

*Hue City, July 20<sup>th</sup> 2021*

**REGULATION**  
**ELECTION OF MEMBERS OF THE MANAGEMENT BOARD AND**  
**SUPERVISORY BOARD - HUONG GIANG TOURISM JSC**  
**TERM 2021-2026**

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*Pursuant to the Enterprise Law 2020;*

*Regulations on election of members of the Board of Management (BOM) and S Board of Supervisors (BOS) of Huong Giang Tourist Joint Stock Company are implemented as follows:*

**I. SELF-NOMINATION AND NOMINATION MEMBERS FOR BOM TERM 2021-2026:**

**1. The number of members of the BOM and the term of the BOM:**

- Number of members of the BOM for the term 2021-2026 including 5 members.
- The term of the BOM of Huong Giang Tourist JSC is 05 (five) years.
- The term of a member of the BOM follows the term of the BOM and may be re-elected for an unlimited number of terms.

**2. Standards and conditions to be members for the BOM:**

Members of the BOM have to meet the following standards and conditions:

- Not liable to be prohibited from establishing and managing enterprises as defined in paragraph 2 of Article 17 of the Law on Enterprises;
- Having professional qualifications and experience in business management of the company and not necessarily being a shareholder of the Company;
- A member of the BOM of the Company can be a member at the same time BOM of another company;
- Other standards as prescribed by law and the Company's Charter.

**3. Self-nomination and nomination members for the BOM**

Shareholders holding common shares have the right to combine the number of voting rights to stand for self-nominate and nominate candidates for the BOM. A shareholder or group of shareholders holding from **5% to less than 10%** of the voting shares for a consecutive period of at least six months may nominate one (1) candidate; **from 10% to less than 30%** can nominate up to two (2) candidates; from **30% to less than 50%** may nominate up to three (3) candidates; from **50% to less than 65%** can nominate up to four (4) candidates and if **65% or more** can nominate a sufficient number of candidates.

In case the number of candidates for the BOM through self-nomination and nomination is still not enough, the incumbent BOM may nominate more candidates or organize the nomination according to a mechanism prescribed by the Company. The nomination mechanism or the way the incumbent BOM nominate candidates for the BOM must be clearly announced and must be approved by the General Meeting of Shareholders before the nomination is made.

**4. Dossier of self-nomination and nomination members for the BOM:**

- Application to self-nominate(nominate) to be member of the BOM (form).
- Curriculum vitae provided by the candidate (form).
- A valid copy of the ID/passport and other qualifications certifying the applicant's education.

**5. List of candidates approved by the general meeting to elect members to the BOM:**

Based on the self-nomination and nomination dossiers of a shareholder or a group of shareholders, the Organization Board of the General Meeting of Shareholders of the Company compiles a list of candidates who fully meet the above provisions for the Meeting to approve the list of candidate's election of BOM members.

**II. SELF-NOMINATION AND NOMINATION MEMBERS FOR BOS TERM 2021-2026:**

**1. The number of members of the BOS and the term of the BOS:**

- Number of members of the BOS for the term 2021-2026 including 5 members. The BOS must have more than half of its members permanently residing in Vietnam.
- The term of the BOS of Huong Giang Tourist JSC is 05 (five) years.

**2. Standards and conditions to be members of the BOS:**

Members of the BOS have to meet the following standards and conditions:

- Not falling into the categories specified in Clause 2, Article 17 of the Enterprise Law;
- Being trained in one of the majors in economics, finance, accounting, auditing, law, business administration or in a major suitable to the Company's business activities;
- Not being family members of members of the Board of Management, General Director and other managers;
- Not being a manager of the Company, not necessarily a shareholder or employee of the Company;
- Not being a member or employee of an audit organization approved to audit the Company's financial statements for the previous 3 years;
- Other standards and conditions as prescribed by relevant laws and the Company's Charter;

In addition to the standards and conditions specified above, a member of the Supervisory Board of the Company must not be a related person of the enterprise's managers of the company and company head office; the representative of the capital

portion of the enterprise, the representative of the state capital portion at the company head office and at the Company.

### **3. Nominate Member for Supervisory Board:**

Shareholders or groups of shareholders holding at least 5% of the shares have the right to nominate candidates to the Supervisory Board. A shareholder or group of shareholders holding **from 5% to less than 10%** of the voting shares for a continuous period of at least 6 (six) months may nominate one (1) member; **from 10% to less than 30%** may nominate up to two (2) members; **from 30% to less than 50%** may nominate up to three (3) members; **from 50% to less than 75%** may nominate up to four (4) members and if **from 75% or more** may nominate a sufficient number of candidates.

In case the number of candidates for the Supervisory Board through self-nomination and nomination is not enough, the incumbent Supervisory Board may nominate more candidates or organize the nomination according to the mechanism specified in the Company's Charter and internal regulations on corporate governance. The mechanism by which the incumbent Supervisory Board nominates candidates for the Supervisory Board must be clearly announced and must be approved by the General Meeting of Shareholders before nomination.

### **4. Dossier of self-nomination and nomination members for the BOS:**

- Application to self-nominate(nominate) to be member of the BOM (form).
- Curriculum vitae provided by the candidate (form).
- A valid copy of the ID/passport and other qualifications certifying the applicant's education.

