SAI GON – HA NOI SECURITIES JSC
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SOCIALIST REPUBLIC OF VIETNAM
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Vietnam, Hanoi, April 23rd, 2024

REPORT OF SHS BOD

2023-2024

SHS BOD's General report on the performance of the Board of Directors and each member in 2023 and operation orientation in 2024
(including contents as prescribed in the Law on Enterprises, Law on Securities, Decree 155-2020/ND-CP);

Dear Valued Shareholders, Investors, Customers, Business Partners and Employees of Saigon - Hanoi Securities Joint Stock Company (SHS),

SHS Board of Directors would like to express our sincere thanks and share our appreciation to all the shareholders, investors, customers, and employees who have chosen to stay with SHS, as we have continued to face challenges and opportunities together throughout the turbulent year of 2023 and the early months of 2024. Today, we come together to review SHS performance in 2023, establish operational plans for 2024, and pave the way for the company's continued growth.

In accordance with the legal provisions and the Company's Charter, SHS Board of Directors reports to the General Shareholders' Meeting, as well as to our valued investors, customers, and employees, on our governance and the results of our operations as follows:

I. Company Information

1. **Company name: Saigon - Hanoi Securities Joint Stock Company**
2. **Establishment License:** Securities business license number 66/UBCK-GP dated November 15th, 2007 and latest amended license number 16/GPĐC-UBCK dated March 25th, 2024, issued by the State Securities Commission.

   Enterprise ID: 0102524651 issued by the Hanoi Department of Planning and Investment on the first registration certificate dated November 15th, 2007 and 10th amendment on April 05th, 2024.
3. **Head office:** Floors 1-5, UNIMEX Hanoi Building, Hang Bai Ward, Hoan Kiem District, Hanoi, Vietnam
4. **Phone**: 024.38181888 Fax: 024.38181688 Email: contact@shs.com.vn
5. **Charter capital:**
   - VND 350,000,000,000 from November 15th, 2007 to April 2010
   - VND 1,000,000,000,000 from April 2010 to May 18th, 2018
   - VND 1,053,956,740,000 from May 18th, 2018 to April 26th, 2019
   - VND 2,072,682,010,000 from April 26th, 2019 to October 14th, 2021
   - VND 3,252,650,270,000 from October 14th, 2021 to June 2022

- VND 6,505,300,540,000 from June 2022 to August 2022
- VND 8,131,567,480,000 from August 2022 to present

6. **Stock code**: SHS

7. **Company management model**: GMS , Board of Directors, Board of Supervisors, Chief Executive Officer, Board of Management

8. **Internal audit**:

   The internal audit activity has been particularly emphasized at SHS and has been implemented since 2014.

   BOD's Internal Audit SubCommittee: SHS Board of Directors has established and maintained the operations **of BOD's Internal Audit SubCommittee since** 2017 and continues to assign tasks to two BOD members (one independent BOD member and one non-independent BOD member) who possess knowledge and experience in auditing, control, to oversee the Committee's tasks for implementation in 2023.

   The Internal Audit Department was established in 2014, directly under the Board of Directors, with dedicated personnel responsible for internal audit work at the company, with roles and responsibilities similar to those specified in the Enterprise Law and Securities Law effective from January 1st, 2021, and still continues to maintain and effectively implement its tasks from the beginning.

   The Internal Audit Department supports the activities of BOD's Internal Audit SubCommittee in supervising, checking compliance, and risk management at SHS.

II. Activities of the Shareholders' Meeting[1]

1. Meetings and Resolutions of the Shareholders' Meeting

In 2023, the Company's Shareholders' Meeting held an annual meeting on April 28th, 2023

The company has complied with the regulations and guidelines of the law and relevant authorities. The sequence of steps ensured as follows:

- Announcement of BOD's Resolution convening 2023 AGM and the deadline for registration was announced from March 3rd, 2023.
- Deadline for registration: March 28th, 2023
- Date of posting all documents on the SHS website and sending them to the Stock Exchanges, and SSC: April 6th, 2023.
- Meeting start time: 1:30 PM on April 28th, 2023
- Venue: Conference Room, Army Hotel No. 1A Nguyen Tri Phuong Street, Ba Dinh District, Hanoi, Vietnam.
- Monitoring, participating, and meeting online at: https://dhcd.shs.com.vn Via this website, the company has posted the Official Documents of the General Meeting, Annual Report, Financial Reports, Summary of Agenda Items for the General Meeting, Summary of the

[1] https://dhcd.shs.com.vn/

Company's Shareholder Structure, and Documents guiding and supporting Shareholders attending the General Meeting.

- Announcement of Resolution and Minutes of the General Meeting: April 28th, 2023 (Within 24 hours from the end of the GM).[2]
- Meeting invitations, Records, Documents, Resolutions, and Minutes of the General Meeting are prepared in two languages: Vietnamese (official) and English (for reference), published only once, without adjustments/modifications, including the full text of Proposals, Official Reports, with Draft Charter, regulations for the General Meeting process, and Appendices clearly stating the content of amendments and the full text of the Charter, regulations that have been approved by the General Meeting in accordance with standards.
- **Form of the General Meeting**: Online combined with In-person (Hybrid), live streaming the event to ensure all Shareholders can exercise their rights at the AGM, including: monitoring and participating in voting at the AGM, expressing opinions, directly exchanging with the Board of Directors and Management, and receiving feedback. Through the Hybrid format, the Company has maximized opportunities for small shareholders to participate in the AGM and still ensured equal treatment without discrimination.
- The organization sequence and content of the meeting comply with legal regulations, simultaneously ensuring the legitimate rights and responsibilities of the Company and Shareholders.
- Contents approved by the AGM in 2022, whether implemented or not/ongoing, are reported on the results and proposed for the AGM's approval of the contents not yet implemented and intended to continue implementing in 2023. The contents of Salaries, Remuneration, allowances... of the Board of Directors, Supervisory Board, Executive Board, Company Managers are compiled into a separate section in the Financial Report and reported at the General Meeting before presenting the Budget Plan for Remuneration, allowances... for the Financial Year 2023.
- Shareholders and Investors of any nationality, territory, or locality have unrestricted access to query and access all documents related to the General Meeting and the contents presented at the GM, at least 21 days in advance, and in two languages: English, Vietnamese.
- Shareholders are facilitated to register, participate, and vote through online or in-person methods, or both, ensuring flexibility, convenience, and accessibility from any location and at any time when shareholders have internet access and during the Annual General Meeting.
- Shareholders are guaranteed maximum freedom, with no restrictions on time or number of questions, proposals, or statements sent to the Chairperson and receive full responses, documented in the Minutes of the Meeting and publicly disclosed.
- Due to the absence of significant audit exceptions, refusals, or contradictions in the audited Financial Statements for 2022, the Independent Audit Company did not participate in the Shareholders' Meeting. Shareholders did not query the Chairperson and the BOD/CEO

[2] https://www.shs.com.vn/News/2023428/1011742/cbtt-nghi-quyet-bien-ban-hop-va-cac-tai-lieu-kem-theo-cua-dhdcd-thuong-nien-nam-2023.aspx

regarding the audited Financial Statements for 2022 and voted on the Report with a rate of 99.64%.

- The Company faced no litigation regarding the organization of the AGM, the issuance of Resolutions, or the Minutes of the AGM.
- The Company received no reminders or notices from regulatory authorities regarding the organization of the Annual General Meeting and the disclosure of information.
- An Investor Newsletter on the AGM is prepared to consolidate information for Shareholders and Investors interested in the Company's activities and SHS stock.

2. **Resolution of the Shareholders' Meeting:** The Shareholders' Meeting has approved and issued Resolution No. 01-2023/NQ-ĐHĐCĐ, adopting the following contents at the annual meeting held on April 28, 2023

Report on the contents that have been approved in the Resolutions of the previous Annual GMS

Contents	Results
AGM 2023 Resolution No. 01-2023/NQ-ĐHĐCĐ dated April 28, 2023 the followings contents approved	
Approval of the BOD's Report at the General Meeting includes: *the performance results of the BOD and of each BOD's member in 2022 and the operational direction for 2023, in accordance with the provisions of the Enterprise Law, Securities Law, and Decree 155-2020/NĐ-CP.*	The full texts of the reports and Resolution 01-2023/NQ-ĐHĐCĐ have been completed and published
Approval of the Fiscal year Business Activity Report	The business performance results include key indicators: revenue, expenses, and pre-tax profit *(according to the Detailed Report on Business Results for the year reported and the Audited Financial Statements for the next year presented at the AGM).*
Approval of the Business Activity Program for the year 2023 presented by the CEO	The Program has been approved by the GSM and implemented
Approval of 2022 Audited Financial Statements	The full text of the reports and Resolution 01-2023/NQ-DHDCD have been completed and published, based on the reports from SHS and Independent Audit Report No. 270323.002/BCTC.KT2 from AASC Audit Company Limited
Approval of BOS Report at the 2023 AGM includes: (i) The S Board's report on the company's business results, review of the audited 2022 Financial Statements, the	

performance of the Board of Directors and the CEO; (ii) Self-assessment report on the performance of the Supervisory Board and its members; (iii) Action plan, operational plans of the Supervisory Board for 2023, [including contents as prescribed by the Enterprise Law, Securities Law, Decree 155-2020/NĐ-CP]	
Approval of Profit Distribution Plan for 2022 and the establishment of internal funds *(as outlined in Proposal No. 02-2023/TTr-DHDCD)*	The Plan has been approved by the GSM and implemented, public announced as the laws prescribed.
Approval of The plan for handling the Financial Reserve and business risk Fund *(according to the content of Proposal No. 03-2023/TTr-ĐHĐCĐ)*	implemented the plan, reported, and disclosed information in accordance with legal regulations
Approval the 2022 Annual Report and the 2023 Budget Plan regarding remuneration, bonuses, allowances, and other benefits for the Board of Directors & Supervisors (according to the content of Proposal No. 04-2023/TTr-ĐHĐCĐ).	The payment of remuneration/benefits to the Board of Directors and Supervisors has been implemented as planned, and the results are reflected in the audited financial statements and the annual report; SHS will report on the results of the implementation in 2023 and present to the AGM the budget plan for the financial year 2024 at the 2024 AGM *(Proposal No. 04-2024/TTr-DHDCD*).
Approval of amendments, supplements, revisions, and implementation of the Company Charter and Regulations under the authority of the GSM (as per the content of the Proposal No. 05-2023/TTr-ĐHĐCĐ): a. SHS Charter; b. Internal Regulations on Company Governance; c. Regulations on the Organization and Operation of the Board of Directors; d. Regulations on the Organization of Online Shareholders' General Meetings and Remote Electronic Voting.	- This is the only time during the year that SHS amends its Charter and Regulations within the GSM authority. - has adjusted, supplemented, and amended the Charter, regulations under the authority GSM's approval; has reported and disclosed information as required by law. The Charter and regulations passed are effective from April 28, 2023, are exclusive, and replace any previously issued Charters, regulations. - Continuing to refine and supplement the content of the Charter and regulations to comply with newly enacted legal provisions and the operational reality of SHS, submit to the 2024 AGM for approval (Proposal No. 05-2024/TTr-DHDCD).
Approval of the Issuance/Sale and Listing of Secured Warrants (as per the content of Proposal No. *06-2023/TTr-ĐHĐCĐ)*.	The Proposal has been approved by GSM. In fact, in 2023, the Company did not implement it due to reassessment of market conditions and SHS circumstances, prioritizing other business activities that would yield better results.

