

# **Good Corporate Governance Principles**

In past operations, the Board of Directors ("the Board") of Ngernturbo Public Limited Company ("the Company") adheres to all applicable laws, the Company's objectives, Articles of Association, and Shareholder's Meeting resolutions. Furthermore, the Board recognizes the significance of corporate governance and is committed to conducting business guided by Corporate Governance for Listed Companies 2017, as established by the Securities and Exchange Commission (SEC). This commitment serves as a framework for the Company's operations, aiming to enhance operational efficiency, foster transparency for investors, and thereby building confidence in the Company's business operations.

The Company's Corporate Governance Policy encompasses 8 key principles:

**Principle 1    Establish Clear Leadership Role and Responsibilities of the Board**

- 1.1. The Board recognizes the importance of its leadership role and responsibilities in ensuring effective management. This includes:
  - 1.1.1. Defining the Company's business objectives and goals.
  - 1.1.2. Establishing strategies, operational policies, and allocating key resources to achieve the Company's objectives and goals, ensuring alignment among directors, management, and employees.
  - 1.1.3. Monitoring, evaluating, and overseeing performance reporting to ensure results align with targets
- 1.2. The Board shall direct corporate governance towards achieving outcomes that create sustainable value for the Company, encompassing at least the following:
  - 1.2.1. Competitiveness and Performance with a Long-Term Perspective.
  - 1.2.2. Ethical and Responsible Business
  - 1.2.3. Good Corporate Citizenship
  - 1.2.4. Corporate Resilience
- 1.3. The Board shall ensure that all directors and Management perform Duty of Care and Duty of Loyalty to the Company, and oversee compliance with laws, regulations, and shareholder resolutions.

- 1.4. The Board shall understand the scope of its duties and responsibilities and clearly define the scope of authority delegated to the Chief Executive Officer (CEO) and Management. The Board shall also monitor the performance of the CEO and Management in executing their delegated duties.

## **Principle 2 Define Company Objectives that Promote Sustainable Value Creation**

- 2.1. The Board shall ensure that the Company's objectives are directed towards sustainable value creation, aligning with the creation of value for the Company, customers, stakeholders, and society as a whole.
- 2.2. The Board shall ensure that the Company's objectives, goals, as well as medium-term and/or annual strategies, are consistent with the achievement of its core objectives and goals by the proper use of innovation and technology.

## **Principle 3 Strengthen Board Effectiveness**

- 3.1. The Board shall determine an appropriate Board structure, size, composition, and proportion of independent directors to lead the Company towards its defined objectives and goals.
- 3.2. The Board shall select a suitable person to serve as the Chairman of the Board, and ensure that the composition and operations of the Board facilitate the exercise of independent judgment in decision-making.
- 3.3. The Board shall establish transparent and clear criteria and processes for the nomination and selection of directors, ensuring the appointment of qualified individuals.
- 3.4. The remuneration of the Board shall be proposed for shareholder approval. The Board shall ensure that the structure and rate of remuneration are appropriate to their responsibilities and provide motivation for the Board to lead the Company in achieving both short-term and long-term goals.
- 3.5. The Board of Directors shall ensure that all directors are accountable in performing their duties and allocate sufficient time for their responsibilities.
- 3.6. The Board shall oversee the establishment of appropriate frameworks and mechanisms for governing the policies and operations of subsidiaries and other entities in which the

Company has significant investments. Additionally, the Board shall ensure that these subsidiaries and invested entities have a clear and mutual understanding.

- 3.7. The Board shall arrange for annual performance evaluations of the Board, sub-committees, and individual directors, and the result shall be utilized for ongoing performance development.
- 3.8. The Board shall ensure that each director has knowledge and understanding of their roles, responsibilities, the nature of the business, and relevant laws related to business operations. Additionally, the Board shall support all directors in regularly enhancing their skills and knowledge to effectively perform their duties.
- 3.9. The Board shall ensure that the operations of the Board are conducted smoothly, with access to necessary information, and there is a corporate secretary with the requisite knowledge and experience to support the Board's activities.

#### **Principle 4    Ensure Effective CEO and People Management**

- 4.1. The Board shall ensure the effective recruitment and development of the Chief Executive Officer (CEO) and senior executives, ensuring they possess the necessary knowledge, skills, experience, and attributes to drive the Company towards its goals.
- 4.2. The Board shall oversee the establishment of an appropriate remuneration structure and performance evaluation process.
- 4.3. The Board understands the structure and relationships of shareholders that may impact the management and operations of the company..
- 4.4. The Board shall oversee the management and development of personnel to ensure the Company has an adequate number of employees with the appropriate knowledge, skills, experience, and motivation.

#### **Principle 5    Nurture Innovation and Responsible Business**

- 5.1. The Board shall prioritize and support the creation of innovation that generates business value, while concurrently benefiting customers or relevant parties, and demonstrating responsibility towards society and the environment.

- 5.2. The Board shall oversee and ensure that the Management conducts business with responsibility towards society and the environment, which are integrated into operational plans, ensuring alignment across all departments with the Company's objectives, goals, and strategies.
- 5.3. The Board shall ensure that the Management allocates and manages resources efficiently and effectively, taking the impact and development of resources throughout the Value Chain into account, to achieve the Company's objectives and main goals sustainably
- 5.4. The Board should ensure the establishment of an Information Technology (IT) and its management framework aligned with business requirements. Additionally, the Board should ensure that Information Technology is utilized to enhance business opportunities, improve operations, and manage risks, enabling the company to achieve its objectives and main goals.

**Principle 6      Strengthen Effective Risk Management and Internal Control**

- 6.1. The Board shall ensure that the company has an effective risk management and internal control system that achieves the Company's objectives and complies with relevant laws and standards.
- 6.2. The Board shall appoint an Audit Committee that can perform its duties efficiently and independently.
- 6.3. The Board shall monitor and manage potential conflicts of interest between the Company and Management, the Board, or shareholders. This includes preventing the improper use of the Company's assets, information, and opportunities, and improper related party transactions.
- 6.4. The Board shall oversee the establishment of a clear Anti-corruption Policy and guidelines, ensuring they are communicated at all organizational levels and to external parties for effective implementation.
- 6.5. The Board shall ensure that the Company has a mechanism in place for receiving complaints and taking action in cases of whistleblowing.

## **Principle 7    Ensure Disclosure and Financial Integrity**

- 7.1. The Board is responsible for ensuring that there is a system for preparing financial reports and disclosing important information that is accurate, adequate, timely, and compliant with relevant rules, standards, and guidelines.
- 7.2. The Board shall monitor the adequacy of the Company's financial liquidity and solvency.
- 7.3. In circumstances where the Company faces financial difficulties or is likely to encounter such issues, the Board shall ensure the Company has a remedial plan or other mechanisms to resolve financial issues, while taking into account the rights of stakeholders.
- 7.4. The Board shall consider preparing a Sustainability Report as appropriate.
- 7.5. The Board shall ensure that the Management establishes an Investor Relations or a person responsible for communicating to shareholders and other stakeholders, such as investors and analysts, in an appropriate, equitable, and timely manner.
- 7.6. The Board shall promote the use of Information Technology for information dissemination.

## **Principle 8    Ensure Engagement and Communication with Shareholders**

- 8.1. The Board shall ensure that shareholders have opportunities to participate in decision-making on significant Company matters.
- 8.2. The Board shall ensure that the proceedings of the shareholders' meeting are conducted smoothly, transparently, and efficiently, while facilitating shareholders in exercising their rights.
- 8.3. The Board shall ensure that the disclosure of meeting resolutions and the preparation of shareholder meeting reports are accurate and complete.