

REGULATIONS ON OPERATION OF THE BOARD OF SUPERVISION

**HOANG ANH GIA LAI
JOINT STOCK COMPANY**



Gia Lai, 2nd December 2021

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REGULATIONS ON OPERATION OF THE BOARD OF SUPERVISION HOANG ANH GIA LAI JOINT STOCK COMPANY

(Issued together with the Minutes No. 04/2021/BKS - HAGL on 02/12/2021 of the Company BOS on the basis of Resolution No. 2611/21/NQĐHĐCĐ of the Company General Meeting of Shareholders on passing the Regulations on Operation of the Board of Supervision of Hoang Anh Gia Lai Joint Stock Company)

CHAPTER I. GENERAL PROVISION

Article 1. Legal basis

The Regulations on Operation of the Board of Supervision (“BOS”) of Hoang Anh Gia Lai Joint Stock Company are built on the basis of the following legal documents:

- *Law on Enterprises No 59/2020/QH14 on 17 June 2020;*
- *Securities Law No. 54/2019 dated 26 November 2019;*
- *Decree No. 155/2020/NĐ-CP dated 31 December 2020 detailing the implementation of a number of articles of the Securities law;*
- *Circular No. 116/2020/TT-BTC dated 31 December 2020 by the Ministry of Finance providing guidelines on a number of articles about corporate governance of public companies of the Government's Decree No. 155/2020/ND-CP dated 31 December 2020 detailing the implementation of a number of articles of the Securities law;*
- *Charter of Hoang Anh Gia Lai Joint Stock Company;*
- *Resolution of the General Meeting of Shareholders on 26 November 2021.*

Article 2. Governing scope and applicable subjects

1. Governing scope: Regulations on Operation of the BOS stipulates the personnel organization structure, criteria, conditions, rights, and obligations of the BOS and members of the BOS in conformity with the Law on Enterprises, the Company Charter, and other relevant laws and regulations.
2. Application: This Regulation is applicable to the BOS and all members of the BOS.

Article 3. Operational principles of the BOS

The BOS shall work on the collective principle. Each member of the BOS shall be responsible for the performance of their own tasks and jointly responsible to the General Meeting of Shareholders (“GMS”) and to the law for the decisions of the BOS.

CHAPTER II. MEMBERS OF THE BOARD OF SUPERVISION

Article 4. Rights, obligations and responsibilities of members of the BOS

1. Entitled to access information and documents related to the Company’s activities. Members of the Board of Directors (“BOD”), General Director and other managers are obliged to provide full and accurate information as requested by members of the BOS.
2. Comply with regulations of law, the Company Charter, the Resolutions of the GMS and professional ethics in performance of their duties.
3. Perform their rights and obligations in an honest and prudent manner for the best and lawful interests of the Company.
4. Be loyal to the interests of the company and shareholders; refrain from abusing their position or using the Company's information, know-how, business opportunities and other assets of the company for personal gain or for interests of other organizations and individuals.

5. In case of violating the provisions of Clauses 1, 2, 3 and 4 of this article and causing detriment to the Company or other people, the BOS member must be personally or jointly liable for compensating for such detriment. Income and other benefits obtained by the BOS member from the violation must be returned to the Company.
6. On discovery of a BOS member's breach of rights and obligations, a written notice must be sent to the BOS, demanding the offender terminate such breach and rectify the consequences.
7. Other rights and obligation as specified in the Law on Enterprises, the Company Charter and this Regulation.

Article 5. Office term and quantity of BOS members

1. The number of members of the BOS is at least three (03) people and at most five (05) people. The term of the BOS members does not exceed five (05) years and may be re-elected for an unlimited number of terms.
2. Members of the BOS are not necessarily shareholders of the Company.
3. More than half of the members of the BOS must permanently reside in Vietnam.
4. In case all members of the BOS have the same ending date of the term while members for the new term are yet to be elected, the existing members shall keep exercising their rights and obligations until new members are elected and take over their tasks.

Article 6. Criteria for BOS members

BOS member must satisfy the following criteria and conditions:

1. Not belonging to the subject category as specified in clause 2 Article 17 of the Law on Enterprises;
2. Being trained in one of the majors in economics, finance, accounting, auditing, law, business administration or a major suitable to the business activities of the enterprise;
3. Not being a family member of a member of the BOD, General Director and other managers;
4. Not being a manager of the Company; not necessarily being shareholders or employees of the Company.
5. Not being part of the Company accounting or financial department.
6. Member or employee of an auditing company performing the audit of the Company's financial statements for three (03) previous consecutive years.
7. Other criteria and conditions as specified by relevant laws and the Company Charter.

