



Hanoi, 20 May 2018

**REGULATIONS ON ELECTION OF MEMBERS OF
THE BOARD OF DIRECTORS OF VINCOM RETAIL JOINT STOCK COMPANY
AT THE 2018 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Pursuant to:

- *The Enterprise Law No. 68/2014/QH13 dated 26 November 2014 and related guidance;*
- *The Securities Law No. 70/2006/QH11 adopted by the National Assembly of the Socialist Republic of Vietnam on 29 June 2006 and the Law amending and supplementing articles of the Securities Law;*
- *Decree No. 71/2017/ND-CP dated 06 June 2017 of the Government providing guidance on corporate governance applicable to public companies;*
- *The Charter of Vincom Retail Joint Stock Company (the “Company”).*

The Annual General Meeting of Shareholders (the “**AGM**”) of the Company shall elect members of the Board of Directors (the “**BoD**”) for the term of 2018 – 2023 in accordance with the following provisions:

Article 1: Principles of election and eligibility to vote

1.1. Principles of election:

- a. Elections are in compliance with relevant laws, the Company’s Charter and in line with these Regulations in order to ensure democratic and legal entitlements of all shareholders;
- b. Public elections via secret voting ballots.

1.2. Eligibility to vote: Shareholders with voting shares (*according to the Shareholder Register issued by the Vietnam Securities Depository on 11 May 2018*) or their proxies attending the AGM.

Article 2: Number and criteria of the BoD members for the new term

2.1 The total number of members of the BoD to be elected: nine (09) members. The number of independent members must account for at least one-third (1/3) of the total members of the BoD.

2.2 Criteria and requirements to be a member of the BoD for the new term

2.2.1 Candidates are required to satisfy all requirements set forth in Clause 1, Article 151 of the Enterprise Law and the Company’s Charter as follows:

- a) Are legally competent, not prohibited from managing an enterprise pursuant to the Law on Enterprises;
- b) Has qualifications and experience in business administration of the Company;
- c) Are not necessarily shareholders of the Company.

2.2.2 In addition to the abovementioned criteria, candidates elected to be Independent Member of the BoD must satisfy all requirements set forth in Clause 2, Article 151 of the Enterprise Law as follows:

- a) Not being a person currently working for the Company or its subsidiaries;
- b) Not being a person having worked for the Company or its subsidiaries for at least three (03) preceding years;
- c) Not being a person who is currently entitled to salary or remuneration from the Company, except for the allowances which Members of the BoD are entitled to in accordance with the

- regulations;
- d) Not being a person whose spouse, biological parent, adoptive parent, biological child, adopted child, or sibling being a major shareholder of the Company, a manager of the Company or its subsidiary;
 - e) Not directly or indirectly holding at least one percent (1%) of the Company's voting shares;
 - f) Not holding the position of member of the BoD, member of the Supervisory Board for at least the five (05) preceding years.

Article 3: Nomination / self-nomination for the position of BoD member

- 3.1. Before and during the AGM, shareholders are entitled to form a group to nominate candidates.
- 3.2. The number of candidates: a minimum of nine (09) candidates.
- 3.3. The nomination / self-nomination will be conducted in accordance with the following rules:

A shareholder or a group of shareholders holding 10% or more of total voting shares in a period of at least six (06) consecutive months shall have the right to nominate a candidate.
- 3.4. In such cases where the number of nominated/self-nominated candidates does not meet the minimum number, the incumbent BoD may nominate additional candidates up to the minimum number required. The nomination mechanism or the process that the incumbent BoD nominates candidate must be announced and ratified by the AGM before proceeding with the nomination.

Article 4: Dossier for nomination, self-nomination of candidate

- 4.1 Dossier for nomination, self-nomination of candidate shall consist of:
 - Nomination or self-nomination application form (in prescribed form);
 - Résumé filled out by the candidate(s);
 - Copies of Identity Card/Passport and Diplomas and certificates of educational qualifications of the candidate;
 - Valid power of attorney (if the shareholder has a proxy);
 - The share certificate owned by the shareholder (if self-nominated) or a group of shareholders (in case of nomination) proving share ownership in the last six (06) consecutive months or equivalent thereof issued by the Vietnam Securities Depository or the securities company where such shareholders have accounts (as of 11 May 2018 – Record date of the Shareholder Register for the 2018 Annual General Meeting of Shareholders);
- 4.2 The dossier for the nomination must be delivered to the Organizing Committee before 17:00 of 02 June 2018 at the following address:

The Organizing Committee of the 2018 Annual General Meeting of Shareholders of Vincom Retail JSC

Address: 4th Floor, T26 Tower, Times City, 458 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City, Vietnam.

For cases of nomination/self-nomination at the AGM, the shareholder/group of shareholders is requested to provide the required documents to the Chairperson of the Presiding Committee for consideration.
- 4.3 Only qualified candidates having nomination/self-nomination dossiers that meet the requirements set forth shall be included in the list of candidates announced at the AGM.

Please find attached Annex 1 which includes:

Form 1: Form for shareholders to self-nominate to the BoD

Form 2: Form for shareholders and/or groups of shareholders to nominate candidates to the BoD

Article 5: Election Methodology

- 5.1. The vote casting to elect members of the BoD shall be conducted by way of cumulative voting, whereby each shareholder or the proxy attending the Meeting shall have the total number of votes equal to the total number of shares owned/authorized multiplied by the number of members to be elected.
- 5.2. A shareholder or the proxy attending the AGM may cast all of his or her votes for 01 candidate or divide the votes among nominated candidates. Nevertheless, a shareholder or the proxy is allowed to vote for no more than 09 candidates out of the total number of candidates.

