

## **CODE OF CONDUCT FOR INDEPENDENT DIRECTORS**

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### **INTRODUCTION**

Independent Directors play an extraordinarily significant role in enhancing transparency, sustainability, and efficiency in corporate governance. They contribute to protecting, promoting, and intensifying the overall interests of the company, as well as the interests of all company's shareholders and stakeholders.

Professional behaviour, integrity and competence are the essential fundamental foundations for effectively promoting the role of Independent Directors as a profession. Independent Directors have the duty to improve their qualifications, skills, and professional ethics, to fulfill their obligations and responsibilities in a professional, faithful, and conscientious manner. Furthermore, they should voluntarily comply with the professional codes of conduct in their practice.

This Code of Conduct for Independent Directors (the "**Code**"), published by the Vietnam Independent Directors Association (VNIDA), provides professional standards of behaviour as a framework of the ethical qualities, professional responsibility, professional reputation, and honour of Independent Directors. This Code is mandatory for all official members of the VNIDA who serve as Independent Directors. It is, thereby, expected to establish good practices in professional standards for Independent Directors and enhance both the personal reputation and the reputation of Independent Directors' profession.

## **CHAPTER 1. GENERAL RULES**

### **Rule 1. Mission of Independent Directors**

Independent Directors has the mission of promoting the implementation of good practices and principles of corporate governance, improving the quality of corporate governance, thereby contributing to the development of the company, protecting the rights and interests of the company and all shareholders.

### **Rule 2. Principles of Independent Directors' Activities**

- 2.1 Independent Directors shall act independently, objectively, and constructively. Independent Directors shall prioritize the company's and all shareholders' interests without favoring any specific shareholder or shareholder group.
- 2.2 Independent Directors must not compromise the interests of the company, any shareholders or stakeholders for their own personal interests or external interests, whether spiritual or material interests and/or due to any pressures.

### **Rule 3. Standards, Conditions, Virtues, and Professional Competency of Independent Directors**

#### 3.1 Standards and Conditions

An Independent Director must meet all of the standards and conditions applicable to all Board of Directors members as mandated by the applicable laws and the company's internal regulations.

Additionally, an Independent Director must adhere to the standards and conditions for independence prescribed by the laws and regulations pertinent to the company's business type, sector, or industry.

#### 3.2 Professional Virtues

Independent Directors shall respect and comply with the professional code of conduct outlined in this Code; consistently nurture and enhance their professional ethics to be worthy of the trust of investors, shareholders, and stakeholders.

#### 3.3 Professional Competency

Independent Directors must possess complete professional competencies and actively work towards cultivating and enhancing their professional skills and capabilities as specified in the Competency Framework for Independent Directors issued by VNIDA.

#### 3.4 Self-assessment

Independent Directors are responsible for conducting self-assessments to ensure they meet the relevant applicable standards and conditions, personal virtue and professional competencies stipulated by the applicable laws and the company's internal regulations. Independent Directors should also conduct a self-assessment of the company's corporate governance structure, internal controls regulations and policies to examine their own suitability and adaptability when acting as an Independent Director and potential challenges and risks that negatively affect their professionalism and personal reputation. The assessments should be conducted before accepting a nomination and throughout the tenure.

**Rule 4. Maintaining Professional Reputation, Honour, and Promoting the Profession of Independent Directors**

- 4.1 Independent Directors shall respect and protect the honour and professional reputation of the Independent Directors similarly to how they protect their own honour and reputation. Independent Directors shall build, maintain, and intensify the trust of the investors, shareholders, and stakeholders.
- 4.2 Independent Directors shall strive to continuously improve and cultivate their professional virtues and professional competence.
- 4.3 Independent Directors are recommended to participate in professional-social organizations with the aim of advocating professional activities of Independent Directors.
- 4.4 Independent Directors shall be willing to exchange knowledge, experience, and practice skills with other members of the community of Independent Directors.

**CHAPTER 2. RELATIONSHIP WITH THE COMPANY**

**Section 1. Fundamental Rules**

**Rule 5. Complying with the Laws and Regulations**

- 5.1 Independent Directors shall respect and comply with applicable laws and regulations, and fulfill their obligations and responsibilities in accordance with relevant laws and regulations.
- 5.2 Within the scope of his/her authority and capacity, an Independent Director shall monitor the company's compliance with the law, and warn against any actions violating or being able to violate the law, to assure that the company will always comply with legal regulations.

**Rule 6. Ensuring the Maintenance of Independence**

- 6.1 An Independent Director shall ensure that he/she satisfies with and maintains all the standards and conditions on independence under the applicable laws and regulations on the company's business types, and sectors, or industries.
- 6.2 An Independent Director shall regularly monitor his/her compliance with the standards and conditions for independence, and shall refrain from the actions, whether by themselves or others, that may lead to a loss of independence.
- 6.3 An Independent Director shall immediately report to the Board of Directors if he/she no longer meets any of the standards and conditions for independence stipulated by the applicable laws and regulations.

