



GOBI

GOBI JOINT-STOCK COMPANY

IMPLEMENTATION REPORT ON THE "CORPORATE GOVERNANCE CODE"

(Review by the Financial Regulatory Commission)

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info.gobi.mn

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EVALUATION METHODOLOGY

On March 23, 2022, the Financial Regulatory Commission (FRC) revised the "Corporate Governance Code." To assess the implementation of the Code, the "Guidelines for Organizing the Implementation of the Corporate Governance Code" was approved on June 22, 2022.

Based on the evaluation methodology outlined in these guidelines, the implementation of Gobi JSC's "Corporate Governance Code" was assessed as of June 30, 2024, by the Board Office. The Financial Regulatory Commission reviewed and verified the results.

Structure of the Evaluation Questionnaire

The evaluation consists of 36 questions, grouped into 9 key indicators:

1. Structure and Organization of the Board of Directors
2. Committees under the Board and Their Responsibilities
3. Reporting and Transparency
4. Audit and Control Systems
5. Risk Management
6. Compensation of Authorized Officials
7. Stakeholder Interests
8. Corporate Culture
9. Rights of Shareholders

Evaluation Scoring Criteria

Each task within the questionnaire is evaluated on a 0–2 point scale and then converted into a percentage (0-100%). The scoring criteria are as follows:

- 2 points: Fully implemented or accompanied by a justified explanation.
- 1 point: Partially implemented or accompanied by an explanation with a timeline for implementation.
- 0 points: Not implemented, or no evaluation provided.

Overall Evaluation Results

The following criteria are used to evaluate the implementation of the Corporate Governance Code based on the total possible score:

- **90% and above** indicates normal governance with no risks;
- **70-89%** indicates moderate governance, but with potential future risks, requiring recommendations from the Mongolian Stock Exchange;
- **50-69%** indicates insufficient governance with risks, justifying remote or on-site inspections by the Mongolian Stock Exchange;
- **49% and below** indicates poor governance with significant risks, necessitating regulatory actions.

SUMMARY OF EVALUATION RESULTS

Table 1. Consolidated Results of the Implementation of the Corporate Governance Code for Gobi JSC

No.	Topic	Max. Score	2023.12.31		2024.06.30		Change %
			FRC Verified Score	%	FRC Verified Score	%	
1	Structure and Organization of the Board of Directors	12	11	91.7%	11	91.7%	-
2	Committees under the Board and Their Responsibilities	10	9	90.0%	10	100.0%	10.0%
3	Reporting and Transparency	6	6	100.0%	6	100.0%	-
4	Audit and Control Systems	6	6	100.0%	6	100.0%	-
5	Risk Management	8	8	100.0%	8	100.0%	-
6	Compensation of Authorized Officials	6	6	100.0%	6	100.0%	-
7	Stakeholder Interests	8	8	100.0%	8	100.0%	-
8	Corporate culture	6	6	100.0%	6	100.0%	-
9	Rights of Shareholders	10	10	100.0%	10	100.0%	-
	Consolidated result	72	70	97.2%	71	98.6%	1.4%

As shown in Table 1, Gobi JSC's implementation of the Corporate Governance Code was evaluated at 98.6% for the first half of 2024, indicating normal governance with no risks. This represents a 1.4% improvement from the year-end evaluation of 2023.

DETAILED EVALUATION REPORT

*Table 2. Detailed Report on the Implementation of
the Corporate Governance Code for Gobi JSC*