Approval of implementing activities such as offset service provision, securities transaction payment, and financial product offerings as per the content of Proposal No. 07-2023/TTr-ĐHĐCĐ.	The Proposal has been approved by GSM. In fact, in 2023, the Company did not implement it due to the reason that The state management agency has not yet organized implementation due to unfavorable market conditions. SHS continues to submit the 2024 AGM agenda to establish a basis for implementation if the stock market conditions allow for the synchronized deployment of this activity in 2024-2025.
Implementing business activities related to derivative securities, including trading derivative securities and providing clearing services, settlement of derivative securities transactions of the Company as stated in: • Resolution No. 01-2018/NQ-ĐHĐCĐ dated April 24, 2018 • Resolution No. 01-2023/NQ-ĐHĐCĐ dated April 28, 2023 • Proposal No. 08-2023/TTr-ĐHĐCĐ	Approved by SSC and under implementation: - Before March 2023, the Company had not implemented any derivative securities-related business activities due to unfavorable market conditions and had reported to the GSM. -On March 1, 2023, the Company was granted Certificate No. 38/GCN-UBCK by the SSC, qualifying it to conduct derivative securities business, and commenced derivative securities trading activities as per the license. - SHS received the Initial Member Certificate for Derivative Securities Offset No. 25/GCNTVBTPS on October 27, 2023, certifying SHS eligibility to provide derivative securities trading offset services from October 27, 2023. -The Derivative Securities Offset Member Certificate adjustment No. 25/GCNTVBTPS-01 dated April 2, 2024, issued by VSDC, updated information with the Legal Representative being Mr. Nguyen Chi Thanh. - Decision No. 91/QD-SGDCKVN dated October 12, 2023, of the VNX, approving SHS membership for trading derivative securities. - Decision No. 1017/QD-SGDHN dated October 13, 2023, of HNX, approving the connection for derivative securities trading with HNX. -Further implementation details will be reported by the Board of Directors and presented at the AGM in the report numbered 08-2023/TTr-DHDCD on April 5, 2023
Approval of The option is to select an independent auditing firm to audit the Company's Financial Report (according to the content of Proposal No. 09-2023/TTr-ĐHĐCĐ)	Completed, selected AASC Audit Company Limited (listed in the AGM-approved list) as the independent auditor for SHS financial statements, reported and disclosed information in accordance with the law.

	Continue to submit to the AGM for the selection of the Audit Company for the 2024 financial statements.
Approval of adjusting, supplementing, modifying, and implementing the Organization and Operation Regulation of the Company's Board of Supervisory (as per the content of Proposal No. *10-2023/TTr-ĐHĐCĐ)*	The regulation has been adjusted, supplemented, and amended; reports and disclosures have been made in accordance with legal requirements. The adopted regulation came into effect on April 28, 2023, replacing all previous versions.

III. Activities of the Board of Directors

1. Information on the Board of Directors (BOD) members

Board Structure: Diversity Policy within the Board of Directors regarding expertise, knowledge, experience, gender, and generation has been established and ensured throughout the operation and development of SHS. Specifically, in the Board Structure maintained from the term 2017-2022 until June 2023, there were five (05) Members, including four (04) males, one (01) female, with the Chairman not concurrently holding executive duties, one (01) Independent Member, and one (01) Member concurrently holding the position of CEO.

Thus, ensuring a minimum of one-third of the total Members are non-executive Members, and limiting the maximum number of Board Members holding executive titles of the Company to ensure the independence of the Board of Directors as stipulated in Articles 154-155 of the Enterprise Law, Articles 275-276 of Decree 155-2020/ND-CP, Article 36 of the Company Charter, ensuring Diversity and Inclusion within the Board of Directors regarding gender and background according to ESG, CSI, and GRI criteria..[3]

No.	BOD's member	Gender	Position at SHS	Start Date/No Longer Board Member	Compliance with Article 154-155 of the Enterprise Law, and Article 275-276 of Decree 155-2020/ND-CP
1	Vinh, Do Quang (Mr.)	Male	Chairman	April 27, 2022	Non-executive director
2	Khoa, Le Dang (Mr.)	Male	BOD's member	March 22, 2013	Non-executive director
3	Tien, Vu Duc (Mr.)	Male	BOD's member	September 10, 2014	Jointly appointed Chief Executive Officer until March 25, 2024
4	Trinh, Nguyen Dieu (Mrs.)	Female	BOD's member Independent	January 03, 2020	Independent, Non-executive director
5	Duc, Luu Danh (Mr.)	Male	BOD's member	27/04/2022	Non-executive director

[3] The international trio of criteria EGS - Environment, Social, and Governance (ESG), along with Vietnam's Sustainable Development Index (CSI)

2. Changes of the Board of Directors' Members:

a. Vinh, Do Quang (Mr.) – SHS Chairman was elected as Vice Chairman of Saigon - Hanoi Commercial Joint Stock Bank (SHB) effective from April 12, 2023.
Previous position: SHB BOD's member.
Additional titles: Deputy General Director - Director of the Digital Banking Division; Head of Marketing & Brand Development Division and Transformation Division at Saigon - Hanoi Commercial JSB (SHB).

b. Vinh, Do Quang (Mr.) – SHS Chairman is no longer a Major Shareholder of Hon Ngoc A Chau JSC (Business Registration No. 0400563536) since June 28, 2023.
Hon Ngoc A Chau JSC is no longer related to Mr. Vinh – SHS Chairman since June 28, 2023.

c. Vinh, Do Quang (Mr.) – SHS Chairman is no longer Vice Chairman and BOD Member of the Saigon - Hanoi Commercial Joint Stock Bank Financial Company Limited (SHB Finance) since June 9, 2023.
Khoa, Lê Đăng (Mr.) is no longer a BOD Member of SHB Finance since June 9, 2023.

d. Trinh, Nguyen Dieu (Mrs.) is no longer a BOD Member of Hanoi School Books and Equipment Joint Stock Company (HAB) since 2023.

3. Board of Directors Meetings

a. In 2023, the Board of Directors held 18 formal meetings, including: regular meetings by quarter and extraordinary/specialized meetings for discussion and approval of matters within its jurisdiction, summoning and participating in the Annual GMS 2023 as the Presiding Delegation. The attendance rate reached 100% for all meetings.

b. The Board of Directors invited Members of the Board of Supervisors and Executive Board Members, BOD's office, and relevant departments to attend and report at some meetings to gather opinions and perspectives from various participants and make informed, timely decisions.

No.	BOD's member	Number of meetings	Attending percentage
1	Vinh, Do Quang (Mr.)	18/18	100%
2	Khoa, Le Dang (Mr.)	18/18	100%
3	Tien, Vu Duc (Mr.)	18/18	100%
4	Trinh, Nguyen Dieu (Mrs.)	18/18	100%
5	Duc, Luu Danh (Mr.)	18/18	100%

Summary of meetings and decisions of the Board of Directors

a. The meeting and deliberation work of the Board of Directors ensures compliance with the law and the Company's Charter, fulfilling the roles of administration, direction, and supervision of the activities of the Executive Board and the implementation of the Company's business activities in accordance with the law and resolutions of the GMS .

b. The Board of Directors has conducted 18 regular and extraordinary formal meetings, in addition to numerous meetings between the Chairman and other Board members, the Executive Board, the Supervisory Board, and other relevant departments to discuss and

approve various strategic direction issues of the Company and decide on matters within the BOD's authority, such as:

- Evaluation and approval of loan proposals, requests for credit limits for individuals and credit institutions subject to the BOD's decision;
- Development of content for the annual GSM and subsequent implementation plans;
- Diversification of service products: implementation of derivative securities trading, issuance of secured warrants;
- Review and approval of the Company's strategic investment items;
- Review and approval of issues related to senior management personnel structure, compensation issues, and personnel structure subject to the BOD's decision;
- Focus on continued expansion and increased market share of brokerage services, while ensuring the safety of investor and company capital, prioritizing the effectiveness and quality of brokerage activities, researching and developing a variety of brokerage products to meet the needs of investors and comply with the law, emphasizing investment in infrastructure and information technology platforms to serve account management, brokerage, securities trading, and custody activities.

4. Governance, supervision, and results of the Board of Directors' activities in 2023

a. In 2023, the company's operations have followed the positive growth and recovery trend of the macroeconomy. The Board of Directors has recognized **many opportunities and favorable changes** for the company's business activities with highlights in the macroeconomic picture such as: a decrease in inflation rates, the recovery and development of various sectors including services, manufacturing, agriculture, industry, export, public investment, finance, and banking; stable macroeconomic conditions, and a decrease in deposit interest rates making the stock market gradually more attractive. Numerous support policies have been and are being implemented, shifting the risk/opportunity balance of the market gradually towards a positive outlook. Additionally, smart capital has started to show signs of returning to the stock market as market liquidity has gradually improved over the past month.

b. The Board of Directors and the Executive Board of the company will continue to focus on implementing supervision and comprehensive development orientation of SHS's business activities, enhancing risk management, seeking and realizing new investment opportunities, and improving development capabilities to increase SHS' competitiveness based on existing and reinforced internal strengths as well as support from new capital sources.

c. Continued to implement tasks according to the strategy and medium-term development plan for the 2022-2027 term that have been previously developed by the Board of Directors and the Executive Board. The operational orientation for the 2022-2027 term aims to comprehensively develop and sustainably advance SHS, as approved by the GMS at the annual meeting in 2023. Additionally, review and address any limitations and outstanding issues.

d. Developed the business plan, management, and operations for the company for the year

2023.

e. Reported to the GMS on the activities of 2022 and the activity plan for 2023, which was approved by the GMS at the annual meeting on April 28, 2023.

f. Directed the Board of Directors, Executive Board, and departments of SHS to continue utilizing the capital raised from stock issuances effectively, legally, and according to the plan approved by the GMS.

g. Assigned members with expertise in economics, finance, and investment to closely monitor the company's investment and proprietary trading activities, participate in the Investment Council to appropriately evaluate significant investments of the company, mitigate risks, and enhance the capture of opportunities.

h. Directed and closely monitored the Executive Board and other managers in the daily business operations of the company, ensuring the implementation of the resolutions of the Board of Directors and the GMS .

- Supervised and guided the Executive Board in implementing and regularly reporting on the core business activities, including financial consulting and underwriting, enterprise equitization consulting/divestment/share offering/listing, securities brokerage activities, and proprietary trading activities, ensuring legal compliance, effectiveness, and enhancing risk management and financial safety.

- Enhanced the monitoring of financial advisory activities, financial services, control of corporate expenses and management costs, risk management, and investment portfolio restructuring. The Board of Directors member responsible for risk management and finance regularly communicates and meets with the CEO and Head of the Supervisory Board to discuss issues and solutions.

