**NSH: Annual Corporate Governance Report 2023**

On January 29, 2024, Song Hong Aluminum Shalumi Group Joint Stock Company announced Report No. 195/BC-NSH-HDQT on the corporate governance of 2023 as follows:

* Name of company: Song Hong Aluminum Shalumi Group Joint Stock Company
* Head office address: Hong Ha street, Ben Got ward, Viet Tri city, Phu Tho province
* Tel: 0210 386 2644.
* Charter capital: VND 206,934,370,000
* Securities code: NSH
* Corporate Governance Model: The General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Manager.
* Internal audit execution: Implemented

1. Activities of the General Meeting of Shareholders

In 2023, the Board of Directors held the Annual General Meeting of Shareholders on June 15, 2023 to approve the contents of General Mandate No. 16/2023/NQ-DHDCD as follows:

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| General Mandate No. | Date | Content | | | | | |
| No. 16/2023/NQ-DHDCD | June 15, 2023 | ‎‎Article 1. The General Meeting of Shareholders of Song Hong Aluminum Shalumi Group Joint Stock Company ("Company") has approved the following General Mandate:  General Mandate 01: Approve the Activity Report, Supervision work of the Board of Directors in 2022 and the plan for 2023 No. 03/2023/BC-HDQT dated May 24, 2023 with some main contents as follows:  Approve the business plan for 2023 with specific main targets as follows: | | | | | |
|  | No. | Targets | Unit | Value |  |
| 1 | Net revenue | Billion VND | 1,250 |
| 2 | Profit after tax | Billion VND | 8 |
| 3 | Average income/person/month | VND | 8,500 |
| 4 | Dividend rate for shareholders/Charter capital | % | 3% |
| Approve investment plan from 2023 to 2025, estimated to use VND 40 billion.  Approve investment plan from 2023 to 2025, estimated to use VND 40 billion to invest in the following machinery and equipment: Extrusion press system 2400 MT or 2700 MT; sandblasting machine, scratching machine, CNC machine, etc.; investment in solar energy system to save costs and create a green environment for the company;  General Mandate 02: Approve the Activity Report of the Supervisory Board presented to the Annual General Meeting of Shareholders 2023 No. 14/2023/BC-BKS dated May 24, 2023.  General Mandate 03: Approve the Report of the Board of Management at the Annual General Meeting of Shareholders 2023 No. 04/2023/BC-BTGD dated May 24, 2023.  General Mandate 04: Approve the audited Financial Statements for the year 2022 according to the Proposal No. 05/2023/DHDCD-NSH dated May 24, 2023, with the following basic indicators:   |  |  |  | | --- | --- | --- | | No. | Targets | Value (VND) | | 1 | Total assets as of December 31, 2022 | 827,630,137,471 | | 2 | Payables as of December 31, 2022 | 591,792,663,240 | | 3 | Owner’s equity source as of December 31, 2022 | 235,837,474,231 | | 4 | Net revenue in 2022: | 1,101,118,544,290 | | 5 | Net profit from business activities in 2022  2022 | 4,307,738,592 | | 6 | Profit after tax in 2022 | 3,414,508,977 |   General Mandate 05: Approve remuneration for the Board of Directors and the Supervisory Board, Secretariat of  the Board of Directors according to Proposal No. 06/2023/DHDCD-NSH dated May 24, 2023, as follows:  Approve the settlement of remuneration for the year 2022 of the Board of Directors, Supervisory Board, and Secretariat of the Board of Directors   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | No. | Position | Number of months | Remuneration  (VND/person/month) | Number of people | Total amount for 12 months (VND) | | 1 | Member of the Board of Directors | 12 | 2,000,000 | 05 | 120,000,000 | | 2.. | Members of the Board of Directors (dismissed on June 30, 2022) | 06 | 2,000,000 | 02 | 24,000,000 | | 3. | Supervisory Board (including 01 member of the Supervisory Board -cum- Secretariat of the Board of Directors) | 12 | 1,000,000 | 03 | 36,000,000 | |  | Total | | | | 180,000,000 |   Approve the remuneration plan for the Board of Directors, Supervisory Board, Secretariat of the Board of Directors for the year 2023:   |  |  |  |  | | --- | --- | --- | --- | | No. | Position | Remuneration rate  (VND/person/month) | Number of members | | 1 | Member of the Board of Directors | 2,000,000 | 05 | | 2 | Members of the Supervisory Board: | 1,000,000 | 02 | | 3. | Secretariat of the Board of Directors -cum- member of the Supervisory Board | 1,000,000 | 01 |   General Mandate 06: Approve the profit distribution plan and establishment of funds according to the Proposal No. 07/2023/DHDCD-NSH dated May 24, 2023, with some main indicators as follows:   |  |  | | --- | --- | | Targets | Value (VND) | | 1. Profit after tax in 2022: | 3,414,508,977 | | 2. Projected profit distribution for 2022: | 3,414,508,977 | | Allocation to Development Investment Fund and Financial Reserve Fund | 1,914,508,977 | | Allocation to Welfare Reward Fund | 500,000,000 | | Dividends for shareholders | 0 | | 3. Undistributed net profit after tax after allocation | 0 |  * General Mandate 07: Approve the Proposal to authorize the Board of Directors of the company to select the audit company for the Financial Statements for the year 2023 according to the Proposal No. 08/2023/DHDCD-NSH dated May 24, 2023.   The General Meeting of Shareholders approved the authorization for the Board of Directors of the company to select the audit company for the company's Financial Statements for the year 2023.   * General Mandate 08: Approve on amending and supplementing some business lines of the Company according to the Proposal No. 15/2023/DHDCD-NSH dated May 24, 2023. Specifically as follows: The Board of Directors of the Company presents to the General Meeting of Shareholders the following contents:   Amendment, supplementation of some business lines of the Company  Related to the content about the maximum foreign ownership rate of the Company and based on the documents of the State Securities Commission on the dossier of notification of the maximum foreign ownership rate of the Company, the Board of Directors of the Company reviewed some business lines of the Company to submit to the General Meeting of Shareholders for consideration, approval of amending and supplementing some business lines of the Company to avoid restrictions on foreign ownership at 0%, specifically the amended and supplemented contents as follows:   |  |  |  |  | | --- | --- | --- | --- | | No. | Name of the originally registered business lines | Amended and supplemented business lines | Note | | 1. | Industry code 46101: Agency  Details: Agent for buying, selling, consigning goods. | Industry code 4610: Agents, brokers, auctioneers of goods  Details: Goods sales agents (Excluding cigarettes and cigars, books, newspapers and magazines, items already recorded, precious metals and gemstones, pharmaceuticals, explosives, crude oil and refined oil, rice, sugarcane and sugar beets). | Amendment of industry code and supplementation of business line details | | 2. | Construction of urban, industrial infrastructure; construction of industrial, civil, transportation, irrigation, hydropower, postal, telecommunications, high voltage power lines, substation, transformer station under 35KV; | * Removal of business lines not matching the codes with the Vietnam Economic Industry System: "Hydropower" * Industry code 4101: Construction of residential buildings; * Industry code 4102: Construction of non-residential houses * Industry code 4212: Construction of road work * Industry code 4222: Construction of water supply and drainage work * Industry code 4223: Building telecommunication and communication constructions * Industry code 4229: Construction of other public utilities; * Industry code 4292: Construction of mining works * Industry code 4293: Building processing and manufacturing works * Industry code 4299: Construction of other civil engineering works. * Industry code 4321: Installation of electrical systems * Industry code 4329: Installing other construction systems * Industry code 4390: Other specialized construction activities | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System | |  | | 3. | Processing, installing various aluminum detail components for construction:  interior decoration of construction works; | * Industry code 2592: Mechanical engineering processing; treating and overlaying metal * Industry code 4330: Finalization of construction entities; * Industry code 7410: Specialized design activities   Details: Interior and exterior decoration activities | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System | | 4. | Investment consulting for projects | Industry code 7110: Architectural activities and related technical consultancy:  Details: Investment consulting and construction | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System | | 5. | Hotel, tourism, travel services business | Remove business lines not matching with the codes with the Vietnam Economic Industry System: "Domestic hotel, tourism, travel services business " |  | | 6 | Business import-export materials, equipment | Industry code 8299: Other uncategorized business support services  Details: Importing, exporting various types of aluminum, machinery, equipment, and materials (Excluding cigarettes and cigars, books, newspapers and magazines, items already recorded, precious metals and gemstones, pharmaceuticals, explosives, crude oil and refined oil, rice, sugarcane and sugar beets). | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System | | 7. | Exploiting, producing, trading various types of materials, goods, construction materials | Code 4663: Wholesale of materials and other installation equipment in construction | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System | | 8. | Business import-export various types of materials, equipment serving agriculture, forestry, aquaculture, animal feed, various types of fertilizers | Code 4653: Wholesale of agricultural machinery, equipment and spare parts  Code 4659: Wholesale of other machinery, equipment, and spare parts (Excluding items already recorded). | Re-register business lines with codes not matching with business lines with industry codes in the Vietnam Economic Industry System |   The General Meeting of Shareholders authorizes the Board of Directors and the Company's legal representative to carry out procedures for notifying changes in registered business lines according to the law; re-register business lines with codes not matching with industry codes according to the Vietnam Economic Industry System; amend Clause 1, Article 4 regarding the Company's business lines in the Company's Charter and issue a Charter of the Company in accordance with the amended business lines approved by the General Meeting of Shareholders.  Article 2: This General Mandate takes effect from the date of its signing. Shareholders, the Board of Directors, the Supervisory Board, Board of Management, Heads of departments/branches/units in the Company and relevant individuals are responsible for the implementation of this General Mandate. | | | | | |

