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

**CORPORATE GOVERNANCE REPORT**

**(2015)**

Name of Company:        Additives and Petroleum Products Joint Stock Company

Head Office address:     Phu Thi Industrial Zone, Gia Lam District, Ha Noi

Tel:                               04 36785060                  Fax: 04 36784978

Charter capital:             VND 39,639,600,000

Stock code:                   APP

**I. BOD Activities (2015)**

Meetings:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Members of BOD | Title | Attendance | Rate (%) | Reasons for not attending |
|  | Old Board of Directors |  |  |  |  |
| 1 | Mr. Pham Van Chuong | Chairman | 4/4 | 100 % |  |
| 2 | Ms. Nguyen Thi Truong | Vice Chairman | 4/4 | 100 % |  |
| 3 | Mr. Vu Quang Hai | Director of BOD | 4/4 | 100 % |  |
| 4 | Mr. Pham Quy Hong | Director of BOD | 4/4 | 100 % |  |
| 5 | Mr. Hoang Trung Dung | Director of BOD | ¾ | 75% | Urgent affair - Voting via phone |
|  | New Board of Directors |  |  |  |  |
| 1 | DInh Viet Cuong | Chairman | 4/4 | 100% |  |
| 2 | Nguyen Thi Truong | Vice Chairman | 4/4 | 100% |  |
| 3 | Hoang Trung Dung | Director of BOD | 4/4 | 100% |  |
| 4 | Nguyen Ha Trung | Director of BOD | 4/4 | 100% |  |
| 5 | Su Bui Bao Ngoc | Director of BOD | 2/4 | 50% | Business trip |

