



UNIFIED EFFORT - UNIFIED HEART

The image of bamboo tubes stylized into interconnected gear rings represents a flexible operational mechanism, unity, and mutual support in all activities, striving to achieve goals and aiming for a leading position. The company persistently invests in internal organizational innovation with unity, consensus, and determination from the leadership team to the employees; building a cohesive, creative, and humane working environment.

1. BOARD OF DIRECTORS

1.1. Members and structure of the Board of Directors

The BOD of the Company has 6 members, including 2 independent member, 3 non-executive members and 1 executive member. On 31/03/2023, the GMS elected Mr. Yoshihiko Shiotsugu to replace Mr. Nishi Masayuki as a non-executive member of the BOD.

No.	Full name	Position	Nationality	Ratio
1	Le Tan Phuoc	Chairman of the Board of Directors	Vietnamese	2.66%
2	Nguyen Huu Thinh	Non-Executive Member of the BOD	Vietnamese	4.26%
3	Ryota Fukuda	Non-Executive Member of the BOD	Japanese	0%
4	Yoshihiko Shiotsugu	Non-Executive Member of the BOD	Japanese	0%
5	Le Quang Phuc	Independent member of the BOD	Vietnamese	0%
6	Pham Kyle Anh Tuan	Independent member of the BOD	Australian	0%
7	Nishi Masayuki	Non-Executive Member of the BOD (Dismissed on 31/03/2023)	Japanese	0%

1.2. Sub-committees of the Board of Directors

1.2.1. Audit Committee

a. Members of the Audit Committee

No.	Member of the AC	Position	Start date
1	Mr. Pham Kyle Anh Tuan	Chairman of the AC	09/03/2022
2	Mr. Nguyen Huu Thinh	Member of the AC	09/03/2022

b. Operations of the Audit Committee

The Audit Committee is a specialized body directly under the Board of Directors and has the following functions: Independently and objectively supervise the truthfulness of the Company's quarterly, bi-annual and annual financial statements; monitor the Company's compliance with legal regulations; monitor the effectiveness and efficiency of internal policies, regulations and processes; review the implementation of strategic goals, operational objectives, and operational plans of the Company; give recommendations on measures to resolve and overcome errors, as well as measures to improve the internal control and corporate governance system in order to improve the effectiveness of risk prevention, detection and resolution practices; perform other tasks in accordance with the Regulations on operation of the Audit Committee to contribute to improving operating performance of the Company.

1.2.2. Human Resources and Salary and Bonus Committee

a. Members of the Human Resources and Salary and Bonus Committee:

No.	Member of the HRSBC	Position	Start date
1	Mr. Le Quang Phuc	Chairman of HRSBC	15/12/2021
2	Mr. Nguyen Huu Thinh	Member of HRSBC	15/12/2021

b. Activities of the Human Resources and Salary and Bonus Committee

The Human Resources and Salary and Bonus Committee is a specialized body directly under the Board of Directors and has the following functions: Develop policies on human resource management, salary and bonus in compliance with the directions set out by the Board of Directors; Support the Board of Directors of subsidiaries to implement human resource strategies, including human resource planning, training, salary and bonus, remuneration, performance appraisal, and talent attraction and retention policies.

1.2.3. Innovation and Organizational Development Committee

No.	Member of the IODC	Position	Start date
1	Mr. Le Tan Phuoc	Chairman of the IODC	13/04/2022
2	Mr. Nishi Masayuki	Member of the IODC	13/04/2022

(* Mr. Nishi Masayuki was no longer a member of the Innovation and Organizational Development Committee from 31/03/2023.

Activities of the Innovation and Organizational Development Committee

The Innovation and Organizational Development Committee is a specialized body directly under the Board of Directors and has the following functions: Plan, implement and control investment strategies to develop the operations and expand the market in relevant industries; Develop the policies, give advice and opponency opinions on issues related to scientific research, technology development, new features for new products, research and improvement of old products, research and development of management tools and systems to optimize costs and increase operational efficiency.

1.3. Activities of BOD

Periodically, CEO reports on the Company's operations and upcoming plans for the BOD to monitor the results of the management and operation of the Company. Meetings of the BOD are held in either online or offline format and election votes on discussed matters are collected directly or via email.

