

TRAPHACO JSC

THE SOCIALIST REPUBLIC OF VIETNAM

No: /QC-DHDCD

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Hanoi, March 28th, 2022

**REGULATION FOR ADDITIONAL ELECTION of
MEMBER OF THE BOARD OF DIRECTORS
FOR THE PERIOD OF 2021-2025
TRAPHACO JOINT STOCK COMPANY**

Pursuant to:

- The Enterprise Law No. 59/2020/QH14 approved by the National Assembly of the Socialist Republic of Vietnam dated 17/6/2020;
- The Securities Law No. 54/2019/QH14 dated 26/11/2019 by the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to Decree No. 155/2020/ND-CP dated December 31st, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;
- The Corporate Charter of TRAPHACO JSC;
- The Regulation on Corporate Governance, Traphaco JSC;

Board of Directors of Traphaco JSC present to General Assembly of Shareholders in 2022 the regulation draft on electing additional member of the Board of Directors for the term 2021-2025, with the following main contents:

Article 1: Election content

The General Assembly of Shareholders elect 01 additional member to the Board of Directors for the term 2021 – 2025.

Article 2: Election method

- Voting to elect additional member of the Board of Directors is conducted by online voting, by cumulative voting method;

- Each shareholder has a total number of votes corresponding to the total number of voting shares multiplied by the number of elected members;
- Shareholders may choose up to maximum 01 candidate from among the candidates introduced at the General Meeting to vote. Once selected the candidate that want to vote, the Shareholders will use all of their votes for that 01 candidate they have selected. The total number of votes for the candidate must not exceed the total number of votes of shareholders/representatives of shareholders.

Article 3: Voting and methods for electing BoD member

a. Votes ballot for electing BoD member

- Total number of votes of shareholders, group of shareholders = number of shares with voting rights x number of elected members of the Board of Directors;
- When clicking on the link <http://dhcd.traphaco.vn> to conduct the election, Shareholders/representatives of shareholders please check the number of representative votes and the total number of corresponding votes on the election screen, if there is any mistakes, it must be immediately notified to the Vote Counting Committee before conducting the election;
- In case the General Meeting of Shareholders has a new qualified candidate and is approved by the General Meeting of Shareholders in addition to the list given, the Vote Counting Committee is responsible for adding he/she to the online election list before conducting the election.

b. Method for electing BoD member

- When agree to vote for any candidates, shareholders/representatives of shareholders select the name of the candidate they want to vote on the screen and tick the box **"Equal and even cumulative voting"** or enter the number of votes in the box **"Unequally split voting"**. In case shareholders/representatives of shareholders fill in the number of votes in the box **"Unequally split voting"**, it must be filled correctly. In this case, ALL the voting rights of the shareholder should be allotted to vote for that chosen candidate.
- If not voting for any candidate, shareholders/representatives of shareholders please enter **"0"** in the box **"Unequally split voting"** and click **"VOTE"** to send the result to the system. This case is considered as a shareholder/representative of shareholders who abstained from voting.

- In case a shareholder/shareholder's representative does not send voting rights to the system by clicking the "VOTE" button during the election, it is considered that such shareholder/representative of shareholder has not conducted the electing rights.
- Instructions for online participation and electronic voting are in the appendix attached to this Regulation.

c. Invalid Votes ballot

- Shareholders/groups of shareholders choose to vote for a larger number of candidates than the number of additional members of the Board of Directors (**choose to vote for 02 or more candidates**).
- - Shareholder/group of shareholders fill in the number of votes rights in the **box “Unequally split voting” greater or less than the total number of votes of the shareholder/representative of shareholders.**

The software system has been designed to warn of errors and not allow to send voting rights (can not press the “VOTE” button in the above cases). However, shareholders/representatives of shareholders should pay attention to check and vote in accordance with the provisions of this Regulation to avoid negligence.

Article 4: Vote-counting method

The vote-counting shall be conducted by the Vote-Counting Committee nominated by the Chair of the Meeting and approved by the General Assembly of Shareholders.

a. Vote-Counting Committee:

The Vote-Counting Committee shall:

- Guide electing method for shareholders/representatives of shareholders;
- Make meeting minutes and notify the results of vote counting to the Chairman to announce before the General Meeting. The Head of the Vote Counting Committee shall be notified by the representative of the Vote Counting Committee at the request of the Chairman.
- A member of the Election Committee is not a nominated and self-nominated candidate for election to BoD, BoS.

b. Election time and vote counting

- Elections are commenced after the election instructions are completed;
- The election period ends after the Head of the Vote Counting Committee declares the end of the election period;
- The counting of votes shall be made immediately after the voting is closed;

- Election results are made in writing and announced by the Chairman or the Head of the Vote Counting Committee (at the request of the Chairman) before the General Meeting.

Article 5: Principles of Election & Winning

a. Election Principle:

Follow the principle of cumulative vote.

b. Elected principle:

- The elected member to the Board of Directors or the Board of Supervisors are determined by the number of votes cast from high to low, starting from the candidate with the highest number of votes until there are enough members.
- In case of election results have two or more candidates that obtain the same number of votes, a re-election will be conducted among the candidates with the same number of votes mentioned above until there are enough members to be elected; Elections shall be conducted by cumulative voting with the number of elected members equal to the number of missing members; If the re-election is still unsuccessful, the General Assembly of Shareholders can vote to vacate the member of Board of Directors and additionally vote in the next General Meeting of Shareholders.

Article 6: Effectiveness

This Regulation takes effect immediately upon approval by the General Assembly of Shareholders. All complaints about the election result shall be considered only at the General Meeting. If there is a complaint, the Vote Counting Committee will check again and ask for the General Assembly decision.

Recipients:

- General Assembly of Shareholders;
- BoD, BoM, BoS;
- Archive.

**B/O. THE BOARD OF DIRECTORS
VICE CHAIRMAN**

Nguyen Anh Tuan