- Regularly monitored the completion, submission, and timely disclosure of the following key reports:

  - Reports on company activities, financial situation, and financial safety on a periodic basis, financial reports after each share issuance to increase charter capital;
  - Sustainability Report;
  - Annual Report;
  - Report on shareholder structure, changes in the number and ownership ratio of foreign/state/major/internal shareholders.
  - Other documents related to information disclosure within authority; supervision of compliance with legal regulations on information disclosure, anti-money laundering, restrictions on borrowing and lending to major shareholders/internal persons, and related parties.

i. Provided guidance and oversight to the Company, and the CEO's Office implements business activities in line with the goal of sustainable development, based on five (5) criteria: Stable growth, Sustainable corporate culture, Corporate governance, Environmental protection, and Social responsibility, including the following detailed contents:Orientation and supervision of the Company, the Board of Directors implements business activities

towards Sustainable Development, with five (5) criteria: Stable growth, Sustainable corporate culture, Corporate governance, Environmental protection, and Social responsibility, including the following detailed contents:

- Focus on investing in infrastructure, working equipment serving the Green – Clean – Beautiful – Neat – Professional lifestyle, physical, mental, cultural, and professional well-being for all employees and customers at the Headquarters and branches, Offices of SHS.
- Long-term investment focus on businesses with many factors for sustainable development *(priority businesses for green growth, development of clean energy, renewable energy; sustainable production and consumption; ensuring food security, sustainable agriculture, sustainable rural areas; sustainable development of regions and localities...)*
- Prioritize a significant portion of resources to invest in and support the Green Capital Market through the Company's business activities such as "Guidance on issuing Green bonds, social bonds, and sustainable bonds" to mobilize capital from the private sector for projects with environmental and social benefits according to the standards of the established authorities.
- Other implementation contents ensure the five criteria above.

j. Implemented market development, marketing, and technology solutions through the activities of the Technology, Service, Product, Communication, Brand Subcommittee, and coordinating with the General Director's Office and related departments.

k. Approved high-level personnel decisions including:

- Approved the personnel of the Presiding Board, Secretariat, establishment of the Organization Committee, Shareholder Qualification Inspection Committee, Vote Inspection Committee for the annual GMS in 2023;
- Determined specific remuneration levels for Board Members, Supervisory Board Members in the year 2023, supervising the disbursement of remuneration, allowances, and other benefits for the Board of Directors, Supervisory Board Members;
- Approved appointments, dismissals, decisions on contract signing, contract termination, rewards, disciplinary actions, and determining salary levels, remuneration, bonuses, and other benefits for other company management officials under the appointment authority of the Board of Directors according to the company's internal regulations and laws.

l. Directed the CEO, BOD's office and departments to coordinate to review and propose adjustments/supplements to the company's organizational structure *(based on reference to other modern and effective organizational models)*, document system, internal management regulations of the company, charter, and documents under the authority of the GMS, Board of Supervisors, and Board of Directors for approval by the GMS and Board of Directors/Supervisors, and for departments to implement (ensuring updates to changes in the law and suitability to the actual operations of SHS), including:

- Company Charter;

- Financial Regulations of the Company;
- Information Disclosure Regulations of the Company;
- Regulations for the Company's Archives and Records.
- Internal Management Regulations of the Company;
- Regulations on organizing online Shareholder Meetings and electronic voting, absentee voting;
- Regulations on Share Management, Shareholding, and Shareholder Relations;
- Regulations on the operation of the Board of Directors/Supervisors/COO/CEO....

m. Decided on the issuance, circulation, and implementation of AGM Resolution No. 01-2023/NQ-DHDCD , the Charter, regulations under AGM's authority for approval, and documents approved by the GSM at the annual meeting in 2023, resolutions and decisions of the Board of Directors or approved by the Board of Directors in other documents;

n. Decided the timing, location, format of organization, approves the program, scenarios, portfolio of documents, and content of documents serving the AGM in 2023, which are jointly developed, drafted, and submitted to the Board of Directors for review by members of the Board of Directors, Supervisory Board members, Executive Board members, Directors of departments, and other departments within SHS.

o. Chaired, managed, and supervised, responsible for convening and organizing the annual GMS for the year 2023 on April 28, 2023, in an online and hybrid format at the address 1 Nguyen Tri Phuong, Ba Dinh, Hanoi, and through the online broadcasting channel http://dhcd.shs.com.vn in accordance with current legal regulations, ensuring safety and compliance with the Company's business and management activities;

p. Carefully reviewed, evaluated, and decided on issues and content related to bond investment activities, corporate stock.

q. In 2023, SHS did not engage in share repurchase or share redemption transactions; there were no transactions valued at 35% or more of the total asset value.

r. Reviewed, evaluated, and decided on several matters related to internal personnel or related parties of NNB, ensuring compliance with the law and bringing financial efficiency to the Company, including:

- The divestment plan of SHS in Saigon - Hanoi Insurance Corporation;
- Signing consultancy contracts for Petroleum Equipment Corporation (PVM) to implement divestment in some enterprises;
- Transactions with Saigon - Hanoi Commercial Joint Stock Bank.

s. Reviewed, evaluated, and decided on borrowing, and executed mortgages, securities, guarantees, and compensations of the company, ensuring compliance with the law and the Company's Charter, suitable for the financial needs and situation of the Company.

t. Disclosed related interests publicly, disclosed personal resumes publicly, disclosed stock

transactions of insiders and related parties, not using information obtained through their positions for personal gain or serving the interests of other organizations or individuals.

u. Submitted to the AGM the audited Financial Statements, the BOD's Activities Report, and issues within their authority at the 2023 AGM, signed and issued related documents.

v. Issued Resolution 01, approved and signed multiple documents including the Charter, Regulations, Minutes, Resolutions, Directives, Reports, Decisions, Proposals related to many significant issues of the Company, serving as the basis and direction for the Executive Board and SHS subsidiaries to implement their tasks.

5. Activities of each BOD's member, BOD's subcommittees, and specialized departments

a. Activities of each member of the BOD:

Members of the SHS BOD carried out their duties and powers according to the Company's Charter and Internal Governance Regulations, SHS BOD's Regulations on the Organization and Operation , and according to Decision No. 25 -2022/QĐ-HĐQT dated April 27th, 2022, which specified the tasks of each member of SHS BOD for the term 2022-2027 as follows:

No.	Full name, position	Tasks assigned
1.	Mr. Vinh, Do Quang – Chairman	• As the overall person in charge, direct the implementation of the rights and obligations of the Board of Directors in accordance with the law, the Company's Charter, and internal regulations; • Carry out assigned tasks in the subcommittees of the Board of Directors; • Develop programs and plans for the Board of Directors' activities, organize the approval and monitor the implementation of resolutions and decisions of the Board of Directors; • Directly oversee the work of researching long-term development strategies, projects, and human resources organization; • Other rights and duties as prescribed by law, the Company's Charter, and decisions of the Board of Directors.
2.	Mr. Tien, Vu Duc – BOD's member	• Perform the tasks of a BOD's member in accordance with the law, the Charter, and the internal regulations stipulated by the Company. • Carry out assigned tasks in the BOD's committees. • Act as the legal representative of SHS, exercising the rights and obligations of SHS CEO in accordance with the law, the Charter, and the internal regulations stipulated by the Company. • Take the lead in assisting the Board of Directors in monitoring, supervising, and summarizing the

		implementation of the following areas: research, consultation, and construction of internal management mechanisms and policies (including policies regarding employees, organizational personnel, wages, commendations, and building company culture...). • Take the lead in assisting the Board of Directors in monitoring, supervising, and summarizing the implementation of the company's business activities, investment portfolio, debts, capital management, and development.
3.	Mr. Duc, Luu Danh	• Implement the tasks of the Board of Directors members in accordance with the laws, Articles of Incorporation, and internal regulations of the Company. • Perform assigned tasks in the committees under the Board of Directors. • Take the lead in researching and proposing the development of technology systems, applications, transaction software, and customer data management at SHS to assist the Board of Directors in monitoring, supervising, and consolidating the implementation of the areas of Technology, Services, Products, Communications, and Branding.
4.	Mr. Khoa, Le Dang	• Perform the tasks of a member of the Board of Directors in accordance with the law, the company's bylaws, and internal regulations; • Carry out assigned tasks in the subcommittees under the Board of Directors; • Take charge of assisting the Board of Directors in monitoring, supervising, and consolidating the implementation of various tasks, including finance and accounting, auditing, statistics, risk management, financial investment, debt management, inventory management, and compliance with financial reporting regulations.
5.	Mrs. Trinh, Nguyen Dieu – the Independent Member of BOD	• Perform the tasks of an independent BOD's member in accordance with the law, the Company's Charter, and internal regulations. • Carry out assigned tasks in the committees under the Board of Directors. • Participate in monitoring, supervising, and consolidating all administrative, operational, and business activities of SHS, providing appropriate reports, advice, and recommendations to the Board of Directors and the Executive Board for decision-making. • Support the Board of Directors in monitoring and managing

		investment portfolios, assessing project efficiency, and monitoring debts. • Prepare periodic/extraordinary reports of the independent member of the Board of Directors in accordance with legal regulations and SHS internal guidelines.
6.	Mrs. Hong, Pham Thi Bich – Head of BOS	• Perform the assigned tasks at the BOD Subcommittees; • Participate in reviewing activities related to Finance and Accounting, Risk Management, and Internal Audit.

General principle: Members of the Board of Directors have the responsibility to collectively manage and supervise the implementation of plans in their assigned areas, coordinate with other members of the Board of Directors to implement resolutions passed by the GMS and the Board of Directors comply with current laws, SHS Charter, and internal regulations of the Company.

In the Company Governance Regulations and the decisions on the establishment of Subcommittees and the assignment of tasks to these Subcommittees, the activities of the Subcommittees are specified to ensure compliance with regulations including roles, responsibilities, structure, composition, and operations (such as meeting frequency, personnel structure) of the committees. Transparently disclosed information will contribute to affirming the tight structure in the governance model and the necessary oversight role of the Board of Directors.

Diversity policies within the Board of Directors regarding expertise, knowledge, experience, gender, generation, and independence have been incorporated into documents such as the Charter or Governance Regulations, Regulations on the organization and operation of the Board of Directors.

b. Subcommittees under the Board of Directors

On April 27th, 2022, the Board of Directors for the term 2022-2027 convened and issued a Decision approving the establishment of Subcommittees under the Board of Directors of the Company as follows:

No.	Name of Subcommittees	Responsible	Head of the subcommittee	Tasks assigned
1.	General management	Mr. Vinh, Do Quang – Chairman; Mr. Tien, Vu Duc – BOD's Member	Mr. Hien, Do Quang – Chairman	Management and supervision of operational activities, searching and introducing resources to support the company's business operations, the operational activities of the Executive Board, ensuring compliance with laws and administrative regulations.
2.	Development policy	Mr. Vinh, Do Quang – Chairman;	Mr. Tien, Vu Duc – BOD's Member	• Develop and plan long-term and short-term strategies, prepare recommended reports proposing solutions

		Mr. Tien, Vu Duc – BOD's Member; Mr. Khoa – BOD's Member		to the Board of Directors and the CEO for necessary actions. • Identify, evaluate, and assess the current status of the company's business and the businesses in which SHS invests and collaborates. • Determine the focal point of SHS' activities and evaluate the short-term and long-term effectiveness of SHS' operations. • Build and propose management and operational directions for the company's management level.
3.	Human resources and compensation and System management	Mr. Khoa, Le Dang – BOD's Member; Mrs. Trinh, Nguyen Dieu – independent BOD's Member	Mr. Khoa, Le Dang – BOD's Member	Establish a salary and reward mechanism, benefits according to standards and actual business operations, supervise department heads to implement and measure effectiveness, prepare recommendation reports to propose solutions to the Board of Directors and CEO for necessary actions if needed.
4.	Financial accounting, Risk management, and Internal auditing	Mrs. Trinh, Nguyen Dieu – independent BOD's Member Mr. Khoa, Le Dang – Member of BOD; Mrs. Hong, Pham Thi Bich – Head of BOS	Mrs. Trinh, Nguyen Dieu – independent BOD's Member	• Conduct a review of the risk management and internal audit system, perform regular and irregular audits of the company's operations without disrupting activities, and prepare recommendation reports proposing solutions to the Board of Directors (BOD) and CEO if necessary. • Review activities related to Financial Management, budgeting, financial risk, investment project appraisal, securities trading, bonds, other types of assets, advisory services, issuance guarantees, and sales of the company. • Review financial plans, business plans, and reports related to the financial

				situation of the company. • Review financial resources in various departments of the company. • Review and support the Finance and Accounting department in cash flow management, capital sourcing, and fundraising activities.
5.	Technology, Services, Products, Media, Brand	Mr. Vinh, Do Quang – Chairman; Mr. Duc, Luu Danh – Member of BOD	Mr. Duc, Luu Danh – BOD's Member	• Supervise, consult, report, and conduct research on proposals for the construction, operation, and development of information technology systems, digital technologies, transaction applications; develop services, products, communication activities, and SHS brand development; prepare recommendation reports for the Board of Directors and CEO on necessary processing solutions. • Determine the "digital transformation" plan for the company and work with departments to implement the plan, build a management system based on enterprise management software.