In 2023, BOD held 08 meetings and issued Resolutions/Decisions. All of meetings of the BOD were attended by 100% of members of the BOD as follows:

No.	Member of the BOD	Number of attended meetings	Ratio	Reason for not attending
1	Le Tan Phuoc	08/08	100%	
2	Nguyen Huu Thinh	08/08	100%	
3	Ryota Fukuda	08/08	100%	
4	Nishi Masayuki	03/08	37.5%	Dismissed on 31/03/2023
5	Le Quang Phuc	08/08	100%	
6	Pham Kyle Anh Tuan	08/08	100%	
7	Yoshihiko Shiotsugu	05/08	62.5%	Appointed on 31/03/2023

Details of Resolutions issued during 2023 are as follows:

No.	Resolution Number	Date	Content
1	001/NQ/SRF/HĐQT/23	01/02/2023	Approved the plan to hold the 2022 Annual General Meeting of Shareholders
2	002/NQ/SRF/HĐQT/23	01/04/2023	Authorized Mr. Vu Xuan Thuc to perform transactions of the Company, branches and subsidiaries at banks.
3	003/NQ/SRF/HĐQT/23	17/04/2023	Assigned tasks to members of the Board of Directors of Searefico Corporation
4	004/NQ/SRF/HĐQT/23	02/06/2023	Approved the transactions between the Company and relevant persons in 2023
5	005/NQ/SRF/HĐQT/23	31/07/2023	Content of the meeting of the BOD on 31/07/2023
6	006/NQ/SRF/HĐQT/23	12/12/2023	Supplemented the content for shareholders' written opinions on change of head office of the Company

Details of Decisions issued during 2023 are as follows:

No.	Decision No.	Date	Content
1	001/QĐ/SRF/HĐQT/23	12/01/2023	Assigned the representative of Searefico Corporation's capital in Searefico E&C
2	001A/QĐ/SRF/HĐQT/23	13/01/2023	Changed the plan on using the funds from deinvestment in Thua Thien Hue Construction Joint Stock Corporation (2 nd instalment)
3	002/QĐ/SRF/HĐQT/23	19/01/2023	Rewarded to recognize Mr. Nguyen Dinh Giang's contributions
4	002A/QĐ/SRF/HĐQT/23	14/03/2023	Assigned the representative of Searefico Corporation's capital in Seareal Real Estate Joint Stock Company
5	002B/QĐ/SRF/HĐQT/23	01/03/2023	Changed the plan on using the funds from deinvestment in Thua Thien Hue Construction Joint Stock Corporation (3 rd instalment)
6	003/QĐ/SRF/HĐQT/23	24/03/2023	Promulgated the Regulations on organization and operations of the Human Resource and Salary and Bonus Committee
7	004/QĐ/SRF/HĐQT/23	28/03/2023	Renamed and promulgated the regulations on organization and operations of the Innovation and Organizational Development Committee
8	004A/QĐ/SRF/HĐQT/23	28/03/2023	Modified the organizational chart of Searefico Corporation
9	005/QĐ/SRF/HĐQT/23	01/04/2023	Remuneration of Members of the BOD in 2023
10	006/QĐ/SRF/HĐQT/23	01/04/2023	Assigned the business plan and BSC, set aside and allocated performance-based salary fund for 2023
11	007/QĐ/SRF/HĐQT/23	17/04/2023	Dismissed and appointed members of the Innovation and Organizational Development Committee
12	008/QĐ/SRF/HĐQT/23	05/07/2023	Assigned the representative of Searefico Corporation's capital in Searefico E&C
13	009/QĐ/SRF/HĐQT/23	31/07/2023	Announced the share-based bonus policy
14	010/QĐ/SRF/HĐQT/23	07/08/2023	Changed the members of SDP Project
15	011/QĐ/SRF/HĐQT/23	17/08/2023	Announced the Policy on reward for debt collection
16	012/QĐ/SRF/HĐQT/23	29/09/2023	Appointed Mr. Nguyen Kinh Luan to hold the position of Vice CEO of Searefico Corporation
17	013/QĐ/SRF/HĐQT/23	16/11/2023	Dismissed Ms. Huynh Nhu Phuong from the position of Head of Internal Audit Department
18	014/QĐ/SRF/HĐQT/23	30/11/2023	Collected shareholders' written opinions on changing the Company's head office and amending the charter related to changing the Company's head office.

