

**SOCIALIST REPUBLIC OF VIETNAM**

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**REGULATION ON CORPORATE GOVERNANCE  
PHAT DAT REAL ESTATE DEVELOPMENT  
CORPORATION**

**HO CHI MINH CITY, JUNE 30, 2023**

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HCMC, June 30, 2023

## REGULATION ON CORPORATE GOVERNANCE

- Pursuant to Law on Securities No. 54/2019/QH14 adopted by the National Assembly dated November 26, 2019 (“**Law on Securities**”);
- Pursuant to Law on Enterprises No. 59/2020/QH14 adopted by the National Assembly dated June 17, 2020 (“**Law on Enterprises**”);
- Pursuant to Decree No. 155/2020/ND-CP dated December 31, 2020 by the Government detailing and guiding the implementation of a number of articles of the Law on Securities (“**Decree No. 155**”);
- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of articles on public company governance as prescribed in Decree No. 155;
- Pursuant to the Charter of Phat Dat Real Estate Development Corporation (“**Charter**”);
- Pursuant to Resolution No. 01//2023/NQ-DHDCD of the General Meeting of Shareholders adopted June 30, 2023.

Regulation on Corporate Governance of Phat Dat Real Estate Development Corporation (“**the Company**”) include the following content:

### Article 1. Scope of regulation and subjects of application

#### 1.1 Scope of governance:

This Regulation on Corporate Governance (“**This regulation**”) prescribes the corporate governance of the General Meeting of Shareholders, the Board of Directors, the Audit committee, the CEO and other activities as regulated by the Company’s Charter and other current provisions of the laws.

#### 1.2 Subjects of application:

This Regulation is applicable to members of the Board of Directors, the Audit Committee, the CEO, Corporate Executives and other related persons.

### Article 2. The General Meeting of Shareholders

#### 2.1 Roles, rights and duties of the General Meeting of Shareholders:

- a) The General Meeting of Shareholders includes all shareholders that have the right to vote and is the highest decision-making body of the Company.

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- b) Rights and duties of the General Meeting of Shareholders are stipulated in Clause 2, Article 138 of the Law on Enterprises and Clause 1, Article 17 of the Company's Charter.

**2.2 Procedures, process of the organization of the General Meeting of Shareholders' meetings to approve Resolutions by way of voting shall have the following contents:**

- a) Competence to convene a meeting of the General Meeting of Shareholders:

The Board of Directors shall convene a meeting of the General Meeting of Shareholders on a regular or extraordinary basis. The annual General Meeting of Shareholders shall make decisions on issues stipulated in Clause 3, Article 139 of the Law on Enterprises and Clause 2, Article 16 of the Company's Charter.

- b) The making of the list of Shareholders entitled to attend the meeting:

The list of Shareholders entitled to attend a meeting of the General Meeting of Shareholders shall be made in accordance with Clause 1, Article 141 of the Law on Enterprises and Point a, Clause 2, Article 20 of the Company's Charter.

- c) Notice on the finalization of the list of Shareholders entitled to attend a meeting of the General Meeting of Shareholders:

- The Company shall announce information about the making of the list of Shareholders entitled to attend the meeting of the General Meeting of Shareholders in accordance with Point a, Clause 2, Article 20 of the Company's Charter and applicable laws.

- d) Invitation Notice of a meeting of the General Meeting of Shareholders:

Notice of a meeting of the General Meeting of Shareholders shall comply with Clause 3, Article 20 of the Company's Charter and applicable laws.

- dd) Program and agenda of the General Meeting of Shareholders:

(i) The convener must prepare the program and agenda of the meeting in accordance with Clause 2 and Clause 3 of Article 120 of the Company's Charter.

(ii) A Shareholder or group of Shareholders as stipulated in Clause 4, Article 14 of the Law on Enterprises has the right to propose issues to the agenda of the meeting of the General Meeting of Shareholders. The proposal must be made in accordance with Point c, Clause 4, Article 14 and Clause 4, Article 20 of the Company's Charter.

