REGULATIONS ON THE OPERATION OF THE BOARD OF SUPERVISORS

(Promulgated together with Decision No. 124/QD-PBHC dated 29 April 2021 of the Board of Supervisors)

CHAPTER I
GENERAL PROVISIONS

Article 1. Scope of regulation and subjects of application

1. Scope of regulation: These Regulations prescribe the organizational and personnel structure, standards and conditions, rights and obligations of the Board of Supervisors and its members in accordance with the Law on Enterprises, the Corporation's Charter and other relevant regulations.

2. Subjects of application: These Regulations apply to the Board of Supervisors, members of the Board of Supervisors, and relevant organizations and individuals.

Article 2. Operating principles of the Board of Supervisors

The Board of Supervisors shall operate on a collective basis. Each member of the Board of Supervisors shall bear individual responsibility for his/her assigned work and shall jointly be responsible to the General Meeting of Shareholders and before the law for the work and decisions of the Board of Supervisors.

CHAPTER II
MEMBERS OF THE BOARD OF SUPERVISORS

Article 3. Rights, obligations and responsibilities of members of the Board of Supervisors

1. Comply with applicable laws, the Corporation's Charter, resolutions of the General Meeting of Shareholders and professional ethics in exercising assigned rights and obligations.

2. Exercise assigned rights and obligations honestly, prudently and to the best of their ability in order to ensure the maximum lawful interests of the Corporation and its shareholders.

3. Be loyal to the interests of the Corporation and its shareholders; not abuse their position or title, or use information, know-how, business opportunities or other assets of the Corporation for personal gain or for the benefit of other organizations or individuals.

4. Perform other obligations in accordance with the Law on Enterprises and the Corporation's Charter.

5. Where a violation of Clauses 1, 2, 3 or 4 of this Article causes damage to the Corporation or another person, the relevant member of the Board of Supervisors shall be individually or jointly liable for compensation. Any income or other benefits obtained by such member as a result of the violation shall be returned to the Corporation.

6. Upon discovering that a member of the Board of Supervisors has violated his/her assigned rights or obligations, the discovering member shall notify the Board of Supervisors in writing and request the violator to cease the violation and remedy its consequences.

Article 4. Term of office and number of members of the Board of Supervisors

1. The Board of Supervisors shall consist of three (03) to five (05) members. The term of office of a member shall not exceed five (05) years and members may be re-elected for an unlimited number of terms.

2. A member of the Board of Supervisors is not required to be a shareholder of the Corporation.

3. More than half of the members of the Board of Supervisors must reside in Vietnam.

4. Where the terms of office of members expire at the same time but members for the new term have not yet been elected, the members whose terms have expired shall continue to exercise their rights and perform their obligations until the new members are elected and assume office.

Article 5. Standards and conditions applicable to members of the Board of Supervisors

1. A member of the Board of Supervisors must satisfy the following standards and conditions:

a) Not fall within the categories specified in Clause 2, Article 17 of the Law on Enterprises;

b) Have been trained in economics, finance, accounting, auditing, law, business administration, or another discipline relevant to the Corporation's business activities;

c) Not be a family-related person of a member of the Board of Directors, the President & Chief Executive Officer or another manager;

d) Not be a manager of the Corporation and is not required to be a shareholder or employee of the Corporation, unless otherwise provided in the Corporation's Charter;

dd) Not work in the accounting or finance department of the Corporation;

e) Not have been a member or employee of an approved audit organization that audited the Corporation's financial statements during the preceding three (03) consecutive years;

g) Satisfy other standards and conditions prescribed by relevant laws and the Corporation's Charter.

2. In addition to the standards and conditions prescribed in Clause 1 of this Article, a member of the Board of Supervisors of a public company as specified at Point b, Clause 1, Article 88 of the Law on Enterprises must not be a family-related person of a manager of the Corporation or its parent company, an enterprise capital representative, or a state capital representative at the parent company or the Corporation.

Article 6. Head of the Board of Supervisors

1. The Head of the Board of Supervisors must hold a university degree or higher in economics, finance, accounting, auditing, law, business administration, or another discipline relevant to the enterprise's business activities, unless the Corporation's Charter prescribes higher standards.

2. The Head of the Board of Supervisors shall be elected by the Board of Supervisors from among its members; election, dismissal and removal shall be decided on the majority principle.