1.4. Activities of independent members of the BOD

In the financial year 2023, the Board of Directors of the Company was comprised of 6 members, including 2 independent members. In this report, the independent members of the BOD evaluated their performance and activities of the BOD as follows:

- a. Two independent members of the BOD were appointed by the BOD as Chairman of the Audit Committee (AC) and Chairman of the Human Resources and Salary and Bonus Committee (HRSBC). The AC and HRSBC fully performed their tasks in compliance with the Company's governance mechanisms and regulations (see also the activities of the Committees in the Report of Activities of the BOD).
- b. Independent members of the BOD actively participated in controlling the strategy/business and budget/cash flow plans, providing

comments/criticisms/proposals of solutions, supervising the activities of the CEO and BOM, supporting and providing training of basic knowledge on corporate governance and risk management for the Company's executives and subsidiaries. Independent members of the BOD also participated in developing customer network and markets and providing bid support for subsidiaries in the ecosystem.

- c. Activities of independent members of the BOD significantly assisted the BOD in complying with corporate governance in many aspects, such as monitoring the activities of the CEO/BOM and increasing the operational efficiency of the BOD. Their positive attitude, independent perspective and competencies significantly contributed to the application of good management practices to the Company, as well as to our operating process and business results.

Assessment of activities of the Board of Directors

a. Holding the meetings of the BOD

- » Meetings of the BOD were convened and carried out with specific schedules and careful preparation of documents in compliance with regulations. Meeting content was carefully discussed, reviewed, and evaluated by the members of the BOD to make the best directions and solutions for the Company.
- » Matters related to strategy, corporate culture, management system, etc. were comprehensively discussed between the BOD and BOM.

b. Monitoring the CEO and other members of the Board of Management

- » Generally, the BOD, in collaboration with the Board of Management, properly performed its monitoring duties, ensuring that activities of the Company were closely controlled to follow the strategic orientations and decisions were timely made to respond to actual requirements.

- » Members of the BOD attended periodic meetings of the BOM. Decisions of the BOM were made in consultation with the BOD to provide the optimal solutions for the Company's interest. As a result, BOD was fully aware of Company's activities and situations and received latest updates of actual requirements.
- » Chairman of the BOD and Chairman of the HRSBC evaluated the CEO's performance and provided comments and suggestions to help the BOM improve leadership capacity and efficiency of the Company's activities.
- » Members of the BOD played a proactive role in supporting the BOM and sharing experience with other management levels.
- » The BOD paid special attention to providing risk management solutions to support the BOM in detecting risks early and taking effective risk response plans to help the Company maintain the sustainability and stability of our operations, and protect the investors' interests.

