



**VIETNAM JOINT STOCK COMMERCIAL  
BANK FOR INDUSTRY AND TRADE  
INTERNAL REGULATION ON  
CORPORATE GOVERNANCE**

*(Amended and supplemented on April 2018)*

Hanoi, 21<sup>st</sup> April 2018

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## **CHAPTER I: GENERAL PROVISIONS**

### **Article 1. Purpose of promulgation and scope of application**

1. This Regulation is applied to Vietnam Joint Stock Commercial Bank for Industry and Trade. This Regulation was built based on the provisions of the Law on Enterprises, the Law on Securities and the adoption the best international practices of governance in the context of Vietnam in order to implement a comprehensible policy on internal governance and ensure sustainable development and transparency of VietinBank.

2. This Regulation stipulates:

a) Fundamental principles on the governance of VietinBank to protect the legitimate rights and interests of shareholders;

b) The role, responsibilities, obligations and procedures, operational methods for people in the governance structure of VietinBank;

c) The processes and procedures for the coordination of activities among the Board of Directors, Supervisory Board, Board of Management and VietinBank's managerial officers.

3. This Regulation is applied to relevant bodies in the organizational structure of the governance and supervisory of VietinBank as specified in the Charter of VietinBank, including: the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, the Board of Management and other relevant bodies of VietinBank.

### **Article 2. Basic principles**

This Regulation is built on the basis of the following fundamental principles of governance:

1. Complying with the relevant provisions of Law and the Charter of VietinBank;
2. Ensuring an efficient governance and operation structure, towards international standards;
3. Honouring and protecting the rights of shareholders;
4. Equally treatment of shareholders;
5. Assuring the roles of people with related interests to VietinBank;
6. Preventing conflicts of interest;
7. Transparency in the operation of VietinBank;
8. Effective leadership and supervision of the Board of Directors and the Supervisory Board for VietinBank.

### **Article 3. The organization and governance structure of the Bank**

The management, governance and supervisory structure of VietinBank comprises of:

1. The General Meeting of Shareholders (GMS);
2. The Board of Directors (BoD);
3. The Supervisory Board;
4. The General Director.

### **Article 4. Interpretation**



Except where the provisions or context of this Regulation state otherwise, the following terms shall have the meaning set forth below:

1. Executives of VietinBank comprises of the General Director, Deputy General Directors, Chief Accountant, Branch Directs of VietinBank.

2. The Board of Management of VietinBank comprises of the General Director, Deputy General Directors of VietinBank, Chief Accountant.

3. Managers of VietinBank comprises of Chairman and members of the Board of Directors, General Director, Deputy General Directors.

4. Charter is the Charter of Organization and Operation of VietinBank.

5. Non-executive members of the Board of Directors (hereinafter referred to as non-executive board members) is a Board Member who is not simultaneously the General Director, a Deputy General Director, Chief Accountant, Branch Director of VietinBank.

6. Independent member of the Board of Directors (hereinafter referred to as independent Board Member) is a member as provided for in Clause 23 Article 1 of VietinBank's Charter.

7. Related persons are individuals and organizations as provided for in Clause 21 Article 1 of VietinBank' Charter.

The words or terms defined in the Charter of VietinBank have the same meaning as those in this Regulation.

## **CHAPTER II: ORDERS AND PROCEDURES FOR CONVENING AND VOTING AT THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 5. Rights of shareholders**

1. Shareholders have all rights under the provisions of the Law on Enterprises, the current legislation and Article 24 of Charter of VietinBank, especially:

a) Right to receive dividend according to the Resolution of the General Meeting of Shareholders, the dividend policy of VietinBank as mentioned in Article 6 of this Regulation.

b) Right to freely transfer fully paid shares recorded in shareholders' book of VietinBank, except for those cases subject to transfer restriction in compliance with provisions of law and the Charter of VietinBank;

c) Right to be fully informed of any periodical and extraordinary information on the operation of VietinBank.

d) Right to attend the General Meeting of Shareholders, or authorize representative to attend the General Meeting of Shareholders.

e) Shareholders have the right to protect their lawful interests. In case Resolutions of the General Meeting of Shareholders and Resolutions of the Board of Directors violate the law or violate the fundamental interests of shareholders in accordance with the law, shareholders may request to not implement such decisions in the orders and procedures prescribed by law. In case such illegal decisions result in loss and damage to VietinBank, the Board of Directors, the



Supervisory Board and the Board of Management must compensate for VietinBank subject to their responsibilities. Shareholders are entitled to request for compensation from VietinBank according to the orders and procedures prescribed by law.

2. Pre-emptive right to newly offered shares: The shareholders have pre-emptive right to purchase newly offered shares with the amount proportional to their shareholding percentage in VietinBank.

Shares of the same class give its owners the equal rights, obligations and benefits. In case preference shares are issued, the rights and obligations associated with preference shares must be fully disclosed to shareholders and be approved by the General Meeting of Shareholders.

3. Other benefits specified in the Charter of VietinBank and relevant provisions of law.

#### **Article 6. VietinBank's dividend policy**

1. Dividend: Dividends are the proportion of net earnings per share to be paid in cash or other assets from the remaining of VietinBank's profit after performing financial obligations. Receiving dividends is one of the rights of shareholders.

2. Dividend payment method:

a) Dividends will be paid in cash or in shares of VietinBank or other assets specified in Article 70 of the Charter.

b) If dividend is to be paid in shares of VietinBank, share issuance to pay dividends must be proposed by the BOD and approved by the GMS.

3. Dividend pay-out process and order:

a) Based on the business performance and business plan of the following year of VietinBank, the BOD is responsible for proposing dividend payment amount and the dividend payment method annually for each type of shares to the GMS for approval.

b) The GMS will discuss and approve the dividend amount for each type of shares.

c) Pursuant to GMS's approval, the BOD will decide and announce the dividend amount and frequency of dividend pay-out (the number of time dividend is paid during the year).

d) Dividend shall be paid in full within six (06) months from the closing date of the GMS. The BOD shall prepare the shareholders entitled to receive dividends, identify the amount to be paid for each share, the term and payment method at least thirty (30) days before the date of dividend payment. Dividend payment announcement must be sent through registered method to shareholders according to the address registered in Shareholder Registry Book at least fifteen (15) days prior to dividend payment date. The content of the announcement must be accurate and sufficient under the provision of the current Laws.

e) Dividends amount to be paid as announced.

f) The other detailed stipulations are issued by the BOD from time to time.

#### **Article 7. General Meeting of Shareholders and functions in the Bank governance**

1. The General Meeting of Shareholders is the body of highest authority of VietinBank. The General Meeting of Shareholders is organized in form of annual General Meeting of Shareholders, extraordinary General Meeting of Shareholders, or consulting opinions of

shareholders in writing. The Annual General Meeting of Shareholders must be organized within 4 months since the date of financial year end.

2. Ratification of decisions by the General meeting of Shareholders is made in accordance with Article 32 of the Charter of VietinBank.

#### **Article 8. Issues related to major shareholders**

1. The Board of Directors of VietinBank builds a regular communication mechanism with major shareholders

2. Major shareholders refrain from taking their advantages to harm the rights and benefits of the Bank and other shareholders.

3. Major shareholders are responsible for information disclosure in accordance with regulations of the laws.

#### **Article 9. Convening the General Meeting of Shareholders**

1. Annual General Meeting of Shareholders

a) The Annual General Meeting of Shareholders shall be organized once (01) a year. The Annual General Meeting of Shareholders shall be annually organized within 04 (four) months after the end of each fiscal year.

b) The Annual General Meeting of Shareholders shall not be organized under the form of obtaining written opinions.

2. Extraordinary General Meeting of Shareholders shall be convened by the Board of Directors in cases prescribed in Clause 3 Article 25 of the Charter of VietinBank.

