

CÔNG TY CỔ PHẦN FPT
FPT CORPORATION

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc
THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Số/No.: 99/FPT-FAF

Hà Nội, ngày 10 tháng 03 năm 2017
Hanoi, March 10th, 2017

**CÔNG BỐ THÔNG TIN
TRÊN CÔNG THÔNG TIN ĐIỆN TỬ
CỦA ỦY BAN CHỨNG KHOÁN NHÀ
NƯỚC VÀ SGDCK TP.HCM**

**DISCLOSURE OF INFORMATION ON
THE STATE SECURITIES
COMMISSION'S PORTAL AND
HOCHIMINH STOCK EXCHANGE'S
PORTAL**

Kính gửi/ To:

- Ủy ban Chứng khoán Nhà nước/ *The State Securities Commission*
- Sở Giao dịch chứng khoán TP.HCM/ *Hochiminh Stock Exchange*

- Tên tổ chức / *Organization name*: Công ty Cổ phần FPT/ *FPT Corporation*
- Mã chứng khoán/ *Security Symbol*: FPT/ *FPT*
- Địa chỉ trụ sở chính/ *Address*: Tòa nhà FPT, 17 Duy Tân, Phường Dịch Vọng Hậu, Quận Cầu Giấy, Hà Nội/ *FPT Building, 17 Duy Tan Street, Dich Vong Hau Ward, Cau Giay Distric, Hanoi*
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- Người thực hiện công bố thông tin/ *Submitted by*: Ông Trần Hồng Dương/ *Mr. Tran Hong Duong*
Chức vụ/ *Position*: Trưởng phòng Quan hệ Cổ đông FPT/ *Head of FPT Investor Relations Department*

Loại thông tin công bố: định kỳ bất thường 24h theo yêu cầu
Information disclosure type: *Periodic* *Irregular* *24 hours* *On demand*

Nội dung thông tin công bố (*)/ Content of Information disclosure (*): Nghị quyết HĐQT số 01.03.2017/NQ-HĐQT/FPT/ *BOD's Resolution No. 01.03.2017/NQ-HĐQT/FPT*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 10/03/2017 tại đường dẫn: <http://fpt.com.vn/vi/nhadautu/cong-bo-thong-tin>
This information was disclosed on Company's Portal on March 10th, 2017 Available at: <https://fpt.com.vn/en/ir/information-disclosure>



Tôi cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố./

I declare that all information provided in this paper is true and accurate; I shall be legally responsible for any misrepresentation.

Tài liệu đính kèm/ Attachment: Nghị quyết
HĐQT số 01.03.2017/NQ-HĐQTFPT/ BOD's
Resolution No. 01.03.2017/NQ-HĐQTFPT

Đại diện tổ chức
Organization representative

Người UQ CBTT
Party authorized to disclose information



Trần Hồng Dương

Nơi nhận:

- Như trên;
- Lưu: VT, FAF.



RESOLUTION OF FPT CORPORATION'S BOARD OF DIRECTORS

FPT CORPORATION'S BOARD OF DIRECTORS

Pursuant to:

- Law on Enterprises released in 2014;
- Company Charter of FPT Corporation;
- Minutes of the Board of Directors meeting No. 01.03-2017/BB-HĐQT/FPT dated March 10th, 2017.

DECIDED THE FOLOWING

Article 1: Approved Agenda of 2017 AGM, detail as attached, cordially submit to the AGM for approval.

Article 2: Approved BOD's Report in 2016, directions and business plan for 2017, details as attached, cordially submit to the AGM for approval.

Article 3: Approved 2017 BOD's remuneration budget, cordially submit to the AGM for approval. Details are as follows:

- Salary for executive members of the BOD: **VND 10.76 billion;**
- Bonus for executive members of the BOD: not exceeding **0.49%** profit before tax;
- Compensation for non-executive members of the BOD: **VND 5.75 billion.**

Article 4: Approved 2016 Audited Financial Statements, cordially submit to the AGM for approval.

Article 5: Approved Supervisory Board's Report in 2016, 2017 remuneration budget, cordially submit to the AGM for approval.

Article 6: Approved 2016 Profit Distribution plan and policy for 2017 cash dividend payment, cordially submit to the AGM for approval. Details are as follows:

Plan for 2016 profit distribution

- Total cash dividend payment in 2016 of 20% of par value, or VND 2,000 per share, in which:
 - o Interim cash dividend paid in 2016 was 10% of par value, or VND 1,000 per share;
 - o Final cash dividend will be paid after the AGM's approval of 10% of par value, or VND 1,000 per share;
 - o Payment time: 2nd quarter of 2017.

Plan for stock dividend payment

- Ratio of stock dividend is 15% (each 20 shares currently owned by shareholders are entitled to receive 3 shares of stock dividend)

- Source: from retained earnings.
- Listed: number of issuance shares will be listed right after implementation.
- Execution time: immediately after the AGM's approval (at the same time as cash dividend payment mentioned above).

2017 cash dividend policy

Propose cash dividend payment in 2017 of 20% of par value, or VND 2,000 per share, based on the number of new outstanding shares after paying stock dividend of 15%.

Article 7: Approved selection one (1) among four (4) audit firms as below (Big 4) to audit the 2017 financial statements, cordially submit to the AGM for approval.

1. KPMG
2. Deloitte
3. PwC
4. Earnst & Young

Article 8: Approved the plan of share issuance for employees in 2017-2019, cordially submit to the AGM for approval. Details are as follows:

- To issue Type 3 ESOP (according to Article 5, Charter of FPT Corporation) at par value with lock-up period of 3 years for employees with notable achievements, and for short-listed talents for the 3-year period from 2017 to 2019. Accordingly, total number of shares issued will not exceed 0.5% of the chartered capital at the issuance date. These shares will be listed right after issuance.
- Issuance timing: 3 times in 2018, 2019 and 2020. Issuance will be implemented after the issuance of the Audited Financial Statements of the previous year.
- Beneficiaries: Key staff from level 5 upwards; and short-listed talented employees.
- Lock-up period: 03 years from issuance date.

