**IDV: Corporate Governance Report (2015)**

**CORPORATE GOVERNANCE**

**(2015)**

Company:          **Vinh Phuc Infrastructure Development Joint Stock Company**

Address:           Khai Quang industrial area, Vinh Yen City, Vinh Phuc province

Phone:              0211 - 3720945

Email:               idv@vpid.vn

Charter capital: **VND 77,257,300,000**

Stock code: IDV

**I. BOD activities (2015)**

            Meetings

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No** | **Name** | **Title in office term 3 before 15/01/2015** | **Title in office term 3 after 15/01/2015** | **Attendance** | **Rate** | **Reason for not attending** |
| 1 | Mr. Trinh Viet Dung | Chairman | Chairman | 14 | 100 % |  |
| 2 | Mr. Van Phung Ha | D. Chairman of Board of Directors | Dismissed | 7 | 50 % |  |
| 3 | Mr. Phung Van Quy | Director cum General Manager | Director cum General Manager | 14 | 100 % |  |
| 4 | Mr. Pham Huu Ai | Director, Head of Internal Supervisory Board | Director, Head of Internal Supervisory Board | 14 | 100 % |  |
| 5 | Mr. Le Tung Son | Director | Director | 13 | 93 % |  |
| 6 | Mr. Cao Dinh Thi |  | Director cum D. General Manager | 7 | 50 % | Appointed from 15/1/2015 |
|  | Ms. Nguyen Ngoc Lan | Head of Supervisory Board | Head of Supervisory Board | 10 | 71 % |  |

