

89 Lang Ha st, Dong Da dist, Hanoi  
Business license No: 0100233583  
Original licence dated Sept. 8, 1993  
41<sup>st</sup> revision dated Nov. 27, 2018  
No: /2019/TB-HDQT

Hanoi, February 27, 2019

## NOTICE

### ***On Nomination and Self-nomination of Additional Supervisory Board Members for 2015-2020 Term***

#### **To: Valued Shareholders of Vietnam Prosperity Bank**

In the period of 2015 - 2018, Vietnam Prosperity Bank (“VPBank”) achieved robust growth in terms of equity, total asset, profit, and network. Given the objective of quality growth in 2019-2020 period, VPBank’s leadership has recognized the need for further strengthening the organizational structure of Supervisory Board (“SB”) to enhance the bank’s supervision and governance capabilities in the coming period. The Board of Director has planned to propose to General Shareholder Meeting to increase Supervisory Board membership in 2015 - 2020 period to five (05) members, including (03) existing members and (02) additional members to be elected.

Pursuant to the Law on Credit Institutions, Law on Enterprises, guiding documents and VPBank’s Charter, the Board of Director hereby would like to cordially inform all shareholders of the number of additional SB members to be elected and election standards/conditions for your nomination and election as follows:

#### **1. Number of Additional SB Members to Be Elected:**

- 02 SB members (01 full-time member, 01 part-time member)

#### **2. Nomination and self-nomination Conditions**

- Shareholders shall be entitled to self-nominate and nominate others for SB membership under the conditions stipulated in Clause 1 of Article 33, Clause 2 of Article 34, and Clause 3 of Article 50, Law No. 47/2010/QH12 on Credit Institutions amended and supplemented by Law No. 17/2017/QH14 on amendments and supplements to Law on Credit Institutions, and Article 164, Law No. 68/2014/QH13 on Enterprises (*for further details, please refer to the attached files.*)

- Shareholders shall be entitled to form groups for nomination in accordance with paragraphs i and j, Clause 1 of Article 11, VPBank’s Charter and paragraph a, Clause 2 of Article 114, Law No. 68/2014/QH13 on Enterprises (*for further details, please refer to the attached files.*)

#### **3. Instructions on Submission of nomination and self-nomination Documents:**

Eligible candidates for SB membership for 2015 - 2020 term shall send the election and self-nomination documents to:

#### **BOD Office, VPBank**

Address: level 28, VPBank Tower at No. 89, Lang Ha street, Lang Ha ward, Dong Da district, Hanoi.

Tel: (84-24) 39288869 Fax: (84-24) 39288867.

Deadline: **5:00 PM, March 11, 2019**. Documents received after the deadline shall be considered invalid.

#### **4. Document Checklist:**

***A nomination/self-nomination dossier shall include:***

- Letter of self-nomination or nomination for Supervisory Board membership: 3 originals;
- Candidate's CV: 03 originals (*for details, see attached form*);
- Candidate's criminal records: (Form No.2): 03 originals;

“a) In case of Vietnamese national: the criminal record shall be issued by criminal record database management agency and include adequate information on conviction status (including spent and unspent convictions) and the prohibition of holding positions at, establishing, and/or managing enterprises and co-operatives.

b) In case of foreigner: the criminal record or an equivalent document (with adequate information on conviction status, including spent and unspent convictions, and the prohibition of holding positions at, establishing, managing enterprises and/or co-operatives) issued by a competent Vietnamese or foreign authority in accordance with corresponding regulations. The criminal record or equivalent document must be issued by competent authority no more than 6 months before the candidate's submission of nomination or self-nomination dossier.

- Declaration of affiliated persons: 03 originals (*for details, see attached form.*)
- Copies of the candidate's certificates and degrees as required, those of which belong to a Vietnamese candidate issued by a foreign education institution must be recognized by the Ministry of Education and Training in accordance with relevant law: 03 authenticated copies.
- Documents as proof of satisfaction with the standard/condition of “ at least 3 years of employment in banking, finance, accounting or audit professions” as stipulated in paragraph c, Clause 3, Article 50, Law No. 17/2017/QH14 on Credit Institutions: confirmation documents by authorized representative of previous and current employers regarding a candidate's employment in banking, finance, accounting or audit professions, along with candidate's working periods or copies of documents proving the candidate's professions and corresponding working periods.