Article 9: Approved the lists of candidates of the Board of Directors and Supervisory Board Members for the period 2017-2022, details as attached, cordially submit to the AGM for election and approval.

Article 10: Members of Board of Directors, Supervisory Board, and Board of Management of FPT Corporation, and related individuals have obligation to execute this Resolution.

This resolution takes effect immediately upon signing./

ON BEHALF OF THE BOD
CHAIRMAN
(Signed and sealed)
Truong Gia Binh

Archived by:
 - As Item 10 ;
 - Admin, BOD Office.



TENTATIVE AGENDA
2017 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Time: 13:00 Friday, March 31st, 2017
Venue: Grand Ballroom, Ground floor, Hanoi Daewoo Hotel, 360 Kim Ma, Ngoc Khanh, Ba Dinh, Hanoi

No.	Time	Content (draft)	Person in Charge
1.	13:00 – 14:00	Registration	Event management Committee
2.	14:00 – 14:05	Opening ceremony	Event management Committee
3.	14:05 – 14:10	Report on the validity of AGM	Supervisory Board
4.	14:10 – 14:20	Nomination of the secretary, election of the voting committee and approval of the meeting agenda	Chairman
5.	14:20 – 14:35	Presentation of 2016 BOD's Report, directions and business plan for 2017 2017 BOD's remuneration budget	BOD
6.	14:35 – 14:45	Presentation of BOM's Report about business activities and 2016 audited financial statements	BOM
7.	14:45 – 14:50	Presentation of 2016 Supervisory Board's Report 2017 remuneration budget	Supervisory Board
8.	14:50 – 14:55	Presentation of 2016 profit distribution plan, policy for 2017 cash dividend payment, Proposal of independent audit firm to audit 2017 financial statements	BOM
9.	14:55 – 15:00	Presentation of the plan of share issuance for employees in the period 2017-2019	BOD
10.	15:00 – 15:15	Presentation of FPT's 2017-2019 Strategy	BOD
11.	15:15 – 15:25	Election of BOD and Supervisory Board Members for the 2017-2022 tenure	
12.	15:25 – 15:55	Discussion on Voting Issues and Election	Chairman
13.	15:55 – 16:05	Voting and Election	Voting Committee
14.	16:05 – 16:25	Discussion on other issues	Chairman
15.	16:25 – 16:40	<i>Tea break</i>	
16.	16:40 – 16:45	Announcement on Voting and Election results	Voting Committee
17.	16:45 – 16:50	Introduction of BOD and Supervisory Board Members for the period 2017-2022	BOD and Supervisory Board
18.	16:50 – 16:55	Approval on 2017 AGM Resolution	BOD
19.	16:55 – 17:00	Approval on 2017 AGM Minutes	Secretary
20.	17:00	Meeting closing	Chairman



THE REPORT OF THE BOARD OF DIRECTORS

I. REVIEW OF THE BOD ON COMPANY'S PERFORMANCE

1. Assessment on business performance

Ending the financial year 2016 (FY2016), FPT recorded consolidated revenue of VND 40,545 billion, up 1.4% versus FY2015. Profit before tax (PBT) was up 5.7% year on year (YoY) to VND 3,014 billion. However, these results of revenue and PBT were just equivalent to 89% and 96% of the YTD target, respectively. Most of business sectors saw high rate of YTD target achievement, except the distribution business recording a drop in revenue and profit due to Microsoft's closure of Lumia phone business which made consumption difficult and the Corporation had to sell at a loss to release inventory. Excluding the revenue and PBT of the distribution segment, the total remaining segments achieved 103% of the YTD revenue target and 102% of the YTD PBT target.

Overseas markets continued to be a key growth driver going forward with revenue increased by 26% YoY to VND 6,121 billion, and PBT up 40% YoY to VND 935 billion.

2. The results of implementing the strategic directions

2.1 Aspiring to be a global corporation:

In 2016, the globalization direction of FPT continued to bring fruitful results, contributing significantly to the overall performance.

- Revenue from overseas markets grew 26% versus 2015, accounting for 15% of the total revenue, as compared to 12% contribution in 2015. PBT increased by 40% versus 2015, accounting for 31% of total PBT;
- Opening 03 new offices in Japan, Korea and China. Bringing the total number of representation offices to 21;
- Affirming its position in some overseas markets. Japanese market exceeded USD 100 million in revenue, approaching Top 50 IT service providers in Japan in terms of scale. Bangladesh market achieved a total contract value of nearly USD 60 million;
- The number of foreign employees reached 1,210 people, up 6.6% versus 2015. Total average number of employees participated in providing IT services abroad was 9,359, up 11% against 2015.

2.2 Pioneering in the digital world

With the development of technology, the 4th industrial revolution will bring outstanding development opportunities to not only FPT in particular but to all enterprises, institutions and Vietnam in general. FPT has been working with technology corporations who are leading the digital revolution and engaging more deeply into the global technology value chain, especially in S.M.A.C and Internet of Things (IoT).

- Revenue from providing new technology (S.M.A.C, IoT) related solutions to customers saw an impressive increase of 144% to VND 2,197 billion in 2016;
- Accompanying enterprises owning IoT and IIoT technology platform to help leading global firms change their ways of doing business, and their business models in the digital



economy. FPT is a local partner in IoT of General Electric, a leading global industrial group, and has been granted a special AWS certificate for companies with 200 or more AWS certificates, representing growth and FPT's remarkable capability of AWS's Cloud technology;

- Together developing technology community through launching OpenFPT port (sharing and connecting technologies and research results of FPT (and its subsidiaries) to technology community), co-founding the Vietnam Innovative Startup Accelerator (VIISA) and organizing the “Digital race” programming contest;
- Accelerating digital transformation of FPT by implementing Facebook At Work across the Group as an effective work tool; FPT is the first and largest Vietnam enterprise which will implement Microsoft’s cloud computing technology for the entire operations of the Group in order to optimize operational efficiency, improve competitiveness; deploy the recommendation system for VnExpress, FPT Play, FPT Shop, Sendo.vn to suggest contents/ products for users; digitally transform business processes at FPT Telecom, FPT Retail with applications such as Mobile POS, Mobile Sale, etc.;
- The number of employees who have obtained the technology certificates from large corporations reached 3,283 certificates;
- The first Vietnam enterprise achieved the “Digital Transformer of The Year” award as being voted by the multinational group International Data Corporation (IDC) for its efforts in providing telecom service and approaching international integration, particularly the ability to catch the market to commercialize telecom services.