**II. Board Resolutions (2015)**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Board Resolution No.** | **Date** | **Contents** |
| 1 | 03/ND - HDQT | 22/01/2015 | Authorize General manager to dismiss Mr. Dang Trung Cuong from Manager of Ho Chi Minh City Branch and appoint Mr. Vu Duc Chinh to replace Mr. Dang Trung Cuong |
| 2 | 05/BB - HDQT | 08/04/2015 | Approve the audited financial statement 2014  Approve purchasing one truck for operation |
| 3 | 13/BB – HDQT | 21/04/2015 | Approve the documents to prepare Annual General meeting of Shareholders  Approve the draft of profit distribution 2014 |
| 4 | 16/BB - HDQT | 13/06/2015 | Approve selecting VAE Auditing Co., Ltd as the auditor for fiscal year 2015  Approve the dividend payment 2014 – second round:  + Exercise rate: 9%/share  + Record date: 30/06/2015  + Exercise date: 20/07/2015  Approve the maximum loan of Additives and Petroleum Products Joint Stock Company at Bank for Investment and Development of Vietnam - Thanh Do Branch: VND 32,000,000,000  Assign General manager of the Company to sign documents, contract with bank  Assign General Manager to instruct Departments to build the draft of the Charter of the Company in accordance with Enterprise Laws which goes into effect on 01/07/2015 |
| 5 | 05/QD - PGMD | 08/04/2015 | Call Annual General Meeting of Shareholders 2015 |
| 6 | 08/QD - PGMD | 08/04/2015 | Found the Organization Committee for Annual General Meeting of Shareholders 2015 |
| 7 | 13/QD - HDQT | 15/05/2015 | Issue the financial rule of APP |
| 8 | 15/NQ - HDQT | 13/06/2015 | Mortgage the asset of the Company to borrow the capital from bank |
| 9 | 19/NQ-HDQT | 10/08/2015 | - Appoint Mr. Hoang Trung Dung to be General Manager with on 15/9/2015  - Dismiss Ms. Le Thi Mai Huong from Chief Accountant on 01/10/2015  - Appoint Mr. Nguyen Truong Son to be General Manager of the Company  - Convene the Extraordinary General Meeting of Shareholders |
| 10 | 25/BB-HDQT | 15/09/2015 | - Appoint Mr. Dinh Viet Cuong – Director to be Chair of Board of Directors of the Company on 15/09/2015  - Dismiss Mr. Vu Quang Hai from Gm of the Company  - Appoint Mr. Hoang Trung Dung to be General Manager of the Company |
| 11 | 29/NQ-HDQT | 20/09/2015 | - Appoint Ms. Pham Thi Thuy Ha to be Deputy General Manager  - Appoint Mr. Hoang Binh Duong to be Deputy General Manager cum Manager of Branch at Ho Chi Minh City  - Dismiss Mr. Pham Quy Hong from Deputy General Manager  - Dismiss Mr. Dang Trung Cuong from Chief of Civil Sale Department  - Dismiss Mr. Vu Duc Chinh from functional Manager of Branch at Ho Chi Minh City  - Assign Ms. Su Bui Bao Ngoc – Director to research and create the regulations for the Company  - Assign members of Board of Directors to allocate jobs  - Appoint, reappoint and decide the salary for Chief, Deputy Chief of Departments and corresponding positions  - Complete the structure of the Company  - Sign audit contract with VAE Audit Company  - Create a plan on salary that suit with business operation and income of labor of the Company |
| 12 | 34/NQ-HDQT | 04/11/2015 | - Design and build APP Distribution System stage 2016 – 2020 of Management Board  - Receive and Appoint Mr. Phung Giang Nam to be Chief Accountant  - Approve moving and investing in watershed warehouse  - Approve renovating and repairing the offices at Head Office of the Company with the expected expense of VND 300,000,000  - Assign General Manager to review and propose the reasonable allowance for Board of General Manager and Staff of the Company  - Assign Management Board to rebuild the structure of the Company  - Assign Management Board to complete the data and duties between General Manager and Mr. Vu Quang hai  - Assign Members of Board of Directors to allocate duties and create a draft on operation regulations of the Company  - Create the detail plan on cooperating with MTS Company |
