**FBC: Annual Corporate Governance Report 2023**

On January 30, 2024, Pho Yen Mechanical Joint Stock Company announced Report No. 40/BC-FOMECO on the corporate governance in 2023 as follows:

* Name of Company: Pho Yen Mechanical Joint Stock Company
* Head office address: Bai Bong Ward, Pho Yen City, Thai Nguyen Province
* Tel: (02083) 863694 693 Fax: (02083)863118 Email: [Info@fomeco.vn](mailto:Info@fomeco.vn)
* Charter capital: VND 37,000,000,000
* Securities code: FBC
* Corporate Governance Model: The General Meeting of Shareholders, the Board of Directors, the Supervisory Board and the Manager
* Internal audit execution: Unimplemented.

1. Activities of the General Meeting of Shareholders:

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

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| --- | --- | --- | --- |
| No. | General Mandate/Decision of the General Meeting of Shareholders No. | Date | Content |
| 1 | 01/NQ- DHDCD | June 16, 2023 | Annual General Mandate 2023 approved the following contents:   1. Approve Report No. 01/BC-HDQT dated June 15, 2023 on activities in 2022 and activity plan in 2023 of the Board of Directors. 2. Approve Report No. 01/BC-BKS dated June 15, 2023 on activities in 2022 and plan in 2023 of the Supervisory Board.   Approve Report No. 184/BC-GD dated June 15, 2023 on production and business results in 2022 and production and business plan in 2023 of the Board of Directors.  (4) Approve Proposal No. 02/TTr-HDQT dated June 15, 2023 on approving the audited Financial Statements 2022.  (5) Approve Proposal No. 03/TTr-HDQT dated June 15, 2023 on the Plan for profit distribution and dividend payment in 2022.  (6) Approve Report No. 04/BC-HDQT dated June 15, 2023 on the salary and remuneration fund implemented in 2022 and the salary and remuneration fund plan for 2023 of the Board of Directors and the Supervisory Board.   1. (7) Approve Report No. 02/TTr-BKS dated June 15, 2023 on approving the List of audit companies for the financial statements 2023. |

1. The Board of Directors:
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 | Le Minh Phuong | Non-executive Chair of the Board of Directors | April 28, 2022 |  |
| 2 | Nguyen Duc Chung | Executive member of the Board of Directors | April 28, 2022 |  |
| 3 | Dam Duy Duc | Executive member of the Board of Directors | April 28, 2022 |  |
| 4 | Hoang Cong Toan | Non-executive member of the Board of Directors | April 28, 2022 |  |
| 5 | Vuong Quoc Chinh | Non-executive member of the Board of Directors | April 28, 2022 |  |