**II. Board Resolutions**   **(2015)**

|  |  |  |  |
| --- | --- | --- | --- |
| **No** | **Board Resolution/Decision No** | **Date** | **Contents** |
| 1 | 1010/14/NQ\_HDQT/IDV | 10/10/2014 | - Summarization of business result in financial year 2014 from 01/10/2013 to 30/09/2014  - Business plan in financial year 2015 from 01/10/2014 to 30/09/2015  - Flexible sale mechanism to accord with each kind of enterprise  - Time of annual General Meeting of Shareholders 2015  - Guideline of VPID to participate in Lang Da Bac project of Phu Thanh Company  - Guideline of Investor Ba Thien I Industrial zone in Binh Xuyen District  - Guideline of cooperation with FUCHUAN Company to invest in factory |
| 2 | 2811/14/NQ\_HDQT/IDV | 28/11/2014 | - Amend “Rule on salary, bonus for employees” to apply in financial year 2015  - Use 03 % of profit after tax in financial year 2014 to reward Executive Board and 02 % of profit after tax to reward Board of Directors and Supervisory Board in Lunar New Year  - Statement on operation expenditure of Board of Directors and Supervisory Board as well as subcommittees under Board of Directors in financial year 2015  - Amend planning of Khai Quang Industrial zone (5th time) to supplement industrial land for lease  - Guideline of investing in building factories to sell and lease in G plot (about 4 ha) in Chau Son Industrial zone  - Lend Phu Thanh Infrastructure Development Joint Stock Company (PTID) with negotiated interest rate and mortgage of land. |
| 3 | 112/14/NQ\_HDQT/IDV | 1/12/2014 | - Advance dividend in cash in financial year 2015 |
| 4 | 1712/14/NQ\_HDQT/IDV | 17/12/2014 | - Continue implementing works relating to Xuan Son – Thanh My Industrial zone in Son Tay town  - Not purchase bonds of chain 4 which were issued in 2014  - Assign Mr. Cao Dinh Thi – D. General Manager to take charge of Marketing division of VPID and undertake General Manager of Phu Thanh  - Improve remuneration for members in Executive Board of Chau Son Industrial zone |
| 5 | 1812/14/NQ\_HDQT/IDV | 18/12/2014 | - Sell all IDV shares of VPID Hanoi to strategic investors |
| 6 | 1501/15/NQ\_HDQT/IDV | 15/01/2015 | - Dismiss and appoint Directors in office term 3 (2014 – 2018) |
| 7 | 1601/15/NQ\_HDQT/IDV | 16/01/2015 | - Summarize business result in Quarter 1 of financial year 2015 from 01/10/2014 to 31/12/2014  - Business plan in Quarter 2 of financial year 2015 from 01/01/2015 to 31/03/2015  - Adjust land leasing fee in Khai Quang Industrial zone  - Continue researching market of factories to invest in Chau Son Industrial zone  - Assign Mr. Cao Dinh Thi to represent capital of the Company in Phu Thanh, Mr. Pham Huu Ai to be Chairman of VPID Hanoi |
| 8 | 1303/15/NQ\_HDQT/IDV | 13/03/2015 | - Selection of the Auditor for financial statement of financial year 2015 |
| 9 | 1704/15/NQ\_HDQT/IDV | 17/04/2015 | - Issuing 50% shares for the dividend payment of 2015 |
| 10 | 1704b/15/NQ\_HDQT/IDV | 17/04/2015 | - Summarize business result in Quarter 2 of financial year 2015 from 01/1/2015 to 31/03/2015  - Business plan in Quarter 3 of financial year 2015 from 01/04/2015 to 30/06/2015  - Allocate the participation of leadership on completing the company’s system  - Improve, upgrade the Water Treatment Station at Khai Quang Industrial Park  - Review the labor contract to resign according to new labor law issued in 2012 |
| 11 | 1704a/15/QD\_HDQT/IDV | 17/04/2015 | - Reassign representative of the Company at companies that VPID invested in and securities on the stock exchange |
| 12 | 085/15/NQ\_HDQT/IDV | 08/05/2015 | - Establish “Department of researching and proposing solutions” for the joint venture contract with Vinh Phuc Urban Development and Construction Joint Stock Company (UDV) |
| 13 | 1906/15/NQ\_HDQT/IDV | 19/06/2015 | - Solutions to handle the furnace for the operate license  - Contribute capital into Trung Thu Hydropower Company and purchase (maximum) 6% of Charter capital of Trung Thu Hydropower  - Delay the payment for Vinh Phuc Urban Development and Construction Joint Stock Company (UDV) according to the contract No. 01/15-HTKD |
| 14 | 3007/15/NQ\_HDQT/IDV | 30/07/2015 | - Summarize business result in Quarter 3 of financial year 2015 from 01/04/2015 to 30/06/2015  - Business plan in Quarter 4 of financial year 2015 from 01/07/2015 to 30/09/2015  - Allow Vpid Ha Nam One Member Co., Ltd. (subsidiary) to extract to bonus and welfare fund with the rate of 1% of profit after tax in 2015  - Adjust the land use right rent at Chau Son Industrial Park until 31/12/2015  - Divest 30% of total contribution at Vinh Phuc Urban Development and Construction Joint Stock Company (UDV)  - Increase the environment fee to attract investors at Chau Son Industrial Park and Khai Quang Industrial Park  - Approve the interest rate for the subsidiary to borrow capital from bank. The interest rate is calculated by the average interest of 03 banks (BIDV, VPBank, Techcombank) in 12 months as at the time of signing contract  - Purchase 01 car for Khai Quang Industrial Park and 01 Innova for Chau Son Industrial Park  - Liquidate Honda CRV car |
| 15 | 2809/15/NQ\_HDQT/IDV | 28/09/2015 | - Approve the orientation for Xuan Son Industral Complex- Thanh My – Son Tay – Hanoi |
|  |  |  | - Allocate the human resource of Department of Investment and Research |

