

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

❖ **PURSUANT TO:**

- The Law on Enterprise No.68/2014/QH13 approved by the National Assembly of the Socialist Republic of Vietnam on November 26th, 2014;
- Circular No.121/2012/TT-BTC of the Ministry of Finance dated July 26th, 2012 providing regulations on corporate governance applicable to public companies;
- The Charter of organization and operation of Phu Nhuan Jewelry Joint Stock Company;
- Current situation of the Company.

❖ **OBJECTIVES:**

- To ensure the principles of openness, fairness and democracy;
- ❖ To create favorable conditions for the 2017 Annual General Meeting of Shareholders of Phu Nhuan Jewelry Joint Stock Company.

❖ **CONTENTS:**

▪ **Number of members need to be elected:**

- Number of members need to be elected for the Board of Directors (BOD): 05 members
- Number of members need to be elected for the Supervisory Board (SB): 02 members

▪ **Term:** five (5) years (2017-2022)

▪ **Number of candidates of BOD/SB:** not limited

▪ **Conditions of Nomination/self-nomination for members of the BOD/SB:**

BOD: Shareholders who have been holding voting shares for a period of at least six (6) month consecutively have the right to gather votes to nominate candidates to the BOD. A shareholder or group of shareholders who have been controlling five percent (5%) to less than ten percent (10%) of the total voting shares for at least six (6) months consecutively shall have right to nominate one (1) candidate; controlling ten percent (10%) to less than thirty percent (30%) shall have right to nominate two (2) candidates; controlling thirty percent (30%) to less than fifty percent (50%) shall have right to nominate three (3) candidates; controlling fifty percent (50%) to less than sixty five percent (65%) shall have

the right to nominate 4 candidates; control sixty five percent (65%) or more shall have the right to nominate all candidates in need.

SB: Shareholders who have been voting shares for a period of at least six (6) months consecutively have right to gather their votes to nominate candidates to the SB. A shareholder or group of shareholders who have been controlling five percent (5%) to less than ten percent (10%) of the total voting shares for six (6) months consecutively shall have right to nominate one (1) candidate; controlling ten percent (10%) to less than thirty percent (30%) shall have the right nominate two (2) candidates; controlling thirty percent (30%) to less than fifty percent (50%) shall have right nominate three (3) candidates; controlling fifty percent (50%) to less than sixty five percent (65%) shall have right nominate 4 candidates; controlling sixty five percent (65%) or more shall have right to nominate five (5) candidates.

▪ **Eligibilities candidates for the BOD/SB:**

BOD:

- Having full capacities of civil conduct, not a subject to be banned from establishment and management of enterprises as stipulated in Law on Enterprises.
- Having professional qualifications or experiences 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 concurrently 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;

SB:

- Having full capacities of civil conduct, not a subject to be banned from establishment and management of enterprises as stipulated in the Law on Enterprises
- Not being wife or husband, blood father, adoptive father, blood mother, adoptive mother, child, adopted child, sibling of any members of BOD, General Director and other managers.
- Not holding the management position in the Company, no need to be a shareholder or employee of the Company;
- Not concurrently serving as a member of the Board of Directors, General Director, Supervisor in other jewelry companies;
- Not owning more than 10% of the charter capital of 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 being an employee of the Accounting and Finance Departments of the Company, not being a member or employee of independent audit company that is auditing the Company's financial statements.
 - **Mechanism for incumbents to nominate candidates:** In case the number of candidates for member of BOD/SB is not enough, the incumbent BOD/SB 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 AND SUPERVISORY BOARD**
 - **Application package of self-nominating, nominating candidates for BOD/ Supervisory Board consist 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 2017 Annual General Meeting of Shareholders (April 4th, 2017). (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 April 24th, 2017. Mailing address is as follow:**
 - Phu Nhuan Jewelry Joint Stock Company
 - Address: 170E Phan Dang Luu, Ward 3, Phu Nhuan District, HCMC
 - Tel: (08) 3995 1703 - Fax: (08) 3995 1702
 - For the candidates who will be nominated or self-nominated at the Annual General Meeting, shareholder/group of shareholders are requested to provide all required documents to the Chairman of the Meeting for consideration.
 - ❖ **SELECTING CANDIDATE**
- Based on nomination/self-nomination applications of shareholders, the Board of Directors will select qualified candidates that meet all requirements stated in above for the Board of Directors and Supervisory Board.

ON BE HALD OF BOARD OF DIRECTORS
CHAIRWOMAN
(Signed and stamped)
CAO THI NGOC DUNG