***Note to valued shareholders:***

- The persons nominated and self-nominated as Supervisory Board member shall be held responsible before the law and Annual General Meeting (**AGM**) for the accuracy and truthfulness of the documents.
- The list of candidates shall be submitted to the State Bank of Vietnam for consideration, examination and approval prior to AGM.
- Documents must be made in Vietnamese. Documents made or issued overseas must go through consular legalization and translation into Vietnamese. Vietnamese copies and the documents translated into Vietnamese must be notarized and authenticated by competent authority(ies) in accordance with the law.

**Recipients:**

- As above;
- BOD office (filing).

**ON BEHALF OF THE BOARD OF DIRECTORS  
CHAIRMAN**

**Ngo Chi Dzung**

**CONDITIONS ON NOMINATION AND SELF-NOMINATION FOR  
BOARD OF DIRECTORS MEMBERSHIP**

(Attached with Notice No 25/2019/TB-HĐQT dated February 27, 2019)

**I. Citing Law No 47/2010/QH12 on Credit Institutions**

**Article 33. Cases banned from holding posts**

1. The following persons may not be members of the Board of Directors, Members' Council and Supervisory Board, Director General (Director). Deputy Director General (Deputy Director) and holders of equivalent titles of a credit institution:

a/ Those defined in Clause 2 of this Article;

b/ Those banned from acting as managers and executives under the laws on cadres and civil servants and corruption prevention and control;

c/ Those who used to be owners of private enterprises, partners of partnerships, Directors General (Directors), members of Boards of Directors, Members' Councils and Supervisory Board of enterprises, chairmen and members of cooperative management boards at the time enterprises or cooperatives are declared bankrupt, except cases of bankruptcy in force majeure circumstances;

d/ Those who used to be representatives-at-law of enterprises at the time these enterprises are suspended from operation or compelled to dissolve due to their serious violations of law, except cases in which the representatives-at-law are recommended by competent state agencies to reorganize and consolidate those enterprises;

e/ Those who were once suspended from holding the title of chairman of the Board of Directors, member of the Board of Directors, chairman of the Members' Council, member of the Members' Council, head of the Supervisory Board, member of the Supervisory Board or Director General (Director) of a credit institution under Article 37 of this Law or determined by a competent agency as having committed violations leading to the revocation of the credit institution's license;

f/ Affiliated persons of members of the Board of Directors or Members' Council or Director General (Director) may not act as members of the Supervisory Board of the same credit institution;

g/ Related persons of the chairman of the Board of Directors or Members' Council may not act as Director General (Director) of the same credit institution.

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**Article 34. Cases banned from concurrently holding different posts**

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2. The head of the Supervisory Board may not concurrently be a Supervisory Board member or manager of another credit institution. A Supervisory Board member may not concurrently hold either of the following posts:

a/ Member of the Board of Directors or Members Council, executive or employee of the same credit institution or its subsidiary, or employee of an enterprise whose member of the Board of

Directors, executive or major shareholder is a member of the Board of Directors or Members' Council, or the Director General (Director) of that credit institution;

b/ Member of the Board of Directors or Members' Council or executive of an enterprise whose Supervisory Board member is currently a member of the Board of Directors or Members' Council or executive of the credit institution.

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**Article 50. Criteria and conditions for managers, executives and holders of some other posts of a credit institution**

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3. A Supervisory Board member must fully meet the following criteria and conditions:

a/ Being other than those defined in Clause 1, Article 33 of this Law;

b/ Possessing professional ethics;

c/ Holding a tertiary or higher degree in economics, business administration, law, accounting or audit: having at least 3 years working directly in banking, finance, accounting or audit;

d/ Not being an affiliated person of a manager of the credit institution;

e/ Residing in Vietnam during his/her office term, for a full-time Supervisory Board member.

**II. Citing Law No 17/2017/QH14 on amendments and supplements to the Law on Credit Institutions**

**Article 1: Amendments and supplements to some articles of the Law on Credit Institutions**

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6. Supplement Item H to Clause 1 Article 33 as follows

“h) Those responsible for investigation conclusion, exposing the credit institutions and foreign bank branches to highest fine level in currency and banking sectors for violations of license, governance, management, shares, stocks, capital contribution, share purchase, credit granting, corporate bond purchase, prudential ratios stipulated in the laws on handling administrative violations in currency and banking fields.”