Corporate Governance Evaluation Questionnaire					
The implementation of the Corporate Governance Code is reported based on the "Comply or Explain" principle. For each clause of the code, it is reported whether it has been implemented. If it has not been implemented, the reasons for non-implementation and the alternative structural or organizational measures taken, or planned to be taken (with timelines), are included in the explanation section.					
ONE. STRUCTURE AND ORGANIZATION OF THE BOARD OF DIRECTORS					
The BoD must have a structure that ensures diversity in skills, knowledge, experience, and independence while maintaining foresight, creativity, and effectiveness.					
No.	Clause	Implement ation	Explanation	Score	%
1	1.1. The company shall regulate the responsibilities of the chair, members, and secretary of the BoD in its operational procedures.	Fully Implement ed.	Gobi JSC has clearly outlined the responsibilities of the chair, members, and secretary in its "Operational Procedure of the BoD" and "Operational Procedure of the Board Office." <ul style="list-style-type: none"> • Operational Procedure of the BoD • Operational Procedure of the Board Office • 2023 Annual Report - pages 105-106 provide details about the BoD's 2023 activities. 	2	100%
2	1.2. The company shall have a nomination procedure and succession plan for appointing BoD members.	Fully Implement ed.	Gobi JSC has a "Succession Policy for Authorized Officials" and a "Nomination and Selection Procedure for Board Members" approved by the BoD, ensuring implementation of these processes. Additionally, the Nomination Committee approved documents such as a BoD Member Memorandum of Understanding and Confidentiality Agreement, which are signed by newly appointed members. <ul style="list-style-type: none"> • Succession Policy for Authorized Officials • Nomination and Selection Procedure for Board Members 	2	100%
3	1.3. The company shall provide detailed information about each	Fully implement ed.	The company includes comprehensive details in its annual report about BoD	2	100%

	<i>BoD member, including experience, independence, shareholding, and attendance, in its annual report and on its website.</i>		<p>members' work experience, independence, shareholding percentages, meeting attendance, and compensation. This information is also made available on the company's website. Additionally, the BoD conducts annual self-assessments, which are discussed in the Nomination Committee meetings. The results of the assessments are reflected in the company's annual report and submitted to the FRC. The BoD and its committees include their work results in the annual report, which is presented at the Annual General Meeting of Shareholders. At the end of the year, the Board office also submits the work report of the BoD to the FRC.</p> <ul style="list-style-type: none"> • 2023 Annual Report pages 99-105, contains information related to BoD members; page 107 includes the results of the self-assessments conducted by the BoD and individual BoD members. • Board Members Information on the Company Website. 		
4	<i>1.4. The company shall maintain documents specifying the structure and composition of the BoD and its committees, including requirements for education, skills, and gender balance.</i>	Fully Implemented.	<p>The company has incorporated requirements regarding education, skills, and gender balance in its "Operational Procedure of the Board of Directors" and "Selection and Nomination Procedure for BoD Members." Additionally, the "Operational Procedure of the Board Office" specifies requirements for the secretary and other specialists.</p> <ul style="list-style-type: none"> • Operational Procedure of the Board of Directors • Selection and Nomination Procedure for BoD Members • Operational Procedure of the Board Office 	2	100%

5	1.5. The company shall organize orientation and continuous training for new BoD members to ensure they have the necessary skills and knowledge.	Partially Implemented.	Upon appointment, new BoD members receive an orientation from the Board Office on the company and BoD activities. Gobi JSC also provides a Board Member Handbook, which is regularly updated. The Nomination Committee identifies training needs and includes them in the annual BoD operational plan. These trainings are funded by the company.	1	50%
6	1.6. The Board secretary shall be responsible for ensuring the proper functioning of the BoD through the chairperson.	Fully Implemented.	Gobi JSC has a fully functional Board Office, regulated by the "Operational Procedure of the Board Office." The BoD secretary and specialists are appointed by the BoD, and the secretary reports directly to the chairperson. The Board Office reports its activities to the BoD and the FRC. <ul style="list-style-type: none"> • Operational Procedure of the Board Office 	2	100%
Total Score (Out of 12)				11	91.7%
TWO. COMMITTEES UNDER THE BOARD OF DIRECTORS (BoD)					
The BoD shall implement its activities through its own committees, each responsible for specific functions, and the BoD shall hold ultimate accountability.					
7	2.1. The majority of BoD members, including the chairperson, shall be independent.	Fully Implemented.	Gobi JSC's "Governance Policy" and "Operational Procedure of the Board of Directors" ensure that the majority of BoD members, including the chairperson, are independent. The chairpersons of all BoD committees are also independent members. <ul style="list-style-type: none"> • Governance Policy • Operational Procedure of the Board of Directors • 2024 Annual General Meeting of Shareholders Resolution • BoD resolution appointing the members of the committees under the BoD. 	2	100%
8	2.2. The Audit Committee under the BoD shall have operational procedures and an audit policy, and its	Fully Implemented.	The Risk and Audit Committee updated its operational procedures in August, 2023. The chair is an independent member and not the BoD chair. The	2	100%