1. Board Resolutions/Decisions in 2023:

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| --- | --- | --- | --- | --- |
| No. | Board Resolution/Board Decision No. | | Date | Content |
| I | Board Resolutions | | | |
| 1 | 01/NQ-HDQT | | January 12, 2023 | On rewarding the Manager, the Supervisory Board and the Board of Directors' support department |
| 2 | 02/NQ-HDQT | | January 12, 2023 | On approving the Plan to use the Employee Reward Fund and Welfare Fund in 2023 |
| 3 | 03/NQ-HDQT | | February 7, 2023 | On the plan for maintenance and repair of fixed assets in 2023 |
| 4 | 04/NQ-HDQT | | March 1, 2023 | On the policy of paying salaries and related benefits to Mr. Dam Duy Duc, the position of Deputy Manager of the Company |
| 5 | 05/NQ-HDQT | | March 3, 2023 | On approving the policy of implementing contracts and transactions between FOMECO and affiliated Persons in 2023 |
| 6 | 06/NQ-HDQT | | March 21, 2023 | On extending the Annual General Meeting of Shareholders 2023 |
| 7 | 07/NQ-HDQT | | April 21, 2023 | On organizing the Annual General Meeting of Shareholders 2023 |
| 8 | 08/NQ-HDQT | | May 12, 2023 | On approving the Sales Contract with VEAM (1st time) |
| 9 | 09/NQ-HDQT | | May 16, 2023 | On signing the labor contract with the Deputy Manager |
| 10 | 10/NQ-HDQT | | May 16, 2023 | On the agenda and content of documents for the Annual General Meeting of Shareholders 2023 |
| 11 | 11/NQ-HDQT | | May 18, 2023 | On approving personnel planning for the position of Deputy Manager of the company for the period 2023-2028 |
| 12 | 12/NQ-HDQT | | June 7, 2023 | On approving the investment plan 2023 |
| 13 | | 13/NQ-HDQT | June 15, 2023 | On approving the Regulations on salaries and remunerations of the Managers and the Supervisory Board |
| 14 | | 14/NQ-HDQT | June 15, 2023 | On approving the Salary and Remuneration Fund implemented in 2022 and the Salary and Remuneration Fund plan for 2023 |
| 15 | | 15/NQ-HDQT | June 15, 2023 | On the content of documents for the Annual General Meeting of Shareholders 2023 |
| 16 | | 16/NQ-HDQT | July 05, 2023 | On approving the Sales Contract with VEAM (2nd time) |
| 17 | | 17/NQ-HDQT | July 28, 2023 | On approving the Sales Contract with VEAM (3rd time) |
| 18 | | 18/NQ-HDQT | August 08, 2023 | On the dividend payment in 2022 |
| 19 | | 19/NQ-HDQT | August 30, 2023 | On canceling Resolution No. 18/NQ-HDQT dated August 8, 2023 on dividend payment in 2022 |
| 20 | | 20/NQ-HDQT | August 30, 2023 | On the dividend payment in 2022 |
| 21 | | 21/NQ-HDQT | September 13, 2023 | On selecting the audit company for FOMECO's financial statements 2023 |
| 22 | | 22/NQ-HDQT | September 28, 2023 | On rewarding the Manager, the Supervisory Board and the Board of Directors' support department |
| 23 | | 23/NQ-HDQT | October 02, 2023 | On approving the Sales Contract with VEAM (4th time) |
| 24 | | 24/NQ-HDQT | October 18, 2023 | On approving the Plan to consolidate the Company's organizational structure |
| 25 | | 25/NQ-HDQT | October 31, 2023 | On approving the Regulations on management of title and position holders at Pho Yen Mechanical Joint Stock Company |
| 26 | | 26/NQ-HDQT | November 10, 2023 | On human resource work, the position of Person in charge of corporate governance |
| 27 | | 27/NQ-HDQT | November 10, 2023 | On approving the plan to implement the investment program "Additional purchase of machinery and other equipment" in 2023 |
| 28 | | 28/NQ-HDQT | November 28, 2023 | On the overseas business trip of a member of the Board of Directors-cum-Manager |
| 29 | | 29/NQ-HDQT | December 22, 2023 | On approving the Sales Contract with VEAM (5th time) |
| II | | Board Decisions | | |
| 1 | | 01/QD-HDQT | June 15, 2023 | On promulgating regulations on salaries and remunerations of the Managers and the Supervisory Board |
| 2 | 02/QD-HDQT | | September 28, 2023 | On rewarding the Manager, the Supervisory Board and the Board of Directors' support department |
| 3 | 03/QD-HDQT | | October 25, 2023 | On promulgating Regulations on the names, powers, responsibilities, working relationships of Offices/Departments/Enterprises and personnel structure at FOMECO |
| 4 | 04/QD-HDQT | | October 31, 2023 | On approving the Regulations on management of title and position holders at Pho Yen Mechanical Joint Stock Company |
| 5 | 05/QD-HDQT | | November 10, 2023 | On dismissing the position of person in charge of corporate governance |
| 6 | 06/QD-HDQT | | November 10, 2023 | On appointing the person in charge of corporate governance |
| 7 | 07/QD-HDQT | | November 27, 2023 | On payment of allowances to the Person in charge of corporate governance-cum-Company Secretariat |
| 8 | 08/QD-HDQT | | November 28, 2023 | On the overseas business trip of a member of the Board of Directors-cum-Manager |

1. The Supervisory Board
2. Information on members of the Supervisory Board:

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| --- | --- | --- | --- | --- |
| No. | Member of the Supervisory Board/Audit Committee | Position | Date of appointment/dismissal as member of the Supervisory/the Audit Committee | Qualification |
| 1 | Le Thi Thanh Hien | Chief of the Supervisory Board | April 28, 2022 | Bachelor of Economics |
| 2 | Vu Ngoc Hung | Member of the Supervisory Board | April 28, 2022 | Bachelor of Economics |
| 3 | Nguyen Thi Phuong | Member of the Supervisory Board | April 28, 2022 | Bachelor of Economics |

1. The Executive Board

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Member of the Executive Board | Date of birth | Qualification | Date of appointment/dismissal as member of the Executive Board |
| 1 | Mr. Nguyen Duc Chung | October 20, 1982 | Bachelor | Appointed on July 01, 2014 and May 03, 2021 |
| 2 | Mr. Dam Duy Duc | October 9, 1978 | Master | Appointed on November 01, 2021 |
| 3 | Mr. Le Van Khanh | October 17, 1976 | Engineer | Appointed on July 1, 2019 |