| 13 | 44/NQ-HDQT | 10/12/2015 | - Approve the operating result of November of 2015  - Approve the operating plan for 2016  - Approve the draft on duties of Board of Directors  - Approve the operation regulations of Board of Directors  - Approve contract draft between the Board of Directors and General Manager  - Authorize Supervisory Board to organize a meeting with Mr. Vu Quy Lam  - Appoint Mr Phung Giang Nam to be Chief Accountant of the Company  - Approve the periodic meeting of Board of Directors on 15th each month  - Approve the policies on establishing Joint Stock Company at Quang Ninh  - Assign Executive Board to  + Create regulations on salary and regulations on agencies  + Deploy and assess the commitment on quality of products of APP  + Assess the impact of TPP on the lubricant market  - Assign secretary of the Company to consult Board of Directors via a ballot about the following issues:  + Dividend payment stage 1 of 2015  + Purchasing share of MTS Company  + The plan on promoting products of the Company and the efficiency of contract with Thaco Group  + Allowance for Board of General Manager and staff  + Salary, bonus and welfare for General Manager |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Organizations/Individuals** | **Title** | **Moment as connected persons/institutions** | **Moment as not connected persons/institutions** | **Reason** |
| **1** | **Dinh Viet Cuong** | **Chair of Board of Directors** | **15/09/2015** |  |  |
|  | Tran Thi Hieu | Connected person | 15/09/2015 |  |  |
|  | Vu Thi Phuong Thao | Connected person | 15/09/2015 |  |  |
|  | Dinh Thi Thu Phuong | Connected person | 15/09/2015 |  |  |
|  | Dinh Thi Phuong Linh | Connected person | 15/09/2015 |  |  |
|  | Dinh Thi Viet Anh | Connected person | 15/09/2015 |  |  |
|  | Dinh Thi Thanh Binh | Connected person | 15/09/2015 |  |  |
| **2** | **Nguyen Ha Trung** | **Director** | **15/09/2015** |  |  |
|  | Nguyen Van Xuyen | Connected person | 15/09/2015 |  |  |
|  | Nguyen Thi Nhung | Connected person | 15/09/2015 |  |  |
|  | Vu Thi Toan | Connected person | 15/09/2015 |  |  |
|  | Nguyen Minh Anh | Connected person | 15/09/2015 |  |  |
|  | Nguyen Thi Yen Ha | Connected person | 15/09/2015 |  |  |
| **3** | **Su Bui Bao Ngoc** | **Director** | **15/09/2015** |  |  |
|  | Bui Thi Thao | Connected person | 15/09/2015 |  |  |
|  | Dao Trung Kien | Connected person | 15/09/2015 |  |  |
|  | Dao Tri Duc | Connected person | 15/09/2015 |  |  |
|  | Dao To Quynh | Connected person | 15/09/2015 |  |  |
|  | Su Tu Tan | Connected person | 15/09/2015 |  |  |
| **4** | **Do Hong Hanh** | **Chief of Supervisory Board** | **15/09/2015** |  |  |
|  | Ngo Thi Than | Connected person | 15/09/2015 |  |  |
|  | Tran Hoai Nam | Connected person | 15/09/2015 |  |  |
|  | Do Manh Cuong | Connected person | 15/09/2015 |  |  |
|  | Do Hong Ngoc Tram | Connected person | 15/09/2015 |  |  |
|  | Do Hong Ngoc Anh | Connected person | 15/09/2015 |  |  |
| **5** | **Le Thi Bach Lien** | **Member of Supervisory Board** | **15/09/2015** |  |  |
|  | Le Thi Mai Du | Connected person | 15/09/2015 |  |  |
|  | Nguyen Xuan Dung | Connected person | 15/09/2015 |  |  |
|  | Nguyen Thi Ha Phuong | Connected person | 15/09/2015 |  |  |
|  | Nguyen The Nam Anh | Connected person | 15/09/2015 |  |  |
|  | Le Thi Bach Quynh | Connected person | 15/09/2015 |  |  |
|  | Le Sinh Tien | Connected person | 15/09/2015 |  |  |
|  | Le Sinh Tuan | Connected person | 15/09/2015 |  |  |
| **6** | **Nguyen Thi Mai Anh** | **Member of Supervisory Board** | **15/09/2015** |  |  |
|  | Nguyen Van Sang | Connected person | 15/09/2015 |  |  |
|  | Nguyen Xuan Tam | Connected person | 15/09/2015 |  |  |
|  | Nguyen Thi Hoan | Connected person | 15/09/2015 |  |  |
|  | Nguyen Thi Thao | Connected person | 15/09/2015 |  |  |
|  | Nguyen Kieu Anh | Connected person | 15/09/2015 |  |  |
|  | Bui Quoc Linh | Connected person | 15/09/2015 |  |  |
|  | Bui Quoc Binh | Connected person | 15/09/2015 |  |  |
| **7** | **Hoang Binh Duong** | **Deputy General Manager** | **15/09/2015** |  |  |
|  | Hoang Trung Dung | Connected person | 15/09/2015 |  |  |
|  | Do Thi Thuy | Connected person | 15/09/2015 |  |  |
|  | Hoang Tanh Tung | Connected person | 15/09/2015 |  |  |
|  | Le Hoang Thuy Duong | Connected person | 15/09/2015 |  |  |
| **8** | **Phung Giang Nam** | **Chief Accountant** | **15/09/2015** |  |  |