(iii) In the event the convener of the meeting of the General Meeting of Shareholders refuses the proposal to the agenda of the meeting of the General Meeting of Shareholders mentioned in this section, within at least two (2) working days prior to the date of the meeting of the General Meeting of Shareholders, the convener of the meeting of the General Meeting of Shareholders shall reply in writing and specify the reason. The convener of the meeting of the General Meeting of Shareholders may only refuse the proposal in any of the cases in accordance with Clause 5, Article 20 of the Company's Charter.

- (iv) The convener of the General Meeting of Shareholders shall accept and include the proposals provided in section (ii) above into the tentative program and agenda for the meeting, except for the cases the convener of the meeting of the General Meeting of Shareholders refuses the proposal as provided in section (iii) of this Article; the recommendation shall be officially added to the program and agenda for the meeting upon approval of the General Meeting of Shareholders.
- e) Authorization to attend the General Meeting of Shareholders:
  - The authorization to attend a meeting of the General Meeting of Shareholders must be made in accordance with Article 18 of the Company's Charter.
- g) Registration to attend the meeting of the General Meeting of Shareholders:
  - Before the opening of the meeting, the Company must carry out procedures to register its Shareholders in the order provided in Clause 1, Article 22 of the Company's Charter.
- h) Conditions for conducting a meeting of the General Meeting of Shareholders:
  - (i) Conditions to conduct a meeting of the General Meeting of Shareholders are as provided in Article 21 of the Company's Charter.
  - (ii) The convener of the meeting of the General Meeting of Shareholders is the only person to change the agenda attached to the invitation notice provided in Article 142 of the Law on Enterprises and Clause 6, Article 20 of the Company's Charter.
- i) Passing of Resolutions of the General Meeting of Shareholders:
  - The form of passing Resolutions of the General Meeting of Shareholders is as provided in Article 147 of the Law on Enterprises,
- k) Voting and vote-counting procedures:

Voting-counting Procedure:

- + Prior to counting the votes, the Vote Counting Committee shall unseal the ballot box in the vote counting area.
- + The Vote Counting Committee shall verify the total number of received ballots against the total number of shareholders who have participated in the voting. If the total number of received ballots is equal to or less than the number of shareholders who have participated in the voting, the Vote Counting Committee may proceed with the vote counting. In the event that the total number of received ballots exceeds the number of shareholders who have participated in the voting, the Vote Counting Committee must conduct a recheck. If the recheck yields a result where the total number of received ballots exceeds the number of shareholders who have participated in the voting, the ballot box shall be immediately resealed and the Chairperson of the meeting shall be notified for further resolution.

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- + The Vote Counting Committee shall proceed to categorize the ballots, record the total number of ballots, valid ballots, invalid ballots, affirmative votes, negative votes, and abstentions in the Vote Counting Minutes.
- + The Vote Counting Committee must sign their full names in the Vote Counting Minutes and be responsible for the results of the vote counting process.
- l) Conditions on passing Resolutions:
  - Resolutions of the General Meeting of Shareholders shall be passed as stipulated in Article 23 of The Company's Charter and Article 148 of the Law on Enterprises.
- m) Announcement of the vote-counting results:
  - Voting shall be conducted in the form of approving votes, disagreeing votes and abstaining votes. The vote-counting results shall be announced by the chairman immediately before the closing of the meeting.
- n) Request for cancellation of Resolutions of the General Meeting of Shareholders:
  - Procedures and process to request for cancellation of Resolutions of the General Meeting of Shareholders shall be conducted as stipulated in Article 26 of the Company's Charter, Article 151 and Article 152 of the Law on Enterprises.
- o) Drafting Minutes of the General Meeting of Shareholders:
 

Minutes of the General Meeting of Shareholders shall be prepared as stipulated in Article 25 of The Company's Charter and Article 150 of the Law on Enterprises.
- p) Disclosure of Resolutions of the General Meeting of Shareholders:
 

Resolutions of the General Meeting of Shareholders shall be disclosed as stipulated in the Company's Charter and provisions of the Law on Securities.

### **2.3 Procedures for collecting written opinions in order to pass Resolutions of the General Meeting of Shareholders:**

- a) Matters eligible and ineligible to collect written opinions:
  - Shall be conducted in accordance with Clause 1, Article 25 of the Company's Charter.
- b) Procedures for collecting written opinions in order to pass Resolutions of the General Meeting of Shareholders:
 

The procedures to pass Resolutions of the General Meeting of Shareholders by way of collecting written opinions shall be conducted as stipulated in Article 25 of The Company's Charter, Clause 4, Article 148 and Article 149 of the Law on Enterprises.