For example:

- a. *A shareholder owns 100 Company ordinary shares and the AGM will vote to elect 09 members of the BoD;*
- b. *The shareholder will have: 100 (shares) x 09 (members of the BoD to be elected) = 900 votes (on the voting ballot given to each shareholder, Company has provided the personalized total number of votes);*
- c. *The shareholder can use all 900 votes for 01 candidate or divide the votes among the candidates (provided that the number of voted candidates is no more than 09) as long as the total votes casted are equal to or smaller than 900.*

Article 6: Election Procedure

- 6.1. Voting ballot:

Each shareholder or the proxy attending the Meeting shall be given a voting ballot (“**Voting Ballot**”) on which the code and name of the shareholder, the total number of votes (equal to the number of shares multiplied by the maximum number of the BoD members to be elected) and the list of candidates being nominated to the BoD are printed.

- a. The voting ballot bears Company’s official stamp;
- b. The voting ballot may use digital code or a barcode to help the Vote Counting Committee to proceed with the checking of votes in a timely and accurate manner.

- 6.2. Regulations on filling out the voting ballot and the validity of the Voting Ballot:

- a. A valid Voting Ballot is:
 - Released by the Organizing Committee with official stamp of the Company;
 - Signed by the shareholder or the proxy; and
 - Not torn, erased or scratched.
- b. An invalid Voting Ballot is:
 - Issued by anyone other than the Organizing Committee;
 - Without the Company’s official stamp;
 - Torn, erased or scratched and/or containing names of candidates who are not on the list of candidates approved by the AGM prior to the vote casting;
 - Without signature of the shareholder or the proxy;
 - Containing extraneous information or markings;
 - Having the total number of votes casted for candidates in excess of the total votes entitled;
 - Voting for a number of candidates exceeding the number of BoD members to be elected; or

- Submitted to the Vote Counting Committee after the vote casting has finished and the voting box has been sealed off.

The invalid Voting Ballots will be dismissed from the election results.

c. Filling a Voting Ballot:

- The shareholder shall write the number of votes he/she wants to cast for a candidate on the column “Number of Votes” and the row corresponding to that candidate’s name;
- If the shareholder does not elect a particular candidate, he/she shall put the number “0” or leave blank on the column “Number of Votes” and the row corresponding to that candidate’s name;
- Each shareholder/proxy can use the total given votes for one or multiple or none of the candidates; and
- Should the shareholder make a mistake while filling out the voting ballot, provided that the voting ballot has not been cast into the voting box, she/he may contact the Head of the Vote Counting Committee directly to replace the erroneous voting ballot by a new one to fill in.

6.3. General principles of vote casting for the BoD members:

- a. Before the vote casting, the Vote Counting Committee shall inspect the voting box in front of shareholders;
- b. The vote casting is commenced upon the order of the Head of the Vote Counting Committee and completed when the last shareholder puts his/her voting card into the voting box or 30 minutes after vote casting commences, whichever comes first. Shareholders and proxies attending the AGM are requested to cast their voting cards into the voting box. After the vote casting is completed, the voting box shall be sealed off by the Vote Counting Committee.
- c. The vote counting process shall be conducted immediately after the vote casting is completed and the voting box is sealed.

6.4. Guidelines on vote counting process:

- a. The Vote Counting Committee:
 - Shall conduct the work in a separate room;
 - May use electronic devices and technical experts to assist in the vote counting process;
 - Shall check the validity of the Voting Ballots;
 - Shall check each Voting Ballot in turn and record the vote counting results in writing;
 - Shall seal off all Voting Ballots, and hand them over to the Chairman of the Presiding Committee.
- b. Preparing and announcing the Vote Counting minutes:
 - Once vote counting has been completed, the Vote Counting Committee shall prepare the results and the Vote Counting minutes;
 - Contents of the Minutes must include:
 - Time and location of the vote counting;
 - Members of the Vote Counting Committee;
 - Total number of shareholders attending the AGM;

- Total number of shareholders casting votes;
- Number and proportion of valid and invalid voting ballots;
- Number and proportion of votes for each candidate;
- The Vote Counting Minutes must include signatures of all members of the Vote Counting Committee.

Article 7: Election Principle

- 7.1. The candidate must have the number of valid votes equal to or greater than 51% of total voting shares present at the AGM, using the following calculations:

The proportion of votes = (Total number of votes for a candidate / total voting shares present at the AGM) x 100%, the result of which must be $\geq 51\%$.

- 7.2. The candidates to win the election as members of the BoD are the ones that have the highest number of votes from top down, starting with the candidate with the highest number of votes, until the required number of members of the BoD is satisfied as determined in this Regulation.
- 7.3. In case where there are two or more candidates with the same number of votes for the remaining position in the BoD, the candidate who owns the higher number of shares in Company will be selected. In case neither candidate own shares or both having the same number of shares in Company, the AGM shall re-elect among these candidates having equal number of votes. The selected candidate shall be the one with the higher number of votes.
- 7.4. Should the number of elected BoD members not meet with the minimum number set forth due to a lack of votes (<51%), the AGM shall continue to vote at the meeting until the number of BoD members meets the target.

Article 8: Complaints over vote casting and vote counting

- 8.1. After the election results have been announced, if there are complaints lodged by shareholders or a verification of election results is required, the BoD shall conduct the verification. Should any intentional error or fraud be found with regards to the vote counting, the Vote Counting Committee shall be responsible for reimbursing all the costs incurred by the re-organization of the election.
- 8.2. Complaints over vote casting and vote counting shall be addressed by the Chairman of the Presiding Committee and recorded in the minutes of the AGM.

Article 9: Effect of the Regulations

These regulations shall come into effect immediately upon approval by the AGM.

**ON BEHALF OF
THE GENERAL MEETING OF
SHAREHOLDERS**

CHAIRPERSON

Note: Further amendments and supplements to this document may be proposed for approval at the AGM.