#### **Article 10. Preparation for the General Meeting of Shareholders**

1. Agenda and Content

a) The BOD shall consider all matters proposed by shareholders to include in the agenda when approving the Agenda and Contents of the GMS (The right to propose matters to be included in the Agenda of GMS is stipulated in Clause 5, Article 29, the Charter of VietinBank);

b) The Chairman of the Board of Directors has the right to reject the proposals to add subject matters into the agenda of the General Meeting of Shareholders made by individual shareholder or group of shareholders as specified in Clause 5 of Article 29 of the Charter of VietinBank. In this case, the BoD or the once convenes the GMS shall send a written notice regarding the rejected proposal and the reason for rejection.

c) The BOD will include valid proposed matters (those that are not rejected) into separated contents of the GMS's agenda and these contents are only officially supplemented into the agenda and content of the meeting after being approved by the GMS.

2. Preparation and announcement of the preparation of the shareholder list

a) The person who convenes the GSM is responsible for:

- Announcing the information regarding the preparation of the list of shareholders who are entitled to attend the GSM at least 20 days prior to the last registration date.

- The list of shareholders entitled to attend GSM must be finalized no sooner than (05) days prior to the date of sending the invitation for the GSM.



b) The shareholders have the right to verify the accuracy of information recorded in the Share Register in relation to themselves and the number of shares owned by them. Shareholders are entitled to request the amendment of inaccurate information or supplement of necessary information about themselves in the list of shareholders who are entitled to attend GSM in accordance with the Charter of VietinBank via VietinBank Secretariat.

### 3. Invitation to the GSM

Invitations and the approaches for GSM invitation are specified in Clause 3 Article 30 of the Charter of VietinBank. Invitations are sent to all shareholders via a registered mails and uploaded to the VietinBank's website;

### 4. Time and venue:

a) Date of GMS: the BoD shall decide the date of the annual GMS within the deadline stipulated in Clause 1 Article 25 of VietinBank's Charter.

b) Venue of the GMS: the BoD shall decide the venue of the annual GMS according to the stipulation of Clause 2 Article 25 of VietinBank's Charter. According to which, the venue of GMS shall allow shareholders to attend the meeting and ensure enough room for attending shareholders. The number of attending shareholders and the specific plan for the venue shall be estimated in advance by the BoD.

### 5. Materials for the GMS

a) At least 25 (twenty-five) days prior to the GMS date, the General Director is responsible for directing and completing comprehensive evaluation reports on VietinBank's performance, which includes at least these contents: (i) Evaluation of results in comparison with targets and the development directives approved by the GMS and BOD within the period; (ii) the Orientation and measures for the coming time to enhance VietinBank's performance efficiency.

b) At least 25 (twenty-five) days prior to the GMS date, the Supervisory Board is responsible for completing the Performance Report of the Supervisory Board, which includes at least these contents: (i) Evaluation of the Supervisory Board's performance; (ii) Result of the supervision of VietinBank's performance and financial status.

c) At least 15 (fifteen) days prior to the annual GMS, the Chairman of the BoD is responsible for directing and completing the Report of the performance of the BoD, which includes at least these contents: (i) Evaluation of VietinBank's performance in the financial year; (ii) Evaluation of the BoD's performance; (iii) Future plans.

d) At least 10 (ten) days prior to the annual GMS opening date, the Chairman of the BoD is responsible for directing and ensuring that relevant departments have finished sending invitation materials to shareholders entitling to attend the GMS according to the provisions of VietinBank's Charter.

## **Article 11. Registration procedure of the General Meeting of Shareholders**

1. Shareholders entitled to attend the General Meeting of Shareholders in accordance with the law can directly attend or authorize their representatives to attend the meeting. The authorization shall be conducted in compliance with the provisions of Article 27 of the Charter of VietinBank.

2. Prior to the opening of the meeting, VietinBank has to conduct shareholder registration procedures and continue the registration procedures until all shareholders, entitled to attend the meeting who present at the meeting, finish their registration.

3. Secretariat of the BOD and corporate secretary or a department/individual being appointed by the BOD shall be responsible for arranging the registration to attend the GMS.

4. The documents to be brought to the meeting, presented and checked upon registration to the GMS will be clearly stated in the invitation to the GMS, including: identity card or passport or a copy of business registration, invitation and power of attorney (in the case of being authorized). The registration is taken place at the venue of the GMS.

5. Shareholders who come to the General Meeting of Shareholders after the opening of the meeting shall be entitled to register and vote immediately after registration.

#### **Article 12. Organization of the General Meeting of Shareholders**

##### 1. Invited guests

VietinBank's BOD may invite government officials, independent auditors, customers, partners, journalists, experts and other individuals and organizations that do not own any share of VietinBank to attend the GMS

##### 2. The examination and declaration of the minimum rate of attending shareholders

The examination and declaration of minimum rate of attending shareholders shall comply with the regulation in Clause 1 Article 31 of the VietinBank's Charter. Specifically, the corporate secretary or a department/individual appointed by the Board of Directors shall be responsible for checking and announcing the number of participating delegates that meet the minimum rate of participation as prescribed. This rate shall be announced by the Chairman of the General Meeting of Shareholders immediately after the end of the register of participating shareholders and before voting.

##### 3. Opening Ceremony of the General Meeting of Shareholders

a) After reaching a sufficient minimum number of attending members stipulated in the VietinBank's Charter, the Chairman of the Board shall declare the opening of the GMS.

b) The Chair of the GMS as prescribed in Clause 3 Article 31 of the VietinBank's Charter.

c) The Chair of the GMS nominates one or more secretaries to record the minutes of the meeting in accordance with the provision of Clause 3 Article 31 of the VietinBank's Charter.

##### 4. The election of Vote Counting Committee

At the request of the Chairperson of the meeting, the General Meeting of Shareholders shall elect a Vote-counting Committee. Vote-counting Committee shall operate under the instruction of the Chairperson. When voting on sensitive issues and at the requests of shareholders from time to time, the General Meeting of Shareholders may agree on appointing a third party organization to perform vote collection and counting. The third party organization shall be proposed by the Board of Directors. The Vote Counting Committee is responsible for the vote counting and reporting in writing on the vote counting result after the GSM.

##### 5. Meeting agenda and regulation announcement

a) The Chairperson of the GMS presents contents and agenda to delegates and



shareholders. The agenda must be approved by the GMS in the opening session.

b) For events arisen outside the GMS agenda, the decision of the Chair is final as stipulated in Article 31 of the VietinBank's Charter.

#### 6. Discussion on the matters included in the agenda

The General Meeting of Shareholders shall discuss and vote for each matter included in the meeting agenda under the presidency of the Chairperson.

#### 7. Voting:

a) Upon shareholders' registration, each shareholder shall be provided with "voting cards/papers" issued by VietinBank which contain unique features such as shareholders' code, full name of shareholders, the number of votes of such shareholders...

b) The number of votes of a shareholder is equivalent to the number of shares held by that shareholder or represented by that shareholder.

c) Voting at the General Meeting of Shareholders is conducted as follows: the voting cards shall be checked and counted in the following order: "approval", "disapproval", "abstention" for each matter.

#### 8. Announcement of vote counting result and the decision of the General Meeting of Shareholders

The voting results shall be announced by the Head of the Vote Counting Committee or the Chairperson of the Meeting right before the closing of the GMS. The voting results show total number of approval votes, disapproval votes or abstention for each matter.

#### 9. Closing session of the General Meeting of Shareholders

The Chairperson declares the closing of General Meeting of Shareholders after: (i) All matters in the agenda have been discussed and voted, and (ii) the vote counting result has been announced.

#### 10. Voting card/paper archive

After the end of the General Meeting of Shareholders, the Vote Counting Committee must ensure that all voting cards, voting guidelines and vote counting minutes are sealed and archived by the BOD's secretariat and treated under the confidential mode according to VietinBank's regulations.