- The Subcommittee operates with a sense of responsibility, integrity, self-discipline, and must comply with the regulations of the Board of Directors, laws, and the company's Charter. Subcommittee decisions are only valid when a majority of participating members vote in favor during the Subcommittee meeting.
- The implementation of decisions by the Board of Directors or its subordinate Subcommittees must comply with current laws and regulations stipulated in the company's Charter and internal governance regulations.
- Members in charge of Subcommittees are assigned to update information and the company's situation based on records, data, reports from the Supervisory Board, the Executive Board, the Financial and Accounting Department, and report to all members of the Board of Directors to jointly devise appropriate solutions, directions, and support the General Director in finding suitable solutions, especially during periods of significant market fluctuations and when the economy is impacted by various policies.

c. BOD's Office

The BOD's Office serves as the Secretariat, advisor to the Board of Directors BOD, and manages shareholder records, carrying out tasks as directed by the BOD and the Chairman of the BOD.

In 2023, the tasks of the BOD's Office focus on the following:

- Organizing the AGM, meetings, and business trips of the BOD and the Board of Supervisory;
- Acting as the focal point for reviewing and drafting AGM documents, other documents, regulations, procedures, reports, etc., under the authority of the AGM and the BOD for issuance;
- Establishing a storage and management system for records, documents under the authority of the AGM, BOD, BOS, and the BOD's Office; providing access and implementation support to departments and units;
- Acting as the focal point for implementing share listing and custody;
- Monitoring company shareholder records, dividend payments, Share Ownership Certificates for unregistered shareholders, assisting shareholders in legal procedures related to transferring, gifting, inheriting SHS shares;
- Drafting reports such as Shareholder Structure Report, Regular Management Report, Compensation Report, Reports on Activities of the BOD and the Board of Management Office, reports under the authority of the AGM, BOD, and Board of Management Office for issuance, as well as in Financial Reports, Annual Reports, and Sustainable Development Reports, etc.;
- Managing information and data of partners, customers under the authority of the AGM, BOD, managing the shareholder list, shareholder data;
- Consolidating information on major shareholders, internal personnel, related parties, information on company governance, and providing access and implementation support to departments, units, and reporting to regulatory agencies as required;
- **Legal compliance**: reviewing and ensuring compliance, legality, and compliance of company documents, regulations, and bylaws before and after submission to the AGM, BOD for signature and issuance, proposing amendments, supplements, adjustments, and issuance;
- Ensuring infrastructure, working conditions for the BOD, BOS, and departments under the BOD's Office.

d. **Internal Audit Department under the Board of Directors:**

The Internal Audit continues to support the risk management activities of the Board of Directors, conducting audits of business activities and operational management of the entire company system, continuously providing recommendations and proposals aimed at addressing existing risks thoroughly and enhancing the quality of business activities.

Audit activities and monitoring the implementation status of internal audit findings: Preparation of Anti-Money Laundering Activity Reports and Regular/Monthly and Irregular Activity Reports of internal audit for internal use and for State Authorities to supervisor.

e. Activities of SHS Internal Governance Staff

In 2023, **SHS Internal Governance Staff** has been and is currently performing tasks in accordance with the law, the Company's Charter, and the BOD's assignments, including:

- Advising the Board of Directors on the organization of the 2023 AGM in compliance with regulations and related activities between the company and shareholders;
- Preparing meetings of the Board of Directors, the Supervisory Board, and the GMS as requested by the Board of Directors and the Supervisory Board;
- Advising on meeting procedures;
- Attending meetings;
- Advising on the procedures for drafting BOD's resolutions/decisions in compliance with the law;
- Providing financial information, copies of minutes of BOD's meetings, and other information to BOD's members and the Supervisory Board;
- Monitoring and reporting to the Board of Directors on the company's information disclosure activities, major shareholders, insiders, and related parties of the aforementioned entities;
- Drafting and reviewing the legality, accuracy of information, and form of documents falling within the jurisdiction of AGM, Board of Directors, and BOD's Office, including the Charter, Regulations, Procedures, Shareholder Reports, Share Reports, Stock Reports, Periodic Management Reports, AGM-related content, Insiders in Financial Reports, Annual Reports, and Sustainable Development Reports...;
- Ensuring information security in accordance with legal regulations and the Company's Charter.

6. **BOD's Resolutions/Decisions**

BOD's Resolutions/Decisions are issued in compliance with the law and the Company's internal regulations regarding norms, regulations, disclosure, issuance, circulation, and storage in accordance with legal regulations, reflecting the content agreed upon by the BOD's members within the scope of authority and responsibilities permitted by the Charter and the law for governance, management, and business matters of SHS.

7. Implementation of corporate governance provisions in 2023

a. The Company particularly focuses on governance, management, risk management, disclosure of control information, and internal auditing compliance with legal regulations and the Company's Charter, especially the provisions regarding establishment, organization of operations, management, and governance of the Company for the rights of shareholders and the sustainable development of the Company.

b. Maintain and promote the role of the established and well-founded organizational structure, following international practices, including: GMS, Board of Directors, Supervisory Board, Internal Audit, BOM, departments, and related branches. The departmental system is divided into direct and operational functions, at the headquarters, all branches, and representative offices.

c. The governance and management activities of the Company comply with the provisions of the Enterprise Law, Securities Law, Civil Law, Social Insurance Law, and other legal documents and guidelines. The Company continuously updates, disseminates, and implements legal regulations and amendments. The Company also assigns officials to participate in training courses, disseminate knowledge about governance and securities practice to update knowledge and apply it to the Company's practical operations.

d. The Company selectively complies with corporate governance practices, ensuring that it achieves over 70% of the International Governance Standards *(especially the guidelines of the Corporate Governance Principles by the SSC and IFC[4] and the Corporate Governance Principles by the OECD[5])*, financial reporting standards, annual reporting, and sustainable development reporting as guided by global economic organizations and the SSC, based on suitability with the Company's operational conditions to gradually adapt to becoming a financially strong, reputable, and professional financial institution, a partner of customers and investors domestically and internationally.

e. The GMS has passed amendments and issued amended documents to ensure compliance with current legal changes at the annual general meeting in 2023, including:

- The Charter;
- Internal Regulations on Company Governance;
- Regulations on Organizing Online General Meetings, Online Voting, and Remote Voting;
- Regulations on the Organization and Operation of the Board of Directors;
- Regulations on the Organization and Operation of the Board of Supervisors.

These regulations shall come into effect from April 28, 2023, and are detailed on the company's website www.shs.com.vn.

f. On November 10, 2023, at the recent Annual Business Conference, SHS was also one of the ten listed companies honored by the Hanoi Stock Exchange for best corporate governance in 2022-2023. It is a recognition to acknowledge the efforts and professionalism of the company in complying with and implementing full and transparent disclosure of information.

g. On December 15, 2023, SHS was selected for the first time to enter the final round of voting in the category of corporate governance reporting, among the list of 104 companies with the best corporate governance and the list of 34 companies in the mid-cap group in the Enterprise Voting Contest for Listed Companies organized *by the Ho Chi Minh City Stock*

[4] https://static2.vietstock.vn/vietstock/2019/8/14/20190814_Vietnam%20CG%20Code%20of%20Best%20practices_v1.0_Eng%20Vie.pdf
[5] https://www.oecd-ilibrary.org/docserver/c32e9a6e-vi.pdf?expires=1688037489&id=id&accname=guest&checksum=E47DB9AED7D839A2A70FA0522CDC04C5

Exchange, Hanoi Stock Exchange, State Securities Commission, and Investment Newspaper, sponsored by QLQ Dragon Capital Company, with professional partners such as IFC, ACCA, leading audit firms Deloitte, EY, KPMG, PwC providing support .[6]

8. Other contents regarding the administration of the Company that have been implemented and complied with:

- State shareholder ownership ratio: 0%
- Company model: The company model includes a Supervisory Board, according to Point a, Clause 1, Article 134 of the Enterprise Law.
- Number of legal representatives of the company: 01 (CEO)
- Date of the AGM: April 28, 2023
- Date of posting the documents of the AGM in the reporting period: April 5, 2023
- Date of announcement of the Resolution and Minutes of the 2023 AGM : April 28, 2023
- The company successfully organized the AGM for the first time;
- The company is not sued regarding the organization of the AGM, Shareholders' Resolutions;
- The company is not reminded or cautioned by the SSC/Stock Exchange about organizing and disclosing information about the GMS and reminded or cautioned about transactions with related parties;
- The company has established Sub-committees, with independent members of the Board of Directors responsible for salary, remuneration, and personnel matters;
- The Head of the Supervisory Board works professionally at the company;
- All members of the Supervisory Board are Accountants or Auditors, not holding management positions/Staff at the Company.
- All members of the Supervisory Board are not related parties of the BOD, General Director, and other managers.
- The company's website (www.shs.com.vn) provides full information to shareholders as regulated;
- In 2023, the GMS approved a plan not to pay dividends, so SHS did not implement dividend distribution within 6 months from the date of the annual GMS.

9. Implementation and monitoring of Sustainable Development Strategy in 2023

9.1. The Board of Directors remains committed to sustainable development objectives, with five (5) criteria including: Stable growth, Sustainable corporate culture, Corporate governance, Environmental protection, and Social responsibility.

9.2. In 2023, the Board of Directors continues to prioritize **Sustainable Business Thinking** - the primary development path for SHS in the modern economy - into the practical aspects of management and operations at SHS.