	<i>chairperson shall not be the BoD chairperson. Executives and employees of the company shall participate in Audit Committee meetings only at the committee's request.</i>		<p>committee meets quarterly to oversee financial reporting, internal audits, compliance and risk management. Relevant executives are invited to the meetings only at the committee's request as per the meeting agenda.</p> <ul style="list-style-type: none"> • Operational Procedure of the Risk and Audit Committee • 2023 Annual Report - page 112 contains the Risk and Audit Committee's 2023 activity report. • BoD resolution appointing the members of the committees under the BoD. 		
9	<i>2.3. The Remuneration Committee shall have operational procedures and policies for overseeing compensation and incentive schemes. Its chairperson shall be independent member of the BoD.</i>	Fully Implemented.	<p>The Remuneration Committee updated its operational procedures in August 2023. The chair is an independent member and not the BoD chair. The committee meets bi-annually to review the company's compensation system and its effectiveness, actual report of the remuneration, and corporate culture survey results. Relevant executives are invited to the meetings only at the committee's request as per the meeting agenda. In 2023, the committee discussed and updated the company's Remuneration Policy, which was approved at the BoD meeting in January 2024.</p> <ul style="list-style-type: none"> • Operational Procedure of the Remuneration Committee. • 2023 Annual Report - pages 110-111 contain the Remuneration Committee's report and the revised Remuneration Policy. • Remuneration Policy • BoD resolution appointing the members of the committees under the BoD. 	2	100%
10	<i>2.4. The Nomination Committee shall have operational procedures and a succession policy.</i>	Fully Implemented.	<p>The Nomination Committee updated its operational procedures in August 2023. The chair is an independent member</p>	2	100%

	<i>Its chair shall be an independent member of the BoD.</i>		and not the BoD chair. The committee meets bi-annually to evaluate BoD and executive management performance, discussing succession planning and leadership assessments. Relevant executives are invited to the meetings only at the committee's request as per the meeting agenda. <ul style="list-style-type: none"> • Operational Procedure of the Nomination Committee • 2023 Annual Report - pages 108-109 contain the Nomination Committee's report • The Succession Plan for Authorized Officials • BoD resolution appointing the members of the committees under the BoD. 		
11	2.5. The BoD shall have the authority to establish permanent or temporary committees to fulfill specific responsibilities.	Fully Implemented.	The BoD may establish additional committees as necessary, according to the "Operational Procedure of the Board of Directors." In 2016, the Audit Committee was expanded to include risk management, becoming the Risk and Audit Committee. The committee also oversees compliance and regularly updates the BoD on risk-related issues. <ul style="list-style-type: none"> • Operational Procedure of the Board of Directors 	2	100%
Total Score (Out of 10)				10	100%
THREE. TRANSPARENCY IN REPORTING AND DISCLOSURE OF INFORMATION					
The BoD shall ensure that the transparency, accuracy, completeness, and balance of financial and non-financial reporting and information are maintained.					
12	3.1. The BoD shall approve and oversee the implementation of the company's procedures for information disclosure and reporting.	Fully Implemented.	The BoD has approved the "Disclosure Procedure." The procedure is regularly implemented to ensure the timely dissemination of periodic and ad-hoc information through the Mongolian Stock Exchange and the company's website (info.gobi.mn/en). The BoD oversees the implementation of this procedure. <ul style="list-style-type: none"> • Disclosure Procedure 	2	100%