2.3 Heightening the position

With the desire to improve Vietnam's position in the global technology value chain, FPT has been trying to build the image of the Corporation in the domestic and overseas markets.

- Three consecutive years in Top 100 global service providers assessed by IAOP;
- Top 300 ASEAN enterprises assessed by Nikkei;
- Signing 21 large contracts with revenue of more than USD 2 million.

At the same time, we continued to build the company into a learning organization in order to meet the rapid change of technology and increase the capacity of the management team. In 2016, the number of training hours per person was 41 hours compared to the average target of 20 hours.

3. Assessment on values FPT brought to stakeholders towards sustainability

Stakeholders	Values
Shareholders and investors	<ul style="list-style-type: none"> - PBT: VND 3,014 billion, up 5.7%; - EPS: 3,925 VND/share; - Paid dividends of 20% in cash and 15% by stock; - Recognized as one of five companies with the best corporate governance in Vietnam by financial publication Asia Money. FPT continued winning two out of five important categories including Best for Shareholders’ Rights and Equitable Treatment in Vietnam and Best



	for Investor Relations in Vietnam and ranked among Top 3 for Disclosure and Transparency.
Customers	<ul style="list-style-type: none"> - Provided products, services and solutions based on core technology platforms of the digital revolution as IoT, IoV, Analytics, Robotics in order to help customers catch up with trends and improve competitiveness; - Implemented effective programs to enhance customer experience and satisfaction such as the "We love FPT Shop", the "Managing the customer experience" program held by FPT Telecom, etc.
Employees	<ul style="list-style-type: none"> - Organized 1.011.455 training hours with 223.399 trainees; - FPT continue to be honored at the Vietnam HR Awards 2016 (the award for enterprises with outstanding HR policies in Vietnam) in two categories: "The Best Working Environment Award" and "The Training & Human Capital Development Award".
Vietnamese Government	<ul style="list-style-type: none"> - Contributed to the State Budget: VND 5,638 billion; - Deployed many important nationwide IT Projects in the field of e-government, public finance, transportation, healthcare, ...
Community	<ul style="list-style-type: none"> - Considered education as a key factor for growth, FPT set the investment for education and the truth on the focus of community activities. In 2016, FPT spent 28,57 billion VND on the investment for education and the truth, accounting for 88.7% of total funding for social activities; - Organized a variety of community activities, attracting thousands of employees in attendance: <ul style="list-style-type: none"> ✓ 14 blood donation campaigns, collecting 2.647 units of blood; ✓ 15 campaigns of assistance and relief for 4.549 households impacted by flooding and other natural disasters.
Environment	<ul style="list-style-type: none"> - FPT always completed the Environment Impact Assessment Report as well as complied with regulations related to environmental protection. Simultaneously, during the office design process, FPT consistently prioritized the application of new, eco-friendly technologies and materials and make the most of natural energy sources to minimize environmental impacts; - Disseminated and increased the awareness of all staff members about the importance of protecting our environment: the "10 DO to save electricity" posters, activities in response to Earth Hour ...

II. THE BOD'S REVIEW ON THE BOM'S PERFORMANCE

1. Monitoring method

The BOD monitored the BOM's activities by:



- Monitoring the completion of important indicators committed by CEO and BOM;
- Requesting CEO and BOM to report business performance at quarterly meetings of BOD;
- Coordinating with the Supervisory Board to closely monitor the company operations, in order to raise practical recommendations for CEO and BOM to fulfill the tasks assigned by the AGM and BOD;
- In order to follow business operations of the company, BOD's members actively participated in weekly meetings on Monday and other periodic meetings of BOM.

2. General assessment

In 2016, the CEO and the BOM at all levels have worked hard in implementing the business goals of the company. Failure to meet the business plan in 2016 partly is due to FPT's inventory management of Microsoft Lumia phones. However, the key influence event was that Microsoft decided to stop business operations for Nokia Lumia. Excluding the impact from this incident, the other sectors of FPT grow and PBT of the whole corporation will achieve double-digit growth.

- The BOD highly appreciated the CEO and BOM in implementing the globalization strategic direction. The objectives of globalization strategic direction achieved positive results and significant contribution to the business results of the Corporation. Revenue and profit from globalization continued to highly grow, up 26% and 40% respectively versus 2015.
- During the operation, the BOM has complied with the provisions of law, the Company Charter, the Resolution of the AGM, the Resolutions of BOD and the Decisions of the Chairman.

III. ACTIVITIES OF THE BOD

1. Board members and structure

No.	Member	Position	Percentage of voting rights share ownership	Current title in the BOD of other companies
1	Mr. Truong Gia Binh	Chairman	7.12%	<ul style="list-style-type: none"> - Member of BOD of FPT Telecom Joint Stock Company. - Member of BOD of FPT Education Company Limited. - Member of BOD of FPT System Information Company Limited.
2	Mr. Bui Quang Ngoc	Vice Chairman	3.71%	<ul style="list-style-type: none"> - Member of BOD of FPT Telecom Joint Stock Company.