**Rule 7. Carrying Out Rights and Obligations with Due Care and Loyalty**

- 7.1 Independent Directors shall exercise their assigned rights and obligations in accordance with relevant laws, the company's charter, resolutions, and decisions of the General Meeting of Shareholders, with due care and loyalty.
- 7.2 Independent Directors shall carry out their assigned rights and obligations based on

appropriate and adequate information, honesty, diligence and to the best of their ability.

- 7.3 Independent Directors shall perform the assigned rights and obligations with dedication, good faith and in the best interest of the company and all company's shareholders.

## **Section 2. Specific Rules**

### **Rule 8. Understanding the Company's Business and Organizational Culture**

- 8.1 As soon as possible and throughout their tenure, Independent Directors shall always update their knowledge and information on the company's business, organizational culture and social responsibility to effectively fulfill their role.
- 8.2 Independent Directors shall seek to clearly understand the company's business activities, products or services, exploiting markets, and internal accessible secrets, business secrets.
- 8.3 Independent Directors shall pay special attention to the company's internal structures and mechanisms, including the organizational structure and internal governance, internal audit process, risk management mechanism, information-sharing protocols with the members of the Board of Directors.
- 8.4 Independent Directors shall actively self-improve and prepare themselves with expertise on specific issues in the company's operations such as corporate governance, finance, audit, laws and compliance, technology and engineering, ESG (Environmental, Social and Governance) and climate change.

### **Rule 9. Implementing the Role of Oversight and Advisory in Protecting, Developing and Intensifying Company Benefits**

#### **9.1 Protecting the Company's Interests**

An Independent Director, within the scope of his/her authority and capacity, shall oversee and address illegal actions that negatively affect the interests of the company and shareholders, regardless of whether such actions are performed by the company's managers, executives, shareholders, or any third parties. An Independent Director shall report such activities to the Board of Directors and/or the General Meeting of Shareholders, along with a proposed resolution plan to prevent or cease such illegal actions or violation.

#### **9.2 Developing and Intensifying the Company Benefits**

- (a) An Independent Director shall promote the role of advising the Board of Directors on establishing visions, missions, values, strategies and managing risks.
- (b) An Independent Director shall disseminate and advocate the implementation of best corporate governance practices, transparency standards, and other recommended good standards and models by Vietnamese and international organizations.
- (c) An Independent Director shall report to the Board of Directors about any negative consequences arising from the company's failure to comply with

widely recognized corporate governance standards.

### 9.3 Exercising Roles through Specialized Committees

Independent Directors promote their roles by participating in Specialized Committees of the Board of Directors. One Independent Director shall chair the Audit Committee and other Independent Directors shall participate as members of the Audit Committee. Independent Directors participate in other Specialized Committees of the Board of Directors, such as the Strategic Planning Committee, the Risk Management Committee, the Nomination and Compensation Committee, and other committees that may exist. If the Board of Directors has not yet established such Committees, Independent Directors may propose initiatives to establish such Committees under the Board of Directors.

## **Rule 10. Participating in Meetings of the Board of Directors and Specialized Committees**

- 10.1 Independent Directors must dedicate sufficient time to fulfil their duties as a director of the company. An Independent Director shall not take part in more than five (5) other Board of Directors.
- 10.2 Independent Directors shall attend all meetings of the Board of Directors and Specialized Committees, providing their views, opinions and comments on all topics under discussion. Independent Directors must express their views, opinions and comments on all issues raised for discussion, and provide in-depth analysis and assessment on issues within their area of expertise or those related to their assigned responsibilities.
- 10.3 In case of disagreement with the majority of the Board of Directors' or Specialized Committees' members, the Chairperson of the Board of Directors, the Head of the specialized committees, or other managers and executives in the company, an Independent Director shall prepare to discuss and constructively criticize to effectively fulfill their roles. In such instances, the Independent Director should request the meeting's secretary to accurately record their opinion in the minutes of the Board of Directors, or Specialized Committees' meeting, or attach the opinion along with the voting ballot.

## **Rule 11. Making Decisions for the Interests of the Company and All Shareholders**

- 11.1 When making decisions, voting on material issues of the company, Independent Directors shall endeavor to gather necessary, complete, and accurate information to make reasonable and balanced decisions for the benefit of the company and all shareholders. Within the scope of authority and capacity, Independent Directors shall ensure that the Board of Directors is provided with sufficient and accurate information prior to making decisions. If the company lacks information-sharing mechanisms, Independent Directors can propose a plan for establishing a mechanism to ensure access to complete, accurate and timely information.
- 11.2 Independent Directors shall make every necessary and reasonable effort to ensure that proposed decisions comply with legal provisions and do not infringe upon the legitimate interests of any shareholders.
- 11.3 Independent Directors may seek advice from experts, professional and independent consultants, and gather opinions from the company's shareholders as a basis for

making decisions on professional matters.