3. The rights and obligations of the Head of the Board of Supervisors shall be prescribed in the Corporation's Charter.

Article 7. Nomination and candidacy for membership of the Board of Supervisors

1. A shareholder or group of shareholders holding ten percent (10%) or more of the total ordinary shares shall have the right to nominate candidates to the Board of Supervisors. Unless otherwise provided in the Corporation's Charter, nominations shall be made as follows:

a) Ordinary shareholders forming a group to nominate candidates to the Board of Supervisors must notify the attending shareholders of the formation of such group before the opening of the General Meeting of Shareholders;

b) Based on the number of members of the Board of Supervisors, the shareholder or group of shareholders referred to in this Clause may nominate one or more candidates as decided by the General Meeting of Shareholders. If the number of candidates nominated is lower than the number they are entitled to nominate, the remaining candidates shall be nominated by the Board of Directors, the Board of Supervisors and other shareholders.

2. If, after nominations and self-nominations, the number of candidates remains insufficient as required under Clause 5, Article 115 of the Law on Enterprises, the incumbent Board of Supervisors shall introduce additional candidates or organize nominations in accordance with the Corporation's Charter, the Internal Regulations on Corporate Governance and these Regulations. The introduction of additional candidates by the incumbent Board of Supervisors must be clearly disclosed before the General Meeting of Shareholders votes to elect members of the Board of Supervisors in accordance with law.

Article 8. Election, dismissal and removal of members of the Board of Supervisors

1. The election, dismissal and removal of members of the Board of Supervisors fall within the authority of the General Meeting of Shareholders.

2. Voting for the election of members of the Board of Supervisors shall be conducted by cumulative voting, whereby each shareholder shall have a total number of votes equal to the number of shares owned multiplied by the number of members to be elected, and may allocate all or part of such votes to one or more candidates. Elected members shall be determined in descending order of votes received, starting with the candidate receiving the highest number of votes until the number of members prescribed in the Corporation's Charter is reached. If two (02) or more candidates receive the same number of votes for the final seat, a re-vote shall be held among such candidates or the candidate shall be selected according to the criteria prescribed in the election regulations or the Corporation's Charter.

Article 9. Cases of dismissal and removal of members of the Board of Supervisors

1. The General Meeting of Shareholders shall dismiss a member of the Board of Supervisors in any of the following cases:

a) The member no longer satisfies the standards and conditions prescribed in Article 169 of the Law on Enterprises;

b) The member submits a resignation and it is accepted;

c) Other cases prescribed by law.

2. The General Meeting of Shareholders shall remove a member of the Board of Supervisors in any of the following cases:

a) Failure to complete assigned duties or work;

b) Failure to exercise his/her rights and obligations for six (06) consecutive months, except in a force majeure event;

c) Repeated or serious breach of the obligations of a member of the Board of Supervisors under the Law on Enterprises and the Corporation's Charter;

d) Other cases pursuant to a resolution of the General Meeting of Shareholders and applicable law.

Article 10. Notification of election, dismissal and removal of members of the Board of Supervisors

1. Where candidates for the Board of Supervisors have been identified, the Corporation must disclose information relating to such candidates on its website at least ten (10) days before the opening date of the General Meeting of Shareholders so that shareholders may review the information before voting. Each candidate must provide a written undertaking as to the truthfulness and accuracy of the disclosed personal information and undertake, if elected, to perform his/her duties honestly, prudently and in the best interests of the Corporation. Disclosed information shall include:

a) Full name and date of birth;

b) Professional qualifications;

c) Employment history;

d) Other managerial positions held;

dd) Interests related to the Corporation and its related parties;

e) Other information as prescribed in the Corporation's Charter;

g) The Corporation shall disclose information on companies in which the candidate holds managerial positions and the candidate's related interests in such companies, if any.

2. Notification of the results of election, dismissal or removal of members of the Board of Supervisors shall be made in accordance with regulations on information disclosure.

CHAPTER III

BOARD OF SUPERVISORS

Article 11. Rights, obligations and responsibilities of the Board of Supervisors

1. Supervise the Board of Directors and the President & Chief Executive Officer in the management and administration of the Corporation.

2. Examine the reasonableness, legality, honesty and level of prudence in the management and administration of business activities, and the systematic nature, consistency and appropriateness of accounting, statistical and financial reporting activities.

3. Appraise the completeness, legality and truthfulness of the Corporation's business performance reports and annual and six-month financial statements, and the Board of Directors' management assessment report, and submit the appraisal report to the Annual

General Meeting of Shareholders. Review contracts and transactions with related persons that fall within the approval authority of the Board of Directors or the General Meeting of Shareholders and make recommendations on contracts and transactions requiring such approval.