				<ul style="list-style-type: none"> - Member of BOD of FPT Education Company Limited. - Member of BOD of FPT System Information Company Limited.
3	Mr. Do Cao Bao	Member	1.18%	<ul style="list-style-type: none"> - Chairman of FPT City Da Nang Joint Stock Company. - Member of BOD of FPT System Information Company Limited.
4	Mr. Le Song Lai	Member (non-executive member)	0.00%	<ul style="list-style-type: none"> - Member of BOD of Vietnam Dairy Products Joint Stock Company. - Member of BOD of Bao Minh Insurance Corporation. - Member of BOD of Vietnam National Reinsurance Corporation. - Chairman of the Board of Members of SCIC Investment One Member Limited Company. - Chairman of the Board of Members of Trang Tien Plaza Limited Company.
5	Mr. Jean-Charles Belliol	Member (non-executive member)	0.00%	None.
6	Mr. Tomokazu Hamaguchi	Member (independent member)	0.00%	<ul style="list-style-type: none"> - Member of BOD of IHI Corporation. - Member of BOD of JR East Railway Company. - Member of BOD of Kuraray Limited Company.
7	Mr. Dan E Khoo	Member (independent member)	0.00%	None.

Note: The number of owned shares is referred to in the list of shareholders as of March 1st, 2017.

2. Activities of the BoD



2.1 Number of the BOD meetings

No.	Board member	Position	Commencement date	Dismissal date	Number of meetings attended	Percentage of attendance
1	Mr. Truong Gia Binh	Chairman	April 12 th , 2012		8/8	100%
2	Mr. Bui Quang Ngoc	Vice Chairman	April 12 th , 2012		8/8	100%
3	Mr. Do Cao Bao	Member	April 12 th , 2012		8/8	100%
4	Mr. Le Song Lai	Member	April 12 th , 2012		8/8	100%
5	Mr. Jean-Charles Belliol	Member	April 12 th , 2012		8/8	100%
6	Mr. Tomokazu Hamaguchi	Member	April 3 rd , 2014		8/8	100%
7	Mr. Dan E Khoo	Member	April 3 rd , 2014		8/8	100%

2.2 Content and results of the meetings

In 2016, eight sessions were held, include four face-to-face meetings and four written working sessions. Only five out of eight sessions have resolutions issued, the remaining three sessions include discussions without issuing resolutions.

Session	Participants	Main content
Session One January 6 th – 13 th , 2016	Opinions collected in writing	<ul style="list-style-type: none"> - Reported the proposal to appoint Mr. Do Cao Bao as Business Development Vice President; - Reported the organizational change of FPT IS; - Reported the record date of Annual General Shareholder Meeting 2016's Participant list and Annual General Shareholder Meeting 2016's date; - Reported the regulation and plan of share issuance for employees with notable contribution in 2015.
Session Two January 27 th , 2016	The BOD: 7/7 members attended Observers: - The Supervisory: 3/3 members attended - The BOM: 4/6	<ul style="list-style-type: none"> - Reported the business result of 2015; - Reported the 2016-2018 Strategy.



	members attended	
Session Three March 10 th , 2016	The BOD: 7/7 members attended Observers: - The Supervisory: 1/3 members attended - The BOM: 4/6 members attended	<ul style="list-style-type: none"> - Reported the 2016 AGM Agenda and content; - Reported the BOD Report and orientation for 2016; - Reported the proposal on BOD's Budget & Compensation package for FY2016; - Reported 2015 Audited Financial Statements; - Reported the proposal of 2015 Profit Distribution plan and 2016 cash dividend policy; - Reported the Amendment of Company Charter in accordance with Law on Enterprises 2014; - Reported the proposal of Eligible Auditors to conduct audit on 2016 Financial Statements; - Reported the regulations for 2015 Employee Stock Ownership Plan (ESOP) program.
Session Four April 19 th – 26 th , 2016	Opinions collected in writing	<ul style="list-style-type: none"> - Reported the 2015 final cash dividend payment; - Reported the stock dividend policy using retained earnings to distribute to existing shareholders.
Session Five June 28 th – July 04 th , 2016	Opinions collected in writing	<ul style="list-style-type: none"> - Reported the appointment of Deloitte Vietnam Ltd. as the auditor of FPT Corporation for the year 2016.
Session Six July 25 th , 2016	The BOD: 7/7 members attended Observers: - The Supervisory: 2/3 members attended - The BOM: 5/6 members attended	<ul style="list-style-type: none"> - Reported the business result in the first half of 2016 and the plan for the second half of 2016; - Reported the plan to increase charter capital for FPT Software; - Reported cash dividend payment plan in advance for the first phase of 2016; - Reported the reappointment of Mr. Bui Quang Ngoc, Vice Chairman of BOD to the CEO of FPT Corporation.
Session Seven November 10 th , 2016	The BOD: 7/7 members attended Observers: - The Supervisory: 2/3 members attended - The BOM: 6/6	<ul style="list-style-type: none"> - Reported the business result in the third quarter and plan to complete the target for 2016.



	members attended	
Session Eight December 26 th – 30 th , 2016	Opinions collected in writing	- Reported the proposal to dismiss Mr. Nguyen Khac Thanh as Deputy General Director for Global resources.

2.3 Resolutions/Decisions issued by the BOD in 2016

No.	Resolution/ Decisions No.	Date	Content
1	01.01-2016/NQ- HĐQTFPT	Jan 28 th , 2016	<ul style="list-style-type: none"> - Appointed Mr. Do Cao Bao as Business Development Vice President; - Approved the organizational change of FPT IS (a FPT's subsidiary) from having a Chairman into having a Board of Members to conduct similar roles; - Approved the record date of Annual General Shareholder Meeting 2016's Participant list and Annual General Shareholder Meeting 2016's date; - Implemented the 2015 AGM Resolution on issuing shares to employees; approved the 2015 Employee Stock Ownership Plan (ESOP) program.
2	02.01-2016/NQ- HĐQTFPT	Feb 2 nd , 2016	<ul style="list-style-type: none"> - Approved the business results of 2015; - Approved the 2016-2018 Strategy with three key orientations including Becoming a global corporation; Pioneering in the digital world and reaching new height, and the 2016 business plan.
3	01.03-2016/NQ- HĐQTFPT	March 10 th , 2016	<ul style="list-style-type: none"> - Approved the 2016 AGM Agenda; - Approved the BOD Report on 2015 Performance, orientation and business plan for 2016; - Approved the Proposal on BOD's Budget & Compensation package for FY2016; - Approved 2015 Audited Financial Statements; - Approved the Proposal of 2015 Profit Distribution plan and 2016 cash dividend policy; - Approved the Amendment of Company



