

**SOCIALIST REPUBLIC OF VIETNAM**  
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**INTERNAL REGULATION ON ADMINISTRATION  
OF PETROVIETNAM OIL CORPORATION**

*Ho Chi Minh City, July 30, 2018*

**INTERNAL REGULATION ON ADMINISTRATION  
OF PETROVIETNAM OIL CORPORATION (PVOIL)**

*(Issued under the General Meeting of Shareholders Resolution No. 01/NQ-DHDCD dated July 30, 2018 of the first General Meeting of Shareholders of PetroVietnam Oil Corporation)*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope of application**

This Regulation govern the management of the PetroVietnam Oil Corporation, which covers the following contents:

1. Sequence and procedure for convening and voting at the General Meeting of Shareholders (GMS);
2. Nomination, standing for election, election, removal of members of the Board of Management (BOM);
3. Sequence and procedure for holding meetings of BOM;
4. Nomination, standing for election, election and removal of Supervisors;
5. Sequence and procedure for selection, appointment and removal of Executive Officers of the Corporation;
6. Coordination between BOM, Board of Supervisors and President & CEO;
7. Performance evaluation, commendation and discipline of BOM members, Supervisors, President & CEO and other Executive Officers;
8. Sequence and procedure for selection, appointment and removal of the Administrator In-Charge and appointment of the information agent of the Corporation;
9. Prevention of interest conflicts and transacting with parties having interests related to the Corporation.

**Article 2. Subjects of application**

Subjects of application of this Regulation include:

1. Shareholders;
2. BOM, Board of Supervisors;
3. Executive Officers of the Corporation;
4. Other organizations and individuals related to the management of the Corporation.

### **Article 3. Definitions**

The following terms and abbreviations are construed as follows:

1. The Corporation refers to the PetroVietnam Oil Corporation (PVOIL).
2. The Corporation's Administrator In-Charge is the person with such responsibilities and rights as stipulated in Article 32 of the Corporation's Charter.
3. Executive Officers include President & CEO, Vice President, Chief Accountant and other Executive Officers as specified in the Charter.
4. Manager refers to the person defined in Clause 18, Article 4 of the Law on Enterprises.
5. Related persons include individuals and organizations as prescribed in Clause 17, Article 4 of the Law on Enterprises, and Clause 34, Article 6 of the Law on Securities.
6. Non-executive BOM members means BOM members that are not any of President & CEO, Vice President, Chief Accountant and other Executive Officers as defined by the Corporation's Charter.
7. Independent BOM members refers to such member as specified in Clause 2, Article 151 of the Law on Enterprises.
8. Corporation's Charter refers to the Articles of Association and operation of PetroVietnam Oil Corporation.
9. Law on Enterprises is the Law on Enterprises No. 68/2014 /QH13 dated November 26, 2014.
10. Law on Securities is the Law on Securities dated June 29, 2006 and the Law amending and supplementing a number of articles of the Law on Securities dated November 24, 2010.
11. Acronyms are interpreted as follow: GMSs: General Meeting of Shareholders; BOM: Board of Management; BOS: Board of Supervisors.
12. For purpose of this Regulation, references to one or more provisions or legal documents shall include any amendments, supplements or substitutions thereof.

## **Chapter II**

### **SEQUENCE AND PROCEDURE FOR CONVENING AND VOTING AT THE GENERAL MEETING OF SHAREHOLDERS**

#### **Article 4. Notice of closing the list of shareholders entitled to attend GMSs**

1. The Corporation shall notify of preparing a list of shareholders entitled to attend GMSs at least 20 days prior to the date of the final registration.

2. Pursuant to a decision to convene a GMSs, the Chairman of BOM / President & CEO of the Corporation shall inform about closing the shareholder list and submit it to Vietnam Securities Depository (VSD). As soon as VSD has approved of such notification of closing the shareholder list, the notification shall be posted on the Corporation's website.