|  | Phung Van Nghia | Connected person | 15/09/2015 |  |  |
|  | Do Thi Nhung | Connected person | 15/09/2015 |  |  |
|  | Duong Thi Binh | Connected person | 15/09/2015 |  |  |
|  | Phung Que Anh | Connected person | 15/09/2015 |  |  |
|  | Phung Que Giang | Connected person | 15/09/2015 |  |  |
|  | Phung Duc Dung | Connected person | 15/09/2015 |  |  |
|  | Phung Duc Trung | Connected person | 15/09/2015 |  |  |
| **9** | **Pham Van Chuong** | **Chair of Board of Directors** |  | **15/09/2015** |  |
|  | Pham Thi Duong | Connected person |  | 15/09/2015 |  |
|  | Hoang Thuy Nguyen | Connected person |  | 15/09/2015 |  |
|  | Pham Thi Minh Ngoc | Connected person |  | 15/09/2015 |  |
|  | Pham Tuan Anh | Connected person |  | 15/09/2015 |  |
|  | Pham Ngoc Thi | Connected person |  | 15/09/2015 |  |
|  | Pham Thuy Nhuan | Connected person |  | 15/09/2015 |  |
|  | Pham Van Truong | Connected person |  | 15/09/2015 |  |
|  | Pham Van Tho | Connected person |  | 15/09/2015 |  |
|  | Pham Van Khao | Connected person |  | 15/09/2015 |  |
|  | Pham Thi Nga | Connected person |  | 15/09/2015 |  |
|  | Pham Thi Binh | Connected person |  | 15/09/2015 |  |
|  | Pham Van Khoa | Connected person |  | 15/09/2015 |  |
|  | Pham Thi Hoi | Connected person |  | 15/09/2015 |  |
|  | Pham Thi Thin | Connected person |  | 15/09/2015 |  |
| **10** | **Vu Quang Hai** | **Director – General Manager** |  | **15/09/2015** |  |
|  | Vu Thi Thom | Connected person |  | 15/09/2015 |  |
|  | Nguyen Thi Bich Lien | Connected person |  | 15/09/2015 |  |
|  | Vu Truong Giang | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Thanh Binh | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Minh Huong | Connected person |  | 15/09/2015 |  |
|  | Vu Quang Duong | Connected person |  | 15/09/2015 |  |
|  | Vu Quang Vuong | Connected person |  | 15/09/2015 |  |
| **11** | **Pham Quy Hong** | **Director – Deputy General Manager** |  | **15/09/2015** |  |
|  | Pham Quy Kha | Connected person |  | 15/09/2015 |  |
|  | Nguyen Thi Tinh | Connected person |  | 15/09/2015 |  |
|  | Nguyen Thi Bich Tra | Connected person |  | 15/09/2015 |  |
|  | Pham Hoang Long | Connected person |  | 15/09/2015 |  |
|  | Pham Thien Bich Ngoc | Connected person |  | 15/09/2015 |  |
| **12** | **Vu Van Trang** | **Chief of Supervisory Board** |  | **15/09/2015** |  |
|  | Ta Thi Mai | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Mai Anh | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Anh Tuyet | Connected person |  | 15/09/2015 |  |
|  | Vu Truong Giang | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Hong | Connected person |  | 15/09/2015 |  |
| **13** | **Vu Quynh Lam** | **Member of Supervisory Board** |  | **15/09/2015** |  |
|  | Nguyen Thi Thu | Connected person |  | 15/09/2015 |  |
|  | Dang Thi Hai Yen | Connected person |  | 15/09/2015 |  |
|  | Vu Hai Thanh | Connected person |  | 15/09/2015 |  |
|  | Vu Quy Binh | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Chien | Connected person |  | 15/09/2015 |  |
|  | Vu Quy Hung | Connected person |  | 15/09/2015 |  |
|  | Vu Thi Thuy | Connected person |  | 15/09/2015 |  |
| **14** | **Nguyen Thi Xuan Quyen** | **Member of Supervisory Board** |  | **15/09/2015** |  |
|  | Pham Thi Thiem | Connected person |  | 15/09/2015 |  |
|  | Nguyen Xuan Thuy | Connected person |  | 15/09/2015 |  |
|  | Nguyen Duy Dat | Connected person |  | 15/09/2015 |  |
|  | Duong Manh Tien | Connected person |  | 15/09/2015 |  |
|  | Duong Xuan Quynh Anh | Connected person |  | 15/09/2015 |  |
|  | Duong Huy Hoang | Connected person |  | 15/09/2015 |  |
| **15** | **Le Thi Mai Huong** | **Chief Accountant** |  | **15/09/2015** |  |
|  | Le Van Nguyen | **Connected person** |  | 15/09/2015 |  |
|  | Pham Thi Chau Bang | **Connected person** |  | 15/09/2015 |  |
|  | Mai Khoa | **Connected person** |  | 15/09/2015 |  |
|  | Mai Le Khanh | **Connected person** |  | 15/09/2015 |  |
|  | Mai Huong Ly | **Connected person** |  | 15/09/2015 |  |
|  | Le Van Hung | **Connected person** |  | 15/09/2015 |  |
|  | Le Thanh Hai | **Connected person** |  | 15/09/2015 |  |
|  | Le Thi Thu Ha | **Connected person** |  | 15/09/2015 |  |