### **5. List of candidates approved by the general meeting to elect members to the BOS:**

Based on the self-nomination and nomination dossiers of a shareholder or a group of shareholders, the Organization Board of the General Meeting of Shareholders of the Company compiles a list of candidates who fully meet the above provisions for the Meeting to approve the list of candidates on election of Supervisory Board members.

## **III. ELECTION OF MEMBERS TO THE BOM AND BOS FOR TERM 2021-2026:**

### **1. Election subjects:**

Company shareholders owning shares or authorized representatives of shareholders have the right to vote to attend the meeting to elect members of the BOM and the BOS.

### **2. Votes:**

#### **2.1. Votes:**

- The vote contains information of shareholders: Full name of shareholder or shareholder representative, shareholder code, total number of shares owned and represented, total number of votes.
- The vote contains a list of full names of self-nomination, nomination candidates approved by the General Meeting of Shareholders, sorted by name in the order A, B, C and the number of votes column.

## **2.2. Valid votes and invalid votes:**

### **a. Valid votes:**

- Is the number of valid voting rights of the shareholder and complete the cumulative voting on the electronic voting system.
- The total number of voting right is less than or equal to ( $\leq$ ) the total number of voting right allowed by that shareholder/representative of that shareholder (equal to the number of shares multiplied by the number of members).  
elected).
- Not falling into the cases specified in Clause b of this Section.

### **b. Invalid votes:**

The vote is invalid in one of the following cases:

- Not in the online voting system provided by the Organization board, or
- The system will block voting if the number of voting rights is exceeded.

## **3. Principles of election members to the BOM and BOS:**

3.1 Follow the principle of cumulative voting, whereby each shareholder or shareholder representative has the total number of votes corresponding to the total number of shares owned or represented multiplied by the number of elected members of the BOM or BOS.

A shareholder or a shareholder's representative may give all his or her total votes to one or several candidates or divide votes for several candidates.

- a. The number of BOM members elected at the General Meeting of Shareholders for the term 2021-2026 is 05 members, whereby the total number of votes of each shareholder/representative of shareholders is equal to the total number of shares owned or represented multiplied (x) by 5 (five).
  - b. The number of BOS members elected at the General Meeting of Shareholders for the term 2021-2026 is 03 members, whereby the total number of votes of each shareholder or shareholder representative is equal to the total number of shares owned or represented multiplied (x) by 3 (three).
- 3.2 The total number of votes for the candidates of a shareholder or shareholder representative shall not exceed the total number of votes allowed by such shareholder or shareholder representative (equal to the number of shares owned or owned representative multiplied by number of members elected). The number of votes that do not run out is counted as no vote for any candidate.

### **For example:**

Shareholder A owning 1000 voting shares will have  $1000 \times 5 = 5000$  votes to elect members of the BOM and  $1000 \times 3 = 3000$  votes to elect members of the BOS.

According to the method of cumulative voting, shareholder A may vote in one of the following cases with condition that the election does not exceed 5000 votes for members of the BOM and 3000 votes for members of the BOS:

+ Equally voting the number of votes for all members of the BOM and the BOS (1000 votes for each candidate); or

+ Cumulative voting with a different number of votes for each candidate for the BOM or the BOS (Example: Candidate X: 2000 votes, Candidate Y: 500 votes, Candidate Z: 0 votes.... )

- 3.3 The elected members of the BOM and BOS are determined by the number of votes from high to low, starting from the candidate with the highest number of votes until the number of members is full.
- a. In case there are 02 or more candidates achieving the same number of votes for the last member of the BOM or the BOS, a re-election will be conducted among the candidates with the same number of votes.
  - b. If the number of BOM or BOS member is insufficient, the General Meeting of Shareholders will conduct a second election among the remaining candidates. If after the second election, it is still not enough, the General Meeting of Shareholders will vote for a third election or leave the member of the BOM or BOS vacant and additionally elected in the next General Meeting of Shareholders according to regulations of the Chairman of the General Meeting.

#### **4. Procedure voting and counting votes:**

- Shareholders attending the General Meeting and voting online shall be recorded result by the system at the end of voting time for each content of the General Meeting or at the end of voting. Shareholders are responsible for the voting results when logged in with the ID and OTP provided by the Organization board.
- Voting is started after the Organization board announces: “voting”.
- The vote counting is carried out immediately after the Organization announced: "End of voting".
- The vote counting results are recorded in the vote counting minutes and signed by the members of the Vote Counting board.
- Voting and counting records are stored at the Company's head office.

#### **IV. ANNOUNCEMENT OF VOTING AND ELECTION RESULTS:**

- The head of the Vote Counting board shall publicly announce before the meeting the vote counting results and the election results of members to the BOM and BOS of the Company for the term 2021-2026.
- Complaints about the election and counting of votes shall be settled by the Chairman of the meeting and recorded in the minutes of the meeting.
- The vote counting results are recorded in the Resolution of the General Meeting of Shareholders.

#### **V. EFFECIENCY:**

This Regulation takes effect after being approved by the General Meeting of Shareholders and applies only to the election of members of the BOM and BOS for the term 2021-2026.

**ORGANIZATION BOARD**