

**REGULATION on
NOMINATION/SELF-NOMINATION
TO BE MEMBER IN THE BOARD OF DIRECTORS/BOARD OF SUPERVISORS
TRAPHACO JOINT STOCK COMPANY**

Pursuant to:

- The Enterprise Law No. 59/2020/QH14 dated 17/6/2020 by the National Assembly of the Socialist Republic of Vietnam;
- The Corporate Charter of TRAPHACO JSC;
- In accordance with the Regulation on Corporate Governance, Traphaco JSC;

The General Meeting of Shareholders of Traphaco Joint Stock Company in 2021 shall elect members of the Board of Directors and Board of Supervisors for the term of 2021 - 2025 according to the following regulations:

Article 1: Number of members of the Board of Directors, Board of Supervisors;

1. The number of elected members of the Board of Directors is 07 members.
2. The number of elected members of the Board of Supervisors is 03.

Article 2: Criteria and Conditions for Board Membership (BoD)

1. Members of the Board of Directors must meet the following criteria and conditions:
 - a. Not being subjects that are regulated by Clause 2, Article 17 of the Enterprise Law No. 59/2020/QH14, which clarifies those who are not allowed for corporate governance;
 - b. Having professional qualifications and experience in business management of the Company and not necessarily being a shareholder of the Company;
 - c. Having good health, good moral qualities, being honest, incorruptible and knowledgeable in law.
 - d. A member of the Board of Directors can concurrently be a member of the Board of Directors at a maximum of five (05) other companies.
2. An independent member of the Board of Directors is a member of the Board, who meets the following requirements:

- a. Not being a person working for the Company, a subsidiary of the Company; not a person who has worked for the Company, its subsidiary for at least three years before;
- b. Not being a person receiving salaries or remuneration from the Company, except for the allowances that members of the Board of Directors are entitled to as prescribed;
- c. Not being a person whose spouse, natural father, adoptive father, natural mother, adoptive mother, natural child, adoptive child, biological brother/sister are a major shareholder of the Company; is a manager of the Company or a subsidiary of the Company;
- d. Not being a person directly or indirectly owning at least 01% of the total number of voting shares of the Company;
- e. Not a person who used to be a member of the Board of Directors, Board of Supervisors of the Company for at least 05 years before, except for the case of being appointed continuously for 02 consecutive terms.

Article 3: Criteria and conditions for being a member of the Board of Supervisors

- a. Not being subjects that are regulated by Clause 2, Article 17 of the Enterprise Law No. 59/2020/QH14;
- b. Must be trained in one of the majors in economics, finance, accounting, auditing, law, business administration or a discipline relevant to the business activities of the Company;
- c. Not being a person having a family relationship of a member of the Board of Directors, CEO and other managers;
- d. Not holding any managerial positions of the Company; not necessarily a shareholder or employee in the Company;
- e. Not being a person in the family relationship of the business manager, the controller of the Company; a representative of state capital, a representative of corporate capital in the Company.

Article 4: Nominating candidates to the Board of Directors

- Shareholders have the right to add up the number of voting rights of each person to nominate candidates to the Board of Directors.

- A shareholder or group of shareholders holding from 5% to less than 10% of the total number of voting shares may nominate one (01) candidate; Between 10% and under 25% shall be entitled to nominate up to two (02) candidates; Between 25% and under 35% may nominate up to three (03) candidates; Between 35% and under 51% shall be entitled to nominate up to four (04) candidates; Between 51% and less than 65%, may nominate up to five (05) candidates; Between 65% and less than 75%, nominate up to six (06) candidates; 75% or more may nominate all of the candidates corresponding to the number of Board members to be elected.
- In case that the number of candidates for members of the Board of Directors, who are nominated and self-nominated, is still insufficient, the ruling Board may nominate more candidates or nominate candidates according to the mechanism following the Company's regulation. The nomination mechanism or procedures by which the ruling Board of Directors nominates candidates to members of the Board of Directors must be clearly announced and approved by the General Assembly of Shareholders prior to any nomination.

Article 5: Candidates for the Board of Supervisors

- Shareholders holding voting shares have the right to combine the number of voting rights to nominate candidates to the Board of Supervisors.

A shareholder or group of shareholders holding from 5% to less than 10% of the total number of voting shares may nominate one (01) candidate; Between 10% and under 30% shall be entitled to nominate up to two (02) candidates; 30% or more may nominate all of the candidates corresponding to the number of BoS members to be elected.

- In cases where the number of candidates for the Board of Supervisors, both nominated and self-nominated, is still insufficient, the current Board of Supervisors may nominate more candidates. The nomination mechanism or the procedures by which the current Board of Supervisors nominates candidates for the Board of Supervisors must be clearly announced and approved by the General Assembly of Shareholders prior to any nomination.

Article 6: Applications for Members of the Board of Directors and the Board of Supervisors

The application for Members of the Board of Directors and the Board of Supervisors includes:

- Letters of nomination or self-nomination for being members of the Board of Directors/the Board of Supervisors in the form prescribed by the Company;

- Curriculum vitae (certified by managing organization);
- Letter of commitment to attend the Board of Directors / the Board of Supervisors;
- A notarized copies of the following documents: ID card (or passport if the candidate is an overseas Vietnamese, foreigner);

To facilitate the organization of the meeting, applications should be sent to Traphaco Jsc. before 10h00, March 23rd, 2021 at the following address:

Administrative Office, Traphaco Joint Stock Company - Lane 15, Ngoc Hoi Street, Hoang Liet, Hoang Mai District, Hanoi.

Phone: (84.24) 3 734 1797

Fax: (84.24) 3681 4910

(If fax, email the original must be submitted when one registers to attend the meeting.)

Article 7: Selection of candidates

Basing on the candidates' applications and other related documents from the shareholders, the Company will select qualified candidates to be included in the nomination list to announce before the General Assembly of Shareholders.

Recipients:

- Shareholders of the Company;
- Board of Directors, Executive Board, Board of Supervisors
- Archive.

**B/O. THE BOARD OF DIRECTORS
CHAIRWOMAN**

(signed)

MSc. Vu Thi Thuan