**TIS: Corporate Governance report (2015)**

**CORPORATE GOVERNANCE REPORT**

**(2015)**

Company: Thai Nguyen Iron and Steel Joint Stock Corporation

Address: Cam Gia ward, Thai Nguyen city, Thai Nguyen province

Tel.: 0280 3832236

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Website: [www.tisco.com.vn](http://www.tisco.com.vn)

Email:

Charter capital: VND 2,840,000,000,000

Stock code: TIS

**I. BOD Activities (2015)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Members of BOD | Title | Attendance | Rate | Reasons for not attending |
| 1 | Nguyen Quoc Huy | Chair of the Board | 06 | 100% |  |
| 2 | Vu Ba On | Deputy Chair of the Board | 06 | 100% |  |
| 3 | Hoang Ngoc Diep | Director – General Manager | 06 | 100% |  |
| 4 | Dinh Quoc Thai | Director in charge | 06 | 100% |  |
| 5 | Nguyen Tien Dung | Director – Deputy General Manager | 06 | 100% |  |
| 6 | Vu Hoang Long | Director | 05 | 84% | On business trip |
| 7 | Doan Manh Trung | Direcor | 06 | 100% |  |

**II. Board Resolutions**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Board Resolution No.** | **Date** | **Contents** |
| **I** | **RESOLUTION** |  |  |
| 1 | 01/NQ - GTTN | 06/01/2015 | Mortgage assets (right of exploiting Tien BO Iron mine of Thai Nguyen Iron and Steel Joint Stock Corporation) in Vietcombank – Hanoi and BIDV bank – Bac Can, Thai Nguyen branch to continue borrowing to invest in the project “expanding the production phase 2” of the Company |
| 2 | 02/NQ - GTTN | 15/01/2015 | Appoint the title Deputy Manager |
| 3 | 03/NQ - GTTN | 15/01/2015 | Approve the plan of producing B33 steel |
| 4 | 04/NQ - GTTN | 23/01/2015 | Approve the plan of using 33 HCD wagons to serve the business – operation activity of the Company |
| 5 | 05/NQ - GTTN | 23/01/2015 | Submit the project, total investment capital and bidding plan for the project “probe, upgrade the reserves of resource blocks level 333 |
| 6 | 06/NQ - GTTN | 27/01/2015 | Approve the content of the credit contract, the contract of modifying, supplementing and implementing the contents of borrowing in BIDV bank – Bac Can, Thai Nguyen branch to continue borrowing to invest in the project “expanding the production phase 2” of the Company |
| 7 | 08/NQ - GTTN | 05/02/2015 | Re-appoint the title: Chief of security department |
| 8 | 09/NQ - GTTN | 05/02/2015 | Issue the economic – technical targets 2015 |
| 9 | 10/NQ - GTTN | 11/02/2015 | Approve the plan of re-structure the TISCO steel distribution system and issue the important regulations |
| 10 | 13/NQ - GTTN | 27/02/2015 | Resolution of the Meeting of Board of Directors on 27/02/2015 |
| 11 | 14/NQ - GTTN | 27/02/2015 | Resolution on repairing the high-furnace No.2 |
| 12 | 18/NQ - GTTN | 17/03/2015 | Issue the regulations, plan and establish the committee of checking shareholder status and record the list of shareholder attending Annual General Meeting of Shareholder 2015 |
| 13 | 22/NQ - GTTN | 19/03/2015 | Resolution on increase charter capital of the Company from 1,84 billion dong to 2,840 billion dong |
| 14 | 25B/NQ - GTTN | 02/04/2015 | Approve the operation result in quarter I/2015 and operation plan in quarter II/2015 |
| 15 | 35/NQ - GTTN | 03/04/2015 | Resolution on managing, using the contribute capital of SCIC Corporation to increase charter capital and use for the project “expanding the production phase 2” of the Company |
| 16 | 36/NQ - GTTN | 07/04/2015 | Resolution on personnel work of the Company |
| 17 | 40/NQ - GTTN | 20/04/2015 | Annual General Mandate 2015 of the Company |
| 18 | 43/NQ - GTTN | 20/04/2015 | Approve the agenda of Annual General Meeting of Shareholder 2015 of the Company |
