



V I E T N A M
LISTED COMPANY
AWARDS

PRESS RELEASE

The Award Ceremony

The Vietnam Listed Company Awards 2018

(Ho Chi Minh City – November 2, 2018) Today, the Award Ceremony for the **Vietnam Listed Company Awards 2018** has taken place at The Reverie Saigon Hotel, with the attendance of senior leaders from Vietnam’s State Securities Commission, the Hanoi Stock Exchange (HNX), the Hochiminh Stock Exchange (HOSE), the Vietnam Securities Depository and representatives from 200 listed companies, securities brokerages, investment funds and other financial institutions in the market.

The Vietnam Listed Company Awards (VLCA) traces its roots from the Vietnam Annual Report Awards (ARA), which has accompanied the growth of Vietnam’s capital markets and listed firms in the past ten years. After four months of voting, the Awards has reached its final stage today with the Award Ceremony. The Awards this year recorded positive changes in terms of the voting criteria, as well as the general quality of sustainability reports and corporate governance standards.

Notable changes

In terms of eligibility, to improve the quality of participants, the Awards this year only selected companies in the VNX-Allshare Index, i.e. firms that meet requirements on the market capitalisation, the free-float and liquidity level of stocks, instead of inviting all listed businesses on the HNX and HOSE like previous years.

At the same time, for the first time ever, the Awards has been divided into three categories, based on the participants’ market capitalisation (large-cap, mid-cap and small-cap). By doing this, small to medium-sized companies are also given the opportunity to compete for the awards, besides the large-cap firms.

The Awards continues its Sustainability Reporting Awards this year, and 2018 is also the first year that an in-depth scorecard for Corporate Governance (CG) has been implemented, based on the CG Scorecard by OECD and Vietnamese regulations. To increase the credibility of the CG Awards, the Awards Committee has invited independent third-party judges, who have experiences in implementing CG standards in the ASEAN region. All reports in the final round were audited by the four largest auditing companies, namely Deloitte, EY, KPMG and PwC. This is a positive change that contributes to the transparency and professionalism of the Awards.

Based on the results of the Awards, the Committee will release a detailed report on the current state of CG practices of Vietnamese listed companies. The report will link CG practices to a companies' business success and help companies to understand the importance of CG, as well as changes that needed to be made for better results. At the same time, this report will also become a reliable document for Vietnamese policymakers, providing an overview of CG practices in the market as well as in each categories based on companies' market capitalisation. Thus, the lawmakers can improve legal frameworks and build strategical plans addressing the most critical issues to enhance the transparency level and CG practices in the entire market.

Quality Improvements

The 440 annual reports that participated in this year's VLCA have shown remarkable improvements from 2017 in terms of content and presentation. Outstanding reports scoring more than 90% took up 4% of all participants this year, representing a group of companies that have great attention to detail, strong determination and consistent strategies to provide high quality annual reports throughout the years.

The Annual Reports Awards results on each categories based on the companies' market capitalisation (large-cap, mid-cap and small cap) has shown significant differences. As expected, the large-cap companies, which are the leaders of the market, showed outstanding performances with the higher average scores of all criteria. The annula report results of the mid-cap companies are also consistent. The small-cap group, meanwhile, still had a lot of room for improvement compared to the mid-cap and large-cap groups. The quality gap among small-cap companies was significant. On one hand, there are some companies scored 92/104 points, which is an honourable achievement and shows that small-cap companies are serious about their annual report and the transparency of information disclosure process. On the other hand, however, more than half of the small-cap companies have annual reports that were lack crucial information and scored lower than average. Thus, these companies are in direct need of supervision and encouragement from policymakers and other market participants to improve their reporting standards.

In terms of the Sustainability Report Awards, in 2018, there were 10 focused reports on sustainability reporting alone, based on the GRI standards with a high level of reliability and complexity. The companies incorporating their sustainability reports with the annual report also

done well in terms of content and presentation. Previous high-achievers maintain their strong and consistent performance this year.

In terms of the CG Awards, in general, the implementation and execution of CG codes among the companies were still limited. Although a lot of companies scored high in some CG criteria, the standard on the market level, spanning all aspects of CG, is still low. This means there is a lot of work to be operated ahead. There were 352 companies (or 74% of all participants) of 485 participants in the Awards that scored higher than average. 17 companies among the leading category scored the highest. The companies that scored lower than average are 133 companies, or one-fourth of the participants.

The Awards this year includes:

The Annual Report Awards: Top 10 Large-cap Companies, Top 10 Mid-cap Companies and Top 5 Small-cap Companies with the best annual reports

The Corporate Governance Awards: Top 5 Large-cap Companies, Top 5 Mid-cap Companies and Top 5 Small-cap Companies

The Sustainability Report Awards: 01 First Prize, 01 Second Prize and 03 Consolation Prizes for 03 categories of Completeness, Reliability and Presentation.

The list of awarded companies is attached.

Mr. Le Hai Tra, Acting Chairman of the HOSE, Head of the Awards Committee cum Chairman of the Selection Panel, said: *“Investment activities around the world are changing significantly and placing a heavier emphasis on the trend of responsible investment, which presents both opportunities and challenges for listed companies. To attract capital flows for business growth, listed companies must not only provide sufficient financial reports but also be competent on other non-financial activities such as sustainability reporting or corporate governance practices. This is the greater goals of the Vietnam Listed Company Awards as well as the Vietnam’s stock market.”*

Mr. Le Trong Minh, Editor-in-chief of *Vietnam Investment Review*, Co-Head of the Organising Committee, said that the Vietnam Listed Company Awards is one of the significant efforts that market participants of the stock market are executing, in order to foster the growth of the national listed companies within the next decade. This will help to improve Vietnam’s position in international capital market. *“A bigger focus on corporate governance criteria in this year presents our dedication to transform the Awards and encourage the listed companies to implement the good international practices in their operations, enhancing the competitiveness and opportunities to attract the capital flows from regional and international markets.”* said Mr. Minh.

Mr. Dominic Scriven, President of Dragon Capital Group – the sponsor of the Awards, said:
“The results of the Vietnam Listed Company Awards this year has shown us clearly where we are and what we need to do. In the near future, Dragon Capital will continue to accompany the Awards to achieve higher goals and objectives, enhancing the quality of the listed companies in multiple factors.”

For more information, please visit the Vietnam Listed Company Awards website (www.aravietnam.vn), the HOSE website (www.hsx.vn), the HNX website (www.hnx.vn) or Vietnam Investment Review (www.tinnhanhchungkhoan.vn or www.vir.com.vn).

Contact details:

Ms. Tran Anh Dao

*Executive Vice President
Hochiminh Stock Exchange
Phone: 028-3821 7713
Email: anhdao@hsx.vn*

Mr. Nguyen Hong

*Deputy Editor-in-chief and Head of the HCMC Office
Vietnam Investment Review
Phone: 028-3930 5319 – Mobile: 0903 684 558
Email: nguyenhong@virhcm.com.vn*