Article 7. Head of the BOS

1. The Head of BOS must have a bachelor's degree or higher in economics, finance, accounting, audit, law, business administration or any of other majors that is relevant to the Company's business.
2. The Head of BOS is elected by the BOS among its members; the election, dismissal and removal of the Head of BOS shall be conducted under the majority principle
3. Rights and obligations of the Head of BOS are specified in the Company's Charter.

Article 8. Nomination and candidacy of members of the BOS

1. A shareholder or group of shareholders, who own at least 10% of the total ordinary shares, shall be entitled to nominate candidates to the BOS, which is conducted as follows:

- a. The ordinary shareholders forming groups to nominate their representatives for the BOS must notify the others of the group meeting before the opening of the GMS;
- b. Based on the number of BOS members, shareholders or groups of shareholders specified in this Clause may nominate one or some persons as decided by the GMS as candidates to the BOS.

In the event that number of candidates nominated by shareholders or groups of shareholders is lower than number they are entitled to nominate as decided by the GMS, the remaining candidates shall be nominated by the BOD, the BOS and other shareholders.

2. In case the number of candidates for the BOS through nomination and candidacy is still not enough as required, the incumbent BOS may nominate more candidates or arrange nomination as specified in the Company Charter, the Internal Regulations on Corporate Governance and the Regulations on Operation of the BOS. The nomination of more candidates by the incumbent BOD must be clearly announced before the GMS votes to elect members of the BOD as per law.

Article 9. Method for election, dismissal and removal of members of the BOS

1. Election, dismissal and removal of members of the BOS fall under the authority of the GMS.
2. Voting to elect BOS members must be conducted by the method of cumulative voting, whereby each shareholder shall have their total number of votes corresponding to the total number of shares they own multiplied by the number of members to be elected to the BOS, and each shareholder is entitled to accumulate of all or part of their total votes to one or more candidates. Winning candidates for the BOS shall be determined on the basis of a descending vote count, starting with the candidate with the highest number of votes until the number of members required by the company charter has been elected. Where there are 02 or more candidates who obtain the same number of votes for being the last BOS member, such members shall be re-elected among the number of candidates gaining equal number of votes or selected in accordance with the criteria in the regulations on election or the Company Charter.

Article 10. Cases of dismissal, removal of members of the BOS

1. The GMS dismisses BOS members in the following cases:
 - a. No longer meeting the criteria and conditions to be a BOS member as specified in article 169 of the Law on Enterprises, the Company Charter and this Regulation;
 - b. Tendering the resignation which is approved;
 - c. Other cases as specified by the Company Charter.
2. The GMS removes BOS members in the following cases:
 - a. Failure to fulfill the assigned tasks and duties;
 - b. Failure to perform his/her rights and obligations for six (6) consecutive months, except for force majeure events;
 - c. Repeated violations or serious violations against obligations of members of the BOS prescribed by the Law on Enterprises and the Company Charter;
 - d. Other cases as decided by the GMS.

Article 11. Notification of election, dismissal, removal of BOS members

1. In case candidates for the BOS have been identified, the Company must disclose information related to the candidates at least 10 days before the opening date of GMS on the

Company's website for shareholders to find out about these candidates before voting. Candidates for the BOS must make a written commitment to the integrity and accuracy of the personal information disclosed and must commit to performing their duties honestly, carefully for the best interests of the Company if elected as a member of the BOS. Information regarding the BOS candidate to be published include:

- a. Full name, date, month and year of birth;
 - b. Professional qualifications;
 - c. Working history;
 - d. Other management titles;
 - e. Interests related to the Company and its related parties;
 - f. Other information (if any) as specified in the Company Charter.
2. The company is obliged to disclose information about the companies where the candidate is holding management positions and interests related to the BOS candidate's company (if any).
 3. Announcement of election, dismissal and removal results of BOS members shall comply with regulations guiding the information disclosure.