#### **Article 5. Notice of GMSs convening**

##### 1. Notice of GMS:

a) The Notice of GMS shall be sent to all shareholders by any secured mean and published on the websites of Corporation and the State Security Commission of Vietnam, and Stock Exchange (if the Corporation has been listed or registered for share trading on the Stock Exchange). The GMS convenor shall send notice of meeting to all shareholders entitled to attend such meeting as listed no later than 15 days prior to the opening of the GMS (From the date of notice is duly serviced or delivered, postage paid or put into the mailbox).

b) The GMS meeting proceedings and documents related to businesses proposed for voting at the meeting shall be sent to the shareholders and / or published on the website of the Corporation. In the event where documents are not enclosed with the notice of GMS, the notice shall provide the electronic address where such documents are available to access. Such documents include:

- The proceedings and documents for use in the meeting;
- The list and details of candidates in case BOM members and Supervisors to be elected;
- Vote ballot;
- Form of Proxy Letter;
- "Draft resolution" on each business of the proceedings.

2. Supervisors or representatives of the auditor Company may be invited to a GMS to express their views at the GMS on auditing matters.

##### 3. Supplementation of GMS proceedings:

a) Shareholders or classes of shareholders as stipulated in Clause 3, Article 12 of the Corporation's Charter may propose issues to be included in the GMS proceedings.

- The proposal shall be in writing and serviced to the Corporation at least three (3) working days prior to the opening of the GMS.

- The proposal shall provide the shareholder's full name, permanent residence, nationality, citizenship identity number, identity card, passport or other legal personal identifications for individual shareholders; name and enterprise registration number or the No. of incorporation license, address of the head office for institutional shareholders; number and class of shares held by such shareholder, time of possession, issues to be included in the proceedings, signatures of shareholders or all members of the class of

shareholders and evidences supporting shareholders' requests and proposal on issues to be included in the proposal.

b) The GMS convenor shall have the right to refuse any proposal as mentioned at Point a, Clause 3 of this Article in any of the following circumstances:

- The proposal is not serviced timely, insufficiently or incorrectly in terms of content.

- At the time of proposal, the proposing shareholder(s) or class of shareholders do not hold 5% or more of the ordinary shares for at least six (06) consecutive months as prescribed in Clause 3, Article 12 of the Corporation's Charter.

- The proposed issue is not under the decision authority of the GMS.

- Other cases as provided for by laws and the Corporation's Charter.

c) If it refuses any proposal, the BOM shall give the proposing shareholder(s) a written response prior to the intended date of the GMS.

d) The shareholder(s) or class of shareholders have the right to require the Board of Supervisors to work with the BOM if they disagree with the BOM's decision on this matter.

e) Shareholder(s) or class of shareholders who are entitled to approve of any proposal on supplementation of the proceedings shall provide the Chairman of the BOM with necessary documents for the General Meeting Organizing Board to prepare, print and distribute to the attending shareholders for their reference and discussion, and at the same time to prepare a draft resolution thereon.

e) Those shareholders or class of shareholders not subject to Clause 3, Article 12 of the Corporation's Charter may also lodge the BOM a proposal on supplementation of the GMS proceedings following the above mentioned sequence. Provided, however, the BOM reserves the right to consider and decide on this supplementation.

#### **Article 6. Registration for GMS attendance**

1. Before opening any meeting, the Corporation shall carry out registration of shareholders and maintain the same until all presenting shareholders entitled to attend finish their registration.

2. Shareholders may register for GMS attendance in such manners as indicated in the notice, including: direct registration, via phone call, fax, mail or email to the Corporation before the time appointed in the notice of GMS.

3. If a shareholder is unable to attend a General Meeting, he or she may delegate his / her proxy to the meeting. This delegation shall be made in writing in such form as enclosed to the Corporation's notice of meeting and satisfy the following requirements:

a. For an individual shareholder, the proxy letter shall must bear the signature of such shareholder and the individual proxy or legal representative of the institutional proxy;

b. For an institutional shareholder, the proxy letter shall bear the signature of the authorized representative or legal representative of the institutional shareholder, and signature of the individual proxy or legal representative of the institutional proxy;

c. In other cases, the proxy letter shall be signed by the legal representative of the shareholder and the proxy.

d. The proxy to a GMS shall present the proxy letter entering the meeting room.

e. In cases where an attorney, on behalf of the authorizing person, signs the proxy letter, such authorization shall be considered valid only if such proxy letter is presented together with the power of attorney or a valid copy of such power of attorney (if such power of attorney has not been filed with the Corporation).

