**SD2: Corporate Governance Report (2017)**

**CORPORATE GOVERNANCE REPORT**

**(Year 2017)**

Company: SONG DA JSC 2

Address: Km10, Nguyen Trai, Van quan, Ha Dong, Hanoi

Tel.: 04 33 510 542

Fax: 04 33 828 255

Email:

Charter capital: VND 144,235,360,000

Stock code: SD2

**I. GMS Activities**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Resolution / Decision No.** | **Date** | **Content** |
| 1 | 129/2017/NQ-ĐHĐCĐ | 29/05/2017 | Annual General Mandate 2017 |

**II. BOD Activities**

Meetings:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Members of BOD** | Title | **Attendance** | **Rate (%)** | **Reasons for not attending** |
| 1 | Mr. Le Van Giang | Chairman | 02/02 | 100 | Dismissed from 26/04/2017 |
| 2 | Mr. Pham Van Manh | Member of Board of Directors – General Manager | 02/02 | 100 | Dismissed from 26/04/2017 |
| 3 | Mr. Nguyen Van Ngoc | Chairman | 04/04 | 100 | Appointed from 26/04/2017 |
| 4 | Mr. Hoang Van Son | Member of Board of Directors – General Manager | 04/04 | 100 | Appointed from 26/04/2017 |
| 5 | Ms. Trieu Thi Thu Phuong | Member of Board of Directors | 04/04 | 100 |  |
| 6 | Mr. Nguyen Vu Luat | Member of Board of Directors | 02/02 | 100 | Appointed from 29/05/2017 |
| 7 | Mr. Tran Van Truong | Member of Board of Directors | 02/02 | 100 | Appointed from 29/05/2017 |