No.	Resolution/ Decisions No.	Date	Content
			Charter in accordance with Law on Enterprises 2014; - Approved Proposal of Eligible Auditors to conduct audit on 2016 Financial Statements to submit the AGM for approval.
4	02.03-2016/NQ- HĐQTFPT	March 14 th , 2016	- Approved the regulations on the plan of share issuance for employees with notable contribution in 2015.
5	01.04-2016/NQ- HĐQTFPT	April 26 th , 2016	- Approved the 2015 final cash dividend payment; - Approved the stock dividend policy using retained earnings to distribute to existing shareholders.
6	01.07-2016/NQ- HĐQTFPT	July 07 th , 2016	- Appointed Deloitte Vietnam Ltd. as the auditor of FPT Corporation for the year 2016.
7	02.07-2016/NQ- HĐQTFPT	July 25 th , 2016	- Approved to increase charter capital for FPT Software; - Approved the interim cash dividend payment in 2016; - Approved to reappoint Mr. Bui Quang Ngoc, Vice Chairman of BOD to the CEO of FPT Corporation from August 05 th , 2016.
8	01.12 – 2016/NQ- HĐQTFPT	December 29 th , 2016	- Approved to dismiss Mr. Nguyen Khac Thanh as Deputy General Director for Global resources.

3. Activities of committees under the BOD:

There are three committees under the BOD, detail of activities were as below:

3.1. The Personnel and Remuneration Committee:

- Implementing the senior leadership planning and development program:
 - ✓ Planning, evaluating, rotating and training senior managers.
 - ✓ Building the Leadership evaluation radar chart with 13 criteria that will be applied to those at the parent company and subsidiaries.
 - ✓ Constructing package for FPT leaders to register their capacity development program in accordance with FPT's 13 specified criteria.
 - ✓ Completed the evaluation of 248 leaders/managers at all levels of FPT.
- Implementing the corporate restructuring program:



- ✓ Implementing the restructuring of FPT Information System Company Limited (FPT IS) following BOD's direction towards rebuilding the whole organizational structure to strengthen its competitiveness and to be in line with FPT's overall strategies and reorganize FPT IS into business domains and verticals.
- ✓ Implementing the restructuring of FPT Trading Company Limited (FPT Trading) following BOD's direction towards rebuilding the whole organizational structure to strengthen its competitiveness and to be in line with FPT's overall strategies. Reorganizing the salesforce by products and centralizing and trimming the business support units in order to have leaner supporting functions, and more adaptive to business needs.
- ✓ Implementing the restructuring of FPT Education (FPT Education) to divide into specific blocks, in that FPT University block includes FPT University and new campuses in Ho Chi Minh City, Da Nang and Can Tho.
- Issuing the updated corporate personnel and remuneration policies:
 - ✓ Updating FPT's basic salary matrix subject to regulatory requirements.
 - ✓ Amending internal policies and regulations including FPT Commendation Regulation, Basic salary matrix subject to government's regulations.
 - ✓ Directing and supervising the draft, issuance of regulations/policies of subsidiaries to make sure its compliance with FPT regulations.
- Formulating the human resource (HR) development strategy:
 - ✓ Directing the formulation of HR development strategy using 2016 Balanced Scorecard (BSC) which applies to all of subsidiaries and their own subsidiaries with detailed action plans and indicators customized for different periods at different subsidiaries.
 - ✓ Directing the drafting of action plans in 2016 in accordance with the set out HR development strategy.
 - ✓ Directing the project of formulating detailed job descriptions (*MyFPT* project) at all of the subsidiaries.
- Directing the formulation and implementation of the project to develop top talents:
 - ✓ Drafting specific policies for the groups of top talents.
 - ✓ Directing the training and development programs for top talents, including training MiniMBA and leadership skills for them.
- Managing, keeping track of and coaching top talents through training and development programs for each group. Directing the creation and implementation of the project to improve the "quality" of FPT's human resources to meet global standards:
 - ✓ Directing the creation of full Job Description (JD) for positions involving the "going global" strategy, and working standards in a more international environment; preparing human resources pool for "going global" using both Vietnamese and non-Vietnamese resources, and strengthening the branding of FPT in recruitment.
 - ✓ Directing the drafting and supervising the implementation of education and training



programs in terms of foreign languages, professional skills and expertise to meet global standards, which have been actively implemented by FPT Software and FPT IS.

- ✓ Working with FPT Corporate University to implement training programs that is applicable to every FPT staff; logging number of hours spent on teaching and studying for each employee; putting online training programs such as Massive Open Online Courses (MOOC) into operation.
- ✓ Directing the Mentor – Mentee program, applied across the group, to train the managers to be trainers.

3.2. The Development Policy Committee

- Tracking and directing the implementation of 2016 business plan to achieve the targets.
- Organizing FPT strategic conference to evaluate the results and further developing 2017-2019 strategy with theme "Co-pioneering in the digital revolution".
- Organizing symposium to research, develop and implement strategies including digitalization transformation, rapid growth and company's position enhancement, founders' mentality promotion.
- Continuing to monitor and implement the restructuring, improving competitiveness of member companies including FPT IS, FPT Trading; enhancing international competitiveness, serving VIP customers of FPT Software in the group-wise globalization strategy.
- Directing the making of 2017 business plan at FPT and member companies with challenging double-digit growth targets.
- Giving guidance to the development of advanced technologies such as SMAC/IoT, AI, Security, etc. to co-pioneer with global corporations in the digital revolution.
- Step by step implementing risk management system to identify and limit the business and operating risks.