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**III. Citing Law No 68/2014/QH13 on Enterprises**

**Article 114. Rights of ordinary shareholders**

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2. A shareholder or a group of shareholders holding at least 10 percent of the total ordinary shares for a consecutive period of at least 6 months or more, or holding a smaller percentage provided in the company charter has the following rights:

a) To nominate candidates to the Board of Directors and the Supervisory Board;

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## **Article 164. Standards and conditions of Supervisors**

1. A supervisor must meet the following criteria and conditions::

- a) Have full civil act capacity and not being banned from establishing and managing enterprises in accordance with this Law;
- b) not be a spouse, birth parent, adoptive parent, birth child, adopted child, or sibling of any member of the Board of Directors, Director/General Director, or any other manager;
- c) not hold managerial positions of the company. The Supervisor is not necessarily a shareholder or employee of the company, unless otherwise prescribed by the company's charter;
- d) satisfy other standards and conditions of relevant regulations of law and the company's charter.

2. Supervisors of listed joint-stock companies and companies of which over 50% of charter capital is held by the State must be auditors or accountants.

## **IV. Citing VPBank's Charter**

### **Article 11. Rights of Shareholders**

1. Common shareholders shall have the following rights:

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i) A shareholder or a group of shareholders holding 10% or higher of the total common shares for at least 06 consecutive months shall have the following rights:

- To nominate candidates to the Board of Directors and the Supervisory Board
- To consider and extract the book of meeting minutes and resolutions of the Board of Directors, semi-annual and annual financial reports as per the templates provided by the Vietnam accounting system as well as reports of the Supervisory Board;
- To request the convening of the AGM in accordance with regulations in the following circumstances:
  - + The Board of Directors seriously violates shareholders' rights, obligations of the managers or makes the decisions that exceed its delegated authority;
  - + The tenure of the Board of Directors exceeds six months but a new Board of Directors has not been elected in substitution;
  - + The request to convene a AGM must be made in writing and must contain full name, permanent residential address, Citizenship card number, identity card number, passport or other lawful personal identifications in cases of individual shareholders; full name, head quarter address, nationality, reference number of the decision on establishment or corporate registration number in cases of institutional shareholders; the number of shares and the date of registering the shares held by each shareholder, the total shares of the whole group of shareholders and the ratio of share ownership out of the total shares of VPBank, grounds and justifications for the request to convene a AGM. The request must be enclosed with the documents and evidence of the violations

of the Board of Directors, degree of violations or of the decisions made beyond its authority.

- To request the Supervisory Board to examine each specific issue related to VPBank's management and steering of activities when deemed necessary. The request must be in writing and must contain full name, permanent residential address, nationality, Citizenship card number, identity card number, passport or other lawful personal identifications with regard to individual shareholders; full name, permanent residential address, nationality, reference number of the establishment decision or corporate registration number with regard to institutional shareholders; the number of shares and the date of registering the shares held by each shareholder, the total shares held by the group of shareholders and the ownership ratio out of the total shares of VPBank; the issues need examination and the purposes of such examination;
- j) The nomination of candidates to the Board of Directors and Supervisory Board shall be performed in accordance with the following regulations but the list of candidates must be sent to the Board of Directors within the time limit set out by the Board of Directors:
- The common shareholders that voluntarily form a group satisfying the provided conditions to nominate candidate(s) to the Board of Directors and the Supervisory Board must notify the grouping to the shareholders that attend the AGM prior to the opening of the AGM;
  - Shareholders holding common shares for at least six (06) consecutive months shall be entitled to aggregate voting rights to nominate candidates to the Board of Directors and the Supervisory Board : a shareholder or a group of shareholders shall be entitled to nominate one (01) candidate if owning from 10 % to less than 20% of the total number of voting shares, maximum two (02) candidates if owning from 20% to less than 30% of the total number of voting shares; maximum three (03) candidates if owning from 30% to less than 40%, maximum four (04) candidates if owning from 40% to less than 50%, maximum five (05) candidates if owning from 50% to less than 60%, maximum six (06) candidates if owning from 60% to less than 70%, maximum seven (07) candidates if owning from 70% to less than 80%, maximum eight (08) candidates if owning from 80% to less than 90%.
  - In case the number of nominees to the Board of Directors, Supervisory Board is not sufficient according to the requirements, the incumbent Board of Directors, Supervisory Board may introduce more candidates or the organization shall nominate following a mechanism regulated by the Bank. The nomination of candidates by the Board of Directors, Supervisory Board must be disclosed clearly before the voting by the AGM according to legal regulations..

## **V. Forms**

- Forms in nomination dossiers and attached documents was uploaded to the Bank's website at [www.vpb.com.vn](http://www.vpb.com.vn) for your reference.