**III. Change in connected persons/institutions:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| No. | Name of connected persons/institutions | Trading account (if any) | Position of PDMR at the company (if any) | Date to become connected persons/ institutions | Date no longer connected persons/ institutions | Reasons |
| 1 | Van Phung Ha |  | Director |  | 15/01/2015 |  |
| 2 | Van Phung Dong |  | Connected person |  | 15/01/2015 |  |
| 3 | Van Thi Bong |  | Connected person |  | 15/01/2015 |  |
| 4 | Nguyen Ngoc Doan |  | Connected person |  | 15/01/2015 |  |
| 5 | Van Phung Truong Son |  | Connected person |  | 15/01/2015 |  |

**IV. Transactions of PDMRs and connected persons/ institutions:**

**1. List of PDMRs and connected persons**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| No. | Name | Trading account (if any) | Position of PDMR at the company (if any) | Shareholding at the end of the term | Shareholding percentage at the end of the term | Note |
| 1 | TRINH VIET DUNG |  | Chairman of Board of Directors | 971,115 | 12.75 % |  |
| 2 | Trinh Viet Cuong |  |  | - | 0 % | Connected person |
| 3 | Trinh Hong Ngoc |  |  | - | 0 % | Connected person |
| 4 | PHUNG VAN QUY |  | Director, General Manager | 260,491 | 3.37 % |  |
| 5 | Phung Thi Ly |  |  | - | 0 % | Connected person |
| 6 | Phung Van Thu |  |  | 32,266 | 0.42 % | Connected person |
| 7 | Phung Van Phu |  |  | - | 0 % | Connected person |
| 8 | Phung Tien Nghia |  |  | - | 0 % | Connected person |
| 9 | Phung Thi Vu |  |  | 2,330 | 0.03 % | Connected person |
| 10 | Phung Thi Su |  |  | - | 0 % |  |
| 11 | Nguyen Thi Bang |  |  | 27,163 | 0.35 % | Connected person |
| 12 | Phung Thi Lan Phuong |  |  | - | 0 % | Connected person |
| 13 | Phung Nguyen Ngoc |  |  | - | 0 % | Connected person |
| 14 | PHAM HUU AI |  | Director | 282,442 | 3.66 % |  |
| 15 | Nguyen Thi Phuong Ngoc |  |  | 24,651 | 0.32 % | Connected person |
| 16 | Pham Duc Trung |  |  | - | 0 % | Connected person |
| 17 | Pham Hong Ha |  |  | - | 0 % | Connected person |
| 18 | Pham Huu Anh |  |  | - | 0 % | Connected person |
| 19 | Pham Tuan Anh |  |  | - | 0 % | Connected person |
| 20 | Pham Thi Thu Hang |  |  | 2,124 | 0.03 % | Connected person |
| 21 | LE TUNG SON |  | Director | 281,754 | 3.65 % |  |
| 22 | Le Quoc Minh |  |  | 45,081 | 0.58 % | Connected person |
| 23 | Le Hoang Yen |  |  | - | 0 % | Connected person |
| 24 | CAO DINH THI |  | Deputy General Manager | 14,377 | 0.19 % |  |
| 25 | Nguyen Thi Viet Hong |  |  | 222,013 | 2.87 % | Connected person |
| 26 | Cao Hong Nhung |  |  | - | 0 % | Connected person |
| 27 | Cao Nhat Minh |  |  | - | 0 % | Connected person |
| 28 | Cao Thi Yen |  |  | - | 0 % | Connected person |
| 29 | Cao Thi Kim Ngan |  |  | - | 0 % | Connected person |
| 30 | Cao Duc Tho |  |  | - | 0 % | Connected person |
| 31 | Cao Thi Kim Luong |  |  | - | 0 % | Connected person |
| 32 | Cao Thi Nguyet |  |  | - | 0 % | Connected person |
| 33 | NGUYEN NGOC LAN |  | Head of Supervisory Board | 5,692 | 0.07 % |  |
| 34 | Vu Anh Tuan |  |  | - | 0 % | Connected person |
| 35 | Nguyen Hoang Long |  |  | - | 0 % | Connected person |
| 36 | To Thi Loan |  |  | - | 0 % | Connected person |
| 37 | Nguyen Hoang Khanh |  |  | - | 0 % | Connected person |
| 38 | PHAN VAN VINH |  | Supervisor | 112 |  |  |
| 39 | Nguyen Thi Dao |  |  | - | 0 % | Connected person |
| 40 | Phan Van Nhien |  |  | - | 0 % | Connected person |
| 41 | Phan Van Tu |  |  | 1,219 | 0.06 % | Connected person |
| 42 | Phan Van Huong |  |  | - | 0 % | Connected person |
| 43 | Phan Thi Mao |  |  | - | 0 % | Connected person |
| 44 | Phan Thi Dan |  |  | - | 0 % | Connected person |
| 45 | Phan Thi Huong |  |  | - | 0 % | Connected person |
| 46 | Phan Thi Thom |  |  | - | 0 % | Connected person |
| 47 | Phan Van Quang |  |  | - | 0 % | Connected person |
| 48 | Phan Thi Sen |  |  | - | 0 % | Connected person |
| 49 | NGUYEN HUY TUNG |  | Supervisor | 24,841 | 0.32 % |  |
| 50 | Nguyen Vu Ha Linh |  |  | 24,651 | 0.32 % | Connected person |
| 51 | Vu Thi Hong Tra |  |  | 190,903 | 2.47 % | Connected person |
| 52 | Truong Thi May |  |  | - | 0 % | Connected person |
| 53 | NGUYEN THI HOAN |  | Chief Accountant | 5,904 | 0.08 % |  |
| 54 | Nguyen Lam Tung |  |  | - | 0.00 % | Connected person |
| 55 | NGUYEN DUY TRUNG |  | Information Disclosure Officer | 27,264 | 0.35 % |  |
| 56 | Nguyen Thi Chinh |  |  | - | 0 % | Connected person |
| 57 | Do Thi Chin |  |  | - | 0 % | Connected person |
| 58 | Nguyen Thi Thuy |  |  | 768 | 0.01 % | Connected person |
| 59 | Nguyen Thi Minh Tam |  |  | 46,540 | 0.60 % | Connected person |