3.3. The Chairman's Office

- Assisting the Chairman and the BOD to hold periodic meetings and collect opinions in writing; drafting and releasing documents of the BOD in accordance with regulations specified in Corporate Governance Framework, the Company Charter, the Law on Enterprises and other legislative regulations.
- Coordinating to hold the AGM in March 2016 and the Advisory Board's meetings throughout the year.
- Providing information to members of the BOD and the Supervisory Board and the Corporation's shareholders upon request.

4. Activities of non-executive and independent members of the BOD

By December 31st 2016, FPT's BoD had 03 independent members, including: Mr. Jean-Charles Belliol, Mr. Tomokazu Hamaguchi and Mr. Dan E Khoo. These independent members participated in all regular meetings of the BOD in 2016 and contributed important ideas and recommendations in the Corporation's operation and development strategy, as well as actively



discussed about business targets, development orientations in each business sector and gave suitable proposals and solutions. In addition, with their experience as a BOD member in many big firms, they made many important contributions in the Corporation's corporate governance.

Notable activities of the BOD's independent members in 2016 are as follows:

Mr. Jean-Charles Belliol: With his vast experience in the field of banking and finance, in the BOD meeting sessions as well as the Corporation's Strategic Conference and the weekly briefing, he closely contributes ideas and recommendations for the financial and investment activities as well as some business targets for 2016 and the period of 2017-2019 of the Corporation and some subsidiaries.

Mr. Tomokazu Hamaguchi: With much experience in globalization in general and Japan market in particular, he made several recommendation to promote globalization activities and enhance competitive capability of some important business segment of the Corporation such as software outsourcing, telecom service. In 2016, FPT's revenue in Japan exceeded USD 100 million, reached USD 128 million, up 52% against 2015 (Japan's revenue growth in 2016 was 49% in Japan Yen (JPY))

Mr. Dan E Khoo: As the Chairman Emeritus of the World Information Technology and Services Alliance (WITSA), he had many chances to access to new global technology trends at the fastest. These are important practical experience which helped him make strategic advices for FPT to invest and develop products, services and solutions to meet the technology transformation trends, especially digital transformation-related ones. In the role of strategic consultant for the Corporation in developing countries, he also connected FPT with some partners and customers to supply IT services in Malaysia.

5. Overall evaluation of the BOD's performance

In 2016, FPT's BOD was always active in business activities, complied with the general regulations of the BOD, timely directed and strictly supervised the operation of the BOM to ensure the implementation of strategic goals and plans.

Development of strategy continued to be consolidated. The strategy building model was implemented at the corporate and subsidiaries. Strategic goals, strategic actions and actions plans that must be implemented immediately were identified clearly for each level. The BOD Chairman directed and supervised the dissemination and implementation of strategic building model in every subsidiary to ensure consistency in direction and performances at all levels.

According to the strategic direction agreed in the Corporate since the beginning of the year, the BOD directed and supported the BOM in implementing subsidiaries' restructuration quickly. This helped strengthening subsidiaries' operation systems, rotating senior leaders, forming cohesive and strong teams, and creating a new vitality for delivering business growth, which was the developing momentum for the great long-term goals ahead.

The Corporation continues to improve transparency in corporate governance. The BOD's independent members are all foreigners who have held leadership positions for years and have highly-regarded reputations in the regional information technology sector. They also have profound experience and an extensive network of contacts which allows them to make a large



contribution to FPT's global strategy in terms of direction and development of new markets in 2016.

6. Remunerations and other benefits for the BOD

Pursuant to the 2016 remuneration package approved by the AGM in 2016, the actual remuneration for the BOD is as follows:

	Salary (VND in billions)		Bonus (% profit before tax)		Compensation (VND in billions)	
	Approved by the AGM	2016	Approved by the AGM	2016	Approved by the AGM	2016
The BOD Executive members	10.76	9.87	Not exceed 0.49% profit before tax	< 0.44%	None	None
The BOD Non-executive members	None	None	None	None	5.3	5.01

The detailed salary, bonus and compensation for all BOD members in 2016 are as follow:

Members	Position	Executive	Independent, Nonexecutive	Monthly Compensation (VND)	Salary (%)	Bonus (%)	Compensation (%)	Total
Truong Gia Binh	Chairman	X			44%	56%	0%	100%
Bui Quang Ngoc	Vice Chairman, CEO	X			40%	60%	0%	100%
Do Cao Bao	Member	X			47%	53%	0%	100%
Le Song Lai	Member		X	20,000,000	0%	0%	100%	100%
Jean-Charles Belliol	Member		X	20,000,000	0%	0%	100%	100%
Tomokazu Hamaguchi	Member		X	186,945,883	0%	0%	100%	100%



Dan Khoo	E	Member		X	186,945,883	0%	0%	100%	100%
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IV. BUSINESS PROSPECTS AND STRATEGIC DIRECTIONS IN 2017

1. Macroeconomic prospects

According to the World Bank (WB), Global GDP of 2017 is expected to have growth of 2.7% compared to 2.3% growth of 2016. In Vietnam, according to Resolution No. 23/2016/QH14 on economic development targets in 2017, GDP is forecasted to increase by about 6.7%, total exports growth to range from 6% to 7%; total investment of social development around 31.5% of GDP, the average of the consumer prices index (CPI) to be about 4%, the rate of trained laborers reaching 55% - 57%. These will create a favourable environment to facilitate enterprise growth.

2. Industrial prospects and opportunities for FPT

2.1 Global market to bring great opportunities

Global IT services trends: According to Gartner, IT services market is forecasted to reach USD 943 billion by 2017, growing by 4.8% compared to 2016. In particular, outsourcing will contribute 57% of the market growth. IT services market is expected to be worth nearly USD 1,100 billion in 2020. This opened great opportunities for IT services companies like FPT.

Digital Transformation: The 4th Industrial Revolution – Digital revolution is driving many innovative business development models, creating new industries and blurring geographical boundaries. In the digital revolution, all organizations, enterprises, leaders, budgets will become digital; every individual will be able to become a digital firm.