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

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| --- | --- | --- | --- | --- |
| No. | Member of the Board of Directors | Position | Date of appointment/dismissal as member of the the Supervisory Board  of the Board of Directors | |
| Appointment date | Dismissal date |
| 1 | Ms. Pham Thi Quynh Thu | Chair of the Board of Directors | June 1, 2020 started as member of the Board of Directors (holding position of Chair of Board of Directors) |  |
| 2 | Mr. Nguyen Minh Ke | Vice Chair of the Board of Directors | (Holding position of Vice Chair of Board of Directors since June 1, 2020) |  |
| 3 | Mr. Le Van Thang | Member of the Board of Directors | May 25, 2017 started as member of the Board of Directors |  |
| 4 | Ms. Do Thi Thanh Tung | Member of the Board of Directors | In 2007 started as member of the Board of Directors |  |
| 5 | Mr. Vu Hong Quan | Member of the Board of Directors | Became a independent member of the Board of Directors on June 01, 2020 |  |

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

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| --- | --- | --- | --- |
| No. | Resolution/Decision No. | Date | Content |
| 1 | No. 161/NQ-HDQT | March 31, 2023 | On expanding the market, developing new products, rebranding and products suitable to the Company's development strategy. |
| 2 | No. 162/2023/NQ-HDQT | April 20, 2023 | Board Resolution on extending of the organization of the Annual General Meeting of Shareholders 2023 |
| 3 | No. 167/2023/NQ-HDQT | April 24, 2023 | Resolution on the plan of the organization of Annual General Meeting of Shareholders 2023 |
| 4 | No. 188/NQ-HDQT | July 20, 2023 | Resolution on merging the production department and assigning to the General Manager to implement; |
| 5 | No. 192/NSH-CBTT | December 27, 2023 | Resolution No. 193/NQ-HDQT on the divestment of capital from Song Hong 26 Construction Joint Stock Company; |

1. The Supervisory Board (in 2023):
2. Information about the members of the Supervisory Board:

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| --- | --- | --- | --- | --- |
| No. | Member of the Supervisory Board | Position | Date of appointment/dismissal as member of the Supervisory Board | Qualification |
| 1 | Nguyen Van Khiem | Chief of the Supervisory Board | April 22, 2017 | Bachelor of Economics |
| 2 | Luu Duc Giang | Member of the Supervisory Board | 2004 | Mechanical Engineer |
| 3 | Nguyen Ngoc Chien | Member of the Supervisory Board | June 27, 2020 | Master of Business Administration |

1. The Executive Board:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Members of the Executive Board | Date of birth | Qualification | Date of appointment | Dismissal date |
| 1 | Le Van Thang - General Manager | 1973 | Master Degree | July 16, 2019 |  |
| 2 | Do Thanh Tung - Deputy General Manager | 1965 | Bachelor | November 15, 2013 |  |

1. Chief Accountant, Head of Accounting Department:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Full name | Date of birth | Qualification | Date of appointment | Dismissal date |
| 1 | Nguyen Thi Bich Thuy | 1969 | Bachelor | February 22, 2021 |  |

1. Training on corporate governance:
2. List of related persons of the Company (Annual Report 2023) and transactions between the related persons of the Company with the Company itself
3. Transactions between the Company and affiliated persons of the Company; or between the Company and major shareholders, PDMR and affiliated persons of PDMR None
4. Transactions between Company’s PDMR, affiliated persons of PDMR and subsidiaries or companies controlled by the Company (None).
5. 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, the General Manager and other managers have been founding members or members of the Board of Directors, the Executive General Manager for the past three (03) years (as at the time of reporting) None.
   2. Transactions between the Company and companies in which affiliated persons of members of the Board of Directors, members of the Supervisory Board, the General Manager and other managers are members of the Board of Directors, the Executive Manager (General Manager): None.
   3. Other transactions of the Company (if any) which can bring material or non-material benefits to members of the Board of Directors, members of the Supervisory Board, the General Manager and other managers: None.
6. Share transactions of PDMR and affiliated persons of PDMR (Annual Report in 2023):
7. Company’s share transactions between PDMR and affiliated persons: None.