CHAPTER III. THE BOARD OF SUPERVISION

Article 12. Rights and obligations of the BOS

1. Supervise the BOD, the General Director in managing and operating the Company.
2. Inspect the reasonability, legitimacy, truthfulness and prudence in business operation and management; the systematization, uniformity and appropriateness of accounting, statistics and preparation of financial statements.
3. Assess the adequacy, legitimacy and truthfulness of the reports on business situation, annual and 6-month financial statements of the Company, the reports on management and administration of the BOD and submit the assessment reports at the annual GMS. Review contracts and transactions with related persons within the approval authority of the BOD or the GMS and offer recommendations concerning these contracts and transactions that need BOD's or the GMS's approval.
4. Review, inspect, and evaluate the effectiveness of internal control, audit, risk management and early warning of the Company.
5. Examine accounting books, records and other documents of the Company, examine the management and operation of the Company where necessary or under the resolution of the GMS or at the request of the shareholders or groups of shareholders as prescribed in Clause 3 Article 11 of the Company Charter.
6. Upon receipt of the request from shareholders or a group of shareholders specified in Clause 3 Article 11 of the Company Charter, the BOS shall carry out an inspection within 07 working days from the date of receipt. Within 15 days from the end of the inspection, the BOS shall submit an inspection report to the BOD and the shareholder or a group of shareholders requested. The inspection carried out by the BOS provided herein shall not affect the normal operation of the BOD and interrupt the Company's business operation.
7. Propose to the BOD or the GMS changes and improvements to the organizational structure, supervision and administration of the Company business.

8. Whenever a member of the BOD, the General Director is found violating Article 165 of the Law on Enterprises, it shall promptly send a notice to the BOD requesting the person(s) committing the violation to stop such violation and find solutions to rectify the consequence.
9. Participate and discuss in meetings of the GMS, the BOD and other meetings of the Company.
10. Employ independent consultants and internal audits of the Company to serve the performance of their tasks.
11. The BOS may consult with the BOD before submitting its reports, conclusions and proposals to the GMS.
12. Inspect each of the specific issues relevant to the management and operation of the Company at the request of the shareholders.
13. Request the BOD to convene an extraordinary GMS.
14. Convene the GMS instead of the BOD within 30 days if the BOD do not convene the GMS as prescribed in Clause 3 Article 140 of the Law on Enterprises.
15. Request the BOD Chairman to convene BOD meetings.
16. Review, extract, make copies all or part of the declared information on the List of related persons and related interests specified in Clause 1 and Clause 2 of Article 164 of the Law on Enterprises.
17. Propose and recommend the GMS approve the list of selected audit organizations to audit the Company's financial statements; selected audit organization shall also audit the Company's operation where necessary.
18. Be responsible to the shareholders for its supervision activities.
19. Supervise the financial status of the Company, the legal compliance of BOD members, the General Director and other managers in their operations.
20. Ensure the cooperation with the BOD, the General Director and shareholders.
21. In cases of finding violation against the law or the Company Charter by a member of the BOD, the General Director and other executives, the BOS shall notify the BOD in writing within forty eight (48) hours, requesting the person(s) to stop such violation and find solutions to rectify the consequences;
22. Formulate the Operational Regulations of the BOS and submit them to the GMS for approval.
23. Witness the counting of votes by the BOD and issue counting minutes if requested by the BOD in case of consulting with shareholders in writing for approval of GMS resolution.
24. The Head of BOS shall organize the election of the GMS chairperson in case the BOD Chairman is absent or temporarily unable to work if the remaining BOD members fail to elect a chairperson. In this case, the person who obtains the most votes shall chair the meeting.
25. Exercise other rights and obligations specified by the Law on Enterprises, the Company Charter and GMS resolutions.

Article 13. Rights to be provided with information of the BOS

1. Documents and information shall be sent to members of the BOS at the same time by the same method as those applied to BOD members, including:

2. Meeting invitation, voting ballots with members of the BOD members and attached documents;
3. Resolutions, decisions and meeting minutes of the BOD and the GMS;
4. Reports of the General Director presented to the BOS or other documents issued by the Company.
5. BOS members are entitled to access archives and documents of the Company at the head office, branches and other locations; to visit the workplace of managers and employees of the Company during working hours;
6. The BOD, members of the BOD, General Director and other managers provide full, accurate and opportune information and documents on management, administration and management, business activities of the Company at the request of the BOS or its members.

Article 14. Responsibilities of the BOS to convene extraordinary GMS

1. The BOS shall convene the GMS instead of the BOD within 30 days in case the BOD fails to convene the GMS in following cases:
 - a. The number of remaining members of the BOD, the BOS is less than the minimum number prescribed by laws;
 - b. At the request of a shareholder or a group of shareholders as specified in clause 3 Article 11 of the Company Charter;
 - c. An extraordinary GMS is requested by the BOD but not convened by the BOD.
2. In case the BOS fails to convene GMS as per law, the BOS shall compensate for the detriments incurred by the Company.
3. Expenses for convening and conducting the meeting of the GMS under Clause 1 of this Article shall be reimbursed by the Company.