| 19 | 44/NQ - GTTN | 24/04/2015 | Resolution on re-appointing and dismissing staffs |
| 20 | 45/NQ - GTTN | 27/04/2015 | Resolution on implementing the opinion of the State Auditor |
| 21 | 46/NQ - GTTN | 08/05/2015 | Resolution on using 03 CAT 950H excavators for the bidding package 25 – Tien Bo iron mine |
| 22 | 47/NQ - GTTN | 11/05/2015 | Resolution on consuming iron ore at Tien Bo iron mine |
| 23 | 48/NQ - GTTN | 14/05/2015 | Nominate the representative of the Company to hold the title: Chief Accountant of Thai Trung Rolling steel Joint Stock Company |
| 24 | 49/NQ - GTTN | 14/05/2015 | Approve the plan of send mail to claim the guarantee cash of the contract 01/EPC/TISCO-MCC |
| 25 | 50/NQ - GTTN | 14/05/2015 | Resolution on the method of handling the opinions of Phu Tho Iron Alloy Joint Stock Company and Thai Trung Mineral processing and exploiting Joint Stock Company. |
| 26 | 51/NQ - GTTN | 20/05/2015 | Approve the content of the Offcial Document no. 247/PROFIT AFTER TAX-KHKD |
| 27 | 55/NQ - GTTN | 04/06/2015 | Approve the content of the credit contract with Vietinbank |
| 28 | 56/NQ - GTTN | 04/06/2015 | Approve the plan of upgrading the bravo software for Thai Nguyen Iron and Steel Joint Stock Corporation |
| 29 | 57/NQ - GTTN | 12/06/2015 | Appoint Mr. Doan Manh Ha as Deputy Manager |
| 30 | 58/NQ - GTTN | 17/06/2015 | Approve the contents of the Statement no. 448/TTr-GTTN dated 26/05/2015 |
| 31 | 59/NQ - GTTN | 24/06/2015 | Resolution on reducing a part of the construction progress of the bidding package no.25 |
| 32 | 61/NQ-GTTN | 08/07/2015 | Assess the implementation of board resolution on business operation of the first 06 months of 2015  Approve the plan for QIII.2015 and the last 06 months of 2015 |
| 33 | 62/NQ-GTTN | 09/07/2015 | Resolution on consulting representative of the Company at Phu Tho Metal Joint Stock Company via a ballot |
| 34 | 63/NQ-GTTN | 24/07/2015 | Approve the appointment, dismissal and mobilization of the Company |
| 35 | 63B/NQ-GTTN | 24/07/2015 | Approve the credit contract for borrowing capital with collateral with 03 branches of Vietcombank |
| 36 | 65/NQ-GTTN | 27/07/2015 | Approve the settlement for finished products and other expenses of project on expanding production stage II of the Company |
| 37 | 66/NQ-GTTN | 28/07/2015 | Approve the draft on the investment of the Company |
| 38 | 67/NQ-GTTN | 31/07/2015 | Approve the credit contract with BIDV – Thai Nguyen Branch |
| 39 | 69/NQ-GTTN | 28/08/2015 | Approve merging the Branch of the Company (Iron Refining Factory No. 2) into the Iron Refining Factory |
| 40 | 70/NQ-GTTN | 07/09/2015 | Do not extract to provision for the receivables guaranteed by bank  Approve the settlement for the difference in the price of project on expanding production of the Company |
| 41 | 72/NQ-GTTN | 22/10/2015 | Approve the assessment on operating result of QIII.2015 and plan for QIV.2015 |
| 42 | 73/NQ-GTTN | 29/10/2015 | Approve the draft on regulations of the Company |
| 43 | 75/NQ-GTTN | 12/11/2015 | Approve using the shares collected from Trung Dung Travel and Commercial Co., Ltd. as a contribution of the Company into Thai Trung Steel Rolling Joint Stock Company |
| 44 | 76/NQ-GTTN | 17/11/2015 | Approve the design and settlement for the construction |
| 45 | 77/NQ-GTTN | 20/11/2015 | Approve the salary level of the Company |
| 46 | 78/NQ-GTTN | 25/11/2015 | Implement the conclusion of the Prime Minister on the project of the Company |
| 47 | 80/NQ-GTTN | 04/12/2015 | Approve hiring consultant for the report on the project of the Company |
| 48 | 81/NQ-GTTN | 22/12/2015 | Receive 05 Diesel Engine Driver and 01 Nitrogen Compressor |
