

**REPORT****ON 2024 PERFORMANCE, 2025 ACTION PLAN****OF THE BOARD OF DIRECTORS****To: The 2025 Annual General Meeting of Shareholders.**

Pursuant to the Charter of organization and operation of Nafoods Group Joint Stock Company ("Company"), the Board of Directors ("BOD") of the Company would like to report to the General Meeting of Shareholders ("GMS") on the results of the BOD's performance in 2024 and the operating orientation in 2025, as follows:

**I. ORGANIZATIONAL STRUCTURE OF THE BOD**

The Company's current BOD consists of 05 members. The organizational structure of the BOD in 2024 is as follows:

1. Mrs. Dien Thi Lan Phuong – Chairwoman;
2. Mr. Nguyen Manh Hung – Vice Chairman cum CEO;
3. Mr. Johan Nyvene – Independent Member of BOD/Chairman of The Audit Committee;
4. Mr. Nguyen Phi Bang – Member of the BOD cum CFO;
5. Mr. Ho Hai Quan – Member of the BOD.

Regarding the number of independent members of the BOD: 01 member, ensuring the number of independent members of the BOD; the number of non-executive members of the BOD: 03 members, complying with the provisions on corporate governance of current laws.

The BOD operates on the principle of collective leadership, individual responsibility, majority decision, exercising rights and obligations according to the Company Charter, the BOD' Operating Regulations and legal regulations. The members of the BOD are assigned specific tasks based on the principle of promoting the strengths of each member, creating collective intellectual strength to fulfill the responsibilities of the BOD as prescribed in the most effective way.

**II. ACTIVITIES OF THE BOD IN 2024****1. Main activities****a. Meetings held by the BOD**

In 2024, the BOD held one (01) GMS:

- The AGM: held on April 22nd 2024 to discuss and approve important contents in the 2024 operating plan, other contents under the authority of the AGM according to



the provisions of the Company's Charter and the provisions of law.

Accordingly, in 2024, the BOD always closely followed the Resolutions of the GMS and strictly implement the contents approved at the GMS in accordance with the provisions of the Charter and the Company's operating regulations.

In 2024, with the policy of continuing to maintain flexible and proactive management measures, ready to respond to changes and fluctuations, the BOD held 09 direct Board meetings, collected written opinions to discuss and approve important contents for the Group's operations and development orientation as well as implement the 2024 operating plan. *(For the number of meetings attended and the specific attendance rate of the BOD members, please see Appendix 01 attached to this Report).* Through the meetings, the BOD made timely decisions and directions to the company's operating activities as follows:

- Approval of the organization plan and documents for the 2024 AGM;
- Company administration according to best governance practices to ensure the interests of shareholders and stakeholders, in compliance with current laws;
- Advised and approved plans for using reasonable cash flow for investment activities, meeting flexible and proactive operating plans;
- Appointing and dismissing high-level position to ensure company operations;
- Improved policies and regimes for employees, create the trust in the company, affirm the company's position in the labor market;
- Direct the BOM to complete the plan to pay dividends to shareholders in shares, buy back redeemable preference shares in 1st phase and implement the buy back of redeemable preferred shares in 2nd phase, ensuring the rights and interests of shareholders.

#### **b. Evaluation of the performance of Independent BOD Members**

During the year, the independent members of the BOD fully attended the meetings of the BOD and the Audit Committee, gave opinions and voted independently on issues discussed by the BOD; participated in supervising, guiding and supporting the activities of the BOM as assigned by the BOD.

Independent members of the BOD have made many contributions to the activities of the BOD in particular and the production and business activities of the Company in general, with the principle of being proactive and independent in the activities of the BOD, participating in supervising, supporting and directing the BOM according to the assigned functions and tasks.

In 2024, the Independent Member of the BOD did not see any significant risks arising in the compliance with laws, charters, and regulations, neither by employees nor



company managers. Internal audit and risk management activities were carried out fully and promptly, in compliance with procedures and regulations, ensuring work efficiency and action plans set forth by the BOD and the BOM.

### **c. Evaluation of the BOD Office's activities**

In 2024, the BOD Office was established according to BOD Resolution No. 04/2024/NQ-HĐQT dated April 12th 2024, including three (03) members who met the requirements of professional knowledge and practical experience, under the direct management of the BOD, advising and assisting the BOD to ensure compliance with the provisions of law and the Company's Charter.

During the year, the BOD Office has successfully fulfilled its functions, tasks and powers as stipulated in the Charter and the tasks assigned by the BOD. The BOD Office has supported the BOD in organizing the meetings of the GMS, direct meetings of the BOD and collecting opinions in written. In addition, the BOD Office also ensured the issuance of the resolutions of the General Meeting of Shareholders, the BOD 's resolutions and related documents, and timely and accurate information disclosure in accordance with the law.