Gartner has listed 10 technology trends of 2017 which will profoundly impact business activities of all types of businesses, including:

- **Artificial Intelligence (AI) & Advanced Machine Learning:** include technologies such as deep learning, neural networks and natural-language processing, can also encompass more advanced systems that understand, learn, predict, adapt and potentially operate autonomously, leading to the creation of more intelligent devices and programs.
- **Intelligent Apps:** include technologies like virtual personal assistants (VPAs), have the potential to transform the workplace by making everyday tasks easier and its users more effective. By 2018, Gartner expects most of the world's largest 200 companies to exploit intelligent apps and utilize the full toolkit of big data and analytics tools to refine their offers and improve customer experience.
- **Intelligent Things:** generally fall into three categories: robots, drones and autonomous vehicles. Each of these areas will evolve to impact a larger segment of the market and support a new phase of digital business.
- **Virtual and Augmented Reality:** used everywhere in the world in entertainment and business, transform the way individuals interact with each other and with software systems creating an immersive environment. Enterprises should look for targeted applications of VR and AR through 2020.



- **Digital Twin:** Using physics data on how the components of a thing operate and respond to the environment as well as data provided by sensors in the physical world.
- **Blockchain:** Blockchain is a type of distributed ledger in which value exchange transactions (in bitcoin or other token) are sequentially grouped into blocks.
- **Conversational Systems:** do not use text/voice as the exclusive interface but enable people and machines to use multiple modalities (e.g., sight, sound, tactile, etc.) to communicate across the digital device mesh (e.g., sensors, appliances, IoT systems).
- **Mesh App and Service Architecture:** a multichannel solution architecture that leverages cloud and server-less computing, containers and micro services as well as APIs and events to deliver modular, flexible and dynamic solutions.
- **Digital Technology Platforms:** Digital technology platforms are the building blocks for a digital business and are necessary to break into digital. Every organization will have some mix of five digital technology platforms: Information systems, customer experience, analytics and intelligence, the Internet of Things and business ecosystems
- **Adaptive Security Architecture:** required security teams to work with application, solution and enterprise architects to consider security early in the design of applications or IoT solutions. Multilayered security and use of user and entity behavior analytics will become a requirement for virtually every enterprise.

2.2 Major trends in the domestic IT market

Integrated system and infrastructure solutions market – Expectation from new policies

According to IDC, Vietnam is undergoing a strong growth and needs to invest heavily in infrastructure, especially in the IT infrastructure. The system integration market in Vietnam is worth USD 1.28 billion in 2017 and will continue to grow by 10% next year.

The system integration market value in Vietnam from 2014 to 2018 (Source: IDC, 2015)

Unit: USD in millions

Year	Total value	Growth
2014	947	11.4%
2015	1,044	10.2%
2016	1,162	11.4%
2017	1,285	10.6%
2018	1,413	10.0%

There will be many advantages for domestic IT enterprises in 2017 as the government aims to build e-government via the continued implementation of resolution 36a/NQ-CP. Along with the increase in demand for IT outsourcing services by the government, we can say Vietnam's IT sector is facing great opportunities. Besides public investment, information technology expenditure of the business sector is also on the rise. Recognizing the importance of investing in IT, many enterprises has run IT applications in management, manufacturing, business and achieved certain results.



Fixed-line Telecommunications and Pay-TV Market – Full of growth potential

Vietnam had the dynamic Internet market, with 78% of Internet users in Vietnam going online daily, 55% of them use smartphones.

Pay TV services firms in Vietnam are expected to have around 12.5 million subscribers by the end of 2016. In recent years, the sector has witnessed the growth of various types of service such as cable TV, digital terrestrial television, satellite television, Internet TV and Mobile TV. Firms also offer a lot of value-added services on the same network infrastructure as high-speed Internet, GPON optical fiber network, Video on demand VOD, 4K - 8K TV, Internet phone – VoIP etc. This market offers many potentials to exploit.

Mobile phone and IT and IoT products – Continue to grow

IDC's report indicated that IT and mobile retail market in Vietnam is worth around USD 5 billion. In particular, the mobile sector over two-thirds of the combined market value. IDC forecasts that in 2017, the growth will keep trending higher (9%), reach USD3.7 billion.

IT human resource training and development – Opportunities for universities

The shortage of human resources in the field of IT is one of the challenges for Vietnam's economic development. According to the Vietnam Software and IT Services Association (VINASA), Vietnam will lack of some 400,000 Vietnamese workers in information and technology sector (IT) by 2020 (averagely 80.000 people to be lacked each year). Meanwhile, only 32,000 students in IT and related fields graduate each year. In fact, Vietnam is possible to overcome this problem thanks to young population and their ability to learn. Therefore, human resources training to meet needs both in terms of quality and quantity is both a challenge and an opportunity for universities, including FPT University.

3. Strategic Orientations for the period 2017-2019

From 2017 to 2019, FPT focuses on the goal of "Together pioneer in the digital world." Accordingly, the company will attach special importance to relationships with its customers, the leading technology firms in the world to offer digitizing products/services in order to pioneer together in the transition to the digital world. 3 goals and action groups include:

3.1 Aspiring to be a global corporation

- Goal:

- ✓ Promoting globalization with higher growth rate of global market than the domestic one;
- ✓ Being a global partner at the highest level of giants in the world;
- ✓ Expanding out the list of Forbes 500 customers;
- ✓ Internationalizing FPT culture.

- Action:

- ✓ Enhancing international competitiveness;
- ✓ Developing programs to bid for international projects and capacity to implement them;
- ✓ Developing new international cooperation programs;
- ✓ Developing human resources abroad, training BrSE;



- ✓ Disseminating English in the Corporation.