**Rule 12. Complying with Rules on Conflict of Interests**

- 12.1 Independent Directors are liable for disclosing any related interests in accordance with applicable laws and regulations, as well as the internal regulations of the company.
- 12.2 In the event of conflict of interests, including but not limited to transactions involving the company where an Independent Director or their related parties hold related interests, the Independent Director must notify the Board of Directors and refrain from voting on such transactions or participating in any decision-making process involving conflicts of interest.

**Rule 13. Avoiding Abuse of the Position of Independent Directors**

Independent Directors shall not abuse their positions, authorities and use information, know-how, business opportunities and other assets of the company for gaining their personal interests or promoting of the interest of other organizations and individuals, whether directly or indirectly.

**Rule 14. Awareness of Liabilities Arising from Directorial Duties**

- 14.1 An Independent Director shall be conscious of and comprehend the liabilities arising from their performance of Independent Directors duties, including liabilities arising from fiduciary duties and other specific liabilities.
- 14.2 In cases where professional liability insurance is unavailable, Independent Directors may propose to the Board of Directors the consideration of procuring professional liability insurance for Independent Directors.

**CHAPTER 3. RELATIONSHIP WITH THE SHAREHOLDERS**

**Rule 15. Protecting the Shareholders' Legitimate Interests**

- 15.1 Independent Directors shall safeguard the legitimate rights and interests of company's shareholders/groups of shareholders in accordance with the type of shares, proportion of shares under the ownership of such shareholders/group of shareholders in accordance with the laws and the company's charter, as well as the resolutions and decisions of competent authorities in the company.
- 15.2 Independent Directors, within the scope of authority and capacity, observe and take necessary and appropriate measures to prevent acts that obstruct or challenge shareholders to exercise their rights.
- 15.3 Independent Directors shall research and propose to the General Meeting of Shareholders, the Board of Directors specific methods, ways, best practices in ensuring the exercise of rights and protecting the interests of the company's shareholders.

**Rule 16. Building Connections Among the Company's Shareholders, between the Company's Shareholders and the Board of Directors**

- 16.1 Independent Directors shall act as an intermediary connecting the company's shareholders, between shareholders and the Board of Directors through the creation

of a mechanism and a constructive dialogue channel among shareholders and between shareholders and the Board of Directors.

- 16.2 Independent Directors shall make every effort to promptly grasp and understand the aspirations or questions and suggestions of shareholders on material issues of the company. Independent Directors have to carefully study the opinions sent by shareholders and, depending on the nature of the matter, submit such opinions to the competent authority in the company for consideration and decision. In case of necessity, Independent Directors may present their views on the issues raised by shareholders and attach that opinion when presenting the opinions of shareholders.
- 16.3 Independent Directors, within the scope of their authority and capacity, shall strive to arrange and organize necessary meetings and dialogue sessions between the company shareholders and Board of Directors, and participate directly in those meetings and dialogue sessions.

**Rule 17. Taking Accountability with the Company's Shareholders**

- 17.1 For voting on material matters, in case of being asked or questioned by shareholders, Independent Directors shall provide information related to their voting in meetings of the Board of Directors such as voting status (i.e., not falling in the case of not being allowed to vote) and the basis for giving such voting opinions.
- 17.2 Information provision and accountability by Independent Directors must not exceed the scope, type and content of information under the information confidentiality obligations as regulated by the applicable laws and the company's internal regulations.

**CHAPTER 4. RELATIONSHIP WITH THIRD PARTIES**

**Rule 18. Avoiding any Relationships with Third Parties involved Possibilities of Adversely Impacting the Company, Shareholders and Stakeholders' Interests**

An Independent Director shall not create, enter into or maintain relationships with third parties (who are not the company or its shareholders) by himself/herself or through others, if such relationships involve the possibility that lead such Independent Directors to no longer satisfy with the standards and conditions on independence, or such relationship directly or indirectly damages or is likely to damage the legitimate rights and interests of the company, any shareholders and/or stakeholders.

**Rule 19. Assisting in Relationships with Third Parties that benefit the Company and Shareholders**

- 19.1 Independent Directors, within the scope of their powers and capacity, support the company and the Board of Directors in introducing, researching, and selecting business partners that are able to bring benefits to the company, including potential investors, reputable and qualified suppliers, consultants in the market.
- 19.2 Independent Directors facilitate and support the company's partners in cooperation and work effectively, including but not limited to providing information that is allowed to be disclosed according to the plan previously discussed by the Board of Directors, competent managers and executives.

**Rule 20. Public relations, information, and communication**

- 20.1 When providing information pertaining to the company to the public, the press, or other media outlets, the Independent Director shall only divulge information that is legally permissible, accurate, comprehensive, and objective, with the aim of enhancing the company's value, reputation, and image.
- 20.2 The Independent Director shall not make unilateral statements, convene press conferences, or utilize public media, press channels, or social media platforms to disclose confidential or sensitive information that could have adverse effects on the company or detrimentally impact the professional standing of the Independent Director.