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

1. List of PDMRs and connected persons/institutions

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Organizations/Individuals** | **Title** | **Shareholding at the beginning of the term** | **Shareholding at the end of the term** | **Note** |
| 1 | **Dinh Viet Cuong** | Chair of Board of Directors | 116,000 | 2.93% |  |
|  | Tran Thi Hieu | Connected person | - |  |  |
|  | Vu Thi Phuong Thao | Connected person | 155,000 | 3.91% |  |
|  | Dinh Thi Thu Phuong | Connected person |  |  |  |
|  | Dinh Thi Phuong Linh | Connected person |  |  |  |
|  | Dinh Thi Viet Anh | Connected person |  |  |  |
|  | Dinh Thi Thanh Binh | Connected person | 36,400 | 0.92% |  |
| **2** | **Nguyen Thi Truong** | **Deputy Chair of Board of Directors** | **22,591** | **0.57%** |  |
|  | Nguyen Thi Nhu | Connected person |  |  |  |
|  | Nguyen Trong Hoan | Connected person |  |  |  |
|  | Nguyen Thanh Liem | Connected person |  |  |  |
|  | Nguyen Thi Hien | Connected person |  |  |  |
|  | Nguyen Thi Thuong | Connected person |  |  |  |
|  | Nguyen Huu Thuy | Connected person |  |  |  |
| **3** | **Hoang Trung Dung** | **Director - General Manager** | **956,216** | **24.12%** |  |
|  | Dinh Thi Viet Anh | Connected person |  |  |  |
|  | Hoang Binh Duong | Connected person |  |  |  |
|  | Hoang Thu Thuy | Connected person |  |  |  |
|  | Nguyen Trung Nghia | Connected person |  |  |  |
|  | Nguyen Khanh Vi | Connected person |  |  |  |
|  | Nguyen Ha Vi | Connected person |  |  |  |
| **4** | **Nguyen Ha Trung** | **Director** | **658,600** | **16.60%** |  |
|  | Nguyen Van Xuyen | Connected person |  |  |  |
|  | Nguyen Thi Nhung | Connected person |  |  |  |
|  | Vu Thi Toan | Connected person |  |  |  |
|  | Nguyen Minh Anh | Connected person |  |  |  |
|  | Nguyen Thi Yen Ha | Connected person |  |  |  |
| **5** | **Su Bui Bao Ngoc** | **Director** | **210,000** | **5.30%** |  |
|  | Bui Thi Thao | Connected person |  |  |  |
|  | Dao Trung Kien | Connected person |  |  |  |
|  | Dao Tri Duc | Connected person |  |  |  |
|  | Dao To Quynh | Connected person |  |  |  |
|  | Su Tu Tan | Connected person |  |  |  |
| **6** | **Do Hong Hanh** | **Chief of Supervisory Board** |  |  |  |
|  | Ngo Thi Than | Connected person |  |  |  |
|  | Tran Hoai Nam | Connected person |  |  |  |
|  | Do Manh Cuong | Connected person |  |  |  |
|  | Do Hong Ngoc Tram | Connected person |  |  |  |
|  | Do Hong Ngoc Anh | Connected person |  |  |  |
| **7** | **Le Thi Bach Lien** | **Member of Supervisory Board** | **6,552** | **0.16%** |  |
|  | Le Thi Mai Du | Connected person |  |  |  |
|  | Nguyen Xuan Dung | Connected person |  |  |  |
|  | Nguyen Thi Ha Phuong | Connected person |  |  |  |
|  | Nguyen The Nam Anh | Connected person |  |  |  |
|  | Le Thi Bach Quynh | Connected person |  |  |  |
|  | Le Sinh Tien | Connected person |  |  |  |
|  | Le Sinh Tuan | Connected person |  |  |  |
| **8** | **Nguyen Thi Mai Anh** | **Member of Supervisory Board** | **155,000** | **3.91%** |  |
|  | Nguyen Van Sang | Connected person |  |  |  |
|  | Nguyen Xuan Tam | Connected person |  |  |  |
|  | Nguyen Thi Hoan | Connected person |  |  |  |
|  | Nguyen Thi Thao | Connected person |  |  |  |
|  | Nguyen Kieu Anh | Connected person |  |  |  |
|  | Bui Quoc Linh | Connected person | 2,800 | 0.07% |  |
|  | Bui Quoc Binh | Connected person |  |  |  |
| **9** | **Pham Thi Thuy Ha** | **Deputy General Manager** |  |  |  |
|  | Bui Thi Tham | Connected person |  |  |  |
|  | Dinh Quang Thai | Connected person |  |  |  |
|  | Dinh Thi Thu Nga | Connected person |  |  |  |
|  | Dinh Quang Dung | Connected person |  |  |  |
|  | Pham Thi Thanh Hien | Connected person |  |  |  |
| **10** | **Hoang Binh Duong** | **Deputy General Manager** |  |  |  |
|  | Hoang Trung Dung | Connected person | 956,216 | 24.12% |  |
|  | Do Thi Thuy | Connected person |  |  |  |
|  | Hoang Tanh Tung | Connected person |  |  |  |
|  | Le Hoang Thuy Duong | Connected person |  |  |  |
| **11** | **Phung Giang Nam** | **Chief Accountant** |  |  |  |
|  | Phung Van Nghia | Connected person |  |  |  |
|  | Do Thi Nhung | Connected person |  |  |  |
|  | Duong Thi Binh | Connected person |  |  |  |
|  | Phung Que Anh | Connected person |  |  |  |
|  | Phung Que Giang | Connected person |  |  |  |
|  | Phung Duc Dung | Connected person |  |  |  |
|  | Phung Duc Trung | Connected person |  |  |  |
| **12** | **Nguyen Duy Kien** | **Information disclosure officer** |  |  |  |
|  | Nguyen Trong Nghiem | Connected person |  |  |  |
|  | Nguyen Thi Tuyen | Connected person |  |  |  |
|  | Nguyen Thi Ngoc Anh | Connected person |  |  |  |
|  | Nguyen Duy Khiem | Connected person |  |  |  |
|  | Nguyen Thu Ha | Connected person |  |  |  |
|  | Nguyen Minh Chau | Connected person |  |  |  |
|  | Nguyen Mai Khanh | Connected person |  |  |  |