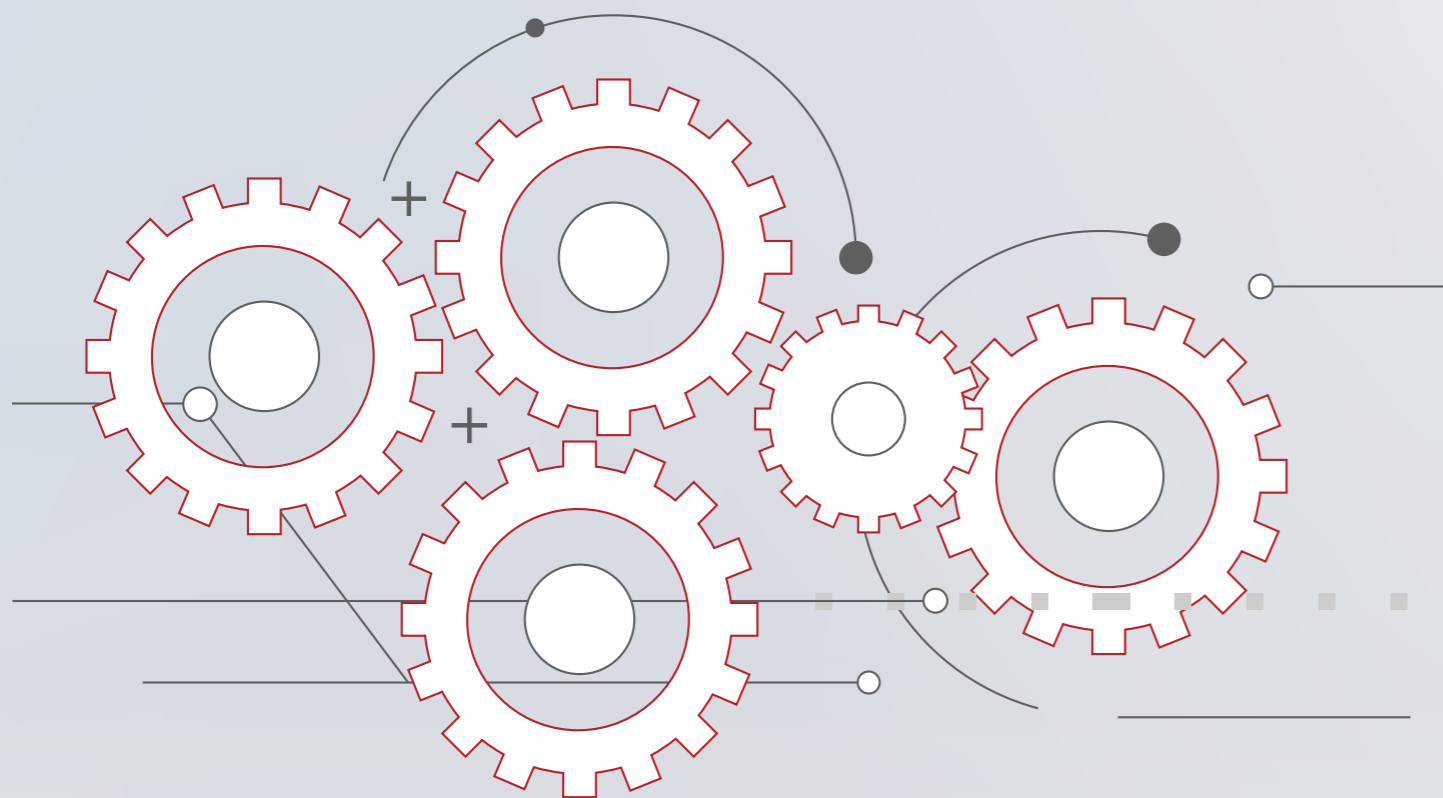


c. General assessment of activities of the Board of Directors

- » The BOD's performance in 2023 focused on Resolutions of the 2023 Annual GMS in compliance with the Company's Charter, Corporate Governance Regulations and Regulations on Organization and Operation of the BOD.
- » All members of the BOD have expressed high sense of responsibility and professionalism and been careful in performing their assigned roles and responsibilities to clearly protect the interests of the Company and our shareholders.
- » Chairman of the BOD and certain members of the BOD frequently participated in meetings of the BOM and helped analyse and advise a number of issues within the BOM's competence to ensure optimal results for the Company.

- » The implementation of Company's operations has been directed by the BOD and always subject to analysis and detection of risks in a timely manner to accomplish the goals set by the BOD and GMS and ensure the Company's ability to stabilize our operations and comply with legal regulations.
- » The BOD worked with the BOM in conducting activities to build and maintain corporate culture, perform a good role in building sustainable values for the business in the strategic period of 2024 - 2028.
- » The BOD proposed many effective and timely solutions to help the BOM overcome challenges in the management process, especially in areas of financial and risk management, and properly monitored and maintained the control over BOM's performance.

1.5. Corporate governance training



Searefico is always committed to building an ongoing human resource development policy for the BOD.

a. In 2023, members of the BOD actively participated as speakers and guests in forums for BOD members to improve their knowledge, skills, and expertise, promote effective corporate governance, and maintain BOD members' standards in performing their duties and responsibilities.

b. Searefico has been holding periodic corporate governance communication sessions for the entire Group.

c. Executive members and secretaries of the BOD of Searefico and its subsidiaries participated in the Workshop for Secretaries - The Profession Connecting the Corporate Governance Ecosystem on 12/09/2023 held by VIOD, to raise their awareness of management, improve their responsibilities, knowledge, and governance performance.

d. Other members of the BOD and BOM independently updated their knowledge of corporate governance in compliance with best practices and provisions of applicable laws.

2. AUDIT COMMITTEE

The Audit Committee functions in compliance with the Regulations on operations of the Audit Committee issued by the BOD, the Company's Charter and applicable laws (Law on Enterprise 2020, Law on Securities 2019, Decree 155 guiding the implementation of the Law on Securities, Circular 116 guiding the implementation of the Law on Enterprises 2020, and Decree 155, as well as good practices for listed companies.