13	3.2. The BoD shall disclose governance documents, rules, regulations, and procedures specified in this Code to the public via the company's website.	Fully Implemented.	The company's website contains information for shareholders, investors, and the general public regarding the company's financial performance, operations, and governance. This includes financial reports, operational reports, governance assessments, policy documents, and updates on company activities. The website is regularly updated. <ul style="list-style-type: none"> • Governance policies and procedures on the Company Website • Reports and Indicators on the Company Website 	2	100%
14	3.3. Financial and non-financial reporting shall be balanced, clear, and factual. Non-financial reporting shall include assessments of environmental, social, economic risks, and sustainability, as well as the company's performance in achieving its objectives.	Fully Implemented.	Gobi JSC's BoD and management team continuously improve the content of the company's operational reports. The company enhances the clarity of its financial data by including additional graphs and explanatory notes, alongside full independent audit reports. Non-financial reporting includes detailed information on sales markets, production, design, product development, and the company's performance in terms of sustainability, environmental and social responsibility, governance, BoD activities, and risk management. This information is publicly available and regularly updated on the company's website. <ul style="list-style-type: none"> • 2023 Annual Report • Reports and Indicators on the Company Website 	2	100%
Total Score (Out of 6)				6	100%
The BoD shall ensure the independence and effectiveness of the audit and control systems.					
15	4.1. The BoD shall ensure that the Audit Committee's procedures include guidelines for interacting with external auditors and enabling	Fully Implemented.	Section 3.1.3 of the "Operational Procedure of the Risk and Audit Committee" includes guidelines for interacting with independent auditors, ensuring they have the necessary conditions to fulfill their legal duties. The committee	2	100%

	<i>them to fulfill their legal duties without obstruction. The BoD shall monitor the implementation of these guidelines.</i>		has also approved requirements for independent audit firms, based on which the BoD has adopted the "Procedure for Appointing Independent Auditors." The committee oversees the implementation of these guidelines and reports annually on the audit's outcomes and recommendations. <ul style="list-style-type: none"> • Operational Procedure of the Risk and Audit Committee • Procedure for Appointment of Independent Audit 		
16	4.2. External auditors shall attend the Annual General Meeting of Shareholders and provide shareholders with relevant information regarding audit-related issues.	Fully Implemented.	Every year, representatives from the independent audit firm are present at the Annual General Meeting of Shareholders, providing shareholders with the opportunity to ask questions and obtain information regarding audit-related matters.	2	100%
17	4.3. The internal audit system, its structure, and functions, as well as any changes, shall be reported through the company's operational report and its website.	Fully Implemented.	The Internal Audit Division reports directly to the Risk and Audit Committee. The company's annual report includes details on the internal audit system, its structure, and the activities conducted throughout the year. Additionally, this information is available on the company's website. <ul style="list-style-type: none"> • 2023 Annual Report - pages 113-114 cover the internal control system and policies, and the internal audit department's 2023 activities. 	2	100%
Total Score (Out of 6)				6	100%
FIVE. RISK MANAGEMENT					
The BoD shall ensure that risk management and compliance controls are properly and independently organized, with regular monitoring of their effectiveness.					
18	5.1. The company shall have a risk management framework and structure in place, and the BoD shall oversee the independence and effectiveness of risk management operations.	Fully Implemented.	The Risk and Audit Committee oversees the company-wide risk management system. The committee discussed and updated the "Risk Management Policy," which was then adopted by the BoD. CEO approved the "Procedure for Implementing Risk Management". The Risk and	2	100%

			<p>Audit Committee monitors the implementation of these policies through its quarterly meetings, reporting the results to the BoD.</p> <ul style="list-style-type: none"> • Operational Procedure of the Risk and Audit Committee • Risk Management Policy • 2023 Annual Report - page 115 includes the Risk Management Policy. 		
19	<p>5.2. The BoD shall aim to have a committee responsible for risk management with at least three members, the majority of whom, including the chairperson, shall be independent. The structure and activities of the risk management committee shall be publicly reported.</p>	Fully Implemented.	<p>In 2016, the BoD expanded the functions of the Audit Committee to include risk management, forming the Risk and Audit Committee. The committee has three members, two of whom are independent, including the chairperson. The committee reviews reports from the company's risk management team quarterly, provides guidance, and ensures implementation. The committee's structure and reports are included in the annual report and on the company's website.</p> <ul style="list-style-type: none"> • Operational Procedure of the Risk and Audit Committee • 2023 Annual Report - page 112 contains the committee's 2023 report, and page 115 contains the Risk Management Policy. 	2	100%
20	<p>5.3. The company shall assess and report environmental, social responsibility, health, and safety risks and explain how these risks are managed..</p>	Fully Implemented.	<p>In 2022, Gobi JSC's BoD approved the Sustainability Commitment, and the CEO approved the Sustainability Policy. The company's annual report includes a detailed section on sustainability, covering environmental, social, and governance (ESG) activities. Since 2023, the company has issued a standalone Sustainability Report and follows the Environmental, Social, and Governance (ESG) Reporting Template from the MSE. These reports are available to the public through the MSE and the company's website.</p>	2	100%

