



APPLICATION OF CORPORATE GOVERNANCE GUIDELINES TO PUBLIC COMPANIES

| NO. | ASPECTS – PRINCIPLES - RECOMMENDATIONS | |
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| <p>D.1.3. Recommendation 20:</p> <p>Explanation:</p> | <p>The Public Company has policy on vendor or supplier selection and capability improvement.</p> <p>The Policy on vendor or supplier selection is useful to ensure that the Public Company can obtain the required goods or services at competitive prices and good quality. While the policy of increasing the capability of supplier or vendor is useful for ensuring the efficient and effective supply chain. The capability of supplier or vendor to supply/fulfil the goods or services needed by the company will affect the quality of the company's output.</p> <p>Thus, the implementation of these policies can guarantee the supply continuity in terms of quantity and quality as required by the Public Company. The scope of this policy includes criteria in selecting supplier or vendor, transparent procurement mechanism, effort to improve supplier or vendor capability, and fulfil the right relating to supplier or vendor.</p> | |
| <p>D.1.4. Recommendation 21:</p> <p>Explanation:</p> | <p>The Public Company has policy on fulfilment of creditor rights.</p> <p>The policy on fulfilment of creditor rights is used as a guideline in providing loan to creditor. The purpose of the policy is to maintain the fulfilment of right and maintain creditor trust in the Public Company. The policy includes consideration in making agreement, as well as follow-up in fulfilling the obligation of the Public Company to creditor.</p> | |
| <p>D.1.5. Recommendation 22:</p> <p>Explanation:</p> | <p>The Public Company has the Whistleblowing System policy.</p> <p>A well-developed Whistleblowing system policy will provide certainty of protection to witness or reporter for an indication of violation committed by employees or management of the Public Company. The implementation of the policy will have an impact on establishing a culture of good corporate governance. The Whistleblowing system policy includes, among others, type of violations that can be reported through the Whistleblowing system, complaint procedure, protection and guarantee of the confidentiality of the reporter, handling procedure for received complaints, parties that managing the complaints, and the results and follow-up of complaints handling.</p> | |