

*Ho Chi Minh City, dated May 06, 2020*



No.: 05/2020/TTĐH-HĐQT-TCD

## PROPOSAL

### COLLECTION OF SHAREHOLDERS' OPINION THROUGH POSTAL BALLOT

*For: Amendments to the Internal Regulations on Corporate Governance at Transport and Industrial Development Investment Joint Stock Company (TRACODI) (which is amended and supplemented at its 1st session)*

**To: Shareholders of Transport and Industry Development Investment Joint Stock Company (TRACODI)**

- Pursuant to the Law No 68/2014/QH13 passed by the National Assembly of the Socialist Republic of Vietnam on Enterprise on 26 November 2014;
- Pursuant to the Law No 70/2006/QH11 2006 passed by the National Assembly on 29 June 2006 on Securities; the Law No 62/2010/QH12 passed by the National Assembly on 24 November 2010 on amending and supplementing a number of articles of Law No 70/2006/QH11 on Securities;
- Pursuant to the Government's Decree No. 71/2017 / ND-CP dated 06/06/2017 regarding the corporate governance applicable to public companies;
- Circular No. 95/2017 / TT-BTC dated September 22, 2017 of the Ministry of Finance on guidelines for a number of articles of the Government's Decree No. 71/2017 / ND-CP dated June 06, 2017 regarding the corporate governance applicable to public companies;
- Pursuant to the Charter of Transport and Industry Development Investment Joint Stock Company (TRACODI) passed by shareholders on 11 November 2019 (which was amended and supplemented at its 10<sup>th</sup> session);
- Pursuant to the Internal Regulations on Corporate Governance at Transport and Industrial Development Investment Joint Stock Company (TRACODI), which was approved in 2017;

The Board of Directors of TRACODI kindly proposes to the General Shareholders' Meeting to consider the amendments and supplements of the internal regulations on corporate governance at TRACODI Company, which was approved in 2017 with the following contents:

#### 1. Contents of amendments and supplements:



NO.	Current terms	Amendment	Reasons for amendments, supplements, or abolition
1	<b>Article 1. Meaning and scope of adjustment</b>		
	<p>1. This internal regulations on governance (hereinafter referred to as the "Regulations") is formulated and promulgated according to the provisions of corporate governance prescribed in the Enterprise Law, the Securities Law and <i>Circular No. 121/2012 / TT-BTC dated July 26, 2012 of the Ministry of Finance</i> providing regulations on corporate governance applicable to public companies. This Regulations is formulated and implemented on the basis of reference to the best international practices on corporate governance and application in accordance with the specific conditions of Transport and Industry Development Investment Joint Stock Company, with the purpose of improving the corporate governance capacity, ensuring the sustainable development of the Company.</p>	<p>1. This internal regulations on governance (hereinafter referred to as the "Regulations") is formulated and promulgated according to the provisions corporate governance prescribed in the Enterprise Law, the Securities Law and the legal documents guiding the implementation of regulations on corporate governance applicable to public companies. The Regulations are formulated and implemented on the basis of reference to the best international practices on corporate governance and application in accordance with the specific conditions of Transport and Industry Development Investment Joint Stock Company, with the purpose of improving the corporate governance capacity, ensuring the sustainable development of the Company.</p>	<p>The adjustment due to the reference law is no longer valid. Laws and the legal documents guiding the implementation may change from year to year; therefore, we do not refer to specific laws, but rather in the form of applicable law.</p>
2	<b>Article 2. Interpretation of terms and abbreviations</b>		
	<p>- <i>"Independent members of the Board of Directors" means the members of the Board of Directors who satisfy the following conditions: (i) being members of the Board of Directors who do not operate and are not related to the General Director, Deputy General Directors, Chief Accountant and other Managers appointed by the Board of Directors; (ii) not being members of the Board of Directors, General Directors, Deputy General Directors of subsidiaries, associated companies, companies controlled by the Parent Company; (iii) not being major shareholders or</i></p>	<p><b>Modified as follows:</b></p> <p>- Independent members of the Board of Directors are members of the Board of Directors who meet the following conditions: (i) Having professional qualifications and experience in business management of the Company and not necessarily being shareholders of the Company. (ii) Not currently working for the Company, its subsidiaries; Not being a person who have worked for the company or its subsidiaries for at least the last 03 years. (iii) Not being people receiving salaries or remuneration from the company, except for allowances enjoyed by members of the Board of Directors as prescribed; (iv) Not being a spouse, father, adoptive father,</p>	<p>In accordance with Clause 7, Article 2 of Decree 71/20017 / ND-CP on Corporate Governance Guidelines and Clause 2, Article 151 of the Enterprise Law 2014.</p>