2.1. Organizational structure and activities of the Audit Committee in 2023

Members of the Audit Committee

No.	Member of the AC	Job title	Start date
01	Pham Kyle Anh Tuan (*)	Chairman of the AC	09/03/2022
02	Nguyen Huu Thinh	Member of the AC	09/03/2022

(*) Mr. Pham Kyle Anh Tuan was no longer a member of the Audit Committee since 31/12/2023.

Meetings of the Audit Committee

No.	Member of the AC	Job title	Sessions of participation	Ratio of participation	Voting ratio
01	Pham Kyle Anh Tuan	Chairman of the AC	4	100%	No matter to vote on
02	Nguyen Huu Thinh	Member of the AC	4	100%	vote on



2.2. Remuneration and operating expenses of the Audit Committee in 2023

- a. Regarding the remuneration of the Audit Committee in 2023: details of the remuneration of the Audit Committee are shown in the Report on Activities of the BOD. Besides this, members of the Audit Committee did not receive any other benefits or remuneration.
- b. Activities of the Audit Committee in 2023: Comply with the rules and internal regulations of the Company.

2.3. Supervision over the BOD and CEO by the Audit Committee

The AC supervises the activities of the BOD through meetings, discussions, resolutions of the BOD, as well as through the observance of the resolutions of the BOD and the mechanism of decentralization between the BOD and CEO.

Supervision activities of the Audit Committee are conducted in a variety of ways through reporting and communication channels with the Chief Accountant, Head of Internal Audit Department, Head of Risk Management, and the Independent Auditor, i.e. PwC Vietnam Co., Ltd.

In the process of performing its tasks, the Audit Committee always cooperates well with members of the BOD, CEO, members of the BOM, and relevant managers and always receives the cooperation from the BOD.

2.4. Results of supervision by the Audit Committee

The Audit Committee would like to report the results of supervision in the period from 01/01/2023 to 31/12/2023 ("2023" or "report period") as follows:

a. Activities of the BOD and CEO

- » All of important issues were discussed openly and democratically at meetings of the BOD. Issues were evaluated and discussed thoroughly and carefully to reach a unified decision before a Resolution was issued. The CEO always closely followed and strictly carried out the resolutions issued by the BOD.
- » The person in charge of corporate governance performed the task of monitoring, speeding up the implementation, and reporting on the implementation of the resolutions of the BOD.

b. Financial Statements

- » In 2023, the AC reviewed the Q1-Q3 and semi-annual financial statements on the basis of the independent auditor's report on the audit results and agreed with the audit conclusion that the financial statements for the report period were prepared and presented in a true and fair view in compliance with Vietnamese accounting standards and applicable regulations.
- » During the report period, the Company consistently applied our accounting policies and principles for determining accounting estimates from the previous year's accounting period.

No sign of fraud or potential fraud risks has been identified in the financial statements.

- » Periodically, the AC discussed with the BOM to clarify important matters of the AC's interests. Changes in revenue, earnings or key items in the financial statements in the report period have been clarified by the BOM and the Independent Auditor and feedback has been provided to the AC.

c. Check the compliance with legal regulations and the results of reviewing transactions with related persons under the approval competence of the BOD or the GMS

- » No significant non-compliance with legal regulations, regulatory requirements and internal regulations of the Company has been identified.
- » There has not been any case of non-compliance in transactions between the Company and related persons in accordance with the regulations under the approval competence of the BOD or the GMS.

d. Internal control and risk management system

In 2023, under the supervision of the AC, the Internal Audit Department assessed the internal control and risk management system of the Company and subsidiaries in accordance with COSO standards with results as follows:

- » The internal control system related to the financial and accounting system, especially management reporting system, should be updated and

improved to provide timely information to meet management and financial needs of the BOD and BOM.

- » In 2023, the BOM has taken efforts to upgrade the Company's accounting system. Nevertheless, the BOM should set up appropriate controls to promptly detect errors and limit the disruptions that may arise during the transition and use of new software in the subsequent phases.
- » In 2023, receivables from customers and advance payment to employees remained at high levels. The BOM should establish more appropriate controls to improve debt collection ability and solvency of the Company.

e. Internal Audit

- » For expertise, the AC assessed that Internal Audit had such a position and operational method that were close to good practices and international standards on Internal Audit, and consistent with the provisions of law and guidelines on Internal Audit issued by the Ministry of Finance.
- » Internal audit results showed that audited units continued their compliance with processes, but control points should be improved and updated to adapt to existing operating situation and future development direction of the Company.