CHAPTER IV. MEETINGS OF THE BOARD OF SUPERVISION

Article 15. Meetings of the BOS

1. The BOS must have at least two (02) meetings times per year with the attendance of at least two thirds (2/3) of its members.
2. The BOS has the right to request members of the BOD, General Director and representatives of the approved auditing organization to attend and answer questions that need to be clarified.

Article 16. Meeting minutes of the BOS

Meeting minutes of the BOS are clearly taken in detail. The meeting's secretary and the BOS members attending the meeting must sign the minutes of the meeting. The BOS meeting minutes must be kept to identify the responsibilities of each member of the BOS

CHAPTER V. REPORTING AND DISCLOSURE OF INTERESTS

Article 17. Submission of annual reports

Reports of the BOS at the annual GMS include the following items:

1. Reports on the Company's business results, performance of the BOD, the General Director, which shall be submitted to the annual GMS for approval.
2. The self-assessment report on performance of the BOS and its members.
3. Remunerations, operating expenses and other benefits of the BOS and each of its members.
4. Summaries of the BOS meetings and conclusions and proposals of the BOS; result of supervision of the Company's operation and finance.
5. Assessment reports on transactions between the Company, subsidiaries and other companies in which the Company is holding over fifty percent (50%) of the charter capital with members of the BOD, the General Director and their related persons of that member; transactions between the Company with companies whose founders or managers are members of the BOD over the last three (3) years from the transaction date.
6. Result of supervision on the BOD, the General Director and other executives.
7. Result of assessment of cooperation between the BOS, the BOD, the General Director and shareholders.
8. Proposal and recommendation the GMS to approve the list of selected audit organizations, which will audit the Company's financial statements; selected audit organization may also audit the Company's operation where necessary.

Article 18. Remuneration and other benefits

Salary, remuneration, bonus and other benefits of members of The BOS are implemented in accordance with the following regulations:

1. Members of the BOS are paid salary, remuneration, bonus and other benefits as decided by the General Meeting of Shareholders. The General Meeting of Shareholders decides the total salary scale, remuneration, bonus, other benefits and annual operating budget of the BOS.
2. Members of the BOS are reimbursed for meals, accommodation, travel, expenses of independent consulting service at a reasonable rate. This total remuneration and expenses shall not exceed the total annual operating budget of the BOS approved by the General Meeting of Shareholders, unless otherwise decided by the General Meeting of Shareholders.
3. The BOS's salary and operating expenses are included in the Company's business expenses as specified by the law on corporate income tax and other relevant laws and must be recorded as a separate item in the Company's annual financial statements.

Article 19. Disclosure of relevant interests

1. The Company's BOS members must disclose their related interests, including:
 - a. Names, enterprise code, headquarter address, business lines of enterprises they own or have shares; the holdings and time of owning or holding the shares;
 - b. Names, enterprise code, headquarter address, business lines of enterprises their related persons own, jointly own or have separate controlling shares that are worth more than 10% of charter capital.
2. The declaration specified in Clause 1 of this Article shall be made within seven (7) working days from the occurrence date of related interests; any amendment and/or supplements shall be informed to the Company within seven (7) working days from its corresponding occurrence date.
3. Members of the BOS and their related persons may only use the information obtained from their positions to serve the interests of the Company
4. Members of the BOS are obliged to notify in writing the BOD and the BOS on the transactions between the Company, subsidiary companies, other companies in which the

Company holds over fifty percent (50%) of the Charter capital with related persons of BOS members as prescribed by law. For the above transaction approved by the GMS or the BOD, the Company shall disclose information about the transactions in accordance with regulations of the Securities laws on information disclosure.

5. Members of the BOS and their related persons must not use or disclose to other people the internal information to carry out relevant transactions.

CHAPTER VI. RELATIONS OF THE BOARD OF SUPERVISION

Article 20. Relationships between members of the BOS

Members of the BOS are independent of one another and shall cooperate in performance of common tasks to fulfill the rights and obligations of the BOS as specified by law and the Company Charter. The Head of the BOS shall coordinate the operation of the BOS but does not have the right to exert influence with its members.

Article 21. Relationship with the Board of Management

The BOS is independent of the Management of the Company and shall supervise operation of the management.

Article 22. Relationship with the BOD

The BOS is independent of the BOD and shall supervise operation of the Board.

CHAPTER VII. ENFORCEMENT PROVISION

Article 23. Enforcement

The regulations on operation of the BOS of Hoang Anh Gia Lai Joint Stock Company comprise 7 Chapters, 23 Articles and come into effect from 2nd December 2021.

**FOR THE BOS
HEAD**

(signed)

DO TRAN THUY TRANG