4. Review, inspect and assess the effectiveness and efficiency of the Corporation's internal control, internal audit, risk management and early-warning systems.

5. Examine accounting books, accounting records and other documents of the Corporation, and the management and administration of the Corporation's activities, when deemed necessary or pursuant to a resolution of the General Meeting of Shareholders or at the request of a shareholder or group of shareholders specified in Clause 2, Article 115 of the Law on Enterprises.

6. At the request of a shareholder or group of shareholders specified in Clause 2, Article 115 of the Law on Enterprises, conduct an inspection within seven (07) working days from receipt of the request. Within fifteen (15) days after completion of the inspection, report on the requested matters to the Board of Directors and the requesting shareholder or group of shareholders. Such inspection must not obstruct the normal operations of the Board of Directors or interrupt the administration of the Corporation's business activities.

7. Recommend to the Board of Directors or the General Meeting of Shareholders measures to amend, supplement and improve the organizational structure for management, supervision and administration of the Corporation's business activities.

8. Upon detecting a violation by a member of the Board of Directors or the President & Chief Executive Officer of Article 165 of the Law on Enterprises, immediately notify the Board of Directors in writing and request the violator to cease the violation and take remedial measures.

9. Attend and participate in discussions at meetings of the General Meeting of Shareholders, the Board of Directors and other meetings of the Corporation.

10. Use independent consultants and the Corporation's internal audit function to perform assigned duties.

11. The Board of Supervisors may consult the Board of Directors before submitting reports, conclusions and recommendations to the General Meeting of Shareholders.

12. Inspect specific matters relating to the management and administration of the Corporation's activities at the request of shareholders.

13. Request the Board of Directors to convene an extraordinary General Meeting of Shareholders.

14. Convene a General Meeting of Shareholders in place of the Board of Directors within thirty (30) days where the Board of Directors fails to convene such meeting as prescribed in Clause 3, Article 140 of the Law on Enterprises.

15. Request the Chairperson of the Board of Directors to convene a meeting of the Board of Directors.

16. Review, extract and copy part or all of the declared List of Related Persons and related interests prescribed in Clauses 1 and 2, Article 164 of the Law on Enterprises.

17. Propose and recommend that the General Meeting of Shareholders approve the list of approved audit organizations to audit the Corporation's financial statements; an approved audit organization may inspect the Corporation's activities when deemed necessary.

18. Be accountable to shareholders for its supervisory activities.

19. Supervise the Corporation's financial condition and compliance with law by members of the Board of Directors, the President & Chief Executive Officer and other managers in the course of their activities.

20. Ensure coordination with the Board of Directors, the President & Chief Executive Officer and shareholders.

21. Upon detecting a violation of law or the Corporation's Charter by a member of the Board of Directors, the President & Chief Executive Officer or another executive, notify the Board of Directors in writing within forty-eight (48) hours and request the violator to cease the violation and take remedial measures.

22. Prepare the Regulations on the Operation of the Board of Supervisors and submit them to the General Meeting of Shareholders for approval.

23. Witness the Board of Directors' vote counting and preparation of the vote-counting minutes, if requested by the Board of Directors, when written opinions of shareholders are collected to adopt a resolution of the General Meeting of Shareholders.

24. The Head of the Board of Supervisors shall preside over the process for the General Meeting of Shareholders to elect a chairperson of the meeting where the Chairperson of the Board of Directors is absent or temporarily unable to perform his/her duties and the remaining Board members are unable to elect a chairperson. In such case, the person receiving the highest number of votes shall chair the meeting.

25. Exercise other rights and perform other obligations in accordance with the Law on Enterprises, the Corporation's Charter and resolutions of the General Meeting of Shareholders.

Article 12. Right of the Board of Supervisors to be provided with information

1. Documents and information must be sent to members of the Board of Supervisors at the same time and by the same method as to members of the Board of Directors, including:

a) Meeting notices, written opinion ballots for members of the Board of Directors, and accompanying documents;

b) Resolutions, decisions and minutes of meetings of the General Meeting of Shareholders and the Board of Directors;

c) Reports submitted by the President & Chief Executive Officer to the Board of Directors and other documents issued by the Corporation.

2. Members of the Board of Supervisors shall have the right to access records and documents of the Corporation kept at its head office, branches and other locations, and to access the workplaces of managers and employees of the Corporation during working hours.