| 49 | 82/NQ-GTTN | 22/12/2015 | Approve the plan on managing and using assets and land fund of the Company |
| 50 | 86/NQ-GTTN | 28/12/2015 | Approve the assessment on operating result of 2015 and plan for 2016 |
| **II** | **DECISION** |  |  |
| 1 | 02/QD - GTTN | 30/01/2015 | Appoint Mr. Nguyen Ba Tai as Deputy Chief of Department – secretary of the Company |
| 2 | 03/QD - GTTN | 11/02/2015 | Issue the temporary regulation on selling Tisco steel of the Company |
| 3 | 04/QD - GTTN | 11/02/2015 | Issue the temporary regulation on managing, supervising the system of distributing Tisco steel of the Company |
| 4 | 05/QD - GTTN | 11/02/2015 | Issue the temporary regulation on deferred sales with guarantee mail of the bank |
| 5 | 08/QD - GTTN | 02/03/2015 | Dismiss the title: General Manager of the Company in term 2014-2019 |
| 6 | 09/QD - GTTN | 02/03/2015 | Appoint Mr. Hoang Ngoc Diep as General Manager of the Company in term 2014-2019 |
| 7 | 10/QD - GTTN | 17/03/2015 | Issue the regulation on holding Annual General Meeting of Shareholder 2015 of the Company. |
| 8 | 11/QD - GTTN | 17/03/2015 | Issue the regulation on additionally electing member of Board of Directors at Annual General Meeting of Shareholder 2015 |
| 9 | 12/QD - GTTN | 17/03/2015 | Decision on establishing the organizing committee for Annual General Meeting of Shareholder 2015 |
| 10 | 13/QD - GTTN | 17/03/2015 | Decision on establishing the checking status committee |
| 11 | 14/QD - GTTN | 17/03/2015 | Decision on establishing the committee of synthesizing the list of shareholders attending Annual General Meeting of Shareholder 2015 |
| 12 | 5/QD - GTTN | 07/04/2015 | Terminate the authorized capital representatives of the Company in Thai Trung rolling steel Joint Stock Company |
| 13 | 16/QD - GTTN | 07/04/2015 | Decision on authorizing the capital representative of the Company in Mechanical Steel Joint Stock Company |
| 14 | 17/QD - GTTN | 07/04/2015 | Terminate the authorized capital representatives of the Company in Thai Trung rolling steel Joint Stock Company |
| 15 | 18/QD - GTTN | 07/04/2015 | Decision on authorizing the capital representative of the Company in Thai Trung rolling steel Joint Stock Company |
| 16 | 19/QD - GTTN | 22/06/2015 | Decision on establishing the committee of directing the negotiation on the appendix No.9 of the Contract No. 01#EPC/TISCO-MCC dated 12/07/2007 |
| 17 | 20/QD – GTTN | 18/08/2015 | Decision on allocating duties to members of Board of Directors |
| 18 | 21/QD – GTTN | 18/08/2015 | Decision on issuing internal regulations of Executive Board |
| 19 | 22/QD – GTTN | 18/08/2015 | Decision on issuing regulations for Board of Directors of the Company term 2014 – 2015 |
| 20 | 956/QD – GTTN | 17/09/2015 | Decision on send Mr. Hoang Ngoc Diep – General Manager to business trip at Korea |
| 21 | 23/QD – GTTN | 28/12/2015 | Decision on dismiss Mr. Dinh Quoc Thai from Director of the Company |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Name of connected persons/institutions | Position of PDMR at the company (if any) | Date to become connected persons/ institutions | Date no longer connected persons/ institutions | Reasons |
| 1 | SCIC Corporation |  | 18/03/2015 |  | Buy 100 million private shares (equivalent to 35.21% of charter capital) |
| 2 | Tran Van Kham | Former General Manager | 01/07/2015 | 15/03/2015 | Dismissed from 15/03/2015 |
| 3 | Hoang Ngoc Diep | Director - General Manager | 01/7/2009 |  | Appointed |
| 4 | Doan Thu Trang | Director | 01/07/2009 | 01/01/2015 | resigned |
| 5 | Doan Manh Trung | Director | 01/01/2015 |  | Elected |

