

No.: 34/CDL.2025

Ho Chi Minh City, March 5<sup>th</sup>, 2025

## INFORMATION DISCLOSURE

**To:** - The State Securities Commission of Vietnam;  
- Vietnam Stock Exchange;  
- Ho Chi Minh Stock Exchange.

1. Name of organization: REE Corporation

Share code: REE

Address: 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City, Vietnam

Telephone: 84-28-38100017

Fax: 84-28-38100337

Email: ree@reecorp.com

Website: www.reecorp.com

2. Content of disclosure:

REE Corporation respectfully announced the Resolution of the Board of Directors No. 03/2025/NQ-HĐQT-REE dated March 5<sup>th</sup>, 2025.

3. This information was published on the REE's website on March 5<sup>th</sup>, 2025 as in the link <https://www.reecorp.com>.

REE hereby certify that information provided is true and correct and we bear full responsibility to the law.

**Authorized person to disclose information**  
(Signature, full name, position, and seal)



Nguyễn Ngọc Thái Bình  
Deputy General Director

No: 03/2025/NQ-HĐQT-REE

Ho Chi Minh City, March 5, 2025

**RESOLUTION**

*Regarding the promulgation of Internal Audit Charter*

**BOARD OF DIRECTORS OF  
REFRIGERATION ELECTRICAL ENGINEERING CORPORATION**

- Pursuant to Enterprise Law No. 59/2020/QH14 dated June 17, 2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Charter of Refrigeration Electrical Engineering Corporation;
- Pursuant to the Audit Committee Charter of Refrigeration Electrical Engineering Corporation;
- Pursuant to the Meeting minutes of the Board of Directors No. 01/2025/BB-HĐQT dated 24 January 2025;

**RESOLUTION**

**Article 1:** Enclosed with this Resolution is the "**Internal Audit Charter**" of Refrigeration Electrical Engineering Corporation (first time).

**Article 2:** This Resolution takes effect from the date of signing.

**Article 3:** All members of the Board of Directors, the Audit Committee, the Board of Management of the Company, units/departments under the Company, relevant organizations/individuals are responsible for implementing this resolution.

REFRIGERATION ELECTRICAL  
ENGINEERING CORPORATION

ON BEHALF OF THE BOARD OF DIRECTORS

**Recipient:**

- As in article 3;
- Document storage.



CHAIRMAN

XAVIER CANH

REFRIGERATION ELECTRICAL ENGINEERING CORPORATION



# INTERNAL AUDIT CHARTER

(Enclosed with Resolution No. 03/2025/NQ-HDQT-REE

March 5, 2025

of Refrigeration Electrical Engineering Corporation)

Ho Chi Minh City, March 5, 2025



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- Pursuant to Enterprise Law No. 59/2020/QH14 of June 17, 2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to Decree No. 05/2019/ND-CP of January 22, 2019 on Internal Audit, effective on April 1, 2019;
- Pursuant to Circular No. 66/2020/TT-BTC of July 10, 2020 of the Ministry of Finance promulgating the template of Internal Audit Charter applicable to businesses;
- Pursuant to the Charter of Refrigeration Electrical Engineering Corporation;
- Pursuant to the Audit Committee Charter issued by the Board of Directors on May 18, 2021.

## **CHAPTER 1**

## **GENERAL REGULATIONS**

### **Article 1. Scope**

This regulation stipulates the objectives, scope of activities, position, duties, authorities and responsibilities of Internal Audit (“IA”) within the Companies belong to Group of Companies and its relationship with other departments, including the scope and methods of providing information for audit purposes; which includes requirements for independence, objectivity, basic principles, requirements for professional qualifications, quality assurance of IA and other related matters.

### **Article 2. Applicable subjects**

This regulation applies to all members of IA department of the Refrigeration Electrical Engineering Corporation (“Parent Company”) and its subsidiaries (herein after collectively referred to as “Company” or “Group of Companies”) and organizations, individuals in the Group of Companies related to the IA activities throughout the Group of Companies.

### **Article 3. Definitions of Terms**

1. Internal Audit: The process of examining, evaluating and monitoring the adequacy, appropriateness and effectiveness of internal controls.
2. Internal Auditor: An individual who performs IA function of the Group of Companies.
3. Head of IA: A person is authorized by the competent authority as prescribed by law or by the Group of Companies’s regulations to be in-charge for the IA function.
4. Audit Committee (“AC”): A specialized committee under the Board of Directors as prescribed by the Enterprise Law and the Charter of Parent Company.
5. Related parties of internal auditors: Are biological father & mother, adoptive father & mother, father & mother-in-law, wife, husband, biological children, adopted children, biological brother & sister, younger sibling, brother & sister-in-law.
6. Group of Companies: include Refrigeration Electrical Engineering Corporation and its subsidiaries.