3. The Board of Directors, its members, the President & Chief Executive Officer and other managers must provide complete, accurate and timely information and documents concerning management, administration and business activities at the request of a member of the Board of Supervisors or the Board of Supervisors.

Article 13. Responsibilities of the Board of Supervisors for convening an extraordinary General Meeting of Shareholders

1. The Board of Supervisors shall convene a General Meeting of Shareholders in place of the Board of Directors within thirty (30) days where the Board of Directors fails to convene such meeting in any of the following cases:

a) The remaining number of members of the Board of Directors or the Board of Supervisors is lower than the number prescribed by law;

b) At the request of a shareholder or group of shareholders specified in Clause 2, Article 115 of the Law on Enterprises;

c) The Board of Supervisors has requested the convening of an extraordinary General Meeting of Shareholders but the Board of Directors fails to do so.

2. If the Board of Supervisors fails to convene the General Meeting of Shareholders as prescribed, it shall compensate the Corporation for any resulting damage.

3. The costs of convening and holding a General Meeting of Shareholders pursuant to Clause 1 of this Article shall be reimbursed by the Corporation.

CHAPTER IV

MEETINGS OF THE BOARD OF SUPERVISORS

Article 14. Meetings of the Board of Supervisors

1. The Board of Supervisors shall meet at least two (02) times per year, with at least two-thirds (2/3) of its members attending each meeting.

2. The Board of Supervisors may request members of the Board of Directors, the President & Chief Executive Officer and representatives of the approved audit organization to attend its meetings and answer matters requiring clarification.

Article 15. Minutes of meetings of the Board of Supervisors

Minutes of meetings of the Board of Supervisors shall be prepared in detail and clearly. The minute-taker and all attending members of the Board of Supervisors shall sign the meeting minutes. Such minutes shall be retained in order to establish the responsibility of each member of the Board of Supervisors.

CHAPTER V

REPORTING AND DISCLOSURE OF INTERESTS

Article 16. Annual reports

Reports of the Board of Supervisors to the Annual General Meeting of Shareholders shall include the following:

1. A report on the Corporation’s business performance and on the performance of the Board of Directors and the President & Chief Executive Officer, for submission to the Annual General Meeting of Shareholders for approval.

2. A self-assessment report on the performance of the Board of Supervisors and its members.

3. Remuneration, operating expenses and other benefits of the Board of Supervisors and each of its members.

4. A summary of meetings of the Board of Supervisors and its conclusions and recommendations; results of supervision of the Corporation’s operations and financial condition.

5. An assessment report on transactions between the Corporation, its subsidiaries or other companies in which the Corporation controls fifty percent (50%) or more of charter capital, on the one hand, and members of the Board of Directors, the President & Chief Executive Officer and their related persons, on the other hand; and transactions between the Corporation and companies in which a member of the Board of Directors has been a founding member or enterprise manager during the three (03) years immediately preceding the transaction.

6. Results of supervision of the Board of Directors, the President & Chief Executive Officer and other executives.

7. Results of the assessment of coordination between the Board of Supervisors and the Board of Directors, the President & Chief Executive Officer and shareholders.

8. Proposals and recommendations to the General Meeting of Shareholders for approval of the list of approved audit organizations to audit the Corporation’s financial statements; an approved audit organization may inspect the Corporation’s activities when deemed necessary.

Article 17. Salaries and other benefits

Salaries, remuneration, bonuses and other benefits of members of the Board of Supervisors shall be determined as follows:

1. Members of the Board of Supervisors shall receive salaries, remuneration, bonuses and other benefits as decided by the General Meeting of Shareholders. The General Meeting of Shareholders shall determine the total annual salaries, remuneration, bonuses, other benefits and operating budget of the Board of Supervisors.

2. Members of the Board of Supervisors shall be reimbursed reasonable meal, accommodation and travel expenses and costs of independent consultancy services. The total remuneration and such expenses shall not exceed the annual operating budget of the Board of Supervisors approved by the General Meeting of Shareholders, unless otherwise decided by the General Meeting of Shareholders.

3. Salaries and operating expenses of the Board of Supervisors shall be included in the Corporation’s business expenses in accordance with corporate income tax law and other relevant laws and shall be presented as a separate item in the Corporation’s annual financial statements.