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NO.	Current terms	Amendment	Reasons for amendments, supplements, or abolition
	<p><i>representatives of a major shareholder or related people of the major shareholders of the Company; (iv) not having worked at organizations that provide legal services and audit services for the company in the last two (02) years; (v) not having been partners or the related people of partners who have had annual transaction with the Company accounts for thirty percent (30%) or more of the total turnover or the total value of goods or services purchased in the company's in the last two (02) years.</i></p>	<p>mother, adoptive mother, children, adopted children, siblings who are the major shareholders, managers of the company, or its subsidiaries; (v) Not being those who directly or indirectly own at least 1% of the total voting shares of the company; (vi) Not having been a member of the Board of Directors or the Supervisory Board of the company for at least the last 05 years.</p>	
3	<b>Article 7. Annual and Extraordinary General Shareholders' Meeting</b>		
	<p><b>Clause 5, Article 7:</b> 1. The Company must make maximum efforts to apply modern information technology so that shareholders can best participate in the General Shareholders' Meeting, including instructing shareholders with online voting via the online General Shareholders' Meeting.</p>	<p><b>Additional content:</b> The Company must try its best to apply modern information technology so that shareholders can best participate in the General Shareholders' Meeting, including instructing shareholders with online voting, electronic voting or other forms of voting in accordance with the provisions of law for voting via online General Shareholders' Meeting.</p>	<p>In accordance with the promulgation of the Regulations on e-voting guidelines.</p>
4	<b>Article 10.- Standing, nominating for members of the Board of Directors</b>		
	<p><b>Clause 3, Article 10:</b> A shareholder or group of shareholders holding voting shares for a continuous period of at least six (06) months may include the number of voting rights of each person together to nominate candidates for the Board of Directors. <i>A shareholder or group of shareholders holding from 10% to less than 20% of total shares with voting rights may nominate one (01) candidate; from 20% to less than 30% may nominate two (02) candidates at most; from 30% to less than 40% may nominate three (03) members at most; from 40% to less</i></p>	<p><b>Modified as follows:</b> A shareholder or group of shareholders holding voting shares for a continuous period of at least six (06) months may include the number of voting rights of each person together to nominate candidates for the Board of Directors. A shareholder or group of shareholders holding from 5% to less than 10% of total shares with voting rights may nominate one (01) candidate; from 10% to below 20% may nominate two (02) candidates at most; from 20% to less than 30% may nominate three (03) members at most; from 30% to less than 40% may nominate up to four (04) members;</p>	<p>In accordance with the company's Charter and Circular 95/2017 / TT-BTC.</p>

239  
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NO.	Current terms	Amendment	Reasons for amendments, supplements, or abolition
	<i>than 50% may nominate four (04) members at most; from 60% to less than 70% may nominate maximum (06) candidates; from 70% to 80% may nominate up to seven (07) candidates; and from 80% to less than 90% may nominate up to eight (08) candidates.</i>	from 50% to less than 60% may nominate maximum (06) candidates; from 60% to 70% may nominate up to seven (07) candidates; and from 70% to less than 80% may nominate up to eight (08) candidates.	

## 2. Validity of the Amendments and Supplements Regulations:

- The remaining terms are kept unchanged.
- Internal regulations on corporate governance at Transport and Industrial Development Investment Joint Stock Company (amended and supplemented for the first time) takes effect from the date when the Resolutions of the General Shareholders' Meeting in May 2020 was approved in the form of collecting shareholders' opinions in writing.
- Kindly submit to shareholders for consideration and approval.
- Kind Regards,

Recipients: 

- The GM;
- Archived: BOD, BS Dept

FOR AND ON BEHALF OF THE BOARD OF  
DIRECTORS  
THE CHAIRMAN



  
Nguyen Ho Nam