**2. BOD Resolutions issued during the year** (*Shareholders please see Appendix 02 attached to this Report*)

### **3. Supervisory activities of the BOD to the BOM**

In 2024, the BOD has inspected and supervised the activities of the General Director and the BOM in managing operating activities and organizing the implementation of the Resolutions of the GMS and the Resolutions of the BOD that have been approved, requiring the BOM to regularly report on results quarterly and promptly gave instructions to resolve arising issues under the authority of the BOD. The General Director proactively reported to get approval from the BOD when problems arose in the operations to provide timely solutions. The BOD conducted supervision by the Committees under the BOD. The Chairman of the Committee gave contents to require the BOM to prepare for presentation to the BOD, and discussed with the members of the BOM about necessary contents and issues. The BOD 's supervision of the Company's BOM was carried out in accordance with the provisions of the Internal Regulations on Corporate Governance and the BOD Operating Regulations. By the process of monitoring in 2024 of the Company in general and the BOM in particular, the BOD found that:

- The General Director has well performed the role of operating activities in accordance with the duties and powers prescribed by law and the Company's Regulations, always closely following the Resolutions of the GMS and the BOD to direct operating activities of the Companies in the Group system;



- The General Director always provided complete and timely information, creating conditions for the Audit Committee to access and inspect the financial situation and other activities of the Company.

- The BOM has maintained monthly and quarterly meeting schedule to summarize, evaluate and get experience to adjust management and operating solutions flexibly and effectively.

- The BOM always directed the implementation of information disclosure in accordance with the provisions of law, and periodically disclosed bilingual information, complies with the regulations and requirements of state management agencies, ensures fairness, transparency, and ensures the rights of shareholders.

In the context of the fluctuation market situation with many unfavorable conditions, with the results achieved in 2024, the BOD assessed: The General Director and the BOM have strictly complied with current legal regulations and the Company's operating regulations. In particular, the BOM has had a good job of managing operating activities, expanding export and domestic markets, aiming to complete the strategic goals of 2024 - 2028, ensuring stable income and employment for employees in the entire system, enhancing the Company's reputation and position in the market.

#### **4. Committees under the BOD and their activities**

- **The Strategy, Human Resources and Compensation Committee** has provided consulting support and reviewed documents related to the system's human resources and compensation strategy before submitting them to the BOD, and has performed the supervising activities related to the Strategy, Human Resources and Compensation of the BOM.

In 2024, the Strategy, Human Resources and Compensation Committee evaluated the performance of the members of the BOD, the General Director, and members of the BOM, and proposed bonus for the 6-month period and the whole year of 2024. The Committee has directed the BOM to evaluate the results of operating activities, advised and nominated candidates to the BOD, the Board of Supervisors, and capital management representatives at units in the system.

The Committee continued to organize many training programs for members of the BOM and managers. With diverse training content to improve management capacity, risk management... contributing to improving the quality of human resources in the system. At the training sessions, there were not only exchanges and sharing between members of the Committee but also opportunities to exchange experiences and knowledge with experts, consultants, and members of the BOM in the Nafoods ecosystem.



The Strategy, Human Resources and Compensation Committee has directed relevant departments/divisions/personnel in developing and completing the SOP system, decentralization and authorization in operating activities, completing the organizational structure and management chart of the Company. It has completed the Company's salary, bonus and other welfare policies; reviewed, developed and proposed a quarterly KPI bonus policy for officers and employees throughout the Group.

In addition, representatives of the Human Resources and Compensation Committee also participated in the evaluation, reward and discipline of personnel in the system under their authority.

- **The Audit Committee** has performed its role through the following activities:

+ The Audit Committee directed the Internal Control Department to approach, study, evaluate the system/coordinate with Units/Divisions/Departments so that Units/Divisions/Departments can register risks and make plans to minimize and prevent risks.

+ The Audit Committee participated in regular meetings between the company's BOM and managers, discussing how to implement operating plans and production results.

+ Controlled SOP compliance, in parallel with continuing to improve the SOP (Standard Procedure) set.

+ Supervised the activities of the BOM in implementing the resolutions of the GMS and the BOD through activities. Representatives of the Audit Committee attended regular meetings of the BOM, recorded and evaluated operating results and contributed opinions to the operating plan.

+ Conducted the review of annual and interim FS to assess the truthfulness and fairness of financial data, in accordance with the Accounting System and current legal regulations.

+ Monitored operations, internal control, risks management and financial situation of member companies.

- In 2024, the **Investment Committee** carried out its role through the following:

+ Organized supervision of the implementation of projects invested by the Group and investment activities of companies in the Nafoods ecosystem.

+ Reviewed and approved feasibility study reports before submitting to the BOD.

+ Appraised of investment strategy (investment, M&A, joint venture, association) of the group submitted by the CEO and submitted to the BOD.



+ Directed, monitored and reported to the BOD on the implementation of commitments to shareholders and investors (including IFC, Finnfund, international financial investors, and small, domestic shareholders).

#### **5. Board of Directors' remuneration**

The 2024 AGM approved the operating budget (including remuneration) of the BOD should not exceed 5% of the company's annual profit after-tax.

The total operating budget (including remuneration) of the BOD in 2024 that the Company has paid is: VND 3.080.234.723 (In words: *Three billion eighty million two hundred thirty-four thousand seven hundred twenty-three dong*), equivalent to 2,6% of profit after tax in 2024. Specific and detailed information on the Board of Directors' remuneration is explained in the Board of Directors' Remuneration Proposal in 2024 and the Board of Directors' Remuneration Plan in 2025.