### **2.4 Procedures of the organization of the General Meeting of Shareholders to pass Resolutions by way of voting at an online meeting:**

- a) Notice to convene an online meeting of the General Meeting of Shareholders:

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- The General Meeting of Shareholders shall be conducted in the Notice to convene a meeting of the General Meeting of Shareholders as stipulated in Clause 2.2 of this Article.
- b) Registration to attend an online meeting of the General Meeting of Shareholders:
- Shareholders shall login to the system and register to attend the meeting as regulated in this Regulation and the instruction of the Company.
- c) Authorization to attend an online meeting of the General Meeting of Shareholders
- According to the instruction of the Company at the time of the Notice to Shareholders to authorize representatives to attend an online meeting of the General Meeting of Shareholders.
- d) Conditions for conducting an online meeting:
- An online meeting of the General Meeting of Shareholders shall be conducted when the number of attending shareholders represents more than fifty percent (50%) of the voting shares of the Company.
- dd) Passing Resolutions at an online meeting of the General Meeting of Shareholders:
- Passing Resolutions shall be conducted as stipulated in Article 147 of the Law on Enterprises.
- e) Conduction of online voting:
- Shareholders shall use an account and an OTP code to login to the Company’s website.
  - For each matter, Shareholders shall choose one (1) of three (3) voting statuses: “Approve”, “Disapprove” and “Abstain”.
  - In the event Shareholder who registered to attend the online meeting does not cast their votes, such Shareholders shall be deemed as “Abstaining” the matter.
- g) Procedures for online vote counting:
- The Vote-counting Committee bases on the log-in information and voting information of Shareholders to record the vote of each Shareholder for each matter.
- h) Announcement of the vote-counting results:
- The Vote-counting Committee shall announce the voting results immediately at the online meeting of the General Meeting of Shareholders.
- i) Drafting Minutes of the General Meeting of Shareholders:
- Minutes of the meeting of the General Meeting of Shareholders shall be prepared as stipulated in Article 26 of The Company’s Charter and Article 150 of the Law on Enterprises.
- k) Disclosure of Resolutions of the General Meeting of Shareholders:
- Resolutions of the General Meeting of Shareholders shall be disclosed as stipulated in the Company’s Charter and provisions of the Law on Securities.

**2.5 Procedures of the organization of a hybrid meeting of the General Meeting of Shareholders to pass Resolutions by ways of direct voting and remote voting:**

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- a) Notice to convene the meeting of the General Meeting of Shareholders:
  - According to the Notice to convene the direct meeting of the General Meeting of Shareholders as stipulated in Clause 2.2 of this Article.
- b) Registration to attend the General Meeting of Shareholders:
  - Shareholders shall attend or authorize representatives to attend the meeting of the General Meeting of Shareholders at the appointed venue. In addition, the Company shall arrange meeting rooms at the appointed venue to welcome shareholders and ensure the minimum distance as regulated throughout the meeting.
  - Projection screens and computers with a stable internet connection are available to ensure the synthesis of visual and sound systems between rooms and provide real-time connection amongst shareholders in separated rooms.
- c) Authorization to attend the meeting of the General Meeting of Shareholders:
  - According to the instruction of the Company at the time of the Notice to Shareholders to authorize representatives to attend the meeting of the General Meeting of Shareholders online or in person. The authorization to attend the meeting of the General Meeting of Shareholders shall be conducted in accordance with Article 18 of the Company's Charter.
- d) Conditions for conducting a meeting:
  - A hybrid meeting of the General Meeting of Shareholders shall be conducted when the number of attending shareholders represents more than fifty percent (50%) of the voting shares of the Company.
- dd) Passing Resolutions at a hybrid meeting of the General Meeting of Shareholders:
  - Passing Resolutions shall be conducted as stipulated in Article 147 of the Law on Enterprises.
- e) Conduction of hybrid voting:
  - Shareholders who attend the meeting in person shall choose one of three voting statuses: "Approve", "Disapprove" and "Abstain" by ticking (X) for each matter on the voting ballots.
  - Shareholders who attend the meeting in person and conduct remote voting in separated rooms:
    - + Shareholders shall use an account and an OTP code to login to the Company's website to conduct remote voting.
    - + For each matter, Shareholders shall choose one (1) of three (3) voting statuses: "Approve", "Disapprove" and "Abstain"
    - + In the event Shareholder who registered to attend the hybrid meeting does not cast their votes, such Shareholders shall be deemed as "Abstaining" the matter.
- g) Procedures for vote counting:
  - The Vote-counting Committee bases on the voting ballots and the log-in information/voting information of Shareholders to record the vote of each Shareholder for each matter.