**III. Board Resolutions**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Resolution / Decision No.** | **Date** | **Content** |
| 1 | 10/NQ-HĐQT | 10/01/2017 | Approve: The internal check and review plan for 2017 of Song Da 2 JSC |
| 2 | 13/NQ-HĐQT | 12/01/2017 | Temporarily approve: Operating plan for 2017 and Q1/2017 |
| 3 | 15/NQ-HĐQT | 17/01/2017 | Approve: Tet Holiday of 2017 and the supplement salary of 2016 |
| 4 | 17/NQ-HĐQT | 18/01/2017 | Approve: Withdraw investments at SDD7 Industrial Zones & Urbanization Investments JSC |
| 5 | 19/NQ-HĐQT | 18/01/2017 | Approve: Bonus for excellent groups and individuals of 2015 and 2016 |
| 6 | 23/NQ-HĐQT | 23/01/2017 | Approve: Evaluation of operating result of 2016 and assign operating plan for 2017 |
| 7 | 29/NQ-HĐQT | 03/02/2017 | Approve: The adjusted investments project of adjacent houses at Huu Nghi Ward, Hoa Binh City, Hoa Binh Province (Infrastructure stage) |
| 8 | 31/QĐ-HĐQT | 10/02/2017 | Reappoint Mr. Tran Van Truong to be Vice General Manager of the Company from 10/02/2017 |
| 9 | 34/QĐ-HĐQT | 09/02/2017 | Dismiss Mr. Hoang Cong Phinh from Vice General Manager |
| 10 | 35/QĐ -HĐQT | 09/02/2017 | Dismiss Mr. Nguyen Quoc Danh from Vice General Manager |
| 11 | 40/QĐ -HĐQT | 14/02/2017 | Dismiss Mr. Hoang Van Hoan from Member of Members Board of SONG DA TRANSPORTATION CONSTRUCTION LIMITED COMPANY 2 |
| 12 | 41/QĐ -HĐQT | 14/02/2017 | Dismiss Mr. Tran Manh Thang from Member of Members Board of SONG DA TRANSPORTATION CONSTRUCTION LIMITED COMPANY 2 |
| 13 | 46/NQ-HĐQT | 16/02/2017 | Approve the extraction for depreciation of fixed assets for 2017 |
| 14 | 48/NQ-HĐQT | 25/02/2017 | Change in the business registration certificate of SONG DA TRANSPORTATION CONSTRUCTION LIMITED COMPANY 2 |
| 15 | 53/NQ-HĐQT | 13/03/2017 | Reconstruct organizational structure of branches, enterprises under Dong Da JSC 2 and approve indirect staffing |
| 16 | 54/NQ-HĐQT | 13/03/2017 | Adjust some contents of the regulation on salary orders for indirect staffs of the Company |
| 17 | 56/NQ-HĐQT | 13/03/2017 | Approve Draft for Appendix No. 03 of the China – Vietnam – Song Da 2 – Hong Quang cooperate contracts on withdrawing capitals from the cooperation |
| 18 | 58/NQ-HĐQT | 13/03/2017 | Approve estimates for management expenses of Song da JSC 2 of 2017 |
| 19 | 60/QĐ-HĐQT | 13/03/2017 | Merge the Materials – Mechanic Department into the Construction Technical Department and change the name into: Technical – Equipment Department |
| 20 | 61/ QĐ -HĐQT | 13/03/2017 | Separate the Risks Governance Unit from the Economic – Strategies & Risks Governance Department into Risks Governance Department |
| 21 | 62/ QĐ -HĐQT | 13/03/2017 | Change name of Economic – Strategies & Risks Governance Department into Economic – Strategies Department |
| 22 | 63/ QĐ -HĐQT | 13/03/2017 | Check and review the operations of 2016 of Song Da JSC 2 |
| 23 | 73/NQ-HĐQT | 03/04/2017 | Withdraw capitals of Song Da JSC 2 at SUDICO |
| 24 | 81/NQ-HĐQT | 17/04/2017 | Approve the operating result of Q1/2017 and assign the operating result for Q2/2017 |
| 25 | 82/NQ-HĐQT | 18/04/2017 | Borrow capitals and guarantee for Phu Luong project of China - Vietnam Cooperation – Song Da 2 – Hong Quang |
| 26 | 85/NQ-HĐQT | 19/04/2017 | Approv bonuses for staffs – labors on 30/04 and 1/5 Holiday |
| 27 | 92/NQ-HĐQT | 26/04/2017 | Dismiss Mr. Le Van Giang from Chairman |
| 28 | 93/NQ-HĐQT | 26/04/2017 | Dismiss Mr. Pham Van Manh from General Manager |
| 29 | 95/NQ-HĐQT | 26/04/2017 | Appoint Mr. Nguyen Van Ngoc to be Chairman |
| 30 | 98/NQ-HĐQT | 26/04/2017 | Appoint Mr. Hoang Van Son to be General Manager of Song Da 2 JSC |
| 31 | 101/NQ-HĐQT | 27/04/2017 | Approve the total cost estimate of the infrastructure –technical structure of the project of adjacent houses at Huu Nghi Ward, Hoa Binh City, Hoa Binh Province |
| 32 | 107/NQ-HĐQT | 11/05/2017 | Implement some operating missions |
| 33 | 112/NQ-HĐQT | 12/05/2017 | Establish Organizational Board for the General Meeting of Shareholders of SD2 of 2017 |
| 34 | 113A/NQ-HĐQT | 12/05/2017 | Approve contents of documents for the General Meeting of Shareholders of SD2 of 2017 |
| 35 | 119/NQ-HĐQT | 12/05/2017 | Select contractors for the project of adjacent houses at Huu Nghi Ward, Hoa Binh City, Hoa Binh Province |
| 36 | 124/QĐ-HĐQT | 19/05/2017 | Dismiss Mr. Nguyen Manh Cuong from Chief Accountant cum Head of Financial Planning Department |
| 37 | 125/QĐ-HĐQT | 19/05/2017 | Appoint Ms. Pham Thi Dinh to be Chief Accountant of the Company |
| 38 | 129/NQ-HĐQT | 29/05/2017 | Annual General Mandate 2017 of SD2 |