### **Article 13. Minutes of the General Meeting of Shareholders**

1. The General Meeting of Shareholders shall be recorded in the meeting minutes. The minutes shall be prepared in Vietnamese, or also in English and contains the following fundamental contents:

a) Name of the Bank, address of the Head Office, number of Business registration certificate;

b) Time and venue of the meeting;

c) Agenda and contents of the meeting;

d) Names of Chairperson and Secretary;

e) Summary of the developments of the meeting and the opinions raised at the General

Meeting of Shareholders on each matter in the agenda of the meeting;

f) The number of shareholders and total number of voting cards of the shareholders attending the meeting; Appendices listing registered shareholders, authorized representatives attending the meeting with the corresponding number of shares and votes;

g) Total number of voting cards for each voting matter, in which specifying voting method, total number of votes “approval”, “disapproval”, and “abstention”; corresponding proportion of the total voting cards of shareholders attending the meeting;

h) Items which have been approved and their respective approval ratio;

i) Signatures of the Chairperson and secretary.

The minutes written in both Vietnamese and English shall have the same legal validity. In case where there are differences between the Vietnamese and the English versions, the Vietnamese version shall prevail.

2. The minutes of the General Meeting of Shareholders must be completed and approved before the end of the meeting. The Chairperson and secretary of the meeting shall be jointly responsible for the accuracy and truthfulness of the minutes.

3. The minutes of the General Meeting of Shareholders must be published on VietinBank’s website within twenty four (24) hours or sent to all shareholders within 15 (fifteen) days from the closing date of the meeting.

4. The minutes of GMS must be considered the credentials for the tasks undertaken at the GMS, unless there is any objection to the meeting minutes under provisions from ten (10) days since the delivery date of the minutes.

5. The minutes of the General Meeting of Shareholders, Appendices list of registered shareholders, full text of the resolution which was approved and relevant documents enclosed with invitation notice must be kept at the Head Office of VietinBank.

6. The minutes of the General Meeting of Shareholders must be sent directly to members of the Board of Directors, the Supervisory Board and members of the Board of Management within 15 (fifteen) days from the closing date of the meeting. The meeting minutes can be sent directly and/or through VietinBank’s website.

#### **Article 14. Procedures for obtaining written opinions of shareholders**

1. The Board of Directors shall elect to obtain written opinions of shareholders to approve decisions of the General Meeting of Shareholders at any time if it is deemed necessary for the benefits of VietinBank, except compulsory contents to be approved directly by the GMS as provided at Clause 2 Article 32 of VietinBank’s Charter.

2. The Board of Directors must prepare written opinion sheets, draft resolution of the GMS and explanatory documents for the draft resolution. The Board of Directors must ensure that the documents are sent and distributed to shareholders within a reasonable timeframe for consideration and voting, and must be sent at least ten (10) days before the deadline for receipt of opinion sheets. Requirements and the manner of sending the opinion sheets and attached documents shall be implemented in accordance with the provisions of Clause 3 Article 29 of VietinBank’s Charter.

3. The written opinion sheet must cover the contents specified in Clause 3 Article 34 of the



Charter of VietinBank.

4. Answered opinion sheets must be signed by shareholders who are individuals, or the legal representatives of institutional shareholders or individuals, legal representatives of the authorized institutions.

5. Opinion sheets can be sent to VietinBank in the following forms:

a) By post: The opinion sheet sent to VietinBank must be in a sealed envelope and no one shall be entitled to open it before vote counting;

b) By fax or email: Opinion sheets sent to VietinBank by fax or email must be kept confidential until the time of vote counting.

Any opinion sheet received by VietinBank after the deadline specified in the opinion sheet or opened in the case of sending by post or announced before the vote counting in the case of sending over fax or email is not valid. *An opinion sheet which is not sent shall be considered as a non-voting sheet.*

6. The Board of Directors shall count the votes and make vote counting minutes with the witness of the Supervisory Board or shareholders who do not hold managerial positions at VietinBank. The vote counting minutes must contain the following key contents:

a) Name, head office address, enterprise code;

b) Purposes and issues to be consulted for adoption of the resolution;

c) The number of shareholders with total votes participated in the voting, specifying the number of valid and invalid voting sheets and the mode of sending the voting sheets, enclosed with the list of shareholders participated in the voting;

d) Total number of votes “for”, “against” and “abstention” on each issue;

e) Issues that have been approved;

f) Full name, signature of the Chairman of the Board of Directors - VietinBank's legal representative, vote counters and vote counting supervisors.

Members of the Board of Directors, the vote counters and the vote counting supervisors shall be jointly responsible for the truthfulness and accuracy of the minutes of vote counting; jointly liable for losses arising from decisions adopted due to untruthful or inaccurate vote counting.

7. The vote-checking minutes must be sent to members of the Board of Directors, the Supervisory Board, the Board of Management and all shareholders within 15 (fifteen) days from the completion date of vote checking or uploaded the website of VietinBank within twenty four (24) hours from the completion of vote checking.

8. Written opinion sheets which have been answered, vote counting minutes, resolutions which have been approved and related documents sent together with opinion sheets must be archived at the head office of VietinBank.

9. A resolution is adopted in accordance with point 3 and 5 of Article 32 of the VietinBank's Charter.

10. Decisions which are approved though obtaining written opinions shall have the same validity as decisions approved at the physical General Meeting of Shareholders.

### **Article 15. Decisions of the General Meeting of Shareholders**

1. Decisions of the General Meeting of Shareholders must be disclosed to the public in compliance with law in each period of time.

2. Decisions of the General Meeting of Shareholders shall be approved in accordance with the provisions of Article 34 of the Charter of VietinBank and have the highest validity within VietinBank. All departments and individuals (including members of the Board of Directors, the Supervisory Board and the Board of Management), all shareholders (institutions and individuals) shall be obliged to implement such decisions.

3. In case decisions of the General Meeting of Shareholders are impossible to implement due to practical causes, the Board of Directors may directly or under the request of the relevant individuals to report, submit to the General Meeting of Shareholders for reviewing, amending, supplementing/cancelling the decisions issued at the annual or extraordinary meeting or through written opinions.

4. Within ninety (90) days from the date of receipt of the minutes of the GMS or the written vote counting minutes, members of the Board of Directors, shareholders, groups of shareholders stipulated in Clause 2 of Article 23 of VietinBank's Charter have the right to request the Court or the Arbitrator to consider and cancel the decision of the GMS in the following circumstances:

a) The order and procedures for convening meetings or collecting shareholders' opinions in writing and making decisions of the GMS do not comply with the provisions of the Law and VietinBank's Charter except for the cases specified in point 6 of 32 of VietinBank's Charter.

b) The content of the resolution is in violation of the law or VietinBank's Charter. If the decision of the GMS is cancelled pursuant to the decision of the Court or the Arbitrator, the person who has convened the GMS may consider to reorganize the GMS within thirty [30] days in accordance with the orders, procedures stipulated by the Law and VietinBank's Charter.

### **Article 16. Expenses related to the General Meeting of Shareholders**

All necessary expenses for convening and conducting the General Meeting of Shareholders shall be borne by VietinBank. Shareholders shall cover all expenses including expenses for meals, accommodation and travel when attending the General Meeting of Shareholders.

## **CHAPTER III: BOARD OF DIRECTORS**

### **Article 17. Roles and organizational structure of the Board of Directors**

1. Role of the BoD:

a) The BOD is the governing body of VietinBank which has full authority to exercise rights on behalf of VietinBank, except for matters which fall within the authority of the GMS.

b) The BOD is responsible for developing VietinBank's strategy and determining priorities in VietinBank's business operation, directing and controlling the management, making decision on matters which are not under the authority of the GSM. The authority of the Board of Directors focuses on the areas below:

i) Develop, monitor and review business strategies, targets and plans;



- ii) Establish criteria for evaluation of effectiveness in implementing strategy and targets;
  - iii) Set up a system of governance and management policies, key operational policy frameworks and risk appetite of VietinBank.
  - iv) Control, monitor and evaluate the performance of management and operation activities;
  - v) Ensure the rights and interests of shareholders;
  - vi) Issues related to capital and assets of VietinBank; information disclosure to stakeholders;
  - vii) Issues related to the reputation and relationship of VietinBank with stakeholders;
  - viii) Develop and/or decide the successive plans and appointment of managerial positions within the scope of authority.
- c) The authorities of the BOD are specified in details in the Charter and Regulations on organization and operation of the BOD.