2.5. Recommendations of the Audit Committee

While economic and business activities are facing many difficulties and risks, the AC recommends that the BOD should strengthen the direction and supervision over the BOM to carry out the following tasks:

- » Complete the management reporting system of the Company and its subsidiaries
- » Focus on improving the comprehensive risk management system for the Company and its subsidiaries, including necessary policies, processes, standards and tools to manage and minimize risks.
- » Train employees on risk identification, assessment and management to increase their awareness of the importance of risk management.
- » Strengthen/foster internal control activities (second line of defence) to improve and enhance the efficiency of the Company's management system.

f. Independent Audit Service

On August 8, 2023, Searefico and PwC signed the audit engagement letter for the 2023 audit services. However, during the audit process, there were several disagreements between Searefico and PwC. As a result, Searefico initiated procedures to change the auditor for the 2023 financial statements from PwC to the Branch of AASC Auditing Firm Co., Ltd ("AASC").

AASC has completed its tasks; fully performed its obligations under the audit contract signed with the Company, and met the expectations of the AC on key criteria such as:

- » Ensure the reliability, truthfulness and quality of the audit report for the financial statements.
- » Comply with the required audit deadline.
- » Comply with professional regulations and ensure the independence and objectivity of the audit opinions.

g. Tax audit

In November 2023, Ho Chi Minh City Tax Department performed a tax audit at the Company for 2017 and 2018. As of 31/12/2023, Searefico didn't received any official audit results from Ho Chi Minh City Tax Department yet.



3. TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOD AND AC

3.1. Remuneration and allowance of members of the BOD in 2023

Unit: VND

No.	Full name	Job title	Remuneration of the BOD	Allowance (*)
1	Le Tan Phuoc	Chairman of the BOD Chairman of the IODC	420,000,000	84,000,000
2	Nguyen Huu Thinh	Non-executive Member of the BOD	300,000,000	
3	Ryota Fukuda	Non-executive Member of the BOD	300,000,000	
4	Nishi Masayuki	Non-executive Member of the BOD (Dismissed on 31/3/2023)	75,000,000	
5	Yoshihiko Shiotsugu	Non-executive Member of the BOD (Appointed on 31/3/2023)	225,000,000	
6	Le Quang Phuc	Independent member of the BOD Chairman of HRSBC	300,000,000	60,000,000
7	Pham Kyle Anh Tuan	Independent member of the BOD Chairman of the AC	300,000,000	60,000,000
Total			1,920,000,000	204,000,000

(*) In addition to monthly remuneration for the BOD, the Chairman of Committees under the BOD are entitled to an allowance at the rate of 20% of monthly remuneration of members of the BOD.

3.2. Internal share transactions

None.



3.3. Transactions with related parties

Unit: VND

No.	Name of individual / organization	Relationship with the Company	Transaction value	Notes
1	Asia Refrigeration Industry JSC (ARICO)	Subsidiary	3,872,161,846	Revenue from management consultancy
			24,500,000,000	Loan
			8,500,000,000	Collection of debts
2	SEAREFICO Engineering & Construction Joint Stock Company	Subsidiary	3,900,371,864	Interest income
			10,563,933,510	Revenue from management consultancy
			44,043,911,767	Purchase of construction services
			23,500,000,000	Loan
			12,400,000,000	Collection of debts
3	SEAREE M&E JSC	Subsidiary	1,920,220,865	Interest income
			2,739,473,775	Interest expenses
			4,916,010,000	Dividends Distributed
			28,689,329,683	Purchase of construction services
4	Greenpan JSC	Subsidiary	1,292,054,104	Interest expenses
			16,900,000,000	Loan
			13,700,000,000	Collection of debts
5	Phoenix Energy & Automation JSC	Subsidiary	1,526,075,754	Interest income
			62,274,254	Interest expenses
			10,490,275,882	Convert Receivables to Loans
			375,431,288	Interest Income
			298,085,772	Other Income

3.4. Evaluation of the implementation of the provisions on corporate governance

Participating in the stock market since 2009, the Company has always maintained the update of regulations issued by the State Securities Commission (SSC) and strictly applied them to the Company's internal management. Report on the corporate governance of the Company is submitted to SSC and HOSE and published on the website of the Company.