the meeting or taking part in absentee voting.
- 10.2 Additions and amendments to the Regulation are made on the proposal of the Chairman of the Board of Navoiyazot, members of the Board of Navoiyazot, the auditor of Navoiyazot, and the Audit Commission of Navoiyazot.

#### **11.FINAL PART**

- 11.1 The Regulation on the information policy is mandatory for compliance by the management and control bodies of Navoiyazot and its employees.

**Acting Chairman of the Board**

**N.Yo. Juraev**