### **III. ORIENTATION OF THE BOARD OF DIRECTIONS IN 2025**

Promoting the 2024 achievements, in 2025, the BOD will continue to maintain and promote all aspects of operations in accordance with the duties and powers of the BOD, with specific operating directions as follows:

- Successfully organized the 2025 AGM, elect the BOD for the 2025-2030 term.
- Approval of the assignment of detailed tasks to the Committees under the BOD in general and the members of the BOD in particular, ensuring the effective operation of the BOD, contributing to the overall development of the Company.
- Update and review the 2025-2028 operating plan and 2025-2030 strategy
- Approve the 2025 operating plan and monitor the implementation of the operating plan periodically/monthly, promptly support the BOM with solutions to contribute to improving operating efficiency, striving to complete and exceed the revenue and profit targets for 2025 approved by the GMS.
- Effectively implement the Resolutions of the GMS and the BOD to achieve the goals, operating plans and financial indicators committed to the Company's Shareholders in 2025.
- Strengthening internal control and risks management, implementing internal audits according to approved plans. The BOD will also focus on risks management solutions to prevent risks related to tariffs, inflation, interest rates, geopolitics, war, climate change, seasons problems and markets effects that have a great impact on the entire operating activities of the Group. These comprehensive solutions include contingency plans in production, inventory, finance - investment, human resources, and material resources.
- Deploying digital transformation, sustainable development in operating activity,

new technologies and improving systems and corporate culture to improve the efficiency of operating activities.

- Participate in supporting business development, market expansion, focusing resources to implement business strategies to consolidate and increase domestic market share, and seek to expand export markets.

- Perfecting welfare policies related to employees, improving the quality of internal training programs, perfecting the recruitment system,... to motivate and encourage employees to promote, contribute, and create values that are match the spirit of the Company.

- Directing the disclosure information in accordance with current legal regulations.

On behalf of the BOD, I would like to express my sincere thanks to shareholders, investors, partners, customers, and all employees of the Company who have trusted and been with the Company over the years. Wishing you good health, happiness, and success.

**Sincerely!**

**O/B THE BOARD OF DIRECTORS  
CHAIRWOMAN**



**DIEN THI LAN PHUONG**





## APPENDIX 01

### NUMBER OF MEETINGS ATTENDED AND ATTENDANCE RATE OF MEMBERS OF THE BOARD OF DIRECTORS DURING THE YEAR

No.	Member of BOD	Number of BOD meetings attended/authorize to attend	Attendance rate	Reasons for absence
1	Mrs. Dien Thi Lan Phuong	9/9	100%	
2	Mr. Nguyen Manh Hung	9/9	100%	
3	Mr. Johan Nyvene	9/9	100%	
4	Mr. Pham Duy Thai	4/4	100%	Dismissed on 22/04/2024
5	Mr. Nguyen Phi Bang	9/9	100%	
6	Mr. Ho Hai Quan	5/5	100%	Appointed on 22/04/2024





## APPENDIX 02

### RESOLUTIONS OF THE BOARD OF DIRECTORS ISSUED IN 2024

No.	Resolution No.	Date	Content	Approval rate
1	01/2024/NQ-HĐQT	28/02/2024	Approval of the finalization of the list of shareholders exercising the right to attend the 2024 Annual General Meeting.	100%
2	02/2024/NQ-HĐQT	27/03/2024	<ul style="list-style-type: none"> <li>- Approval of the change on venue for 2024 Annual General Meeting.</li> <li>- Approval of the dismissal of management positions for Mr. Ho Hai Quan, Mr. Pham Duy Thai</li> </ul>	100%
3	03/2024/NQ-HĐQT	01/04/2024	Approval of documents for the 2024 Annual General Meeting	100%
4	04/2024/NQ-HĐQT	12/04/2024	<ul style="list-style-type: none"> <li>- Approval operating results for 1Q2024</li> <li>- Approval of the Organizational and Management Structure of Nafoods Group Joint Stock Company</li> <li>- Approval of the establishment of the Board of Directors Office</li> <li>- Approval of the dismissal and appointment of the position of Person in charge of Corporate Governance</li> </ul>	100%
5	05/2024/NQ-HĐQT	27/06/2024	Approval of the implementation of the plan to issue shares to pay dividends in 2022	100%
6	06/2024/NQ-HĐQT	19/07/2024	Approval of the implementation of the 1st phase of the Redeemable Preference Shares buyback plan	100%
7	07/2024/NQ-HĐQT	14/08/2024	Approval of the closing of the shareholder list of Nafoods Group Joint Stock Company	100%
8	08/2024/NQ-HĐQT	12/12/2024	<ul style="list-style-type: none"> <li>- Approval of the orientation for the 2025 Operating Plan</li> <li>- Approval of Feasibility Study Report and Investment Budget for Projects</li> </ul>	100%

9	09/2024/NQ-HĐQT	12/12/2024	Approval of the implementation of 2nd phase of the Redeemable Preference Shares buyback plan.	100%
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