[6] https://www.tinnhanhchungkhoan.vn/vinh-danh-doanh-nghiep-doat-giai-cuoc-binh-chon-doanh-nghiep-niem-yet-nam-2023-post336010.html

- SHS plans, implements, and sustains sustainable development accurately, guiding the Company in risk management and seizing breakthrough opportunities in investment decisions; wherein ESG/CSI factors are carefully evaluated with a focus on long-term investments in sustainable projects and economic activities.
- Three key aspects are emphasized:
  - Environment: energy sources, resources, waste in the company's operations.
  - Society: diversity, equity, safety, security, business and community relationships, partners, investors, suppliers, customers, aspects of working conditions and occupational health and safety for Employees.
  - Governance: management processes, remuneration mechanisms, corporate governance, business ethics, intellectual property protection, and diversity on the Board of Directors to make effective decisions; accounting methods, transparency, and voting rights of shareholders in important issues, conflict of interest management.
- The goal is to enhance the Company's reputation and demonstrate its commitment to corporate social responsibility (CSR), improve business efficiency, identify opportunities and risks, engage employees with the company, and enhance competitive advantages.

9.3. The 5-step process is repeatedly implemented across various units, security departments, investment projects/plans, and consultancy activities, from maintenance to upgrading, to increasingly enhance compliance with ESG/CSI/VNSI at SHS.

- ***Step 1: Understand the current situation:*** Before initiating ESG/CSI planning, leadership collectively reviews and assesses the company's current state: financially, its position, research on the impact of applying ESG principles to the business, understanding why engaging in ESG, benefits, success rates, to select the appropriate speed and level of deployment.
- ***Step 2: Establish a strategy:*** Based on the 3 pillars of environment, social, and governance of ESG, units, departments, and the leadership team brainstorm ideas, initiatives, and establish strategies tailored to each criterion, considering priority issues.
- ***Step 3: Build a transformation roadmap.***
- ***Step 4: Application in operation and deployment:***
  - The BOD has initial statistics on the factors needing change, related personnel to ensure progress and success rates.
  - The BOD has assigned the BOD's Vice Chairman – Khoa, Le Dang (Mr.), to be in charge of the Company's Sustainable Development, overseeing the development of sustainable development plans and implementation activities, ensuring the Company's activities are directed towards sustainable development, overseeing the development and completion of the Company's Sustainability Report, encouraging and regularly communicating internally to ensure employees internalize humanitarian ideals, have sustainable development motivations.
  - Subcommittees and the BOD's Vice Chairman responsible for Sustainable Development are responsible for overseeing issues related to Sustainable Development within the BOD,

serving as a basis for the leadership's broader vision on the ESG theme;

- The BOD recognizes that SHS has conducted an assessment of the compatibility between debt structure and Sustainable Development goals, linking Sustainable Development goals with the income policies of the Executive Board to encourage efforts in managing business development; has announced policies and practices related to the environment, society, community, welfare, health, and safety for employees.

- ***Step 5: Reporting and disclosure of information:***

- The company emphasizes the importance of publicly reporting ESG information through the Sustainable Development Report, which is elaborately prepared and annually released as a sophisticated publication, providing comprehensive, vivid, professional, and diverse information about ESG with Sustainable Development.
- SHS Sustainable Development Report continues to refer to the standards of the Guidelines for Sustainable Development Reporting - the latest version issued[7] by the SSC and IFC, based on the core option of synthesizing information, data from SHS's actual activities in the financial year , aiming to provide the most complete, truthful, and transparent information about SHS and Sustainable Development. The report focuses on evaluating the implementation of some typical criteria, suitable for the characteristics of SHS's industry and business activities according to the GRI Standards[8].
- In 2023-2024, the Board of Directors and the Supervisory Board focus on improving the quality of the Sustainable Development Report, balancing action goals and effective implementation, with the following key points:
  - Ensuring the construction of the Sustainable Development Report according to international standards, with the following contents clearly expressed:

    + Practicing climate change response,

    + Establishing ESG interaction channels;

    + Identifying the BOD's role in the Sustainable Development Report;

    + Publishing implementation results according to international standards (GRI/SASB).

  - Effective governance requires the Company to create conditions for stakeholders in the Corporate Value Chain (in SHS including the Company's headquarters, branches, representative offices, shareholders, customers, employees and collaborators, suppliers, credit organizations, state management agencies...) to participate in ESG practices, especially in identifying critical ESG topics.

The company has established interaction channels including: website, social media pages, hotline mailbox, monthly investor newsletter, quarterly and special topic newsletters providing contact information for communication, operation, information disclosure, and shareholder relations departments to regularly receive and respond to stakeholders' concerns

[7] https://www.ssc.gov.vn/webcenter/portal/ubck/pages_r/l/chitit?dDocName=APPSSCGOVVN162078672&dID=113962
[8] https://www.globalreporting.org/standards/media/1566/vietnamese-consolidated-set-of-gri-sustainability-reporting-standards-2016.pdf

about ESG, demonstrating proactive concern and initiating meaningful connections between stakeholders and SHS on ESG matters.

9.4. The company has researched and will integrate three ESG pillars into its corporate governance principles according to the OECD Corporate Governance Principles for 2023 (Sustainability & Resilience - Sustainable Development & Risk Resilience) and 15 new ESG criteria according to Vietnam's Corporate Governance Scorecard since 2024.

10. Activities of Independent BOD's Member and Evaluation Results of Independent Members Regarding the Board's Activities.

a. Evaluation of the Company's Board of Directors' activities in 2023, independent members of the Board of Directors made the following general assessments:

- The Company's Board of Directors has worked with a sense of responsibility and transparency in governance, adhering strictly to the regulations for public companies. Board meetings were convened promptly and conducted in accordance with the procedures specified in the Company's Charter and Internal Regulations on Corporate Governance. The content of the meetings was thoroughly discussed and carefully evaluated by the Board members to provide directions and solutions that bring the highest benefits to the Company.
- Issues related to business strategy, market expansion, technology investment, and building management systems were regularly reviewed and evaluated by the Board of Directors in periodic meetings.
- Decisions of the Board of Directors at meetings were made based on majority rule, meeting minutes were prepared fully, and were signed by the attending Board members.

b. The organizational structure

- The BOD' structure always maintains at least 1/5 of the members as Independent Directors and 4/5 of the Board members as non-executive. Currently, Ms. Trinh, Nguyen Dieu is an Independent member, Mr. Tien, Vu Duc is a Board member, *also serving as the CEO (executive) until March 25, 2024*, and the remaining 4/5 of the Board members are non-executive.
- SHS Independent Directors actively participate in and take initiative in governance, supervision, and guiding the company's business activities, utilizing their expertise, professional knowledge, and years of experience in their respective fields to advise, propose, and recommend activities to the Board of Directors and the CEO.
- Independent Directors carry out their duties as assigned by the GMS, the Board of Directors, and responsibilities towards the company, adhering to the Securities Law, the current Enterprise Law, and related implementing documents, complying with the Company's Charter, Internal Governance Regulations, and other internal regulations.
- Independent Directors at SHS fully attend GMS and Board of Directors meetings, regularly meet directly with the Chairman and members of the Supervisory Board and the Executive Board. Therefore, the directives of the Board of Directors always ensure objectivity and timeliness, closely following the company's daily business activities, ensuring the common interests of shareholders and the company.

- To fulfill their management and oversight duties, independent BOD's member collaborated with the Audit Committee and the Internal Audit Department under the Board of Directors to examine, review the reasonableness, compliance, risk management, and sustainable development, safety of the Company's business activities through reports, data provided by the Audit Committee, Executive Board, and relevant departments periodically and on an ad hoc basis or by specific topics. At many critical points, independent BOD's member made recommendations, proposals to the Board of Directors and the Executive Board to adjust some of the Company's activities accordingly.
- Independent board members are proactive, actively fulfilling their responsibilities, and have actively contributed to the decision-making of the Board of Directors.
- All BOD's members actively participate fully in the planning, management, construction, and strategic debate activities to ensure compliance with the company's governance standards.

c. **On the Governance Mechanism**

- In 2023, the Board of Directors (BOD) held 18 meetings, including both in-person sessions and written consultations with BOD members. These meetings were convened and conducted with specific schedules, full documentation, and in compliance with the Company's Charter and the law. The contents of the meetings were thoroughly and carefully discussed, debated, and evaluated by BOD members.
- Issues related to strategy, business plans, finance, corporate culture, and the development of management systems within the Company were all thoroughly discussed and tightly controlled between the BOD and the Executive Board (EB).
- Changes in investment plans and new strategies were independently researched, scientifically based, and debated between the BOD and the EB.

d. Completion of the System and Ensuring Financial Safety and Risk Management

- In 2023, the Company strictly adhered to legal regulations and its Charter.
- The Company's Charter and internal financial regulations, as well as securities business operations, were updated and adjusted as necessary to align with changes in the law and the Company's actual operational circumstances.
- Personnel matters and the completion of internal process and regulation systems remained a focus of attention. The Company also implemented various measures to enhance its financial capacity, such as issuing private bonds, restructuring assets and liabilities, and improving business efficiency.
- The Company's financial safety ratio met current legal requirements.
- In 2023, the Company did not utilize the Payment Support Fund of the Vietnam Securities Depository and Clearing Corporation.
- Risk management, internal control, and internal audit activities continued to be emphasized. Risk management units ensured the highest levels of transparency and compliance while minimizing risks in the Company's operations.
- In 2023, the Company effectively utilized mobilized funds and capital from additional share

issuances to expand its business scale and significantly reduced borrowing from credit institutions. Supplemented equity capital was used for margin lending, brokerage, and fixed income products as planned and approved by the General Meeting of Shareholders.

- In 2023, the Company did not issue new bonds, nor did it engage in high-risk corporate bond investment transactions. The Company managed bond-related activities prudently and in compliance with legal guidelines, thereby maintaining its reputation and financial safety indices in a context where many securities companies in the market faced severe impacts and difficulties.

e. Regarding Management and Supervision Results

- Overall, the BOD has effectively performed its role in implementing the plans, policies, and strategic directions set by the GMS.
- The BOD has complied with corporate governance regulations, convening regular and extraordinary meetings to promptly direct and issue decisions appropriate to the actual situation.
- The BOD has properly fulfilled its role and responsibilities in directing, supporting, and supervising the Executive Board (EB) in implementing the contents approved by the GMS and the BOD, ensuring compliance with legal regulations while balancing the interests of the Company and its shareholders.
- BOD members holding positions in the EB regularly attend the EB's periodic and extraordinary meetings. Important decisions of the EB are analyzed, critiqued, and consulted by the BOD members / the Chairman of the BOD to ensure the Company's interests.
- The BOD members proactively recognize their role and responsibility in supporting the EB and share their experiences, interact, and exchange with the EB on corporate governance practices.

Conclusion:

The Board of Directors has fully performed its representative function for the shareholders by supervising the company's operations, providing appropriate guidance, and promptly directing the efficient use of resources to achieve the targets set by the GMS, while ensuring compliance with the law and the company's charter.

In addition to its management and supervisory functions over the executive operations of the Management Board, the BOD has closely collaborated with the Management Board to seek solutions to overcome business challenges in 2023.

The business activities that the BOD has particularly focused on include: investment in listed and unlisted stocks, capital mobilization, capital business operations, financial advisory services, lending for securities trading, and bond trading activities.

For these activities, the continuous tasks of the independent members of the BOD and the Committees in 2023 and the following years are to intensify meetings, discussions, inspections, and reviews of financial situations, operational methods, and management practices. They must regularly update on changes and report to the BOD to devise appropriate handling measures and solutions, minimizing risks while ensuring that activities are proactively and flexibly managed under the direction of the CEO within the allowed framework.