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

1. List of PDMRs and connected persons

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Name | Position of PDMR at the company (if any) | No. of shares at the end of the term | Shareholding at the end of the term | Note |
| **I** | **Vietnam Steel Corporation** | **Organization shareholder** | **119,600,000** | **42.11%** |  |
| 1 | Vu Ba On | D. Chairman of Board of Directors |  |  |  |
| 2 | Dinh Quoc Thai | Director |  |  |  |
| 3 | Hoang Ngoc DIep | Director - General Manager | 71,800 | 0.025% |  |
|  | Nguyen Thi Thu Hien | Connected Person | 13,200 | 0.004% |  |
| **II** | **SCIC Corporation** | **Organization shareholder** | **100,000,000** | **35.21%** |  |
| 1 | Nguyen Quoc Huy | Chair of the Board |  |  |  |
| 2 | Vu Hoang Long | Director |  |  |  |
| 3 | Nguyen Tien Dung | Director – Deputy General Manager |  |  |  |
| **III** | **Trung Dung Company** | **Organization shareholder** | **32,100,000** | **11.30%** |  |
| 1 | Doan Manh Trung | Capital representative |  |  |  |
| 2 | Doan Hong Dung | Connected Person | 3,500,000 | 1.23% |  |
| 3 | Nguyen Thi Thanh Son | Connected Person | 210,100 | 0.073% |  |
| **IV** | **Tran Van Kham** | **Director – General Manager** | **102,500** | **0.036 %** |  |
|  | Nguyen Thi Hong Van | Connected person | 51,100 | 0.17 % |  |
| **V** | **Pham Hong Quan** | **Former Director, D. General Manager** | **77,400** | **0.027 %** |  |
|  | Nguyen Thi Dung | Connected person | 3,200 | 0.001 % |  |
|  | Pham Hong Ninh | Connected person | 1,400 | 0.004 % |  |
| **VI** | **Do Trung Kien** | **D. General Manager** | **102,400** | **0.036 %** |  |
|  | Nguyen Thi To Khue | Connected person | 105,400 | 0.037 % |  |
| **VII** | **Tran Manh Huu** | **Head of Supervisory Board** |  |  |  |
| **VIII** | **Nguyen Duc Huy** | **Member of Supervisory Board** |  |  |  |
| **IX** | **Tran Anh Dung** | **Member of Supervisory Board** |  |  |  |
| **X** | **Nguyen Lan Huong** | **Supervisor** | **1,100** | **0.004 %** |  |
|  | Tran Quang Tien | Connected person | 1,000 | 0.003 % |  |
| **XI** | **Doan Thu Huyen** | **Supervisor** |  |  |  |
| **XII** | **Hoang Danh Son** | **Chief Accountant** | **10,100** | **0.0035 %** |  |
| - | Hoang Danh Van | Connected person | 3,600 | 0.0013 % |  |
| **XIII** | **Bui Van Khoa** | **Information Disclosure Officer** | **3,400** | **0.0012 %** |  |
|  | Nguyen Thi Diep | Connected person | 2,300 | 0.0008 % |  |

2. Transactions of PDMRs and connected persons/ institutions: None

3. Other transactions: None

**V. Other issues: None**