## 2. Mechanism of operation

The Board of Directors operates under the Regulation on organization and operation issued by the Board of Directors after being approved by the GMS. The Board of Directors gives directions and instructions in a comprehensive manner to implement the orientations, objectives and business plans of VietinBank approved by the General Meeting of Shareholders subject to relevant provisions of laws and the Charter of VietinBank.

## 3. Structure

- a) The BOD consists of a Chairman and Board members.
- b) The BOD establishes and maintain these following Committees: Labor, Payroll and Emulation Committees; Risk Management Committee; In addition to these Committees, the BoD may establish other assisting committees under the provisions of the State Bank and the Law, if necessary.

## 4. The number of member and term of office

a) The number of the Board of Directors members is no less than 05 (five) and no more than 11 (eleven), of which at least 01 (one) member is independent member. The number of board members for each term is determined by the GMS. At least half of the members of the Board of Directors must be independent members and non-executive members of VietinBank. Individuals and related persons of such individuals or representatives for capital contribution of an institutional shareholder and related persons of these persons can be members of the Board of Directors of VietinBank but must not exceed one third of the total members of the Board of Directors of VietinBank, except for those who are representatives for capital contribution of the State.

b) The term of office of the Board of Directors is 05 (five) years. The term of office of a member of the Board of Directors shall not exceed 05 (five) years and members of the Board of Directors may be re-elected with no restriction on the number of times to be re-elected. Members of the Board of Directors may be dismissed, removed or supplemented or replaced by the General Meeting of Shareholders and the office term of the new member shall be the remaining duration of the Board of Directors' term of office.

- 5. Types of Board members: There are 3 (three) types of the Board members: (i) Executive

members; (ii) independent members and (iii) non-executive members

#### **Article 18. Responsibilities and obligations of Board members**

1. Responsibilities and obligations of the Board of Directors and Board members are defined in Article 39 of the Charter of VietinBank and detailed in the Regulation on Organization and Operation of VietinBank's Board of Directors.

2. Board members must exercise their rights and duties in an honest, devoted and prudent manner for the highest interests of VietinBank and comply with the provisions as follow:

a) Implementing fully and effectively the responsibility and authority of board members, namely:

- Acting in an honest and devoted manner for the common interests of VietinBank;
- Participating enthusiastically in a frequent manner in meetings of the Board of Directors;
- Focusing on matters discussed in the Board meetings, and proactively requesting meetings to be held when necessary;
- Keeping the discussed and approved contents in the meetings confidential until the Resolutions are issued.
- Reporting periodically and on ad-hoc basis to the Chairman of the BOD on the area of works that the Board members are in charge of; matters for discussion and opinion gathering at meetings of Committees under the BOD
- Ensuring that VietinBank has an effective internal audit system;
- Requesting the General Director and members of the Board of Management to provide sufficient information to the Board of Directors for members to have a firm grasp on VietinBank's matters;
- Performing the responsibility of supervising the Board of Management in an appropriate manner.

b) Board members must not take any action which creates damages to VietinBank, or harm the interests of VietinBank and its shareholders:

- Board member must not participate in the Board of Directors of competitors
- Board member must not use VietinBank's assets and utilities to serve individual needs
- Board members must not reveal any confidential information of VietinBank and/or companies whose shares are held by VietinBank during his time serving as a board member and within 03 years after resigning from board member position.
- Board member must not use information or business opportunities of VietinBank for the individual interest.

#### **Article 19. Criteria and conditions to become a member of the Board of Directors**

1. A member of the Board of Directors must satisfy all conditions and requirements in compliance with provisions of current law and regulations prescribed in the Charter of VietinBank.

2. An independent member of the Board of Directors must meet all conditions regarding independence as regulated in the Charter of VietinBank and current Laws.



**Article 20. Process and procedures for nomination, election, disqualification and dismissal of members of the Board of Directors**

1. Shareholders who hold common shares for at least six (06) consecutive months shall have the right to add up their votes to nominate candidates for the Board of Directors. A shareholder or group of shareholders who holds from 5% to below 10% of the total voting shares shall have the right to nominate 01 (one) candidate; who holds from 10% to below 30% shall have the right to nominate maximum 02 (two) candidates; who holds from 30% to below 40% shall have the right to nominate maximum 03 (three) candidates; who holds from 40% to below 50% shall have the right to nominate maximum 04 (four) candidates; who holds from 50% to below 60% shall have the right to nominate maximum 05 (five) candidates; who holds from 60% to below 70% shall have the right to nominate maximum 06 (six) candidates; who holds from 70% to below 80% shall have the right to nominate maximum 07 (seven) candidates and who holds from 80% to below 90% shall have the right to nominate maximum 08 (eight) candidates.

2. In case the number of approved candidates, both nominated and self-nominated one, for members of the Board of Directors is not sufficient as required, the incumbent Board of Directors may nominate additional candidates or conduct the nomination in accordance with the Internal Governance of VietinBank. The procedures of board member candidate reference undertaken by the incumbent Board of Directors must be clearly announced and approved by the General Meeting of Shareholders before the nomination is conducted under provisions of the Law.

3. In the case where candidates for the Board of Directors have been identified beforehand, information relating to the candidates shall be included in the materials of the GMS and disclosed at least ten (10) days prior to the opening date of the General Meeting of Shareholders on the website of VietinBank in order for shareholders to learn about the candidates before voting.

4. Candidates for the Board of Directors must undertake in writing on the truthfulness, accuracy and reasonableness of the personal information disclosed and undertake to perform the tasks of members of the Board of Directors in an honest manner if they are elected as members of the Board of Directors.

5. The election of members of the Board is conducted in cumulative voting method, by which each shareholder has a total number of votes corresponding to the total number of shares held multiplied by the number of elected members of the Board of Directors and the shareholder has the right to accumulate all or share their votes for a candidate.

6. The dismissal and removal of a member of the Board of Directors is executed under provisions specified at Article 45 in the Charter of VietinBank.

**Article 21. Order and procedures in organizing meetings of the Board of Directors and of the Standing Committee of the Board of Directors**

Order and procedures in organizing meetings of the Board of Directors is executed under provisions specified in the Charter of VietinBank and detailed in the Regulation on Organization and Operation of the Board of Directors.

**Article 22. Resolutions and decisions by the Board of Directors and of the Standing Committee of the Board of Directors**



1. Resolutions and decisions of the Board of Directors are adopted in accordance with provisions specified at Clause 11 Article 42 in the Charter of VietinBank and detailed in the Regulation on Organization and Operation of the Board of Directors.

2. Copies of Resolutions and decisions (one copy for each) of the Board of Directors must be sent to the Head of the Supervisory Board (for supervision) and to the General Director for direction and implementation after the issuance of those resolutions and decisions.

3. Resolutions and decisions of the Board of Directors have the highest validity during the two General Meetings of Shareholders and only lose their effects when being revoked by the General Meeting of Shareholders. All departments and individuals of VietinBank, including members of the Board of Directors, are obliged to implement the resolutions and decisions of the Board of Directors.

4. The General Director is responsible to the Board of Directors, for directing implementation of relevant contents mentioned in the resolutions and decisions of the Board of Directors in a strict manner. In case the implementation of the resolutions and decisions of the Board of Directors at the current time or in the future is found to be able to negatively affect the operation of VietinBank, the General Director has to promptly report to the Chairman of the Board of Directors in order for the Board of Directors to take consideration. If there is no replacement for the resolutions or decisions, the General Director has the obligation to continue the implementation of resolutions and decisions issued by the Board of Directors.

#### **Article 23. Assessment and Training of Board Members**

1. The assessment of board members is conducted through:

- a) Self-assessment of Board members, and
- b) Direct assessment at the meeting at the end of a period.