| 39 | 132/NQ-HĐQT | 01/06/2017 | Change in the legal representative of the Company at Board of China – Vietnam – SD2 – Hong Quang Cooperation |
| 40 | 141/NQ-HĐQT | 13/06/2017 | Approve the salary scale system, payroll and allowances for salary and paying new salary of Song Da 2 JSC |
| 41 | 143/QĐ-HĐQT | 13/06/2017 | Assign responsibilities for Board of Directors of SD2 in the remaining times of term 2016 – 2021 |
| 42 | 147/QĐ-HĐQT | 15/06/2017 | Approve the limit of borrowing working capitals in 2017 at VietinBank – Song Nhue Branch |
| 43 | 149/QĐ-HĐQT | 15/06/2017 | Approve the limit of borrowing working capitals in 2017 at BIDV – Ha Tay Branch |
| 44 | 151/NQ-HĐQT | 15/06/2017 | Approve the limit of borrowing working capitals in 2017 at OCB Bank – Trang An Transaction Office |
| 45 | 152/NQ-HĐQT | 15/06/2017 | Dismiss the position of Manager of Project Management Board of the project of Ho Xuong Rong Urban Area |
| 46 | 155/NQ-HĐQT | 22/06/2017 | Approve the limit of borrowing capitals and guarantees in 2017 of SONG DA TRANSPORTATION CONSTRUCTION LIMITED COMPANY 2 |
| 47 | 158/QĐ-HĐQT | 23/06/2017 | Establish the Project Board for constructing 66 shop houses at Bac Giang |
| 48 | 162/QĐ-HĐQT | 27/06/2017 | Issue the Regulation of Organizing and Operating of Board of Directors of the Company |
| 49 | 166/NQ-HĐQT | 01/07/2017 | Evaluate the operating result of Q2/2017 and the first 06 months of 2017; Operating plan for Q3/2017 and the last o6 months of 2017 |
| 50 | 168/NQ-HĐQT | 07/07/2017 | Withdraw capitals invested for Đăkđrink Water Power Company through the Corporation |
| 51 | 171/NQ-HĐQT | 18/07/2017 | Approve borrowing capitals from individuals for operations of the Company |
| 52 | 181/NQ-HĐQT | 04/08/2017 | Change in name of functional Departments of the Company |
| 53 | 183/NQ-HĐQT | 07/08/2017 | Approve the unit transfer price of lands using rights at the project of Ho Xuong Rong Urban Area |
| 54 | 185/NQ-HĐQT | 17/08/2017 | Withdraw capitals from China – Vietnam – SD2 – Hong Quang Cooperation at Phu Luong Urban Area project |
| 55 | 186/NQ-HĐQT | 21/08/2017 | Approve bonuses for staffs on National Day – 02/09/2017 |
| 56 | 187/NQ-HĐQT | 21/08/2017 | Transfer the crushing and screening line with capacity which is 1000T/h |
| 57 | 193/NQ-HĐQT | 21/08/2017 | Organize the auction for the crushing station with capacity which is 1000T/h |
| 58 | 194/NQ-HĐQT | 06/09/2017 | Approve distributing profit at SONG DA TRANSPORTATION CONSTRUCTION LIMITED COMPANY 2 |
| 59 | 197/NQ-HĐQT | 08/09/2017 | Transfer fixed assets of SD2 (02 huyndai ben trucks) |
| 60 | 199/NQ-HĐQT | 08/09/2017 | Issue Rule of drafting and documents management in SD2 |
| 61 | 200/NQ-HĐQT | 08/09/2017 | Issue Handbook on risks governance of SD2 |
| 62 | 203/NQ-HĐQT | 11/09/2017 | Approve the list of mortgage assets at Phu Luong Urban Area project |
| 63 | 204/NQ-HĐQT | 14/09/2017 | Approve contents of the transfer contract of the contribution capitals of SD2 at China – Vietnam – Sd2 – Hong Quang Cooperation |
| 64 | 209/NQ-HĐQT | 22/09/2017 | Approve supporting allowances for the 55th anniversary of the consecration of Thai Nguyen City |
| 65 | 210/NQ-HĐQT | 23/09/2017 | Approve the limit of borrowing capitals and guarantee in 2017 at Agribank – Lang ha Branch |
| 66 | 211/NQ-HĐQT | 29/09/2017 | Approve contents of the sales contract of the crushing – screening line 1000T/h |
| 67 | 213/NQ-HĐQT | 06/10/2017 | Evaluate the operating result of Q3/2017 and assign the operating plan for Q4/2017 |
| 68 | 216/QĐ-HĐQT | 13/10/2017 | Approve the result of checking and reviewing the operations of 2016 and the first 09n months of 2017 |
| 69 | 217/NQ-HĐQT | 13/10/2017 | Approve the assignation for leaderships staffs , management staffs period 2016 – 2021 |
| 70 | 220/QĐ-HĐQT | 18/10/2017 | Approve the dividends payment of 2016 in cash for shareholders of SD2 |
| 71 | 222/NQ-HĐQT | 19/10/2017 | Organize tours for staffs to visit and relax in 2017 |
| 72 | 235/NQ-HĐQT | 23/10/2017 | Approve staffing activities of Legal Risks Governance Department; Project & Bidding Department; Management Board of Ho Xuong Rong Urban Area Project |
| 73 | 239/NQ-HĐQT | 30/10/2017 | Liquid fixed assets of SD2 |
| 74 | 239/QĐ-HĐQT | 07/11/2017 | Allow staffs for aboard businesses |
| 75 | 244/QĐ-HĐQT | 23/11/2017 | Issue Regulation on decentralizing for managing investments and selecting contractors for investments projects of SD2 |
| 76 | 248/NQ-HĐQT | 05/12/2017 | Adjust the general zoning of the high buildings land (CT1) and the commercial land (CL20) at Ho Xuong Rong Urban Area Project |
| 77 | 252/QĐ-HĐQT | 19/12/2017 | Approve bonuses for staffs in New Year Holiday of 2018 |