1. Chief Accountant

|  |  |  |  |
| --- | --- | --- | --- |
| Full name | Date of birth | Qualification: | Date of appointment/dismissal |
| Nguyen Thi Hong Tham | April 11, 1979 | Bachelor of Economics | Appointed on July 1, 2014 |

1. Training on corporate governance
2. List of affiliated person of the public Company and transactions between the affiliated person 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:

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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 | Approved General Mandate/ Decision of General Meeting of Shareholders or Board Resolution/ Board Decision No. | Content, quantity, total transaction value (VND) | Note |
| 1 | Viet Nam Engine And Agricultural Machinery Corporation | State shareholder, major shareholder | Business Registration No. 0100103866, Date of issue: October 06, 2010; Place of issue: Hanoi Department of Planning and Investment | Lot D, Area D1, Phu Thuong Ward, Tay Ho District, Hanoi City | May 31, 2023 | Board Resolution No. 08/NQ-HDQT dated May 12, 2023 | Contract for purchasing and selling manufactured steel with total transaction value: VND 2,660,240,000 |  |
| 2 | July 12, 2023 | Board Resolution No. 16/NQ-HDQT dated July 5, 2023 | Contract for purchasing and selling manufactured steel with total transaction value: VND 1,848,000,000 |  |
| 3 | August 17, 2023 | Board Resolution No. 17/NQ-HDQT dated July 28, 2023 | Contract for purchasing and selling manufactured steel with total transaction value: VND 1,804,000,000 |  |
| 4 | October 23, 2023 | Board Resolution No. 23/NQ-HDQT dated October 2, 2023 | Contract for purchasing and selling manufactured steel with total transaction value: VND 1,848,000,000 |  |
| 5 | December 25, 2023 | Board Resolution No. 29/NQ-HDQT dated December 22, 2023 | Contract for purchasing and selling manufactured steel with total transaction value: VND 4,339,445,000 |  |
| 6 | Co Loa Mechanical Joint Stock Company | Subsidiary of VEAM | Business Registration No. 0101507847, Date of issue: June 11, 2004; Place of issue: Hanoi Department of Planning and Investment | Group 22, Dong Anh town, Hanoi city | From January 1, 2023 to June 30, 2023. | Board Resolution No. 05/NQ-HDQT dated March 3, 2023 | Contract for product processing, with total transaction value in 2023: VND 12,856,498,920 |  |
| 7 | Machinery Spare Parts No1 Joint Stock Company | Subsidiary of VEAM | Business Registration No. 4600358468, Date of issue: December 31, 2008; Place of issue: Thai Nguyen Province Department of Planning and Investment | 3/2 Street, Group 10, Mo Che Ward, Song Cong City, Thai Nguyen Province | March 3, 2023 | Board Resolution No. 05/NQ-HDQT dated March 3, 2023 | Contract for outsourcing a type of product, with total transaction value: VND 15,928,000 |  |
| 8 | June 26, 2023 | Contract for product processing with total transaction value: VND 14,091,000 |  |
| 9 | Song Cong Diesel Limited Company | Subsidiary of VEAM | Business Registration No. 4600100211, Date of issue: February 3, 2005; Place of issue: Thai Nguyen Province Department of Planning and Investment | No. 362, Cach Mang Thang 10 Street, Chau Son Ward, Song Cong City, Thai Nguyen | From January 1, 2023 to June 30, 2023. | Board Resolution No. 05/NQ-HDQT dated March 3, 2023 | Contract for product processing, with total transaction value in 2023: VND 505,133,200 |  |
| 10 | Tractor and Agricultural Machinery Company Limited | Subsidiary of VEAM | Business Registration No. 0500236405, Date of issue: January 30, 2009; Place of issue: Hanoi Department of Planning and Investment | No. 4, Chu Van An street, Yct Kieu ward, Ha Dong district, Hanoi city | From January 1, 2023 to June 30, 2023. | Board Resolution No. 05/NQ-HDQT dated March 3, 2023 | Contract for purchasing and selling materials, with total transaction value in the first 6 months of the year: VND 282,584,000 |  |

1. Transactions between PDMR of the Company, affiliated persons of PDMR and subsidiaries under the authority of the Company: None
2. Transactions between the Company and other entities: None
   1. Transactions between the Company and the companies in which members of the Board of Directors, members of the Supervisory Board, the Manager (General Manager) and other managers have been founding members or members of the Board of Directors, the Executive Manager (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 Manager (the General Manager) and other managers are members of the Board of Directors or the Executive Manager (the General Manager) : 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, Manager (General Manager) and other managers: None
3. Share transactions between PDMR and affiliated persons of PDMR
4. Company’s shares transactions between PDMR and affiliated persons: None
5. Other significant issues: None