			<ul style="list-style-type: none"> • Sustainability Commitment • Sustainability Policy • 2023 ESG Assessment Report • 2023 Sustainability Report • 2023 Annual Report - pages 60-83 cover sustainability, and pages 115-119 cover risk management. 		
21	5.4. The company shall have a compliance framework and structure, and the BoD shall oversee its independence and effectiveness.	Fully Implemented.	<p>To foster organizational culture and professional ethics by managing compliance with regulations and other commitments, a Compliance Unit was established under the Sustainability Department in 2021. The CEO approved the Compliance Policy to implement compliance controls across the company. As of 2024, the scope of compliance has expanded with the creation of the Compliance Department. The Risk and Audit Committee also oversees compliance at the company level.</p> <ul style="list-style-type: none"> • Compliance Policy • 2023 Annual Report - pages 120-121 cover the Compliance Management Report. 	2	100%
Total Score (Out of 8)				8	100%
SIX. SALARIES AND INCENTIVES OF AUTHORIZED OFFICERS					
The salaries and incentives of authorized officials shall align with the company's vision, be fair, and transparent.					
22	6.1. The salary, incentive structure, and frequency of payment for BoD members shall be transparently discussed and approved at the shareholders' meeting.	Fully Implemented.	<p>Gobi JSC discusses and approves the salaries and incentives of BoD members transparently at the Annual General Meeting of Shareholders. At the 2024 Annual General Meeting of Shareholders, the salary structure and budget for BoD members were updated and approved. The principles and budget of BoD member salaries and incentives are transparently reported in the annual operational report.</p> <ul style="list-style-type: none"> • 2023 Annual Report - page 104 contains details on BoD members' salaries, incentives, and the budget's performance. 	2	100%

			<ul style="list-style-type: none"> • 2024 Annual General Meeting of Shareholders Resolution 		
23	6.2. The salary and incentive policy shall include the criteria for determining the components of salary and performance-based incentives.	Fully Implemented.	<p>In 2023, the Remuneration Committee discussed and updated the company's "Remuneration Policy," which was approved at the BoD meeting in January 2024. The updated policy is included in the company's 2023 annual report.</p> <ul style="list-style-type: none"> • Remuneration Policy • 2023 Annual Report - page 111 contains the Remuneration Policy. 	2	100%
24	6.3. The company's annual operational report shall include the basic salary, bonuses, and other incentives of the executive management team and the criteria used to assess their performance.	Fully Implemented.	<p>The annual operational report includes details of the salary structure, performance-based criteria, and incentive schemes for the CEO and the executive management team.</p> <ul style="list-style-type: none"> • 2023 Annual Report - pages 132-133 contain details on the remuneration of the management team. 	2	100%
Total Score (Out of 6)				6	100%
SEVEN. STAKEHOLDER INTERESTS					
The company shall respect the rights of stakeholders in its operations.					
25	7.1. The company shall have a policy document approved by the BoD regarding interaction and cooperation with stakeholders. The BoD and executive management shall foster a corporate culture that respects rights and interest of the stakeholders.	Fully Implemented.	<p>Gobi JSC emphasizes the importance of safeguarding stakeholder interests in its operations, as outlined in its Governance Policy and Code of Conduct. The CEO approved the Procedure for Receiving and Resolving Stakeholder Complaints and Feedback, and the BoD approved the Stakeholder Engagement Management Plan in 2023. Relevant information is included in the 2023 annual operational report.</p> <ul style="list-style-type: none"> • Governance Policy • Code of Conduct • Procedure for Receiving and Resolving Stakeholder Complaints and Feedback 	2	100%