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- h) Announcement of the vote-counting results:
  - Announcement shall be conducted as in Point h, Article 2.4 of this Regulation.
- i) Drafting Minutes of the meeting of the General Meeting of Shareholders:
  - Drafting Minutes shall be conducted as in Point i, Article 2.4 of this Regulation
- k) Disclosure of Resolutions of the General Meeting of Shareholders:
  - Disclosure of Resolutions shall be conducted as in Point k, Article 2.4 of this Regulation.

### **Article 3. The Board of Directors**

#### **3.1 Roles, powers and duties of the Board of Directors, responsibilities of the Board Members**

- a) The Board of Directors shall have powers and duties as stipulated in Article 153 of the Law on Enterprises, Clause 2, Article 278 of Decree No. 155 and Clause 2, Article 29 of the Company's Charter.
- b) Members of the Board of Directors are entitled to request the CEO and other Corporate Executives of the Company to provide information and documents about the finance and business performance of the company and its units. The requested CEO or Corporate Executives shall provide information and documents fully and accurately as requested by the members. Members of the Board of Directors are responsible for keeping the provided information confidential.
- c) Responsibilities and obligations of Board members:
  - Board members must fully comply with the responsibilities and obligations as prescribed by the Law on Enterprises, relevant legal documents, and the Company's Charter.
  - Board members are responsible for carrying out their duties honestly and prudently for the benefit of shareholders and the Company. They shall not undertake any actions that would adversely affect the Board of Directors, the Company, and its business operations. In the event of causing damages, they must compensate the Company for all the incurred losses (if any).
  - Board members have the responsibility to attend all Board meetings and provide opinions on the issues under discussion.
  - When Board members and related persons engage in share transactions, they must report to the State Securities Commission, Ho Chi Minh City Stock Exchange, and disclose information about the transaction in accordance with legal provisions.
  - Board of Directors members have the obligation to maintain the confidentiality of provided information and information obtained during the performance of their duties, authority as stipulated in the Company's Charter, this Regulation, internal regulations of the Company, and the law. In the event of violation, Board members are responsible for compensating the actual damages incurred to the Company.

#### **3.2 The nomination, self-nomination, election, dismissal from office and removal of duties of Board members:**

- a) Terms of office and number of members of the Board of Directors:

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- Shall be conducted as stipulated in Article 28 of the Company's Charter.
- b) Composition, criteria and conditions of members of the Board of Directors:
- The composition of the Board of Directors shall be stipulated in Article 276 of Decree No. 155 and Clause 3, Article 28 of the Company's Charter.
  - Members of the Board of Directors, independent members of the Board of Directors must satisfy criteria and conditions as stipulated in Clause 5, Article 27 of the Company's Charter.
- c) Nomination and self-nomination of members the Board of Directors:
- Shareholders possessing ordinary shares may combine their voting shares to be eligible to nominate candidates for the BOD. Shareholders or groups of Shareholders possessing from ten percent (10%) to below thirty percent (30%) shall have the right to nominate a maximum of two (02) candidates; from thirty percent (30%) to below forty percent (40%) shall have the right to nominate a maximum of three (03) candidates; from forty percent (40%) to below fifty percent (50%) shall have the right to nominate a maximum of four (04) candidates; from fifty percent (50%) to below sixty percent (60%) shall have the right to nominate a maximum of five (05) candidates; from sixty percent (60%) to below seventy percent (70%) shall have the right to nominate a maximum of six (06) candidates; from seventy percent (70%) to below eighty percent (80%) shall have the right to nominate a maximum of seven (07) candidates; and from eighty percent (80%) to below ninety percent (90%) shall have the right to nominate eight (08) candidates.
  - In case the number of candidates to the Board of Directors by way of nomination and self-nomination is insufficient for the necessary number as stipulated in Clause 5, Article 115 of the Law on Enterprises, the Board of Directors shall nominate candidates according to Clause 3, Article 30 of the Company's Charter.
- d) Method to elect a member of the Board of Directors:
- The election of members of the Board of Directors shall be conducted in the form of cumulative voting method as stipulated in Clause 3, Article 148 of the Law on Enterprises.
- dd) Dismissal, removal and addition of members of the Board of Directors:
- A member of the Board of Director shall be dismissed, removed and added by the General Meeting of Shareholders as stipulated in Article 160 of the Law on Enterprises.
- e) Notice on the election, dismissal, removal of members of the Board of Directors:
- Notice on the election, dismissal, removal of members of the Board of Directors shall be conducted in accordance with provisions prescribed in the Company's Charter and the Law on Enterprises.
- g) Nomination of candidates for the Board of Directors:
- The nomination of candidates for the Board of Directors shall be conducted as stipulated in Article 30 of the Company Charter.

