

Hochiminh City, May 28, 2020

**REGULATION ON NOMINATION, SELF-NOMINATION
TO THE BOARD OF DIRECTORS
OF PHU NHUAN JEWELRY JOINT STOCK COMPANY**

❖ **PERSUANT TO:**

- The Law on Enterprise No. 68/2014/QH13 approved by the National Assembly of the Socialist Republic of Vietnam on November 26th, 2014;
- Decree No. 71/2017/ND-CP about guidelines on corporate governance applicable to public companies;
- The Charter of organization and operation of Phu Nhuan Jewelry Joint Stock Company;
- The actual situation of the Company.

❖ **OBJECTIVES:**

- To ensure the principles of openness, fairness and democracy;
- To create favorable conditions for the 2020 Annual General Meeting of Shareholders of Phu Nhuan Jewelry Joint Stock Company (PNJ).

❖ **CONTENT:**

- **Number of Board of Directors (BOD) members need to be elected:** 03 members, at least 02 independent members.
- **Term of BOD:** Five (5) years (2020 – 2025)
- **Number of candidates for BOD:** Not limited.
- **Conditions of Nomination/self-nomination for BOD members:**
Shareholders who have been holding voting shares for a period of at least six (6) months consecutively have the right to gather votes to nominate candidates to the BOD. A shareholder or a group of shareholders who have been controlling five percent (5%) to less than ten percent (10%) of the total voting shares have right to nominate one (01) candidate; from ten percent (10%) to less than twenty percent (20%) of the total voting shares have right to nominate two (02) candidates; from twenty percent (20%) to less than thirty percent (30%) of the total voting shares have right to nominate three (03) candidates; from forty percent (40%) to less than fifty percent (50%) of the total voting shares have right to nominate five (05) candidates; from fifty percent (50%) to less than sixty percent (60%) of the total voting shares have right to nominate six (06) candidates; from sixty percent (60%) to less than seventy percent (70%) of the total voting shares have right to nominate seven (07) candidates; from seventy percent (70%) to less than eighty percent (80%) of the total voting shares have right to nominate eight (08) candidates.



▪ **Eligibilities of candidates for BOD:**

- Having full capacities of civil conduct, not a subject to be banned from establishment and management of enterprise as stipulated in Law on Enterprises.
- Having professional qualification or exercises in business management of the Company, and knowledge of laws;
- No need to be a shareholder of the Company, but the relevant people are not currently in charge of or authorized to be a Supervisor, Chief Accountant of the Company;
- Not currently serving as a member of the Board of Directors, General Director, and Supervisor in other jewelry companies.
- Not owning more than 10% of charter capital of any other jewelry companies, except being approved by General Meeting of Shareholders;
- Relevant people do not jointly or privately own more than 35% of the charter capital of other jewelry companies, except being approved by General Meeting of Shareholders;
- Not currently be a member of the Board of Directors at more than five (5) years at other companies.

▪ **Eligibilities of candidates for independent member of BOD:**

- Meet the criteria of the Board of Directors candidates.
- Not working for the same company or a subsidiary of the company; not used to work for the same company or a subsidiary of the company during three previous consecutive years;
- Not currently being entitled to salaries and remuneration from the company, except the allowance enjoyed by members of the Board of Directors under regulations;
- Not being a spouse, biological father, biological mother, adoptive mother, biological children, adopted children, biological siblings, younger siblings who are the major shareholders of the company; be a manager of the company or its subsidiaries;
- Not being a person directly or indirectly owning at least 1 percent (1%) of the total number of voting shares of the company;
- Not being a person who used to be a member of the Board of Directors, or Supervisory Board of the company during at least 05 previous consecutive years.

- **Mechanism for incumbents to nominate candidates:** In case the number of candidates for member of BOD is not enough, the incumbent BOD shall have the right to nominate additional candidates to meet the required number.

❖ **APPLICATION PACKAGE OF SELF-NOMINATING, NOMINATING CANDIDATES FOR THE BOARD OF DIRECTORS:**

- **Application package of self-nominating, nominating candidates for BOD consists of:**
- Form of nomination/self-nomination application;
 - Form of Curriculum Vitae filled out by the candidate;
 - Certificate of PNJ shares for a period of six (6) months consecutively by the date of closing list of shareholders attending the 2020 Annual General Meeting of Shareholders (February 25th, 2020). (For example, Statement of Securities Trading Account issued



by Securities Companies where shareholders have accounts, or the Certificate of share ownership issued by PNJ Company).

- Certified copies of Identity Card, permanent or temporary residence, certificates of educational and professional qualifications.
- **Application package of candidates must be delivered to the Organizing Committee of the General Meeting before 15:00pm of June 4th, 2020 to the following address:**
 - Phu Nhuan Jewelry Joint Stock Company
 - Address: 170E Phan Dang Luu street, Ward 3, Phu Nhuan District, HCMC, Vietnam.
 - Tel: (+84-28) 3995 1703 - Fax: (+84-28) 3995 1702
- For the candidates who will be nominated or self-nominated right at the Annual General Meeting, shareholder/group of shareholders are requested to provide all above required documents to the Chairman of the Meeting for consideration.

❖ **SELECTING CANDIDATE:**

Based on nomination/self-nomination application of shareholders, the Board of Directors will select qualified candidates that meet all requirements stated in this regulation.

**ON BEHALF OF BOARD OF DIRECTORS
CHAIRWOMAN**



CAO THI NGOC DUNG