2. The assessment is implemented at least once a year.

3. Assessment records and results will be announced to the members of the Board and archived at VietinBank as confidential information.

4. Based on periodic assessment results of the Board of Directors and Board members hereof, training sessions will be conducted or provided to improve the knowledge and skills of Board members. Such training sessions shall include the following contents:

- a) Improving leadership skills and new skills as required by the business strategy;
- b) Accessing to up-to-date knowledge of corporate governance and raising awareness about the principles and foundations of effective corporate governance;
- c) Relevant courses that help board members to complete their tasks and responsibilities.

5. Board members will actively participate in the training courses, workshops on corporate governance arranged by training units, foreign and domestic partners.

#### **Article 24. Remuneration policy of members of the Board of Directors**

1. Remuneration policy of Board members is stipulated in Article 43 of the Charter of VietinBank. In which, VietinBank commits to pay competitive remuneration as permitted by law and subject to business performance of VietinBank.



2. Structure of remunerations of board members include:

- a) A fixed remuneration; a remuneration for participation in Board meetings;
- b) Remuneration for assigned duties in the Committees of the Board;
- c) The remuneration for additional responsibilities, such as the role of Chairperson of the Board or the Chairpersons of the Committees under the Board of Directors or other tasks in addition to regular duties.

3. Human Resource and Remuneration Committee is responsible for developing the remuneration rate and detailed remuneration and bonus policy

#### **Article 25. Corporate Secretary**

1. Structure: Corporate Secretary/Secretaries is/are 01 or more persons of the BODs' Secretariat Office.

2. Corporate Secretary is also the person in charge of corporate governance.

3. Responsibilities:

a) Assisting the BOD, BOM and other committees of the BOD during the course of meetings, conduct poll in writing (including GSM).

b) Archiving meeting minutes of BOM meetings, BOD meetings, GSM and any Board committees'; archiving VietinBank's records and documents (including meeting minutes, meeting agenda, meeting announcement, delegates, reports to regulatory bodies, reports required by the Law and corresponding letters with independent auditors).

c) Supporting VietinBank's Board members to comply with internal governance principles as well as other internal rules and regulations of VietinBank;

d) Consulting the Board members about legal requirements, listing provisions and the Codes, Laws on Corporate Governance.

e) Providing financial information, copies of BODs' meeting minutes and other information to Board members and members of Supervisory Board;

f) Supporting VietinBank in strengthening the shareholder relationship and protecting the legal right and benefits of shareholders,

g) Supporting VietinBank in the compliance with the obligations of information provision disclosure and administrative procedures.

h) Carrying out the responsibilities of the person responsible for corporate governor in accordance with the law.

4. Standards applicable to the person responsible for Corporate Governance in VietinBank shall be in compliance with the standards of VietinBank staff and legal regulations (if any). The Board of Directors of VietinBank is responsible for appointing and dismissing the person in charge of administering VietinBank. VietinBank will inform about the appointment and dismissal of the administrator on its website.

## **CHAPTER IV: SUPERVISORY BOARD**



## **Article 26. Roles and Organization structure of the Supervisory Board**

### **1. Roles:**

a) The Supervisory Board is a body acting on behalf of shareholders to supervise the operation and the compliance with Law and the Charter of VietinBank in the management and administration of VietinBank; is responsible before the Law and the General Meeting of Shareholders for the implementation of its assigned powers and duties. During the process of implementing its duties, the Supervisory Board is entitled to use its rights under provisions of Law and the Charter of VietinBank.

b) The Supervisory Board performs the role of internal audit, control and assessing the compliance with the law, internal regulations, the Charter, rules and resolutions, decisions of the General Meeting of Shareholders and of the Board of Directors.

2. Organizational Structure: The Supervisory Board consists of a Head of Supervisory Board and number of members and assistants to Supervisory Board.

3. Number of members and term of office: The Supervisory Board consists of 03 (three) to 05 (five) members elected by the General Meeting of Shareholders. Over 1/2 (a half) of the total number of members of the Supervisory Board must be full-time members and must not concurrently undertake other positions or work at VietinBank or other enterprises; The term of office of members of the Supervisory Board shall not exceed five (05) years and may be re-elected for an unlimited number of terms.

4. If the end of the terms of office of members of the Supervisory Board are at the same time but new members of the Supervisory Board have not yet been elected, the members of the Supervisory Board whose term of office have expired shall continue to exercise their rights and obligations until the new members of the new term of office are elected and take over the task.

### **5. Mechanism of operation:**

a) The Supervisory Board develops, promulgates and implements Regulation on its organization and operation after consent of the Board of Directors has been reached and on the basis of relevant provisions of law and the Charter of VietinBank and this Regulation.

b) Regulation on organization and operation of the Supervisory Board shall include at least the following contents: determining the number of members of the Supervisory Board, how to elect the head of the Supervisory Board, the rule of approving decisions, the number of meetings, meeting schedules, the conditions for holding meetings, stipulations on the standards and methods of performance assessment of members of the Supervisory Board, the stipulations on the conditions of utilization of independent consultancies, provisions on confidentiality.

## **Article 27. Criteria and conditions to become a member of the Supervisory Board**

1. Members of the Supervisory Board must satisfy all conditions and requirements in compliance with provisions of current law and regulations prescribed in Article 61 of the Charter of VietinBank.

2. Member of the Supervisory Board must not concurrently be a member of the Board of Directors, Board of Management, operation staff of VietinBank or a subsidiary of VietinBank; not concurrently be a member of the Board of Directors, managerial officers of a company of which



member of the Supervisory Board is member of the Board of Directors or manager of VietinBank; Not to be a related person of a Manager of VietinBank; not to be a member or staff of an independent auditing company who is auditing financial statements of VietinBank; Full-time members of the Supervisory Board must not concurrently hold positions or work in other credit institutions.

**Article 28. Process and procedures for nomination, election, dismissal and removal of members of the Supervisory Board**

1. Shareholders who hold common shares for at least six (06) consecutive months shall have the right to add up their votes to nominate candidates for the Supervisory Board. A shareholder or a group of shareholders who holds from 5% to less than 10% of the voting shares shall have the right to nominate 01 (one) candidate; who holds from 10% to below 30% shall have the right to nominate maximum 02 (two) candidates; who holds from 30% to below 40% shall have the right to nominate maximum 03 (three) candidates; who holds from 40% to below 50% shall have the right to nominate maximum 04 (four) candidates and who holds from 50% or more shall have the right to nominate the full number of candidates.

2. Where the number of approved candidates for members of the Supervisory Board is not sufficient as required, the incumbent Supervisory Board may nominate additional candidates or conduct the nomination in accordance with the mechanism regulated by VietinBank. The mechanism for nomination or the method of nomination undertaken by the incumbent Supervisory must be clearly announced and approved by the General Meeting of Shareholders before the nomination is conducted.

3. The Supervisory Board shall elect a member as the Head of Supervisory Board.

4. Information relating to the candidates of the Supervisory Board (in case candidates have been identified) must be disclosed at least 07 days prior to the convening date of the GMS on VietinBank's website so that shareholders can learn about these candidates before casting their votes.

5. Candidates for the Supervisory Board must undertake in writing on the truthfulness, accuracy and reasonableness of the personal information disclosed and perform tasks of members of the Supervisory Board in an honest manner if they are elected as members of the Supervisory Board.

6. The election of members of the Supervisory Board is conducted in cumulative voting method, by which each shareholder has a total number of votes corresponding to the total number of owned shares multiplied by the number of elected members of the Supervisory Board and the shareholder has the right to accumulate all or divide their votes for a candidate.

7. The dismissal and removal of one member of the Supervisory Board is executed under provisions specified at Article 62 in the Charter of VietinBank.

**Article 29. Process, procedures for organizing meetings of the Supervisory Board**

1. The Supervisory Board organizes meeting periodically or extraordinarily. Periodical meeting of the Supervisory Board is organized at least quarterly and is summoned by the Head or temporary Head of the Supervisory Board.

