**KHW: Annual Corporate Governance Report 2023**

On January 29, 2024, Khanh Hoa Water Supply and Sewerage Joint Stock Company announced Report No. 02/BC-HDQT on the corporate governance as follows:

* Name of company: Khanh Hoa Water Supply and Sewerage Joint Stock Company
* Head office address: No 58 Yersin Road, Phuong Sai Ward, Nha Trang city, Khanh Hoa province
* Tel: 0258.3822315 Fax: 0258.3810740; Email: [support@ctnkh.com](mailto:support@ctnkh.com).vn
* Charter capital: VND 285,999,960,000.
* Securities code: KHW
* Corporate Governance Model:
* The General Meeting, Board of Directors, Supervisory Board and Managing Director.
* Implementation of the internal audit function:

1. Activities of the General Meeting.

Information about the meetings and General Mandates/Decisions of the General Meeting (including General Mandates approved by collecting shareholders' opinions via a ballot):

The Company organized the Annual General Meeting 2023 on April 20, 2023, at the hall of Khanh Hoa Water Supply and Sewerage Joint Stock Company, No. 58 Yersin, Phuong Sai Ward, Nha Trang City, to report the production - business situation; the activities of the Board of Directors; the activities of the Supervisory Board and the proposals submitted to the General Meeting for approval on the issues under the authorities of the General Meeting.

* Total number of shares with voting right: 28,599,996 shares
* The total number of shareholders attending and authorizing others to attend: 302 shareholders
* Equivalent to the number of shares of shareholders/persons authorized to attend the General Meeting: 28,593,176 shares, accounting for 99.976% of total voting shares of Khanh Hoa Water Supply and Sewerage Joint Stock Company.

All shareholders are eligible to attend the General Meeting.

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| No. | General Mandate/Decision | Date | Contents |
| 01 | No. 17/NQ-DHDCD | April 20, 2023 | Annual General Mandate 2023 approved the following contents:   * Report on the production and business activities in 2022 and the production, business, and investment plan for 2023; * Report on activities of the Board of Directors in 2022; * Report on operation of the Supervisory Board in 2022; - Proposal on the Audited Financial Statements 2022; * Proposal on the profit distribution plan and the dividend payment rate of 2022 and the dividend payment plan for 2023;   - Proposal on the Report on remuneration settlement in 2022, paying remuneration of the Board of Directors, Supervisory Board, the Secretariat and internal governance in 2023.  - Proposal on selecting an audit company to audit the Financial Statements 2023;  - Proposal on amending the Company's Charter on organization and operations. |

1. The Board of Directors (Annual Report 2023):
2. Information about members of the Board of Directors:

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| --- | --- | --- | --- | --- | --- |
| No. | Member of the Board of Directors | Position (independent member, non-executive member of the Board of Directors) | Date of appointment/dismissal as member/independent member of the Board of Directors | | |
| Appointment date | Dismissal date | |
| 1 | Mr. Vu Van Binh | Chair of the Board of Directors | April 20, 2019 |  | |
| 2 | Mr. Nguyen Van Dam | Member of the Board of Directors | April 20, 2019 |  | |
| 3 | Mr. Nguyen Van Quan | Member of the Board of Directors | April 20, 2019 |  | |
| 4 | Mr. Truong Khac Hoanh | Non-executive member of the Board of Directors | April 16, 2021 | |  |
| 5 | Mr. Nguyen Anh Tuan | Non-executive member of the Board of Directors | April 20, 2019 | |  |

1. Board Resolutions/Board Decisions (Annual Report 2023):

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| --- | --- | --- | --- |
| No. | Board Resolution/Board Decision | Date | Contents |
| 01 | 04/NQ-HDQT | February 21, 2023 | * Approve the plan on production, business and investment in capital construction for Q4/2022 and the year 2022; * Approve the plan on production, business and investment in capital construction for 2023. * Distributed profits in 2022: * Other tasks: Plan on convening the Annual General Meeting 2023, amending the Charter on organization and operation... |
| 02 | 05/NQ-HDQT | February 21, 2023 | - Record list of shareholders attending the Annual General Meeting 2023 |
| 03 | 08/NQ-HDQT | March 28, 2023 | - Approve the contents of invitation letter and documents submitted to the Annual General Meeting 2023 |
| 04 | 21/NQ-HDQT | May 23, 2023 | Approve:   * Implement investment and renovation plans according to the approved list; * Record time for dividend payment of 2022 in cash: * Supplement to the implementation plan 2023: equip with mud press machine for Vo Canh Water Plant; * Other investment, management and executive tasks under the authority of Managing Director. |
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| 05 | 24/NQ-HDQT | June 22, 2023 | - Appoint personnel representative for the contributed capital and attend the Board of Directors, the Supervisory Board at Suoi Dau Water Supply and Sewerage Construction Investment Joint Stock Company (affiliate), for the term 2023-2028 |
| 06 | 33/NQ-HDQT | July 26, 2023 | - Approve the record date to exercise the right to receive dividends of 2022 in cash. |
| 07 | 40/NQ-HDQT | August 24, 2023 | * Approve the results of production and business activities for Q2/2023 and the first 6 months of 2023; * Approve the plan on production, business and investment in capital construction for Q3/2023 (according to approved list) * Other investment, management and executive tasks under the authority of Managing Director. |
| 08 | 45/NQ-HDQT | October 30, 2023 | * Approve the results of production and business activities for Q3/2023 and the first 9 months of 2023; * Approve the plan on production, business and investment in capital construction for Q4/2023 (according to approved list) * Supplement pipelines DN100 and DN300 on Dien Bien Phu Road, implement in Q4/2023; * Equip with mud filter press machine for Vo Canh Water Plant; * Complete document D400 on Vo Nguyen Giap Road; * Replace liquid chlorine disinfection with sodium hypochlorite at Vo Canh and Xuan Phong Water Supply; In Q4/2023, operating the disinfection system with sodium hypochlorite at Xuan Phong Water Plant; * Other investment, management and administration activities fall under the authority of Managing Director (under new laws and the Company's Charter). |