3.2 Pioneering in the digital world

- Goal:

- ✓ Making digital transformation (implementing or applying advanced technologies such as SMAC, IoT, AI, Security, Robotics, chatbot, VR/AR, 3D-printing ...) for customers and FPT and its member companies;
- ✓ Building FPT's own ecosystem with core technologies, enabling partners to exploit and create competitive strength and new growth;
- ✓ Becoming the leading company in providing IoT services;

- Action:

- ✓ Strengthening R&D of digital transformation;
- ✓ Developing ecosystem of data and core technologies among its member companies, connecting with the community to enhance its competitive strength (OneFPT = OneData);
- ✓ Developing and implementing the program of digital transformation for FPT;
- ✓ Putting digital transformation into training programs of FPT University and other universities. Developing digital transformation training programs of strategic technology partners;
- ✓ Branding FPT as a pioneer in the digital revolution in Vietnam and around the world.

3.3 Heightening the position

- Goal:

- ✓ Making gigantic changes in business scale via large long-term contracts; full service solutions; high-value services; new products or services, new areas with significant sales;
- ✓ Increasing leadership capacity to work out development strategy of the Corporation; implementing policies that urge each FPTer to invest in on-demand learning for career;
- ✓ Improving competitiveness, avoiding turning the Corporation into a bureaucracy, promoting Founder's Mentality.

- Action:

- ✓ Participating in implementing large projects worth USD10-30 million of strategic customers;
- ✓ Promoting new business models;
- ✓ Quickly replicating successful models;
- ✓ Investing in potential solutions and services;
- ✓ Improving capacity to deploy services in finance and banking, infrastructure, health, e-government, transport, CME, retail, automotive, manufacturing;



- ✓ Implement the program of "Personal Development", including building learning organization; Develop a program of "Enhancing competitiveness", promoting Founder's Mentality.

3.4 Orientation for Sustainable Development

As the largest technological corporation in the private sector in Vietnam, FPT recognizes the role of realizing its sustainable development strategy at present and in the future. Accordingly, FPT strives to implement the economic activities as well as give support to the community and offer environmental protection.

Some key goals:

- ✓ Obtaining sustainable revenue growth from the traditional sectors and increasing revenue from global activities, S.M.A.C/smart services/IoT;
- ✓ Always being on the list of preferred employers in the IT sector; making FPT become a learning organization and improving human resources according to development needs, in line with globalization and S.M.A.C/IoT;
- ✓ Developing technology for the community, spreading kindness;
- ✓ Complying with the provisions of law on environmental protection and raising awareness of environmental protection and energy saving.

V. BUSINESS PROSPECTS AND GUIDANCE FOR 2017

Based on macroeconomic condition analysis and forecasts in the country and abroad, the trends of IT industry and strategic orientations of the Corporation, the BOD has approved the guidance for 2017 as follows:

1. Main targets for 2017:

Business sectors	Revenue (VND in billions)			Profit before tax (VND in billions)		
	2016	2017	YoY change	2016	2017	YoY change
Technology	9,952	11,831	18.9%	1,102	1,359	23.3%
Telecom	6,666	7,746	16.2%	1,198	1,210	1.0%
Distribution & Retail	23,037	26,093	13.3%	544	741	36.2%
Education & Investment	890	950	6.8%	170	98	-42.4%
Total	40,545	46,619	15.0%	3,014	3,408	13.1%

2. Prospect and Orientation for business sectors

2.1 Technology sector

Software outsourcing continued to play an important role in globalization strategy which will promote digital transformation- related services and traditional ones. Some specific orientations for 2017 includes: "Whale Hunting" strategy (focusing on global big customers; promoting



domain business in automobile, banking and finance, utilities...; increasing fixed price contracts. In addition, the Corporation continued to seek M&A opportunities to drive external growth. Software solution, IT services and system integration segments will step up R&D of smart solutions in many fields. In addition, the Corporation will continue to focus on bidding projects funded by international organizations in developing countries.

2.2 Telecom sector

In 2017, the Corporation will continue to upgrade infrastructure in remaining areas and expand coverage to develop new subscribers. Besides, following the 2016's growth momentum, the Corporation will develop PayTV services in 2017. In Digital content segment, the Corporation will develop English version as well as new websites, focusing on mobility feature and new trends

2.3 Distribution and Retail sector

In Retail segment, the Corporation will continue to expand scale in 2017. In addition, the Corporation will strengthen business efficiency by continuing investment on e-commerce, customer programs and new products.

In Distribution segment, FPT will promote participation and enhancement of value chain in distribution field such as logistic, sale... In addition, the Corporation will strengthen investment on repairing and warranty service chain on the national scale.

2.3 Education segment

With the orientation to become an educational system with 5 criteria including multi-level, multidisciplinary, multi-segment, multi-modal and multi-location, in 2017, in addition to enrollment activities, FPT will enhance new investment on education campuses in Da Nang, Can Tho cities under the newly issued license.

3. The investment plan for 2017

In 2017, FPT will focus on some following main activities:

- Investment on infrastructure for telecom services and Pay-TV services.
- Investment on offices for technology sector to meet the long-term demand with reasonable costs.
- Investment on new educational campuses

The investment demand in 2017 is as follows:

Unit: VND in billion

CAPEX guidance by business sectors	2017
Technology	534
Telecom	1,530
Distribution, Retail	20
Education and Investment	200
Total capex needed for existing businesses	2,284

Besides, in 2017, the BOD maintains regular meetings quarterly according to the law and organize some sessions in the form of collecting opinions in writing to implement the resolution



of the Annual General Meeting of Shareholders; directing the implementation of strategic orientations, programs and targets for 2017, details as follow:

- Promoting Globalization and pioneering in Digital Transformation, driving growth motivation for the Corporation;
- Supervising the implementation of restructuring in subsidiaries to improve efficiency;
- Enhancing capability of management team in response to development strategy of the Corporation and promote the Founder's Mentality;
- Improving corporate governance in accordance with international standards; at the same time enhancing the role of risk control in financial management, accounting and auditing, corporate risk management;
- Continuing to promote the platforms built for years to achieve sustainable business growth, build up strong human resources and technology development for community as well as raise awareness about the environment protection for employees.

Hanoi, March 10th, 2017

**On behalf of the BOD
Chairman**

(Signed and sealed)

Truong Gia Binh