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IFC, Deloitte, Hanoi and Hochiminh Stock Exchanges, Help Listed Companies to Improve Corporate Governance and to Boost Long-Term Investment

HCMC, Vietnam, June 10, 2016- IFC, a member of the World Bank Group, and Deloitte Vietnam, in partnership with the Hanoi and Hochiminh Stock Exchanges, are helping Vietnamese listed companies to adopt international best practices in corporate governance (CG) to boost their appeal to foreign investors and spur growth.

More than 300 participants attended a half-day conference in Hanoi on 9 June and another one in Ho Chi Minh City today. Experts from the Stock Exchanges as well as the Central Institute for Economic Management (CIEM), Deloitte Vietnam, Dragon Capital Group, and IFC updated businesses on new requirements in Vietnam's 2014 Law on Enterprises, as well as international best practices in corporate governance and their relevance for Vietnamese companies.

"The new law includes significant revisions to help public and listed companies to adopt international best corporate governance practices, as part of the government's drive to ensure better corporate governance," said Nguyen Thanh Long, Chairman of the Hanoi Stock Exchange. "Companies will benefit tremendously from attending this conference, which will help them take their corporate governance to a new level."

Under the new law, which came into force in July 2015, public and listed companies are also allowed to set up an audit committee under the Board of Directors, without having a supervisory board, subject to requirements. This is the first time the definition and role of an independent director in the company's Board of Directors has been introduced in the Law on Enterprise.

"Businesses need to be aware of the vital role of corporate governance and a board's audit committee in overseeing the effectiveness and integrity of internal controls," said Ha Thu Thanh, Chairwoman of Deloitte Vietnam. "Together with our counterparts, we understand our part in helping companies and the market improve transparency, increase efficiency and enhance resiliency, and we are determined to fully support companies in successfully applying good corporate governance."

Mr..Le Hai Tra, Deputy CEO of Hochiminh Stock Exchange indicated that "Corporate Governance is considered to have significant implications for the growth prospects of an organization as well as the entire economy. Good CG practices are verifying their importance in reducing risk for investors, attracting investment and improving the performance of companies. Hochiminh Stock Exchange always put strong effort in encouraging good CG practices by a sequence of activities as training, workshop and awards to accomplish the target of enhancing CG among listed companies and approaching to international standards".

"As competition grows among countries in the region, improving corporate governance in line with internationally accepted practices will help Vietnamese companies become more sustainable and attractive to investors," said Kyle Kelhofer, IFC Country Manager for Vietnam, Cambodia, and Lao People's Democratic Republic. "Enhanced corporate governance will also strengthen the development of Vietnam's capital markets and benefit the overall economy."

IFC has been working with the Vietnamese government since 2007 to improve the country's regulations and investment climate, raise public awareness of good corporate governance, build the capacity of its partners, and provide governance advice to individual companies. IFC's Corporate Governance Program in East Asia and the Pacific is funded by the State Secretariat for Economic Affairs of Switzerland.

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence, to create opportunity where it's needed most. In FY15, our long-term investments in developing countries rose to nearly \$18 billion, helping the private sector play an essential role in the global effort to end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org

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About Deloitte Vietnam

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte's more than 225,000 professionals are committed to making an impact that matters. Deloitte serves 4 out of 5 Fortune Global 500® companies.

Harnessing the strength of the Deloitte regional and global interconnected network together with deep business knowledge and industry expertise of over 700 professionals located in Hanoi and Ho Chi Minh City offices, Deloitte Vietnam, founded 25 years ago as the first audit and advisory firm in Vietnam, is able to help our clients enhance their capacity generally and corporate governance particularly in order to excel in the local, regional and global marketplace.

About the Hochiminh Stock Exchange

Established in July 2000, Hochiminh Securities Trading Center (HoSTC) – now known as Hochiminh Stock Exchange (HOSE) – was the first centralized stock market in Vietnam. The establishment of HoSTC brought the Vietnam securities market to regulated stage of operation, aiming at building an effective and long-term capital mobilization channel for economic development. On August 2007, HoSTC was transformed to HOSE, bringing Vietnam securities market closer to other developed markets within the region and all over the world.

After nearly 16 years, HOSE currently has about 307 listed companies, 39 bonds and 1 ETFs with total market capitalization of USD 53 billion, 77 securities members and over 1.5 million trading accounts. The total trading value for the past 15 years reached more than USD 144 million (more than 140 billion of securities).

Currently, HOSE is focusing on researching and launching new products such as Exchange Trade Fund Certificate, Covered Warrant as well as new indices (include the ESG Index).