			<ul style="list-style-type: none"> • Stakeholder Engagement Management Plan 		
26	<p>7.2. The company's annual operational report shall include details on the main issues addressed in its cooperation with stakeholders, the strategies implemented, and the results achieved.</p>	Fully Implemented.	<p>The company's annual operational report includes information about stakeholder cooperation, addressing the needs of shareholders, customers, and the general public. It covers both financial and non-financial activities and improves its content annually.</p> <ul style="list-style-type: none"> • 2023 Annual Report - pages 91-93 include information related to the Stakeholder Engagement Management Plan. 	2	100%
27	<p>7.3. The company's website shall be effectively utilized to communicate and exchange information with stakeholders.</p>	Fully Implemented.	<p>The company's website provides information related to its operations for shareholders and the public. The site is regularly updated, and it includes a section for submitting feedback and suggestions from stakeholders, with continuous follow-up and interaction.</p> <ul style="list-style-type: none"> • Feedback Submission Section on the Company's Website • Company Website 	2	100%
28	<p>7.4. The company shall have internal procedures for receiving and resolving employee feedback and complaints, addressing social issues, and promoting professional development.</p>	Fully Implemented.	<p>The Procedure for Receiving and Resolving Stakeholder Complaints and Feedback includes provisions for receiving and addressing employee feedback and complaints. The Training and Development Procedure regulates employee development and professional growth, with annual plans for implementation. Employee social issues are resolved through a collective agreement with the labor union, with regular reporting and improvements.</p> <ul style="list-style-type: none"> • Procedure for Receiving and Resolving Stakeholder Complaints and Feedback 	2	100%
Total Score (Out of 8)				8	100%

EIGHT. CORPORATE CULTURE					
BoD members shall establish high standards of business ethics within the company and lead by example for executive management and employees to follow.					
29	8.1. The BoD shall define the company's core values and vision, adopt a Code of Conduct for lawful, ethical, and responsible conduct, and ensure its implementation.	Fully Implemented.	The BoD has approved the company's Code of Conduct, which is publicly available through the company's website. The Code of Conduct outlines the ethical principles to be followed by the BoD, management, and employees. • Code of Conduct	2	100%
30	8.2. The company shall have a whistleblower system for reporting illegal activities or ethical violations to the BoD or the relevant committee.	Fully Implemented.	Since 2022, Gobi JSC has implemented a Whistleblower Management System to receive, resolve, and monitor ethical violations within the company. The results are reported in the annual reports. • Whistleblower Management System Procedure • Company Whistleblower System • 2023 Annual Report - page 121 includes information on the Whistleblower Management System.	2	100%
31	8.3. The company's Code of Conduct shall regulate conflicts of interest, corruption, and donations to or support of political activities.	Fully Implemented.	Gobi JSC's Code of Conduct addresses conflicts of interest, corruption, and the company's relationship with government, political, and religious entities. It includes guidelines for preventing corruption and managing donations or gifts. In 2023, the BoD also approved the Procedure for Conflict-of-Interest Transactions. • Code of Conduct • Procedure for Conflict-of-Interest Transactions	2	100%
Total Score (Out of 6)				6	100%
NINE. RIGHTS OF SHAREHOLDERS					
The company and the BoD shall respect and treat shareholders equally, ensuring they are fully informed and able to exercise their rights.					