2. Transactions of PDMRs and connected persons/institutions

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Transaction person** | **Relationship with PDMRs/key shareholders** | **Number of shares at opening period** | | **Number of shares at closing period** | | **Reason for increase, decrease** |
| **Number of shares** | **Rate** | **Number of shares** | **Rate** |
| 1 | Dinh Quang Thai | Connected person | **55,619** | **1.4%** | **0** | **0** | decrease |
|  |  |  |  |  |  |  |  |

3. Other transactions:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Transaction person** | **Relationship with PDMRs/key shareholders** | **Number of shares at opening period** | | **Number of shares at closing period** | | **Reason for increase, decrease** |
| **Number of shares** | **Rate** | **Number of shares** | **Rate** |
| 1 | Hoang Trung Dung | Director | **606,216** | **15.29%** | **956,216** | **24.12%** | Buy |
| 2 | Pham Thi Thuy Ha | Deputy General Manager | 8,190 | 0.2% | 0 | 0 | Sell |
| 3 | Vietnam Chemical Group | Major shareholder | 1,754,446 | 44.26% | 0 | 0 | Sell |
| 4 | Tran Thi Phuc | Major shareholder | 960,000 | 24.22% | 0 | 0 | Sell |
| 5 | Nguyen Ha Trung | Major shareholder | 0 | 0 | 658,600 | 16.6% | Buy |
| 6 | Su Bui Bao Ngoc | Major shareholder | 0 | 0 | 210,000 | 5.3% | Buy |

**V. Other issues: None**