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- h) Election, dismissal, removal of the Chairman of the Board of Directors:
- The Chairman of the Board of Directors shall be elected amongst members of the BOD, dismissed and removed by the Board of Directors.
  - The election, dismissal, removal of the Chairman of the Board of Directors shall be conducted in accordance with Article 30 of the Company's Charter.

### **3.3 Procedures to organize meetings of the Board of Directors:**

- a) The Chairman of the Board of Directors shall convene periodical and extraordinary Board Meetings, send the invitation notice at least three (3) working days prior to the date of the meeting. The Chairman shall convene a Board meeting when he deems it necessary but must convene at least one (01) regular meeting each calendar quarter.
- b) An extraordinary Board Meeting must be convened in the following cases:
- The Chairman of the BOD must convene a Board meeting when there is a request made in written which specifies purposes and matters to be discussed by the following entities:
    - + The CEO or at least five (05) other Corporate Executives;
    - + An independent member of the Board of Directors;
    - + At least two (02) members of the Board of Directors; or
    - + Other cases as stipulated by the Company's Charter.
- c) Notice on the Board Meeting:
- Notice shall be conducted as stipulated in Clause 6, Article 31 of the Company' Charter.
- d) Conditions to conduct a Board Meeting:
- In accordance with provisions provided in Clause 7, Article 31 of the Company's Charter.
- e) Voting at the meeting:
- Voting shall be conducted as stipulated in Clause 8 and Clause 9, Article 31 of the Company's Charter.
- g) Passing Resolutions, Decisions of the Board of Directors:
- Shall be conducted as stipulated in Clause 15, Article 31 of the Company's Charter.
- h) Delegation to attend Board meetings by Board members
- The delegation shall follow the regulations stated in Clauses 8 and 10 of Article 32 of the Company's Charter.
- i) Minutes of Board Meetings:
- Minutes shall be prepared as stipulated in Clause 11, Article 32 of the Company's Charter
  - In the event that the Chairperson or the minute-taker refuses to sign the Minutes, the provisions of Clause 12, Article 31 of the Company's Charter shall be followed.
- l) Announcement of Resolutions, Decisions of the Board of Directors:

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- The Board of Directors shall announce the Board's Resolutions, Decisions to the CEO and Corporate Executives within forty-eight (48) hours since the approval; and the Company shall publicly disclose such Resolutions, Decisions as stipulated by the Law on Securities, the Company's Charter and this Resolution.

### **3.4 Remuneration and other benefits of members of the Board of Directors:**

- Remuneration and other benefits of members of the Board of Directors shall be stipulated and paid in accordance with Article 33 of the Company's Charter.

### **3.5 The Audit Committee under the Board of Directors:**

#### a) Rights and obligations of the Audit Committee:

- The Audit Committee shall have rights and obligations as stipulated in Clause 3, Article 161 of the Law on Enterprises, Article 37 of the Company's Charter.
- The Audit Committee shall conduct at least two (02) meetings per one (01) calendar year. All meetings of the Audit Committee shall be recorded in minutes in a detail and precise manner and must be fully archived. The minutes recorder and attending members of the Audit Committee must sign the minutes.