2. Extraordinary meetings of the Supervisory Board are organized in accordance with the order and procedures under provisions specified in the Charter of VietinBank, the Charter on operation and organization of the Supervisory Board.

3. Meetings of the Supervisory Board are organized at the registered address of the Head Office of VietinBank.

Invitation notice for meetings of the Supervisory Board must be sent to members of the Supervisory Board at least 05 (five) days prior to the date of the meeting. The invitation notice must be written in Vietnamese, in which clearly specifies: Meeting schedule, time, place and must attach necessary materials relating to issues to be discussed and voted at the meeting and voting cards for members of the Supervisory Board. Those members who are not able to attend the meeting must send their voting cards to the Supervisory Board prior to the meeting.

The Head of Supervisory Board has the right to invite members of the Board of Directors or Board of Management to attend meetings of the Supervisory Board if necessary.

### **Article 30. Decisions of the Supervisory Board**

Decisions of the Supervisory Board are adopted under provisions specified at Article 63 in the Charter of VietinBank.

A copy of each decision of the Supervisory Board must be sent to the Chairman of the Board of Directors and to the General Director to direct and implement after such decision is issued.

## **CHAPTER V: BOARD OF MANAGEMENT**

### **Article 31. Roles and organization structure of the Board of Management**

#### **1. Roles of the Board of Management**

The Board of Management is responsible for directly managing and running business activities of the Bank in accordance with policies and orientations set by the General Meeting of Shareholders and by the Board of Directors for each period; is responsible before the General Meeting of Shareholders and the Board of Directors for its assigned tasks and duties.

#### **2. Mechanism of operation**

The Board of Management operates under the Regulation on organization and operation of the Board of Management of VietinBank issued by the Board of Directors.

#### **3. Organizational structure**

The Board of Management comprises of the General Director, Deputy General Directors and Chief Accountant who are appointed by the Board of Directors.

#### **4. Number of member and term of office**

a) The number of Deputy General Directors is proposed by the Board of Directors to the competent person/unit for decision based actual management demand of VietinBank.

b) The term of office of the Deputy General Director is 05 years unless decided otherwise by the Board of Directors but no more than 05 years. A Deputy General Director can be



reappointed with no restriction on the number of times to be re-elected.

**Article 32. Standards and conditions of The Board of Management's member.**

1. General Director and Deputy General Directors must satisfy all standards and conditions prescribed by the current law and Article 54 of the Charter of VietinBank.

2. Chief Accountant: In addition to the standards and conditions stipulated in Clause 4, Article 54 of the Charter of VietinBank, the Chief Accountant of VietinBank must satisfy the following conditions:

a) Satisfying the standards and conditions of Law on Accounting;

b) Having moral quality, occupational qualities, honesty and the sense of observing and fighting to preserve the rights, policies, financial and economic management mechanism under the regulation of the Law and VietinBank.

c) Having university degree or higher qualification of professional accounting, with actual experience in accountancy for at least eight (8) years. The Board of Directors of VietinBank develops and decides specific standards for the Chief Accountant of VietinBank in consistence with each period of VietinBank's development.

**Article 33. Salary, bonus and other benefits for the Board of Management**

The BOD decides the salaries, bonuses and other benefits of the General Director, Deputy General Directors and Chief Accountant in accordance with the provisions of the Charter of VietinBank.

**Article 34. Assessment and Training of BOM members**

1. The members of the BOM shall conduct self-assessment and performance evaluation at the Annual Evaluation Meeting or conduct assessment in accordance with provisions of the Regulation on Personnel Management and evaluation guidelines of the BOD from time to time.

2. Member of the BOM should actively participate in training courses on operation, management skill advancement, effective corporate governance and other courses under the personal and management capability development programs and plans of the BOD.

**Article 35. The order and procedures of selection, appointment, dismissal, removal of The Board of Management's member.**

1. The order and procedures for selection, appointment, dismissal, and removal of members of the Board of Management comply with the regulations, mechanisms and provisions of the Communist Party, State, Government, State Bank of Vietnam and Regulation on Personnel Management of VietinBank on Human Resource activities in each period.

2. The Human Resources and Remuneration Committee of the Board of Directors, based on the functions, tasks and requirements for VietinBank's governance considers and proposes the candidates for the Board of Directors to select and appoint the General Director of VietinBank.

3. The Board of Directors selects and issues the appointment decision of Deputy General Directors and Chief Accountant based on the proposal of the Human Resources and Remuneration Committee of the Board of Directors.

4. In cases of necessity, on the basic of job requirements or for the benefit of VietinBank, the Board of Directors reserves the right to issue decision on appointment, dismissal and removal



of the members of The Board of Management and the Chief Accountant.

5. Information on appointment, dismissal, contract signing and termination for senior managers of VietinBank must be published on the VietinBank website and Ho Chi Minh Stock Exchanges under the provisions of the current law and the Charter of VietinBank.

**Article 36. Decisions, directions and instructions of the General Director, Deputy General Directors**

Decision and direction of the General Director and Deputy General Directors must be made in compliance with the Regulation on Organization and Operation of the Board of Management of VietinBank.

1. Decision and direction of the General Director:

a) Based on the actual situation and within the jurisdiction according to the Charter of VietinBank, being authorized and delegated by the Board of Directors; the General Director can decide or give instructions and directions to ensure the safe and sustainable operation of VietinBank in conformance to the direction, strategic objectives and business plan which have been approved by the General Meeting of Shareholders and the Board of Directors as well as the resolutions, decisions of the Board of Directors from time to time.

b) Decisions, managerial directions and instructions of the General Director are enforceable to all employees in the bank, except for the members of the Board of Directors and members of Supervisory Board and members supporting the Board of Directors.

c) The relevant Deputy General Directors, Chief Accountant and managerial officers of VietinBank are responsible for strict implementation of the decisions and directions of General Director.

2. Decision, direction of the Deputy General Director

a) Based on the actual situation and within the jurisdiction authorized and delegated by the General Director; Deputy General Director can decide and give directions and instructions to ensure that all the tasks assigned by the General Director are safely and effectively implemented on a secure manner and in accordance with the directions, strategic objectives and business plan of VietinBank which have been approved by the General Meeting of Shareholders and the Board of Directors as well as the resolutions and decisions of the Board of Directors from time to time.

b) Decisions, managerial directions and instructions of Deputy General Director are enforceable to all employees, relevant individuals and units in the Bank as same as the managerial directions and instruction of the General Director.

c) In case of necessity, the General Director reserves the right to decide and revoke the directions, decisions and managerial opinions of the Deputy General Director. The revocable decision of the General Director has to be reported to the Board of Directors.

3. Decision and direction of the Chief Accountant: responsibility, authority and direction of the Chief Accountant comply with the provisions of the Law on Accounting and current laws.

4. Reporting:

a) Deputy General Directors are responsible for promptly reporting to the General Director of their major decisions and directions within the assigned business area.



b) The Board of Directors holds quarterly meeting to evaluate job implementation performed by the General Director, Deputy General Directors and Chief Accountant.

**CHAPTER VI:  
COORDINATION AMONG BOARD OF DIRECTORS, SUPERVISORY BOARD AND  
BOARD OF MANAGEMENT**

**Article 37. Coordination Principles**

The Board of Directors, the Supervisory Board and the Board of Management coordinate together in accordance with the following principles:

1. Always for the interest of VietinBank.
2. Strictly complying with provisions of the Law and the Bank; implementing principles of democratic centralism, publicity and transparency.
3. Taking own responsibility for the implementation of assigned duties and seriously coordinating to protect the legal rights of shareholders and the development of VietinBank.