32	<p>9.1. The company shall regularly provide stakeholders with information about its operations, financial status, governance structure, and performance through its website.</p>	Fully Implemented.	<p>Gobi JSC ensures the implementation of its Disclosure Procedure, providing timely and periodic updates to stakeholders via the MSE and the company's website. The structure and content of the website are regularly updated to ensure transparency, particularly through the Shareholders section, which provides open access to financial reports, operational updates, and policies.</p> <ul style="list-style-type: none"> • Disclosure Procedure • Company Website 	2	100%
33	<p>9.2. The company shall have an investor relations program and develop online channels for communication and information exchange with investors.</p>	Fully Implemented.	<p>In 2023, BoD of Gobi JSC approved Gobi's Investor Relations Program. As part of this program, the company organizes factory tours at least twice a year to engage with shareholders. Through its website, the company provides timely information to shareholders and investors and offers an open feedback mechanism for suggestions and inquiries.</p> <ul style="list-style-type: none"> • Investor Relations Program • Feedback Submission Section on the Company Website • Company Website 	2	100%
34	<p>9.3. The company shall provide shareholders with the opportunity to participate in shareholder meetings, propose agenda items, vote, and access information.</p>	Fully Implemented.	<p>The BoD has approved the Procedure for Annual General Meeting of Shareholders, which governs shareholder participation, including the submission of proposals, attendance, and voting rights at meetings. The procedure also covers how shareholders are notified of meetings and how meetings are conducted, ensuring full implementation.</p> <ul style="list-style-type: none"> • Procedure for Annual General Meeting of Shareholders 	2	100%

35	9.4. The company shall ensure that shareholders can exercise their voting rights on issues related to the company's operations and ownership structure.	Fully Implemented.	Gobi JSC respects the rights of its shareholders and ensures they can fully exercise their legal rights, as outlined in the Company Law. The company follows good governance principles when making decisions. <ul style="list-style-type: none"> • Investor Relations Program • Feedback Submission Section on the Company Website 	2	100%
36	9.5. The company shall have a procedure for managing conflict of interest transactions and report its implementation publicly to prevent conflicts of interest between the company and shareholders.	Fully Implemented.	At the first BoD meeting each year, Gobi JSC approves a list of related-party transactions and relevant budgets for the year. The Risk and Audit Committee monitors these conflicted transactions quarterly. The company reports conflicted transactions and related-party disclosures in its annual report, and the Risk and Audit Committee presents the results at the Annual General Meeting of Shareholders. In 2023, the BoD approved the Procedure for Conflict-of-Interest Transactions. <ul style="list-style-type: none"> • 2023 Annual Report - pages 31-33 include information on conflicted transactions. • 2024 BoD Resolution on Related-Party Transactions • Procedure for Conflict-of-Interest Transactions 	2	100%
Total Score (Out of 10)				10	100%
OVERALL SCORE (Out of 72)				71	98.6%

LIST OF SUPPORTING DOCUMENTS

Links to the provided evidence documents:

1. [Governance Policy](#)
2. [Risk Management Policy](#)
3. [Succession Plan for Authorized Officials](#)
4. [Remuneration Policy](#)
5. [Sustainable Development Policy](#)
6. [Compliance Policy](#)
7. [Procedure for Annual General Meeting of Shareholders](#)
8. [Operational Procedure of the BoD](#)
9. [Operational Procedure of the Board Office](#)
10. [Operational Procedure of the Risk and Audit Committee](#)
11. [Operational Procedure of the Remuneration Committee](#)
12. [Operational Procedure of the Nomination Committee](#)
13. [Board Member Nomination and Selection Procedures](#)
14. [Disclosure Procedure](#)
15. [Procedures for Appointment of Independent Audit](#)
16. [Code of Conduct](#)
17. [Procedures for Transactions with Conflict of Interest](#)
18. [Whistle Blowing System Operating Procedures](#)
19. [Corporate Governance Implementation Program](#)
20. [Investor Relations Program](#)
21. [Procedure for Receiving and Resolving Stakeholder Complaints and Feedback](#)
22. [Stakeholder Engagement Management Plan](#)
23. [Commitment to Sustainable Development](#)
24. [Company Website / info.gobi.mn/en](#)
25. [Rules and Regulations on the Company Website](#)
26. [Reports and Indicators on the Company Website](#)
27. [Feedback Submission Section on the Company Website](#)
28. [Whistleblower System](#)
29. [2023 Annual Report](#)
30. [2023 ESG Assessment Report](#)
31. [2023 Sustainability Report](#)
32. [2024 BoD Resolution on Related-Party Transactions](#)
33. [2024 Annual General Meeting of Shareholders Resolution](#)
34. [BoD Resolution Appointing the Chairperson and Members of Committees](#)