#### b) Nomination, self-nomination to the Audit Committee:

- Term of office, number of members, criteria and composition of the Audit Committee:
  - + Term of office of the Audit Committee shall be the term of office of the Board of Directors.
  - + The Audit Committee shall have at least 02 members. The Head of the audit committee shall be an independent member of the Board of Directors. Other members of the Audit Committee shall be non-executive members of the Board of Directors.
- The nomination and self-nomination for the Audit Committee shall be conducted as stipulated in the Law on Enterprises, Article 38 of the Company's Charter and other related regulations.

#### c) Operation of the Audit Committee:

The Audit Committee is a specialized body under the Board of Directors. The meetings of the Audit Committee and operation reports of the independent Board members serving in the Audit committee at annual General Meetings of Shareholders shall be as stipulated in Article 39 and Article 40 of the Company's Charter.

### **3.6 Sub-committees under the Board of Directors:**

- The Board of Directors shall set up sub-committees as stipulated in Clause 1, Article 34 of the Company's Charter.
- The Board of Directors shall appoint one (1) independent member of the Board to serve as the Head of the Personnel and Compensation Committee.

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- The operations of subcommittees must abide by the regulations of the Board of Directors. Resolutions of Sub-committees shall only take effect upon approval by the majority of members of the subcommittee attending at the meeting of the subcommittee.
- The implementation of Resolutions of the Board of Directors or committees under the Board of Directors or persons acting as members of committees under the Board of Directors must comply with provisions stipulated in applicable laws and the Company's Charter.

### **3.7 Selection, appointment and dismissal of Person in charge of Corporate Governance:**

a) Criteria of the Person in charge of Corporate Governance:

- Having legal knowledge;
- Not concurrently working for the independent auditing company that is currently auditing the financial statements of the Company;
- Meeting other criteria provided by the laws, the Company's Charter and resolutions of the Board of Directors.

b) Appointment of the Person in charge of corporate governance:

The Board of Directors must appoint at least one (01) person to act as the person in charge of Corporate Governance in order to assist Corporate Governance activities. The person in charge of Corporate Governance may be concurrently the Corporate Secretary as stipulated in Clause 5, Article 156 of the Law on Enterprises.

c) Dismissal of the Person in charge of corporate governance:

The Board of Directors shall dismiss the person in charge of Corporate Governance when necessary, which is not contrary to the Labor Law.

d) Notice on the appointment and dismissal of the person in charge of Corporate Governance:

Notice on the appointment and dismissal of the person in charge of Corporate Governance shall be conducted as stipulated in the Company's Charter and the Law on Securities.

dd) Powers and responsibilities of the Person in charge of the Corporate Governance shall be as stipulated in Clause 3, Article 35 of the Company's Charter.

## **Article 4. The CEO**

### **4.1 Roles, duties, rights and obligations of the CEO:**

In addition to the rights, duties and responsibilities stipulated in the Company's Charter, the CEO shall have the following right and duties:

- To implement resolutions of the Board of Directors and the General Meeting of Shareholders, business plans and investment plans of the Company approved by the Board of Directors and the General Meeting of Shareholders;

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- To decide matters independently from decisions of the Board of Directors, including signing financial and commercial contracts on behalf of the Company, organizing and operating day-to-day business operations of the Company in accordance with best management practices;
- To propose the organizational structure and internal management regulations of the company to the Board of Directors;
- To propose measures to improve performance and governance of the Company;
- To propose the number and candidates for Corporate Executives to the Board of Directors for appointment or dismissal in compliance with internal regulations; to propose wages and other benefits of Corporate Executives to the Board of Director for approval;
- To consult the Board of Director to decide the number of employees, the appointment, dismissal, wages, allowances, benefits and other terms related to labor contracts with the employees;
- To submit the Board of Directors for approval the detailed business plan for the next fiscal year on 31<sup>st</sup> December each year, satisfying the requirements of rational budget and the five (5)-year financial plan;
- To prepare long-term, annual and quarterly cost estimates of the Company for long-term, annual and quarterly management activities of the Company according to the business plan. The annual cost estimates including the balance sheet, reports on business results and expected cash flow statements for each fiscal year must be submitted to the Board of Directors for approval and must include sufficient information specified in the Company's Regulations;
- Other powers and obligations provided by law, this Charter, Regulation on corporate governance, other regulations on internal governance of the Company, resolutions of the Board of Directors and the labor contract with the Company.
- Except for prohibitions as stipulated by the Vietnamese law, the CEO may authorize and/or assign the Corporate Executives of the Company to implement one or more of their powers and/or duties after notifying the Board of Directors and supervise, be responsible for authorization and/or assignment. Except for authorization and/or assignment done by the BOD to the CEO, the CEO shall obtain written approval from the Board of Directors. The content of authorization and/or assignment shall be clearly and specifically defined.