**Article 38. Request for convening and seeking for opinions of the Board of Directors by the Supervisory Board, the General Director**

The Supervisory Board and the General Director propose to convene a meeting and seek for opinions of the Board of Directors in the following cases:

1. The Supervisory Board
  - a) The Supervisory Board consults the opinions of the Board of Directors before deciding or reporting, proposing to the General Meeting of Shareholders the following issues:
    - Promulgating internal regulations of the Supervisory Board;
    - The evaluation results of the business situation reports, the annual and half-year financial reports of VietinBank, reports on evaluation of the management of the Board of Directors, reports to the GMS on the results of the evaluation of the annual financial reports, reports on the rationality, lawfulness, truthfulness and level of prudence in the governance and management of business activities, accounting, statistics and financial report preparation;
    - Making recommendations to the GMS the measures to amend, supplement, improve the organizational structure of management and running of the business of VietinBank;
    - Appointing, dismissing, disciplining, suspending and deciding salaries and other benefits for titles in the internal audit team;
    - Using external independent consultants;
    - Other cases falling under the competence of the Supervisory Board to make decision or report, propose to the General Meeting of Shareholders in accordance with law or if the Supervisory Board deems necessary.
  - b) Where the Supervisory Board and the Board of Directors do not share the same view, the Supervisory Board shall have to note in the minutes and the head of the Supervisory Board shall have to report to the nearest General Meeting of Shareholders.
  - c) In case of necessity, the head of the Supervisory Board may propose the Board of Directors to hold an extraordinary meeting to discuss and agree on the contents mentioned at Points



a and b of this Clause or any other contents so as to ensure the effectiveness of VietinBank's operations, benefits of VietinBank and shareholders. The head of the Supervisory Board shall have to send a written request clearly stating the reason for convening the meeting to the Board of Directors and the General Director together with supporting documents (if any).

2. General Director:

a) The General Director is responsible for submitting to the Board of Directors for approval of: (i) the contents that the General Director must submit to the Board of Directors in accordance with Clause 5, Article 48 of the VietinBank's Charter; (ii) matters which are beyond the authority of the General Director; (iii) other contents under the authority of the Board of Directors in accordance with the law and internal regulations of VietinBank.

b) The General Director may request the Board of Directors to hold an extraordinary meeting to discuss and agree on the contents specified at Point a of this Clause or any other contents to ensure the effectiveness of VietinBank's operations, benefits of VietinBank and shareholders. The General Director shall send a written request stating the reasons for convening the meeting to the Board of Directors and the Head of the Supervisory Board together with supporting documents (if any).

**Article 39. Procedures, order of convening, inviting, preparing minutes and announcing the results of the meetings among the Board of Directors, the Supervisory Board and the Board of Management.**

1. Meetings of the Board of Directors, the Supervisory Board and the General Director

a) Meetings of the Board of Directors:

- The Supervisory Board and General Director must be invited to the meeting of the Board of Directors in accordance with VietinBank's Charter.

- The Board of Directors may request the Board of Management or any managerial level of VietinBank to participate in the meetings of the Board of Directors or meetings chaired by the members of the Board of Directors.

b) Meetings of the Board of Management: At the regular or extraordinary meetings of the Board of Management or the meetings related to the important contents chaired by members of the Board of Management, in case of necessity, the chairperson of the meeting may invite Chairman of the Board of Directors and/or relevant members of the Board of Directors or the Supervisory Board to join.

c) Meetings of the Supervisory Board: At the meetings of the Supervisory Board, the person who convenes the meeting may invite the Board of Directors or Board of Management to join in case of necessity.

d) Other meetings: The Chairman of the Board of Directors is the representative, acting on behalf of the bank in meetings or events with the leaders of the higher level agencies, relevant departments and agencies, business partners or big customers, strategic customers, press agencies ... In case the Chairman cannot attend, another member of the Board of Directors or a member of the Board of Management shall attend. After attending the meeting, such member of the Board of Directors, Board of Management is responsible for reporting to the Chairman of the Board of



Directors on the content of meeting.

2. Meeting invitation:

a) For the meeting of the Board of Directors: The meeting invitation, the opinion sheet to get opinions of members of the Board of Directors and enclosed documents must be sent to the members of the Supervisory Board at the same time and in the same manner as they are sent to the members of the Board of Directors.

b) For the meeting of the Supervisory Board, the Board of Management: The person who convenes the meeting shall send the meeting invitation to the members attending the meeting at the same time and in the same similar manner.

3. Meeting minutes and conclusions

a) The Board of Directors is responsible for sending the minutes, resolutions and conclusions of the meeting to the head of the Supervisory Board at the same time and in the same manner as they are sent to members of the Board.

b) The General Director is responsible for sending minutes and conclusions of the regular and extraordinary meetings of the Board of Management to the Chairman and members of the Board of Directors assigned to be in charge of matters related to the contents of the meetings and the Supervisory Board within 5 days from the end of the meeting but no later than the time of sending to other related individuals and parties.

c) For other meetings, the meeting invitee is responsible for sending the meeting conclusions and minutes to the invited members at the same time and in the same manner.

**Article 40. Information sharing regime of the Supervisory Board to the Board of Directors**

The Supervisory Board is responsible for promptly and accurately informing the Board of Directors in the following cases:

1. Results of performance of duties as stipulated in Article 53 of VietinBank's Charter

2. When checking and supervising, if there are any risks, or incidents or information that may affect: (i) prestige and trade mark of VietinBank; (ii) key personnel / strategy; (iii) risk; (iv) other issues related to VietinBank's assets and capital; (v) issues relating to legality in enforcement; (vi) interests of partners, shareholders of VietinBank or other matters deemed necessary, the Supervisory Board shall timely inform, recommend and discuss with the Board of Directors about resolution measures.

3. When detecting the violations committed by members of the Board of Directors, the General Director and other executive members of VietinBank in relation to the obligations of the managerial officers, executive officers in accordance with provisions of VietinBank's Charter and the current Law.

4. In case the Supervisory Board requests the Board of Directors to hold an extraordinary meeting or propose to the Board of Directors to convene an Extraordinary General Meeting of Shareholders in accordance with the provisions of the law and the Charter of VietinBank.

5. Other cases as prescribed by law and Regulation on organization and operation of the Supervisory Board.



**Article 41. Reporting and providing information by the General Director, the Board of Management to the Board of Directors and the Supervisory Board**

1. Report of the General Director, the Board of Management to the Board of Directors

a) Regular reports: The General Director is responsible for reporting in writing to the Chairman of the Board of Directors on the performance of assigned tasks and powers periodically (monthly, quarterly, semi-annually, annually ...).

b) Irregular reports, and reports as per request:

- In addition to the periodical reports, at the request of the members of the Board of Directors, the Board of Management, the units of VietinBank directly report or provide information, report the instructions given to handle work that they are in charge of.

- The Board of Directors is entitled to request the Board of Management and units to provide information, to abide by the reporting regime or to use the resources and management apparatus of VietinBank to perform the function of the Bank governance and control in accordance with provisions of the Charter, internal regulations of VietinBank in conformity with the provisions of law. The information and data reported to the Board of Directors must be accurate, complete and truly reflect the situation of VietinBank.

- In case risks, or incidents or information are detected that may affect: (i) prestige and trade mark of VietinBank; (ii) key personnel / strategy; (iii) risk; (iv) other issues related to VietinBank's assets and capital; (v) issues relating to legality in enforcement; (vi) interests of partners, shareholders of VietinBank or any other cases of necessity, the Board of Management must immediately report to the Chairman of the Board of Directors and members of the Board of Directors who are in charge of that work for timely direction for resolution.

c) The General Director of VietinBank is responsible for establishing and maintaining the reporting regime for the Board of Directors, including the method of sending / receiving information and reports in a timely, secure and confidential manner; is responsible for the quality of information and reports provided to the Board of Directors.

2. Information provided by the General Director, the Board of Management to the Supervisory Board:

a) The Board of Management are responsible for creating favourable conditions for the Head and members of Supervisory Board to access information and reports in the fastest manner.

b) In addition to periodical report, at the request of the Head of the Supervisory Board, VietinBank's Board of Management directly reports or provides information, report in relation to the work to the member of the Supervisory Board who is assigned to be in charge of such work.

c) Regarding the activities of the Board of Management, based on regular operation reports and specific request for information of the Supervisory Board, the Supervisory Board may request the Board of Directors to reconsider the decision of the General Director. In case there is any sign of violation of the law, the Charter of VietinBank by the Board of Management detected, the Supervisory Board shall have to immediately inform in writing to the Board of Directors, request the violators to stop the violation and take correction measures.