**IV. Board of Supervisors:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Members of BOD** | Title | **Attendance** | **Rate (%)** | **Reasons for not attending** |
| 1 | Ms. Pham Thi Dinh | Head | 02/02 | 100 | Dismissed from 29/05/2017 |
| 2 | Mr. Do Anh Thai | Member | 02/02 | 100 | Dismissed from 29/05/2017 |
| 3 | Mr. Luong Xuan Truong | Member | 04/04 | 100 |  |
| 4 | Mr. Nguyen Binh Luc | Head | 02/02 | 100 | Dismissed from 29/05/2017 |
| 5 | Mr. Tran The Anh | Member | 02/02 | 100 | Dismissed from 29/05/2017 |

**V. 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** |
| I | Institution |  |  |  |  |  |
| 1 | Song Da Corporation |  |  |  |  |  |
| II | Individual |  |  |  |  |  |
| 1 | Le Van Giang | 035C052355 | Chairman |  | 26/04/2017 | Dismiss |
| 2 | Pham Van Manh | 019C002904 | Member of BOD – GM |  | 26/04/2017 | Dismiss |
| 3 | Nguyen Van Ngoc |  | Chairman | 26/04/2017 |  | Appoint |
| 4 | Hoang Van Son |  | Member of BOD – GM | 26/012017 |  | Appoint |
| 5 | Nguyen Vu Luat |  | Member of BOD | 29/05/2017 |  | Appoint |
| 6 | Tran Van Truong | 091C005022 | Member of BOD – Vice GM | 29/05/2017 |  |  |
| 7 | Trieu Thu Thu Phuong | 091C004868 | Member of BOD | 28/04/2016 |  |  |
| 8 | Nguyen Quoc Doanh | 091C004816 | Vice GM |  | 09/02/2017 | Dismiss |
| 9 | Hoang Cong Phinh |  | Vice GM |  | 09/02/2017 | Dismiss |
| 10 | Nguyen Manh Cuong |  | Chief Accountant |  | 19/05/2017 | Dismiss |
| 11 | Pham Thi Dinh |  | Chief Accountant | 19/05/2017 |  | Dismiss |
| 12 | Pham Thi Dinh |  | Head of Board of Supervisors |  | 29/05/2017 | Dismiss |
| 13 | Do Anh Thai |  | Member of Board of Supervisors |  | 29/05/2017 | Dismiss |
| 14 | Nguyen Binh Luc |  | Member of Board of Supervisors | 29/05/2017 |  | Appoint |
| 15 | Tran The Anh |  | Head of Board of Supervisors | 29/05/2017 |  | Appoint |
| 16 | Luong Xuan Truong |  | Member of Board of Supervisors | 28/04/2016 |  |  |

