

No.: /BC-DHDCD

Ho Chi Minh City, April, 27th, 2021

DRAFT

REPORT

SALARY, ALLOWANCE AND REMUNERATION FINALIZATION IN 2020 OF THE BOARD OF MANAGEMENT, BOARD OF SUPERVISORS AND BOARD OF DIRECTORS OF PVOIL AND PLAN FOR 2021

To: Annual General Meeting of Shareholders of PetroVietnam Oil Corporation-JSC

Pursuant to the Law on Enterprises No.59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;

Pursuant to the Charter of Organization and Operation of PetroVietnam Oil Corporation-JSC (PVOIL);

Pursuant Decree No.53/2016/ND-CP dated June 13, 2016 of the Government regulating labor, salary, remuneration, bonus for joint-stock companies, controlling State-owned capital; Circular No.28/2016/TT-BLDTBXH dated September 1, 2016 of the Ministry of Labor, War invalids and Social Affairs guiding the implementation of regulations on labor, salary, remuneration, bonus for joint-stock companies, controlling State-owned capital of the Decree No.53;

Based on the business performance in 2020 and business plan for 2021 of PetroVietnam Oil Corporation-JSC.

PetroVietnam Oil Corporation-JSC would like to report to the Annual General Meeting of Shareholders (AGM) about the finalization of salary and remuneration in 2020 and the salary and remuneration plan for 2021 of the Board of Management (BOM), Board of Supervisors (BOS) and Board of Directors (BOD) as follows:

1. Salary, allowance and remuneration funds are determined as following standards:

- Implemented in 2020: The average salary and allowance of the BOM and the BOS was reduced by 7% compared to the plan approved by the AGM; the average remuneration equaled to the target approved by the AGM (100%).

- Plan for 2021:

+ The average **basic** salary of PVOIL Managers is VND 36 million/person/month;

+ The adjustment coefficient of the average salary increases in proportion with the profit of the Corporation under the guidance of the Government and Vietnam Oil and Gas Group: **Coefficient** Profit = **1.25** (Plan 2021 = VND 300 billion) is less than 0,25 compared with the Coefficient Profit specified according to the Circular No.28/2016/TT-BLDTBXH (Coefficient Profit = 1.5);

Therefore, the average salary of PVOIL's managers in 2021 is calculated to a maximum of 36 million x (1 + 1.25) = 81 million/person/month.

2. Salary, allowance and remuneration funds for the BOM, BOS and BOD in 2020 (full-time managers):

Details of these funds paid in 2020 are as follows:

Unit: VND million

No.	Title	Amount members		Total funds for 2020		% Paid /Planned	Note
		Plan	Achievement	Planned (approved at the AGM)	Paid		
I	The Board of Management	6	5	5,746	4,618	80.37	Lack of a member from 16/7/2020-23/9/2020
1	Chairman of the Board	1	1	1,073	812	75.70	
2	President cum Member of the Board	1	1	1,073	1,000	93.16	
3	Member of the Board	4	3	3,600	2,806	77.95	One member transferred on 06/05/2020
II	The Board of Supervisors	3	3	2,423	2,258	93.16	
4	Chairman of the Board	1	1	900	839	93.16	
5	Member of the Board	2	2	1,523	1,419	93.16	
III	The Board of Directors		7		5,805		
6	Vice President		6		5,031		
7	Chief Accountant		1		774		
IV	Total		15		12,681		

Note:

- The figures above are rounded to millions;
- The total salaries and allowances of the members of the BOM and BOS (before tax) above are not included: bonuses, benefits... which are rewarded based on the regulations of the Government and PVOIL.

3. Salary and allowance funds for the BOM, BOS in 2021 (full-time managers):

Details of these funds in 2021 are as follows:

Unit: VND million

No.	Title	Amount members	Plan in 2021	Note
I	The Board of Management	6	6,009	
1	Chairman of the Board	1	1,181	
2	CEO cum Member of the Board	1	1,181	
3	Member of the Board	4	3,737	One additional member elected from 26/01/2021
II	The Board of Supervisors	3	2,619	
4	Chairman of the Board	1	943	
5	Member of the Board	2	1,676	
III	Total	9	8,718	

4. Remuneration fund for part-time member of the BOM 2020 and plan 2021

Unit: VND million

No.	Title	Amount member	Remuneration per month	Total remuneration fund paid in 2020	Total remuneration fund planned for 2021
1	Member of the BOM	1	15	180	180

PetroVietnam Oil Corporation-JSC respectfully presents to the AGM for consideration and approval.

Sincerely Yours,

Recipients:

- As above;
- Board of Supervisors;
- For archive, BOM.

**ON BEHALF OF THE BOM
CHAIRMAN**

Cao Hoai Duong