**2. Transaction:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name | Connected to PDMR | Shareholding at the beginning of the term | | Shareholding at the end of the term | | Reasons for increase or decrease: buying, selling, transferring, bonus, etc. |
| Share | Percentage | Share | Percentage |
| 1 | Phung Van Thu | Connected person | 28,595 | 0.56 % | 21,511 | 0.42 % | Decrease due to sale of 7,084 shares |
| 2 | Phung Thi Vu | Connected person | 2,757 | 0.05 % | 1,554 | 0.03 % | Increase by 797 shares from ESOP and decrease by 2,000 shares due to sale |
| 3 | Do Thi Chin | Connected person | 124 | 0.00 % | - | 0.00 % | Decrease due to sale of 124 shares |
| 4 | Nguyen Lam Tung | Connected person | 338 | 0.01 % | - | 0.00 % | Decrease due to sale of 338 shares |

**3. Other transaction:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name | Connected to PDMR | Shareholding at the beginning of the term | | Shareholding at the end of the term | | Reasons for increase or decrease: buying, selling, transferring, bonus, etc. |
| Share | Percentage | Share | Percentage |
| 1 | PHUNG VAN QUY | Director, General Manager | 155,967 | 3.06 % | 173,661 | 3.37 % | Increase due to purchase of 14,584 shares and receive 3,110 shares from ESOP |
| 2 | NGUYEN DUY TRUNG | Information Disclosure Officer | 24,384 | 0.48 % | 18,176 | 0.35 % | Increase by 1,792 shares from ESOP and decrease by 8,000 shares due to sale |
| 3 | Van Phung Ha | Major shareholder | 698,926 | 13.59% | 900,189 | 11.65% | Increase by 300,063 shares from dividend payment; decrease by 98,800 shares due to sale |

**V. Other issues:**None