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

1. List of PDMRs and connected persons

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Name** | **Trading account** | **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** | **Nguyen Van Ngoc** |  | **Chairman** |  |  |  |
| 1.2 | Hoang Thi Vien |  |  |  |  | Mother |
| 1.3 | Nguyen Thi Phu |  |  |  |  | Sister |
| 1.4 | Nguyen Van Cuong |  |  |  |  | Brother |
| 1.5 | Duong Thi Thu Hien |  |  |  |  | Wife |
| 1.6 | Nguyen Quang Huy |  |  |  |  | Child |
|  | Nguyen Son Tung |  |  |  |  | Child |
| **2** | **Hoang Van Son** |  | **Member of BOD, GM** | **25,206** | **0.17** |  |
| **3** | **Tran Van Truong** | **019C005022** | **Member of BOD, Vice GM** | **14,933** | **0.10** |  |
| 3.1 | Pham Thi Lien | 019C009177 |  |  |  | Wife |
| 3.2 | Tran Thanh Giang |  |  |  |  | Brother |
| 3.3 | Tran Thanh Ha |  |  |  |  | Brother |
| 3.4 | Tran Van Khai | 019C000391 |  | 5,533 | 0.04 | Brother |
| **4** | **Nguyen Vu Luat** |  | **Member of BOD** |  |  |  |
| **5** | **Trieu Thi Thu Phuong** |  | **Member of BOD** |  |  |  |
| 5.1 | Trieu Vna Kiem |  |  |  |  | Father |
| 5.2 | Ngo Thi Hanh |  |  |  |  | Mother |
| 5.3 | Pham Dai Thang |  |  |  |  | Husband |
| 5.4 | Pham Trieu Tien Dung |  |  |  |  | Child |
| 5.5 | Pham Trieu Binh Minh |  |  |  |  | Child |
| **6** | **Pham Thi Dinh** |  | **Chief Accountant** | **8,102** | **0.06** |  |
| 6.1 | Tran Dinh Tu |  |  |  |  | Husband |
| 6.2 | Pham van Viet |  |  | 49,833 | 0.06 | Brother |
| 6.3 | Pham Van Nam |  |  |  |  | Brother |
| 6.4 | Pham Thi Thoan |  |  | 49,833 | 0.35 | Sister |
| 6.5 | Pham Thi Thu |  |  |  |  | Sister |
| 6.6 | Pham Van Khanh |  |  |  |  | Brother |
| 6.7 | Tran Binh Minh |  |  |  |  | Child |
| 6.8 | Tran Cam Linh |  |  |  |  | Child |
| **7** | **Nguyen Binh Luc** |  |  |  |  |  |
| 7.1 | Hoang Thi Thuy Nguyen |  |  |  |  | Wife |
| 7.2 | Nguyen Hoang Hai |  |  |  |  | Child |
| 7.3 | Nguyen The Chiu |  |  |  |  | Brother |
| 7.4 | Nguyen Huu Chuan |  |  |  |  | Brother |
| 7.5 | Nguyen Thi Phuong |  |  |  |  | Sister |
| 7.6 | Nguyen Tan Luan |  |  |  |  | Brother |
| 7.7 | Nguyen Binh Luan |  |  |  |  | Brother |
| 7.8 | Nguyen Thi Ngu |  |  |  |  | Sister |
| 7.9 | Nguyen Thi Hoang |  |  |  |  | Sister |
| **8** | **Luong Xuan Truong** |  | **Member of BOD** |  |  |  |
| 8.1 | Luong Van Son | 002C145426 |  |  |  | Father |
| 8.2 | Nguyen Thi Kim Oanh |  |  |  |  | Mother |
| 8.3 | Trinh Thi Anh Dao |  |  |  |  | Wife |
| 8.4 | Luong Ngoc Duong |  |  |  |  | Brother |
| **9** | **Tran The Anh** | **Member of BOS** |  |  |  |  |
| 9.1 | Tran Van Thuc |  |  |  |  | Father |
| 9.2 | Pham Thi Nga |  |  |  |  | Mother |
| 9.3 | Tran Thi Hue |  |  |  |  | Sister |
| 9.4 | Tran Van Duong |  |  |  |  | Brother |
| 9.5 | Le Thuy Duong |  |  |  |  | Wife |
| 9.6 | Tran Gia Bao |  |  |  |  | Child |

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

**VII. Other contents:** None