1. Supervisory Board (Annual Report 2023):
2. Information about members of the Supervisory Board:

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| --- | --- | --- | --- | --- |
| No. | Member of the Supervisory Board | Position | Appointment date | Qualification |
| 1 | Mr. Hoang Long | Chief of the Supervisory Board | April 20, 2019 | Bachelor in Corporate Finance |
| 2 | Ms. Nguyen Thi Thuy Ninh | Member | April 20, 2019 | Bachelor in Economics majoring in Business Accounting |
| 3 | Mr. Quach Vinh Binh | Member | April 16, 2021 | Bachelor in Economics |

1. Executive Board

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| --- | --- | --- | --- | --- |
| No. | Member of the Executive Board | Date of birth | Qualification | Date of appointment/dismissal as member of the Executive Board |
| 1 | Mr. Nguyen Van Dam | August 12, 1967 | Drainage engineer | April 20, 2019 |
| 2 | Mr. Vu Van Binh | May 04, 1967 | Drainage engineer | July 01, 2019 |
| 3 | Mr. Nguyen Hong Son | August 10, 1964 | Drainage engineer | July 01, 2019 |
| 4 | Ms. Vo Thi Khanh Hoa | June 12, 1969 | Chemical Engineering and Food Technology Engineer | January 01, 2022 |

1. Chief Accountant

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| --- | --- | --- | --- |
| Full name | Date of birth | Qualification | Date of appointment /dismissal |
| Mr. Nguyen Van Quan | April 22, 1972 | Bachelor in Business Accounting | April 24, 2019 |

1. Training on corporate governance
2. List of related persons of the public company (Report of 2023) and transactions between related persons of the Company and the Company itself
3. Transactions between the Company and related persons of the Company; or between the Company and principal shareholders, PDMR, related persons of PDMR:

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organization/individual | Relations with the Company | NSH\* No., date of issue, place of issue | Head office address /Contact address | Time of transaction with the Company | General Mandate/Decision of the General Meeting of Shareholder No. or Board Resolution/Decision No. (including date of promulgation, if any) | Content, quantity, total value of transaction | Note |
| 01 | Suoi Dau Water Supply and Sewerage Construction Investment Joint Stock Company | The Company contribute 30% of the charter capital of Suoi Dau Water Supply and Sewerage Construction Investment Joint Stock Company and appoint 02 representatives attending the Board of Directors and 01 representative attending the Supervisory Board. | NSH Code: 4201574467, issued for the first time: September 27, 2013 at Department of Planning and Investment of Khanh Hoa Province | No. 58 Yersin, Phuong Sai ward, Nha Trang city | From October 01, 2022 | Resolution No. 34/NQ-HDQT dated September 13, 2022 | Contract no. 51/2022/CTNKH-CTNSD on provision and consumption of clean water, unit rate: VND 5,910/m3 (not including VAT). Volume of water traded is based on consumption index on general water meter.  Water flow through the general water meter in 2023: 6,878,000 m3  Transaction value: VND 40,648,980,000. |  |

1. Transactions between Company’s PDMR, related persons of PDMR and subsidiaries or companies controlled by the Company: None
2. Transactions between the Company and other entities;
   1. Transactions between the Company and the companies where members of the Board of Directors, members of the Supervisory Board, Executive Manager (Managing Director) and other managers have been founding members or members of the Board of Directors or Executive Manager (Managing Director) for the past three (03) years (as at the date of reporting): On October 1, 2022, the Company signed Contract No. 51/2022/CTNKH-CTNSD on clean water consumption with Suoi Dau Water Supply and Sewerage Construction Investment Joint Stock Company, unit price: VND 5,910/m3 (not including VAT). Volume of water traded is based on consumption index on general water meter. This contract took effect from October 01, 2022. (The Company contribute 30% of the charter capital of Suoi Dau Water Supply and Sewerage Construction Investment Joint Stock Company and appoint 02 representatives attending the Board of Directors and 01 representative attending the Supervisory Board).
   2. Transactions between the Company and companies executed by the related people of members of the Board of Directors, members of the Supervisory Board, Executive Manager (Managing Director) and other managers who are members of the Board of Directors or Executive Manager (Managing Director). None
   3. Other transactions of the Company (if any) which can bring about material or non-material benefits to the members of the Board of Directors, the members of the Supervisory Board, Executive Manager (Managing Director) and other managers: None
3. Share transactions of PDMR and related persons of PDMR (Report in 2023):
4. Transaction of PDMR and related persons related to the Company’s shares: None. Other significant issues: None