IV. Remuneration, Operational Expenses, and Other Benefits of the Board of Directors and Supervisory Board

The company pays remuneration, operational expenses, bonuses, allowances, and other benefits to members of the Board of Directors and the Supervisory Board, and salaries and bonuses to the Director or General Director and other managers based on business results and efficiency. Detailed reports are provided in the audited financial statements, in accordance with Clause 3, Article 163 of the Law on Enterprises and Decree 155/2020/ND-CP.

The structure of the Board of Directors and the Supervisory Board remains unchanged, consisting of: 05 (five) BOD's members, and 03 Supervisory Board members (including the Head with full time working).

- The structure of the BOD and the BOS includes:	BOD including of 5 (five) members , BOS including of 3 (three) members
- The approved budget, total remuneration, allowances, bonuses, and other benefits for the BOD and BOS in the FY2022 were determined by the 2022 AGM	A profit share of 1.5% of the after-tax profit for the year 2023, but not less than 4.57 VND billion;
- SHS has disbursed payments to the BOD.	VND 3,3 billion;
- SHS has disbursed payments to the BOS.	VND 1,2 billion;
- The total amount disbursed by SHS to the BOD and BOS combined:	**VND 4,5 billion**

No.	Fullname	Gross salary	Annual tax	Net salary
I	**BOARD OF DIRECTORS**			
1.	Vinh, Do Quang	1,830,000,000	203,333,333	2,033,333,333
2.	Tien, Vu Duc	285,000,000	31,666,667	316,666,667
3.	Khoa, Le Dang	285,000,000	31,666,667	316,666,667
4.	Duc, Luu Danh	285,000,000	31,666,667	316,666,667
5.	Trinh, Nguyen Dieu	285,000,000	31,666,667	316,666,667
Total (I)		**2.970.000.000**	**330,000,001**	**3,300,000,001**
II	**BOARD OF SUPERVISORS**			

1	Hong, Pham Thi Bich(*)	730,800,800	87,879,987	818.679.987
2	Trung, Vu Duc	195,000,000	21,666,667	216.666.667
3	Luu, Luong Thi	195,000,000	21,666,667	216.666.667
Total (II)		**892,800,000**	**1,120,800,000**	**131,213,321**
General Total (I+II)		**4,132,800,000**	**4,090,800,000**	**461,213,322**

The remuneration of each member of the Board of Directors, Board of Supervisors, salary of the CEO, and other management personnel is included in the company's operating expenses as per the regulations of the corporate income tax law. It is reflected as a separate item in the company's annual financial report and in the reports presented at the AGM.

V. Corporate Governance Training

In 2023, the staff of the BOD's Office participated in online corporate governance training courses organized by the Vietnam Institute of Directors (VIOD). They also attended seminars on Sustainable Development Reports, Annual Reports, and Governance Reports organized by the State Securities Commission of Vietnam (SSC) and the International Finance Corporation (IFC), as well as Corporate Governance seminars organized by the Hanoi Stock Exchange (HNX) and several member securities companies. Additionally, they took part in seminars on Corporate Secretaries and Corporate Governance.

The Board of Management also regularly attended or appointed relevant officers to attend discussions and guidance sessions organized by the SSC, Stock Exchanges, and VSDC regarding the access and implementation of new regulatory documents on information disclosure, corporate governance, the organization of securities company operations, derivatives trading, covered warrants, bonds, and securities depository and registration operations.

VI. Transactions between the company and related parties; or between the company and major shareholders, insiders, and related parties of insiders in 2023

No.	Name of transaction	Name of document	Name of related individual in SHS	Note
1.	Board of Directors approves Decision on SHS providing divestment advisory services for Petroleum Machinery and Equipment JSC (PVM)	Decision of SHS BOD No. 07-2023/QD-HDQT dated March 21st, 2023 https://www.shs.com.vn/News/2023322/1011684/shs-cung-cap-dich-vu-tu-van-phuong-an-thoai-von-cho-cong-ty-co-phan-may-thiet-bi-dau-khi-pvm.aspx	PVM is a related organization of Mr. Tien, Vu Duc – SHS BOD's member	Mr. Tien, Vu Duc – SHS BOD's member also is PVM's Chairman

2.	Board of Directors approves Decision on SHS providing divestment advisory services for BSHC (Saigon – Hanoi Insurance Corporation)	Decision of SHS BOD No. 14-2023/QĐ-HĐQT dated May 15th, 2023 https://www.shs.com.vn/News/2023516/1011769/shs-cong-bo-thong-tin-ve-viec-cung-cap-dich-vu-tu-van-cho-tong-cong-ty-co-phan-bao-hiem-sai-gon-ha-noi-bsh.aspx	BSHC is a related organization of SHS BOD's members	Mr. Vinh, Do Quang is Chairman of both SHS & BSHC; Mr. Tien, Vu Duc, Mr. Duc, Luu Danh and Mr. Khoa, Le Dang are BOD's member of both SHS &BSHC
3		Decision of SHS BOD No. 19-2023/QĐ-HĐQT dated August 23rd, 2023 https://www.shs.com.vn/News/2023824/1011921/shs-thong-qua-phuong-an-cung-cap-dich-vu-tu-van-cho-tong-cong-ty-co-phan-bao-hiem-sai-gon-ha-noi-bsh.aspx		
4.	SHS BOD approved SHS loan plan within the credit limit at Saigon - Hanoi Commercial JSB - Dong Do Branch (SHB Dong Do).	Decision of SHS BOD No. 24-2023/QĐ-HĐQT dated October 23rd , 2023 https://www.shs.com.vn/News/20231024/1012019/thong-qua-phuong-an-shs-vay-von-theo-han-muc-tai-ngan-hang-tmcp-sai-gon-ha-noi-chi-nhanh-dong-do-shb-dong-do.aspx	SHB is a related organization of SHS BOD's members (SHS Chairman Mr. Vinh, Do Quang, SHS Bod's members: Mr.Khoa, Le Dang, Mr.Duc, Luu Danh)	SHS Chairman Mr. Vinh, Do Quang is also SHB Vice Chairman, both SHS Bod's members (Mr.Khoa, Le Dang, Mr.Duc, Luu Danh) are also SHB Deputy CEO
5.	SHS BOD approves approved the plan for SHS to obtain an overdraft loan from SHB Dong Do	Decision of SHS BOD No. 26-2023/QĐ-HĐQT dated November 2, 2023 https://www.shs.com.vn/News/2023112/1012033/shs-thong-qua-phuong-an-vay-von-theo-han-muc-thau-chi-tai-ngan-hang-tmcp-sai-gon-ha-noi-chi-nhanh-dong-do-shb-dong-do.aspx		
6.	SHS BOD approves on Proposal for Signing a Cooperation Agreement between SHS and SHB on Providing Data to SHB	Decision of SHS BOD No. 23-2023/QĐ-HĐQT dated October 04, 2023 https://www.shs.com.vn/News/2023105/1011984/thong-qua-phuong-an-ky-ket-thoa-thuan-hop-tac-giua-cong-ty-		

		cp-chung-khoan-sai-gon-ha-noi-shs-voi-ngan-hang-tmcp-sai-gon-ha-noi-shb-ve-viec-cung-cap-du-lieu-cho-shb.aspx		
7.	SHS BOD approved the plan to provide advisory services for offering documentation; issuance agency; bondholder representation; registration agency, depository, and bond transaction registration for SHB	Decision of SHS BOD No. 28-2023/QĐ-HĐQT dated December 25, 2023 https://www.shs.com.vn/News/20231226/1012087/shs-thong-qua-phuong-an-cung-cap-dich-vu-tu-van-ho-so-chao-ban-dai-ly-phat-hanh-dai-dien-nguoi-so-huu-trai-phieu-dai-ly-dang-ky-luu-ky-va-dang-ky-giao-dich-trai-phieu-cho-ngan-hang-tmcp-sai-gon-ha-noi-shb.aspx		

Other relevant contents related to corporate governance are reflected in the company's reports, periodic announcements, and special disclosures. The company has carried out transparent, detailed, specific, and honest information disclosure regarding its operational activities in accordance with legal regulations and the company's Charter.

VII. Recognized Achievements in Corporate Governance

Recognized efforts: SHS has consistently ranked in the top 10 for five consecutive years and is now entering its tenth year of being recognized in the Annual Report Awards held annually at the Listed Companies Voting.

- SHS has been in the top 10 listed companies with the best annual reports in the medium capitalization group for five consecutive years.
- In 2023, SHS received the 2022 Annual Report Group Award for the Financial Industry Group listed on the stock exchange, ranking third in points.[9]
- SHS is the only company listed on the Hanoi Stock Exchange to be honored in this category.
- SHS is one of only two securities companies honored in this category, and one of only three securities companies out of a total of 51 companies chosen to be honored in the voting.
- For many consecutive years, SHS has been honored as an exemplary member by the Ho Chi Minh City Stock Exchange (HOSE) and the Vietnam Securities Depository and Clearing Corporation (VSDC).
- SHS is among the 45 companies selected out of a total of 731 listed companies, and is among the top 15 companies in the MIDCAP group, and among the top 6 leading securities companies

[9] https://www.tinnhanhchungkhoan.vn/vinh-danh-doanh-nghiep-doat-giai-cuoc-binh-chon-doanh-nghiep-niem-yet-nam-2023-post336010.html#google_vignette

achieving the title of Listed Company Meeting Disclosure Standards in the stock market at the IR Awards 2023[10].

- SHS is also one of the 20 securities companies meeting the standards for securities companies in 2023 at this award.[11]
- SHS has been approved by HNX to connect to derivatives trading, approved by VNX as a derivatives trading member, received the derivatives clearing member certificate from VSDC, and started derivatives trading activities from November 2023.

VIII. Overall Evaluation of Business Performance in 2023

1. Achievements:

1.1 SHS has affirmed and maintained its superior capabilities, reputation, and position in the market, especially in the fields of securities brokerage and investment banking, with a broad and potential customer base for investment cooperation. As a financial institution with substantial capital, human resources, expertise, and experience, SHS stands out as a professional and reputable institutional investor, a seasoned broker and consultant well-versed in laws, policies, markets, customers, and economic trends.

1.2 SHS is also a prominent member of the Vietnam Stock Exchange and the Hanoi Stock Exchange. It is a reliable advisor to many banks and large enterprises in the market, associated with the Vietnam Securities Depository and Clearing Corporation.

1.3 The company successfully increased its capital to VND 8,131,567,480,000 from August 2022 to the present by issuing shares to pay dividends for 2021 and increasing share capital from its own resources. This made SHS the fourth-largest securities company in terms of charter capital. The new, abundant capital from this increase provides sufficient financial resources for SHS to continue its development in the medium term. With further potential to enhance this strength, the company has focused in 2023 on strategies to maximize the effective use of resources and capital, thereby increasing benefits for shareholders, customers, and partners.

1.4 Fixed income product business and financial services remained highlights in 2023, achieving the second-largest market share in government bond brokerage transactions on the HNX (group with over 10% market share). SHS is a trusted broker for many banks and major insurance companies in the market.