#### **4.2 Appointment, dismissal, signing and termination of the labor contract with the CEO:**

##### a) Term of office, criteria and conditions of the CEO:

- The term of office of the CEO must not exceed five (05) years and the CEO may be re-appointed for an unlimited number of terms.
- The Board of Directors shall agree and publish criteria and conditions of the CEO. Competency criteria and conditions decided by the Board of Directors shall comply with provisions of the laws, the Company's Charter and the Company's policies on personnel management.

##### b) Nomination, self-nomination, appointment and dismissal of the CEO:

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- The Board of Directors shall appoint one (1) member of the Board of Directors as the CEO or hire another as the CEO. The CEO shall meet standards, conditions as stipulated in Clause 5, Article 162 of the Law on Enterprises.
  - The Board of Directors shall decide the dismissal and removal of the CEO when approved by the majority of the members of the Board of Directors attending and voting and appoint the substitute.
- c) Appointment and signing labor contract with the CEO:
- The Board of Directors have powers to hire another person to serve as a CEO.
  - The Company shall sign a labor contract with the CEO in compliance with provisions of the Labor Law.
- d) Termination of the labor contract with the CEO:
- The Company shall terminate the labor contract with the CEO in compliance with the Labor Law.
- dd) Announcement of the appointment, dismissal, signing and termination of the labor contract with the CEO:
- The Board of Directors announces the appointment, dismissal, signing and termination of the labor contract with the CEO in accordance with the Labor Law and the Law on Securities and publish the decision on the appointment, dismissal, signing and termination of the labor contract with the CEO on the Company website within twenty-four (24) hour upon approval.
- e) Wages and other benefits of the CEO: Wages and other benefits of the CEO shall be decided by the Board of Directors.

**Article 5. The coordination between the Board of Directors and the CEO**

- a) Procedures to convene, notice, prepare minutes and announce the results of the meeting between the Board of Directors and the CEO:
- The Board of Directors and the CEO shall meet and discuss by way of meetings according to the provisions of this Regulation.
  - The Chairman of the Board of Directors shall send an Invitation Notice to members of the Board of Directors and the CEO at least 10 day prior to the proposed meeting. The invitation notice shall specify the time, venue, agenda and content of the meeting and include documents related to the content to be discussed at the meeting.
  - The meeting shall be conducted when there is at least half of the members of the Board of Directors and the CEO attend the meeting. The meeting shall be chaired by the Chairman of the Board of Directors; and the Company Secretary shall serve as the meeting secretary.
  - Procedures for conducting the meeting shall follow the procedures of the Board Meeting stipulated in the Company's Charter and this Regulation.