**CHAPTER VII:  
EVALUATION, DISCIPLINE AND REWARD TOWARDS MEMBERS OF THE BOARD  
OF DIRECTORS, THE SUPERVISORY BOARD, THE BOARD OF MANAGEMENT**

**Article 42. Performance evaluation approach for members of the Board of Directors, members of the Supervisory Board and members of the Board of Management**

1. Depending on the regulation of the Board of Directors, the performance evaluation activities for members of the Board of Directors, members of the Board of Management and managerial officers can be carried out by one or more of the following methods:

- a) Self-evaluation
- b) Semi-annual performance evaluation.
- c) Annual performance evaluation at year end.
- d) Credibility and confidence voting.
- e) Other relevant approaches selected by the Board of Directors in from time to time.

2. The Board of Directors will evaluate the performance of the members of the Board of Directors and other titles appointed by the Board of Directors.

3. The Supervisory Board evaluates the performance of the members of the Supervisory Board.

**Article 43. Evaluation criteria**

The criteria applied to evaluate the performance of the members of the Board of Directors, members of the Supervisory Board, members of the Board of Management are:

1. Result of implementation of the assigned targets, duties. .
2. Results of supervision and evaluation of performance of VietinBank in accordance with provisions of the law (if any).
3. The compliance with the Charter of VietinBank.
4. The observance of the Party's lines and policies as well as the laws of the State; anti-corruption law; practice of thrift and anti-wastefulness; VietinBank's internal governance regulations.
5. Political qualities, ethics, lifestyle and work style.
6. Capacity of leadership, management and organization for implementation of tasks.
7. Participation in activities organized by the State Bank of Vietnam/VietinBank.
8. Other assessment criteria (if any) issued by the Board of Directors from time to time.

**Article 44. Evaluation and Grading**

1. Based on the evaluation results, the grading of members of the Board of Directors, members of the Supervisory Board, members of the Board of Management of VietinBank can be classified into five categories:

- a) A++: Exceed all key performance objectives/ business targets.
- b) A+: Accomplish all key performance objectives/ business targets.
- c) A: Accomplish most of key performance objectives/ business targets.

d) B: Complete of a number of key performance objectives/ business targets.

e) C: Fail to complete most of key performance objectives/ business targets.

2. Method of evaluation and grading is in accordance with regulations of VietinBank's Board of Directors from time to time.

3. For the representative of the State capital at VietinBank, in addition to the evaluation and grading as stipulated in clauses 1 and 2 above, the evaluation and grading shall be conducted in accordance with the regulations of the SBV.

4. The documents that evaluate the business performance and efficiency of members of the Board of Directors, members of the Supervisory Board, and members of the Board of Management of VietinBank must be stored in each individual's profile.

#### **Article 45. Emulation and Reward**

1. Members of the Board of Directors, members of the Supervisory Board, members of the Board of Management of VietinBank having good achievements in governance, management and other duties as assigned will be considered for reward in accordance with the provisions of Regulation on Emulation and Regulations on Emulation and other internal regulations of VietinBank promulgated by the Board of Directors.

2. The form, specific standard, procedure and process of emulation and reward will be implemented in accordance with the Regulation on Emulation and other internal regulations of VietinBank.

#### **Article 46. Discipline**

1. Depending on the nature and consequences of the violations, discipline measures shall be taken against members of the Board of Directors, members of the Supervisory Board, members of the Board of Management who violate relevant provisions of the law, VietinBank's Charter, Labour Regulation and other relevant regulations of VietinBank through the course of their assigned duties in accordance with applicable laws and other internal regulations of VietinBank.

2. Principles, process and procedure for handling violation shall comply with disciplinary regulation of VietinBank issued by the Board of Directors in each period and the State Bank of Vietnam (if any).

### **CHAPTER VIII:**

#### **CONFLICT OF INTEREST PREVENTION AND TRANSACTION WITH PARTIES HAVING RELATED RIGHTS**

**Article 47. Honesty and avoidance of conflicts of interest by members of the Board of Directors, members of the Board of Management of VietinBank.**

1. Members of the Board of Directors, Managers, members of the Supervisory Board of VietinBank and the related parties cannot use the business opportunities of VietinBank for his/her personal interests; not to abuse his/her position and title for his/her personal interests or interests of other individuals or organizations.

2. Members of the Board of Directors, Managers, and members of the Supervisory Board



of VietinBank are obliged to notify the Board of Directors the contracts between the bank with them or with their related parties in accordance with provisions in Clause 21 Article 1 of the Charter of VietinBank.

3. Members of the Board of Directors cannot vote for transactions that they or their related parties participate in, including the cases where the interests of members of the Board of Directors in this transaction have not yet been defined or whether it is of material or immaterial interests. The above-mentioned transactions must be presented in the notes to the financial statements in the same period and published in the Annual Report.

4. Members of the Board of Directors, members of the Board of Management, members of the Supervisory Board, managerial officers of VietinBank and the related parties are not allowed to disclose unpublished information of VietinBank to others or to conduct related transactions by themselves.

5. The Board of Directors takes responsibility in determining, approving and maintaining Regulation on management of significant transactions and related transactions.

**Article 48. Transactions with Related parties:**

1. When VietinBank conducts transactions with related parties, the Board of Management must ensure that the contracts are signed on voluntary and arms-length basis. The contents of the contract must be clear, specific and consistent with the provisions of relevant laws. The Board of Management must disclose the contracts' details in accordance with applicable law and Regulations of VietinBank.

2. The Supervisory Board retains the right to request relevant parties to publish their related interests as stipulated in the Charter of VietinBank and other shareholders owning at least 5% of the voting shares of VietinBank to periodically provide and update the information about their related persons.

**Article 49. Ensuring the legal rights of stakeholders at VietinBank**

1. VietinBank respects the legitimate interests of the stakeholders at VietinBank including creditors, employees, customers using the Bank's products and services, suppliers, community and others having interests related to VietinBank.

2. VietinBank actively cooperates with the stakeholders:

a) To fully provide the required information for banks and creditors to help them assessing the business operation and financial activities of VietinBank and to make the decision accordingly;

b) To encourage the stakeholders to express their opinions on business operation activities, financial position and important decisions relating to their interests through direct contact with the Board of Directors, the Board of Management and the Supervisory Board.

**CHAPTER IX:  
DISCLOSURE OF INFORMATION**

**Article 50. Disclosure of information**

The BODs is responsible for establishing, approving and maintaining the Regulations on information disclosure in accordance with the rules of Security Law, guidance documents and other

relevant laws.

**CHAPTER X:  
VIOLATIONS HANDLING AND VALIDITY**

**Article 51. Violations handling:**

Upon detection of any violation from any officer, staff and employee of VietinBank (including members of the Board of Directors, members of the Board of Management and members of the Supervisory Board), the person who detects the violation must promptly notify the Chairman of the Board of Directors and Head of the Supervisory Board.

All violations to this Regulation will be considered and dealt with by the Board of Directors as stipulated by the provisions of law and regulations of VietinBank. In case that the violation causes both physical and non-physical damages to VietinBank, the offender shall be liable to pay compensation for any damage and loss to VietinBank as prescribed by the law and specific regulations of VietinBank.

**Article 52. Validity, Amendment and Supplement of the Regulation**

1. This Regulation shall take effect 15 days from the signing date.
2. In case there is any conflict arising between this Regulation and the provisions of the Charter of VietinBank on the same issue, the provisions of the Charter of VietinBank shall prevail.
3. The amendments and supplements to this Regulation shall be considered and decided by the GMS.
4. Members of the Board of Directors, members of the Supervisory Board, and members of the Board of Management and employees of VietinBank are responsible for the implementation of this Regulation.



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

*(signed and sealed)*

**Nguyen Van Thang**