#### **Article 7. Voting at GMSs**

1. Voting on the contents of meeting organization procedure;

The contents of meeting organization procedure include:

- Passing the meeting proceedings;
- Passing the list of vote counting committee members;
- Passing the election / vote counting regulations;
- Passing the list of candidates;
- Passing the Minutes and resolutions of the meeting.

The voting of procedural issues concerning meeting organization shall be conducted in form of hand/ballot raising and following the simple majority rule.

2. Voting on GMS's decision:

- Voting on issues to be submitted for decision of GMS, except for election of BOM and BOS, shall be counted in respect of the number of shares held by each shareholder. Votes fall into three options of "agree", "disagree" and "abstention".

- Agree ballots shall be collected first, then disagree ballots. The total number of agree votes, disagree votes and abstention votes shall be counted as a basis for the final decision,

- The percentage of agree votes required to pass a GMS resolution is set forth in the Corporation's Charter.

3. Voting for election of BOM and BOS: BOM and BOS members shall be elected based on accrued votes, whereby each shareholder has a total number of votes corresponding to the total number of shares held by him/her multiplied by the number of BOM or BOS members to be elected and each shareholder may give all or a part of their total number of votes to one or more of the candidates. The elected BOM or BOS members shall be identified as the ones with the highest votes in descending order of the number of votes. If two or more candidates have the same number of votes for the last vacancy in BOM or BOS, re-election shall be conducted between the candidates of equal number of votes or they shall be selected following the election regulation.

4. The Corporation shall study and apply advanced information technology so that shareholders can attend and speak at GMSs at the best manner.

5. The vote counting board shall conduct the vote counting at a separate area within the place of GMS. The vote counting board may employ additional assistants for vote counting. In case of a request from a shareholder, the meeting Chairperson shall invite a number of representative shareholders to and counting. supervise the process of vote collection

#### **Article 8. Announcement on the voting result at a GMS**

1. After the Vote Counting Board completes the vote counting, make the minutes and report to the chairman of the meeting. The chairman of the meeting will invite the Board to vote on the results before GMS.

2. The chairperson of the meeting, the counters and the supervisor of the counting of votes must be responsible for the truthfulness and accuracy of the minutes of vote counting; They shall be jointly liable for losses arising from decisions adopted due to untruthful or improperly counted votes.

#### **Article 9. Preparation of the minutes of GMS**

1. The secretary of GMS is responsible for recording all happenings of the meeting, preparing the minutes and submitting for the GMS approval. Besides, the General Meeting may be sound-recorded or writing-recorded and stored in another electronic format.

2. The minutes shall be made in Vietnamese and may be made in English as an extra. The minutes shall include such contents as defined in Article 146 of the Law on Enterprises and Article 23 of the Corporation's Charter. Any discrepancy between the Vietnamese and English version shall be governed by the Vietnamese version.

3. The GMS meeting secretary shall read the draft minutes at the General Meeting for re-consideration of the attending shareholders before submitting it for the Chairperson's signature.

4. GMS Chairperson and secretary shall be jointly liable for the truthfulness and accuracy of the minutes content.

5. The minutes of GMS, the list of shareholders registered for attendance signed by shareholders, proxy letters and related documents shall be maintained at the head office of the Corporation.

6. The minutes of GMS shall be considered as matter-of-fact evidences for the business transacted at the GMS, unless any objection is made against the minutes content in accordance with the procedure as provided for in Article 10 hereof within ten (10) days from the date of minutes submission.

#### **Article 10. Objection against GMS minutes**

1. Within 10 days of disclosure of any GMS minutes, any shareholder may in writing deliver to the meeting Chairperson an objection against any content of the minutes that he/she deems as not reflecting truthfully the business transacted at the GMS. The objection shall clearly state the reasons and evidences supporting it.

2. GMS Chairperson shall convene a meeting which consists of the following to discuss the objection: GMS Chairperson, meeting secretary, representative of the Vote Counting Board, the vote counting supervisor (if any), representative of the committee in charge of shareholder qualification and a shareholder not holding any management office in the Corporation.