Article 18. Disclosure of related interests

1. Members of the Board of Supervisors shall declare to the Corporation their related interests, including:

a) Name, enterprise identification number, head office address and business lines of any enterprise of which they are the owner or in which they own contributed capital or shares, together with the ownership ratio and the time at which such ownership arose;

b) Name, enterprise identification number, head office address and business lines of any enterprise in which their related persons are owners, co-owners or separately own contributed capital or shares exceeding ten percent (10%) of charter capital.

2. A declaration under Clause 1 of this Article must be made within seven (07) working days from the date on which the related interest arises; any amendment or supplement must be notified to the Corporation within seven (07) working days from the date of the corresponding change.

3. Members of the Board of Supervisors and their related persons may use information obtained by virtue of their positions only for the interests of the Corporation.

4. A member of the Board of Supervisors shall notify the Board of Directors and the Board of Supervisors in writing of transactions between the Corporation, its subsidiaries or other companies in which the Corporation controls more than fifty percent (50%) of charter capital, on the one hand, and such member or his/her related persons, on the other hand, as prescribed by law. For such transactions approved by the General Meeting of Shareholders or the Board of Directors, the Corporation shall disclose the relevant resolutions in accordance with securities laws on information disclosure.

5. Members of the Board of Supervisors and their related persons shall not use or disclose inside information to other persons for the purpose of conducting related transactions.

CHAPTER VI

RELATIONSHIPS OF THE BOARD OF SUPERVISORS

Article 19. Relationship among members of the Board of Supervisors

Members of the Board of Supervisors shall act independently of one another while coordinating and cooperating in common work to ensure proper performance of the responsibilities, rights and duties of the Board of Supervisors in accordance with law and the Corporation’s Charter. The Head of the Board of Supervisors shall coordinate the common work of the Board of Supervisors but shall not have authority to control or direct the other members in the exercise of their independent responsibilities.

Article 20. Relationship with the Board of Directors

The Board of Directors shall be subject to supervision by the Board of Supervisors in the performance of its duties. For meetings of the Board of Directors, the Chairperson of the Board of Directors or the convener shall send meeting notices and accompanying documents to members of the Board of Supervisors in the same manner as to members of the Board of Directors. The Secretary of the Board of Directors shall ensure that copies of all financial and other information provided to Board members, and copies of minutes of Board meetings, are provided to members of the Board of Supervisors at the same time as they are provided to the Board of Directors.

The Board of Directors may request the Board of Supervisors to conduct an inspection or participate in an inspection or supervisory team of the Board of Directors.

The Board of Supervisors shall report to the Board of Directors the results of periodic quarterly or ad hoc internal inspections and supervision. The Board of Supervisors shall examine annual, six-month and quarterly financial statements before they are submitted to the Board of Directors.

Upon receipt of inspection results, the Board of Directors shall review them and issue conclusions and handling decisions. The Board of Supervisors shall monitor implementation of such conclusions and decisions.

The Corporation's annual business performance reports and the Board of Directors' management assessment report prepared for submission to the Annual General Meeting of Shareholders must be sent to the Board of Supervisors at least five (05) working days before the meeting for appraisal.

The Board of Supervisors shall notify the Board of Directors and consult it on matters stated in the Board of Supervisors' report before submitting such report to the General Meeting of Shareholders.

Article 21. Relationship with the President & Chief Executive Officer of the Corporation

The President & Chief Executive Officer shall be subject to inspection and supervision by the Board of Supervisors in the performance of his/her duties.

Reports submitted by the President & Chief Executive Officer to the Board of Directors shall simultaneously be sent to the Board of Supervisors.

The President & Chief Executive Officer shall direct relevant units to provide complete information, documents and facilities necessary for inspection and supervision at the request of the Board of Supervisors.

The President & Chief Executive Officer shall implement recommendations of the Board of Supervisors or report to the Board of Directors any points of disagreement with such recommendations, comply with the directions of the Board of Directors, and notify the Board of Supervisors of such directions.

The President & Chief Executive Officer shall immediately notify the Board of Supervisors upon detecting weaknesses, outstanding issues, violations, risks, significant loss of assets, changes in the internal inspection and control system, or information, decisions or business plans that may have an immediate and sensitive impact on shareholder sentiment.

CHAPTER VII

IMPLEMENTATION PROVISIONS

Article 22. Effectiveness

These Regulations on the Operation of the Board of Supervisors of Petrovietnam Fertilizer and Chemicals Corporation comprise seven (07) Chapters and twenty-two (22) Articles and shall take effect from the date of promulgation.