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- All opinions of the attending members must be fully recorded by the Company Secretary in minutes of the meeting, following the drafting of minutes of a Board Meeting as stipulated in the Company's Charter and this Regulation.
  - Results of the meeting between the Board of Directors and the CEO shall be announced to the members of the Board of Directors, the CEO, and members of the Board of Management at least three (03) days since the closing date of the meeting.
  - Invitation Notice, documents related to the content discussed at the meeting, and the Minutes of the meeting must be archived at the Company in accordance with the Company's rules on document retention.
- b) Announcement of the resolutions, decisions of the Board of Directors to the CEO:
- The Board of Directors shall announce the resolutions, decisions to the CEO at least two (02) days since the date the Chairman of the Board of Directors signs the resolutions, decisions.
- c) The CEO shall propose convening a Board Meetings and matters that need to be consulted by the Board of Directors in the following cases:
- The CEO has the right to propose convening a Board Meeting as stipulated in Article 32 of the Company's Charter.
- d) Reports of the CEO to the Board of Directors on the implementation of the delegated powers and duties:
- In the course of implementing resolutions and decisions of the Board of Directors, if the CEO detects unfavorable problems to the Company, the CEO must immediately report to the Board of Directors for consideration and adjustment of the resolutions and resolutions. In the event the Board of Directors provides no adjustments to the resolutions/decisions, the CEO must still implement the resolutions/decisions but has the right to reserve his/her opinion and make recommendations to the Audit Committee of the Company.
  - Besides the works to be submitted to the Board of Directors, the CEO shall have the right to take initiative in running the Company's operations in accordance with the regulations on authority decentralization and in conformity with the working process promulgated by the Board of Directors. The CEO is authorized to decide the solutions for urgent cases that are out of his/her scope of work such as natural calamities, enemy sabotage, fires or incidents, etc., and notify the Chairperson of the Board of Director immediately.
- dd) Reviewing the implementation of resolutions, decisions and other authorized matters of the Board of Directors to the CEO:
- The CEO shall be responsible to periodically review and evaluate the implementation of the resolutions, decisions, and other authorized matters of the Board of Directors and shall prepare a written report to submit to the Board of Directors and the Audit committee within 30 days since the end of each calendar quarter.
- e) Matters that the CEO must report and provide information and methods to notify the Board of Directors:

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- The CEO shall report, provide information, and disclose related benefits in accordance with provisions of the Law on Enterprises, Decree No. 155, the Charter and internal regulations of the Company.
- g) Coordination in executing, controlling, and supervising between members of the Board of Directors and the CEO according to the specific duties of the above members:
- Whenever it is deemed necessary, the Board of Directors, subcommittees under the Board of Directors and members of the Board of Directors shall have the right to request the CEO and other Corporate Executives to report and explain issues under the competence of the Board of Directors by sending a notice by email or in writing to the person required to report and explain at least three (03) working days. The request must clearly state the time, venue and content to be reported or explained.

**Article 6. Annual assessment for rewarding and disciplining members of the Board of Directors, the CEO and other Corporate Executives**

- The Board of Directors decides, in the first meeting of the fiscal year, the contents, criteria and methods of evaluating the performance of the Board of Directors and members of the Board of Directors. The evaluation of the performance of the CEO and members of the Board of Management is implemented in accordance with other internal management regulations of the Company.
- The time to assess evaluation of the performance of the Board of Directors shall be reflected in the Company's Governance Report, but only after the Company has estimated the business results in the fiscal year or no later than 90 days from the end of the fiscal year.
- The results of the assessment on the performance of the Board of Directors and Board members must be notified by the Board Chairman to all Board members, the CEO and other Corporate Executives within three (03) business days from the date the Company's Governance Report is approved.
- Rewarding and disciplining of the CEO, members of the Board of Directors and Corporate Executives are implemented in accordance with other internal management regulations of the Company.
- Rewards are in form of public document, whether or not accompanied with cash. The rewards accompanied with cash shall be decided by the Board of Directors at an assessment meeting. The budget for reward is from total annual bonus of the Board of Directors according to the resolution of the General Meeting of Shareholders.
- The results of the rewards and disciplines for the members of the Board of Directors must be notified to all members of the Board of Directors and the CEO within three (03) days from the closing date of the assessment meeting.

**Article 7. Application of regulations to subsidiaries**

The subsidiaries within the parent company - subsidiary system shall adhere to the provisions of the Company's Charter, subsidiary company regulations, and this Regulation in order to establish internal governance regulations that are suitable for their operational realities.

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**Article 8. Disclosure of related benefits**

The order and procedures for reviewing, extracting and copying declarations of related persons and related interests shall comply with Article 164 of the 2020 Law on Enterprises.

**Article 9. Effectiveness**

The Internal Regulation on Corporate Governance of Phat Dat Real Estate Development Corporation Development comprising nine (9) articles shall come into effect from the date of approval by the General Meeting of Shareholders at Resolution No. 01/DHDCD-NQ.2021 dated 27th March 2021 with the first amendment made on June 30, 2023.

**ON BEHALF OF THE BOARD OF DIRECTORS  
BOARD CHAIRMAN**

*(Signed and stamped)*

**NGUYEN VAN DAT**

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