3. The minutes of the meeting on the above said objection shall contain a summary of the objection, its reasons and evidences. The minutes conclusion shall clearly state whether the objection is sound or well-grounded and eventually verify the authenticity of GMS resolutions and decisions as recorded in the minutes of GMS.

4. Based on the conclusion of the meeting on the above objection, the Chairperson shall send a written response / notice to the objecting shareholder.

#### **Article 11. Disclosure of GMS minutes**

GMS minutes and resolutions or vote counting minutes (in case of written polling) shall be published on the Corporation's website within twenty four (24) hours from the end of the meeting or delivered to all shareholders within 15 days from the end of the meeting.

#### **Article 12. GMS's adoption of Resolution by written polling**

1. Written polling among shareholders aims to quickly and promptly resolve issues that require the approval of GMS.

2. The authority, manner and method of vote counting and announcement of written polling results in order for GMS's adoption of resolutions shall comply with the provisions of Article 22 of the Corporation's Charter.

3. Process on written polling among shareholders:

a) The BOM shall issue a resolution about content must have written polling among shareholders. The list of shareholders shall be closed at the time of poll form service.

b) The BOM shall prepare the poll form, GMS draft resolution and explanatory documents thereof. The poll form contents shall be in accordance with Clause 3, Article 22 of the Corporation's Charter.

c) The BOM shall deliver and disclose documents to shareholders within a reasonable period of time for their consideration and in no case later than fifteen (15) days before the expiry of written polling. The requirements and method of delivery of poll form and accompanying documents shall comply with Clause 3, Article 18 of the Corporation's Charter.

d) Shareholders shall submit their completed poll form to the Corporation in accordance with Clause 5, Article 22 of the Corporation's Charter,

e) The BOM shall count the polls and prepare poll counting minutes as prescribed in Clause 6, Article 22 of the Corporation's Charter.

f) The minutes of poll counting shall be serviced to shareholders in accordance with Article 11 of this Regulation.



g) A resolution under written polling shall be passed only upon approval of shareholders as prescribed in Clause 9, Article 22 of the Corporation's Charter and shall be of the same effect as a resolution passed at a GMS.

h) The completed poll forms, the minutes of poll counting, the adopted resolutions and the related documents attached to the poll form shall be maintained at the head office of the Corporation.

4. Circumstances where written polling among shareholders is disallowed:

The issues of annual General Meetings of Shareholders shall be passed only directly at the meeting instead of written polling.

### **CHAPTER III**

#### **NOMINATION, STANDING FOR ELECTION, ELECTION, REMOVAL OF MEMBERS OF THE BOARD OF MANAGEMENT (BOM)**

##### **Article 13. Requirements on BOM membership**

1. Having a full civil act capacity and not being subject to any prohibition from enterprise management pursuant to Clause 2, Article 18 of the Law on Enterprises.

2. Being expert and experienced in business management of the Corporation, not necessarily being a shareholder of the Corporation.

3. Not simultaneously being a BOM member of more than 05 other companies.

4. For the Chairman of BOM, not concurrently holding the office of President & CEO of the Corporation.

5. Not being the spouse, natural father, godfather, natural mother, godmother, natural child, godchild, natural sibling, brother-in-law, sister-in-law of the President & CEO or other management officers of the Corporation; not being a related person of the management officers or any person competent to appoint management officers of the parent company.

6. Independent BOM members are subject to such requirements and conditions as stipulated in Clause 2, Article 151 of the Law on Enterprises.

##### **Article 14. Nomination and standing for election of BOM members by shareholders and classes of shareholders**

1. Conditions for the nomination or standing for election of BOM members

a) To stand for election, an individual shareholder must hold at least 5% of shares with voting right of the Corporation for at least six (06) consecutive months up to the date of closing the list of shareholders entitled to attend GMSs.

b) A nominated person must agree by shareholders/classes of shareholders holding at least 5% of shares with voting right of the Corporation for at least six (06) consecutive months up to the date of closing the list of shareholders entitled to attend GMSs.