1.5 With the advantage of being the fourth largest securities company by charter capital in the market, efficiently utilizing resources and increasing benefits for shareholders as well as customers and partners is the company's top priority. The company has effectively utilized capital to supplement key business activities such as investment, financial services, brokerage, etc., according to the plan approved by the General Meeting of Shareholders. Information technology projects have been accelerated and put into operation, such as the derivative securities trading product, upgrading the SHTrading application with many modern features and a user-friendly interface, allowing investors to easily trade, monitor, and manage

[10] https://vietstock.vn/2023/06/ir-awards-2023-364-doanh-nghiep-niem-yet-hoan-thanh-tot-nghia-vu-cong-bo-thong-tin-nam-2023-830-1080315.htm
[11] https://vietstock.vn/2023/06/ir-awards-2023-chung-khoan-va-ngan-hang-la-hai-nganh-cong-bo-thong-tin-tot-nhat-thi-truong-830-1081831.htm

assets.

1.6 IPO advisory activities, listing and registration for trading advisory, and corporate advisory activities have seen significant improvements.

The market recognizes SHS for its strength in investment banking (IB) services, with many high-intelligence capital arrangement deals that bring satisfaction to customers. Many professional financial institutions, both domestic and international, with fixed input capital, stringent risk appetites, and high requirements have shown interest in and participated in deals advised by SHS. The success of IB, M&A, capital arrangement, and issuance advisory deals has affirmed SHS's capability as an intermediary, partnering with reputable issuers and connecting them with professional investors.

1.7 Maintaining and improving the quality of corporate governance.

The corporate governance and executive management activities of the Board of Directors and the Executive Board have continued to deepen, based on a continuous orientation to effectively seize market opportunities, comply with legal regulations, and adhere to modern governance practices. Internal audit, control, and risk management activities are conducted periodically to protect the achievements of business activities.

Shareholder relations, reporting, and information disclosure activities are increasingly standardized, contributing to enhancing the company's image and brand. Adhering closely to sustainable development goals according to GRI standards, SHS increasingly focuses on the interests of stakeholders, especially community contribution activities.

With a consistent direction to become the leading securities company in Vietnam and a reputable brand in the Asian securities market, SHS values information transparency and continues to invest methodically in the Annual Report with the desire to convey the most comprehensive information about the company and the message of sustainable development based on harmonizing the interests of stakeholders.

1.8 Innovations in organizational structure and management policies.

The company focuses on training key personnel, enhancing professional knowledge and skills for both business and support staff, and selectively recruiting qualified and experienced personnel to fill weak and lacking positions.

The goal is to continue improving the quality of the current staff, ensuring they are dedicated, talented, and insightful, understand the company's culture, and reduce costs associated with recruiting inexperienced and less committed new personnel.

2. The implementation of the 2023 business plan has been approved by the GMS

The 2023 AGM approved the Company's business plan for 2023 with basic targets, based on assumptions about macroeconomic conditions, the development of the Vietnamese stock market, SHS's assessment of policies, internal resources, as well as the market share SHS can achieve.

The Company's business performance in 2023 is as follows:

Contents	Target plan 2023 (VND billion)	Implementation Results in 2023 (VND billion)	% Implementation in 2023 compared to the 2022 Plan
1. Total revenue	1.942,2	1.464,8	75
2. Total expenses	838,8	780,6	93
3. Profit before tax	1.103,4	684,2	62

(Details according to the 2023 Business Results Report by SHS CEO and SHS Business Results Report audited independently by AASC, AASC Independent Audit Report)

Throughout 2023, SHS recorded revenues of 1,464.7 billion VND, achieving 75% of the annual plan. Pre-tax accounting profit reached 684.1 billion VND, meeting 62% of the plan and was 3.5 times higher than in 2022.

The company implemented various measures to leverage market opportunities, increase revenue, and profit, such as expanding the scale and quality of margin lending, selectively investing in high-yield stocks and sustainable development enterprises, reducing borrowing and borrowing costs.

Brokerage and securities custody activities contributed 16.3% to the company's total revenue and are being focused on investment and development to expand market share.

Financial services activities with flexible interest rate policies designed to meet the needs of each customer group. Policies for controlling and handling debt recovery, asset foreclosure are also appropriately structured to ensure capital safety and strict compliance with the company's risk management policies.

Investment activities: realizing profits from securities that have reached expected profit levels while focusing on deploying investment capital into fundamental stocks with growth potential, healthy financial situations, benefiting from the domestic and global economic recovery process such as retail - consumer goods, technology, securities, construction materials.

Financial advisory and guarantee agency activities: SHS successfully advised on 1 of the 3 IPO deals approved by the SSC in 2023 with a total mobilized capital value of 135 billion VND, successfully advising on the listing of 200 million shares of TCT Minerals TKV - JSC, advising on the registration of trading Upcom 100 million shares of Sai Gon - Hanoi Insurance Company; Actively seeking and advising on other IPO, listing, trading registration, and other corporate advisory deals, promising positive results in the near future.

3. The completion of the system and ensuring financial safety, risk management

In 2023, the company continued to strictly comply with legal regulations and the Company's Charter. The Company's Charter, along with its system of internal procedures and regulations, was updated and adjusted to align with changes in the law and the actual operating situation of the company.

The company implemented synchronized solutions to enhance its financial capacity such as restructuring asset portfolios, settling bonds before maturity, and improving operational efficiency. The company's financial safety ratio complied with current legal regulations. The company did not utilize the VSDC Payment Support Fund in 2023.

The company's management and financial indicators ensured specific, clear, transparent, safe, and sustainable growth criteria. Therefore, the company accessed multiple large-scale borrowing sources from financial institutions and actively chose suitable capital sources.

Risk management, internal control, and internal audit continued to be emphasized. Units within the Management Block consistently ensured the highest transparency and compliance, as well as minimized risks in the company's operations.

4. Enhancing competitiveness and reputation of the enterprise

The Board of Directors and the collective body of officials and employees always strive and implement synchronized solutions to gradually enhance SHS' competitive capacity, seize effectively opportunities from the market to improve business efficiency. Business processes are perfected, standardized towards simplifying procedures, enhancing product quality, and creating more favorable conditions for customers. Some products and services of SHS, although not maintaining a pioneering position, leading the market, are still highly appreciated for their quality, meticulousness, flexibility, and meeting diverse needs of investors.

The company has efficiently utilized capital sources to supplement its core business activities such as investment, financial services, brokerage, according to the plan approved by the General Meeting of Shareholders. Key information technology projects have been accelerated and the infrastructure investment of Phase 1 has been completed, with Phase 2 ongoing.

Regarding payment solutions, SHS is using a household payment system through successful connectivity with SHB and has successfully deployed an online account opening solution for customers (eKYC). During the year, the company also completed the derivative securities trading system, increasing utilities and risk management tools for customers.

In 2023, the company did not expand its operating area or recruit a large number of personnel. Instead, SHS focused on training its core staff, enhancing knowledge, and organizing professional competency examinations for departments and units within the Business and Support Blocks, combined with selectively recruiting personnel with qualifications, professional expertise, and experience to supplement positions lacking or weak.

Training activities are also emphasized in both forms: internal training (to serve the deployment of derivative securities trading) and external training (professional securities training at the Securities Research and Training Center - SRTC)...

SHS' goal is to enhance the quality of its existing staff, foster loyalty, dedication, ethics, understanding of the company's culture and the stock market, solid professional expertise, and cost reduction for personnel supplementation.

Derivative securities trading activities have been officially launched and are bringing positive values to the company. Perfectly integrated with the existing securities trading system, across all trading platforms provided by the company, this product enables customers to easily transfer financial resources between asset classes, maximize opportunities, and hedge against potential risks in adverse market conditions.

The Covered Warrants activity has been approved by the GMS, and the company has prepared sufficient resources and application documents to request licenses from the SSC and relevant

authorities. When market conditions are suitable, the company will proceed with the implementation of this service, ensuring legal compliance and benefiting shareholders and investors.

With the achieved results in business operations as well as in enhancing competitiveness, the company has continued to affirm its brand and reputation with customers, partners, and regulatory agencies, receiving numerous prestigious awards and honors.

5. Fulfilling Responsibility towards Environmental and Social Issues

In 2023, alongside efforts to implement the business plan assigned by the GMS, the Company demonstrated responsibility towards social and environmental issues through tangible actions.

Regarding environmental issues and energy conservation: all employees of the Company practiced energy and water conservation, as well as office supplies during work, implemented reasonable reuse, or scientifically managed office waste, contributing to minimizing environmental harm. The Company also made significant contributions to the green capital market through core activities such as brokerage, analysis, investment, financial consulting... with a focus on green investments, green stocks, and government bonds, corporate green bonds, contributing alongside the Government and environmental protection businesses to social welfare and environmental protection.

Regarding social issues, the Company ensured stable employment with competitive incomes for all employees, without employing child labor or forced labor. Gender balance in the workforce as well as the labor rights according to legal regulations were always ensured. The average income of employees is about 28 million VND/person/month. Annually, the Company purchases health insurance and conducts regular health check-ups for all employees. The Company also rewards the children of employees who have good academic achievements, giving gifts to them on occasions such as Children's Day, Mid-Autumn Festival... In November 2023, the Company organized a four-day trip to Taiwan for all employees to visit and learn from experiences.

SHS always considers it a collective responsibility to share, support community, health, and education activities as its duty and responsibility, especially as the Company continues to grow stronger. In the past year, over 300 million VND of support funds have been sent to communities and disadvantaged areas.

The Company particularly emphasizes corporate governance, risk management, disclosure of control information, and internal auditing to comply with legal regulations and the Company's Charter for the benefit of Shareholders and the sustainable development of the Company.

Other corporate governance-related matters are reflected in the Company's regular and ad-hoc Reports and Announcements. The Company has carried out transparent, detailed, specific, and honest disclosure of its activities in accordance with legal regulations and the Company's Charter.

6. Results of monitoring the BOD's operational activities

- Despite the business results of 2023 not meeting the planned targets set by the GMS, the Board of Directors still acknowledges the efforts of the Executive Board along with all employees of the Company in the context of unpredictable market fluctuations. The Executive Board has continuously strived to seek and develop customers, partners, arrange

capital sources, diversify products, and restructure investment portfolios to maintain financial achievements for the Company and Shareholders. At the same time, the Company also focuses on stabilizing organization, good risk management amidst fierce competition among securities companies with advantages in capital and technology.

- The Executive Board has effectively demonstrated its leadership role, motivating the staff of the Company, continuously promoting creativity, initiative, and proactive engagement in work; continuously learning and accumulating knowledge and experience as well as mobilizing various resources to access the market and customers; being cautious and meticulous in management and operation to ensure the Company's machinery operates efficiently.
- The Executive Board has also correctly recognized the difficulties and specific challenges of the securities industry, seeking, exploiting, and maximizing profits from market growth opportunities.
- The Executive Board identifies one of the key tasks as seizing the opportunity to leverage SHS's advantages to vigorously develop core business activities: investment, financial services, fixed income product trading, financial advisory, and underwriting.

7. Supervisor results for Other Executives

- During the monitoring process, amidst the market recovery in the last months of 2022 and early 2023, seizing the opportunity as well as the advantage of SHS in vigorously developing core business activities such as investment, financial services, consulting, managerial staff at SHS, and receiving truthful, detailed feedback on the executive team, department managers, and their daily activities at SHS.
- The Board of Directors generally evaluates the executives as highly competent individuals, professionally trained with knowledge from quality universities both domestically and internationally, with extensive experience in finance, securities, and appropriate certifications for their respective roles.
- The company's business results did not meet the set plans, but management capabilities, risk management, legal compliance, adherence to business processes, professional ethics, and sense of responsibility and commitment of the management team to the company are increasingly being emphasized, especially during critical times when dealing with significant fluctuations and pressures from the stock market and macroeconomic conditions. Maximum efforts are made to ensure no adverse effects on the company's business operations and shareholder interests.

8. Existence, limitations

- Revenue, expenses, and profits all fell short of the planned targets.
- Except for Fixed Income business activities and the revenue recognized from planned sources, other areas of activity did not meet expectations.
- The progress of implementing new products and IT system innovation remains slower than planned. The company needs to continue upgrading the quantity and quality of its products, financial services, upgrading information technology systems, trading software, and risk

management.

- Although the secured Warrant activity has been approved by the GMS for a long time, it has not been implemented.
- Restructuring of the organizational model, management, and administration has not been completed.

IX. BOARD OF DIRECTORS' PLAN AND DIRECTION OF ACTIVITIES FOR THE YEAR 2024

1. Assessment and objectives

1.1.Assessment:

SHS has stepped into 2023 with many positive changes from the macroeconomic recovery and the Securities Market, as the world reopened after the Covid pandemic; legal policies have been adjusted and improved to create conditions for enterprise restructuring and development. The operational, managerial, and business activities of the Company have capitalized on many market changes and benefited from the stable advantage in the Company's organizational structure.

Despite SHS' profitable performance, it did not achieve the business plan set forth and gained many valuable lessons and experiences in business, operations, and company management. The Board of Directors and the Executive Board have evaluated and planned for the significant fluctuations in the stock market over the past year. Based on positive changes, albeit slow but certain, in the final months of 2023, the Board of Directors assessed and forecasted:

"*Vietnam's economy will continue to develop thanks to the flexible opening policies of the Government, the market has positively 'shifted' and brought new opportunities with more profits and fewer risks for the Company and investors. GDP in 2024 is forecasted to grow between 5.5% - 6%. In 2024, Vietnam's economy continues to face many challenges, and the risk of inflation has not yet ended. However, interest rates in many countries are expected to gradually decrease from the second half of the year, laying the foundation for foreign capital inflows into emerging and frontier markets including Vietnam, supporting the development of Vietnam's stock market. Continuing to promote fiscal policies, resolving difficulties in the real estate and bond markets as a large amount of bonds mature and maintaining low interest rates to support business recovery will be focal points for driving growth.*

The stock market in 2024 is forecasted to accumulate at higher levels, continuing the accumulation trend before returning to the growth trend when macroeconomic conditions and positive cash flow improve. The bottom of the VN-Index in 2024 is expected to be around 1,100 points, and the peak in the positive scenario could reach 1,350 points - 1,400 points. The VN-Index could end the year between 1,250 points - 1,300 points, corresponding to an increase of 10.6% - 15.5% compared to 2023, with market liquidity forecasted to increase by 20%. Stock prices will experience significant differentiation, and large stock groups are expected to have more positive developments in 2024.

Securities remain the primary channel for long-term capital mobilization for the economy, and SHS continues to be a confident, dynamic, impressive, and quality entity as a member securities company and a listed enterprise."

1.2. The Board of Directors' Orientation for the Company's Activities in 2023

a. Regarding Business Operations

- Some sectors the Company will focus on include technology, seaports, logistics, industrial real estate, oil and gas, public investment, banking, and finance to provide financial services and investment.
- The target for SHS' profit growth in 2024 is expected to be at least 20% higher than the 2023 results and may increase further if market conditions allow. The Board of Directors will present detailed plans to the AGM.
- In 2024, SHS will focus on strengthening its brokerage services, increasing the number of new accounts, and the net asset value of customers. The company has introduced the new SHTrading trading software system and continues to upgrade software, licensed to deploy pre-sale, collection, and margin lending services.
- Business operations in derivative securities have been implemented in 2023 with many advantages, online trading software and modern asset management, with flexible features, welcomed and highly evaluated by investors. Warrant business operations will be launched as soon as possible once the state encourages and opens conditions for this business to develop.
- The company will continue to affirm its capabilities, vision, and sustainable momentum, steadfastly pursuing the goal of maintaining its position as the leading securities company in Vietnam, focusing on providing diverse services, consulting solutions, comprehensive asset management and development for customers. Continuously following the digital transformation plan, applying modern technology systems to all company activities, creating and seizing new growth opportunities, and increasing surplus value for investors, shareholders, and customers.
- **Emphasis on surplus value, profits for investors, shareholders, and customers, focusing on innovation towards the long-term goal of becoming and maintaining the leading securities company in Vietnam, providing comprehensive financial investment, management, and asset development services for all customer groups, and applying modern digital technology systems to all company activities.**
- The Board of Directors prioritizes strong financial investment activities in enterprises with stable business operations, long-term growth, healthy financial situations, transparency; seeking opportunities and enhancing investment and issuance of Green Bonds, Social Bonds, and Sustainable Bonds...
- SHS commits to supporting enterprises in raising capital for projects that have positive impacts on the environment and society, innovative finance to support Sustainable Development Goals, creating added value for shareholders and the investment community.
- In addition to complying with all domestic legal regulations, SHS will enhance cooperation with international financial organizations, adhere to the best standards, regulations, and enforcement measures of international stock markets, ensuring high transparency. SHS will leverage cooperation opportunities, transactions, and attract FDI capital, stimulating indirect investment capital into the domestic stock market.
- For the retail brokerage segment, besides existing products serving customers and still highly

rated by customers, we will bring a system of high-end product segments along with added values, alongside the primary concern of optimizing financial investment efficiency.

- Diversification of product service structures to meet all customer needs at competitive costs. Ensuring SHS is always innovative, aiming to lead in the development trends of financial products and services as well as securities.
- For the IB segment, SHS will prioritize cooperation to enhance capital raising capabilities for large organizations and enterprises in key sectors of the economy and thereby not only providing Investment Banking services such as underwriting, IPO advisory, divestment, equity offering, stock listing,... but also committing to providing financial advisory, investment advisory, and effective capital mobilization strategy advisory services for customers.
- Leveraging its strengths in a diverse, reputable ecosystem, and relationships to become a reliable partner of large organizations and enterprises, accompanying customers in the development and expansion of business activities. Providing comprehensive financial solutions, tailored to the needs and conditions of each customer, while ensuring high transparency, safety, and effectiveness.
- Completing the new Brand Identity System and transferring to a new Office headquarters with modern facilities, enhancing the quality of the working environment.
- Improving regulations, processes, products, and IT systems to enhance the quality of Customer Services;
- The company's core business activities including: Investment, Capital Source, Brokerage, Financial Advisory will be consolidated, developing specific development strategies, synchronized with the overall plan, strengthening risk management, compliance monitoring, and financial security.
- The business area to be further developed in 2024 is the brokerage service. With the introduction of derivative securities trading system, upgrading software for Stock and Bond trading, modern asset management tools, SHS aims to be among the largest brokerage firms in both HOSE and HNX exchanges.
- The Expert Board on Strategic Development Research and SHS Restructuring and Reconstruction Plan, building SHS operating vision divided into several stages, focusing on goals: Phase 1: Business Development and Phase 2: Technology Development.

b. Regarding Company Management:

- The Board of Directors for the term 2022-2027 will continue the process of innovation in mindset, organizational methods, and management approaches to keep pace with positive changes from legal corridors, micro and macroeconomic dynamics, and the stock market.
- The Board of Directors prioritizes accompanying the Executive Board in building a complete, streamlined, innovative, quality, and enthusiastic management team that possesses both high professionalism and ethical standards, advanced management skills, and expertise to create motivation and build a sustainably developing, financially secure company that complies with laws, brings surplus value to shareholders, employees, and the community.
- The Board of Directors prioritizes simultaneously developing and implementing a development

strategy with a long-term, efficient, and sustainable vision, alongside risk control, performance maintenance, and protection of the rights of investors and shareholders.

- The Board of Directors continues to play a leading role in directing the entire business operation strategy of the company.

IN SUMMARY

From now until 2030, SHS is oriented to become the leading flag bearer of a top financial investment conglomerate in Vietnam, with SHS as the core center alongside companies in the ecosystem operating in banking, insurance, fund management, etc. This will be the distinguishing factor, a competitive advantage helping SHS to excel in the upcoming period.

• Financial investments will focus on stable, long-term growth businesses with sound and transparent finances; investing in and issuing various types of Green Bonds, Social Bonds, and Sustainable Bonds...

• Pioneering in providing investment advisory and asset management services to clients, leveraging opportunities in upgrading markets, growth, and strengths in large capital and human resources, service to support capital, advising on long-term strategies, being a companion to large organizations and individuals with strong economic potential to increase their asset value. Motto: Dedicated advice, Sustainable growth.

• Digital, modern, secure, and efficient technology, enhancing customer experience, optimizing investment advisory effectiveness, maximizing profits for customers, is SHS's priority in brokerage activities and financial advisory services.

• Recruiting the most competent and highly skilled individuals; training and enhancing the experience of the team, hiring strategic consultants to restructure the company towards a world-class standard model is the long-term direction of the Board of Directors in human resource development.

• Optimizing resource allocation strategy from the Ecosystem, exploiting vast potential from the multi-industry, multi-profession Ecosystem, including Banking - Fund Management, supply and manufacturing enterprises within the Ecosystem...

• The Board of Directors will continue to materialize innovative thinking, expand the organizational vision, management methods to keep pace with positive changes from legal corridors, micro and macroeconomics, and the stock market, accompanying state policies towards market upgrading.

• The Board of Directors prioritizes accompanying the Executive Board in building a complete, innovative, quality, appropriate, and enthusiastic management personnel, with both high professionalism and professional ethics, high-level management skills and expertise to create motivation and build a sustainable, financially secure company, complying with the law, bringing surplus value to Shareholders, Employees, and the Community.

• Continuously upholding the spirit of Integrity - Unity - Responsibility - Discipline of each officer, employee within the Company to establish and maintain collective strength, Taking Will and Determination for the sustainable development of the Company.

SHS - Bright Heart - Firm Faith - Soar High'

SHS plans to develop its business operation plan for the year 2024 with the goal of continuing revenue and profit growth at a minimum rate of 20%. With positive forecasts regarding the overall economic recovery and the Vietnamese stock market in particular, SHS expects the company's revenue and profit scale to reach over 30% annually in the period 2025-2030.

BUSINESS PLAN TARGETS FOR 2024

Unit: billion Vnd

Contents	2023 Actual Business Results	2024 Business Plan	% of 2024 Business Plan compared to 2023 Actual Business Results
1. Total Revenue	1.464,8	1.844,7	125,9
2. Total Expenses	780,6	809,4	103,7
3. Profit Before Tax	684,2	1.035,3	151,3

(Detailed targets and contents are based on the report of the CEO)

The profit distribution plan, allocation of funds, and issuance of shares are presented in the Annual General Meeting documents for 2024.

The specific targets and details are outlined in the CEO's report based on the business plan approved by the Board of Directors.

Respectfully report and present to the Shareholders' General Meeting for approval.

Sincerely,

On behalf of Board of Directors
Chairman
(Signed)

Mr, VINH, DO QUANG

Recipient:
1. *As refer;*
2. *HSX, HNX, VNX, Stock Exchanges;*
3. *Archive in the BOD's office, Archives and Records Office,*