### **Article 4. Objectives of Internal Audit**

By carrying out audit and consulting activities, IA provides independent, objective assurances and recommendations in the following areas:

- a) The Group of Companies’ internal control system has been established and operated appropriately to prevent, detect and address the Group of Companies’ risks;
- b) The Group of Companies' governance and risk management processes ensure efficiency and high performance;
- c) Operational goals and strategic goals, plans and missions achieved by the Group of Companies.

## **Article 5. Position and organizational structure of the Internal Audit department**

IA is a functional department under the AC, responsible for reporting professionally to the AC and administratively reporting to the General Director ("GD"). The management and supervision of IA activities are stipulated as follows:

The AC manages, supervises IA activities functionally through:

- ✓ Approve the organizational structure, personnel and budget for IA based on the proposal of the GD;
- ✓ Approve recruitment, appointment, salary, bonus and incentives for Head of IA based on the proposal of the GD;
- ✓ Approve the IA plan based on consultation with the GD;
- ✓ Coordinate with the GD to approve the IA Charter;
- ✓ Supervise IA methodology;
- ✓ Monitor, evaluate the quality and effectiveness of IA.

The GD supports IA activities administratively through:

- ✓ Sign labor contract with Head of IA after receiving approval from the AC;
- ✓ Approve administrative proposals of Head of IA (business travel, vacation expenses,...);
- ✓ Ensure the operating conditions of IA;
- ✓ Provide the highest level of support for IA to perform its tasks;
- ✓ Propose organizational structure, personnel, budget for IA;
- ✓ Propose recruitment, appointment, salary, bonus and incentives for Head of IA.

## **Article 6. Scope of Internal Audit**

The scope of IA includes:

- ✓ Carry out assurance activities through inspection and evaluation of the completeness and effectiveness of governance processes, risk management and internal control systems to prevent risks and support the Group of Companies achieve goals of strategic, operations, finance and compliance;
- ✓ Carry out consulting activities related to appropriate governance processes, risk management and internal control systems, through providing analysis and recommendations based on data assessment and the Group of Companies' processes.

Head of IA and internal auditors are responsible for strictly complying with the Code of Professional Ethics (independence, objectivity, confidentiality), State's regulations on IA as well as the Group of Companies' internal regulations.

## **Article 7. Basic principles of Internal Audit**

1. Independence: Internal auditors are not allowed to simultaneously undertake tasks that are subject to audit. The Company must ensure that IA is not subject to any interference while performing its reporting and assessment duties;
2. Objectivity: Internal auditors must ensure objectivity, accuracy, honesty, and fairness in the process of performing IA tasks;
3. Comply and be responsible within the law for IA activities.

#### **Article 8. Professional standards**

1. IA department must comply with the IA's legal regulations, IA Standards and professional ethical principles issued or announced by competent State agencies;
2. In addition, IA department will comply with the Group of Companies' relevant policies and procedures on IA, including the IA process approved and issued by the Group of Companies.

#### **Article 9. Principles of professional ethics of Internal Audit**

1. In the process of performing audit and consulting tasks, internal auditors must ensure the correct implementation and maintenance of following minimum IA professional ethical principles: integrity, objectivity, professional competence and discretion, confidentiality, and professional conduct;
2. Head of IA will confirm with the AC at least annually about the independence in the organization and take measures to monitor, evaluate and manage to ensure that internal auditors comply with the principles of IA professional ethics.

#### **Article 10. Authorities of Internal Audit department**

1. Actively perform audit assignments according to the approved IA plan;
2. Equipped with necessary resources related to the scope and scale of IA activities;
3. IA with strict responsibility for the confidentiality and protection of the Group of Companies' information, is assigned full, free and unlimited access to all and any information, assets, personnel that necessary to complete the audit assignments;
4. Receive documents, meeting minutes of the AC and other functional departments related to IA activities;
5. Participate in internal meetings, supervise, evaluate and monitor remediation and completion activities of Companies/units/departments within the Group of Companies for IA's findings and recommendations;
6. Be protected from uncooperative actions of the audited units/departments;
7. Have the right to conduct unexpected inspections as the request of the AC and/or the GD without prior notice to the units/departments;
8. Have the right to request the mobilization of personnel from units/departments within the Group of Companies to support IA activities, if necessary;
9. Be trained to improve the capacity of internal auditors in the IA department;
10. Other authorities as prescribed by law and the Group of Companies' internal regulations.

#### **Article 11. Responsibilities of Internal Audit department**

1. Keep documents, information confidential in accordance with current legal regulations and Group of Companies' regulations;
2. Be responsible to the AC for the results of IA activities related to the assessments, conclusions, recommendations and proposals in IA reports;
3. Monitor, urge and inspect the results for the implementation of IA's recommendations of departments;
4. Organize continuous training to improve and ensure professional capacity for IA members;
5. Other responsibilities as prescribed by law.

## **Article 12. Responsibilities and authorities of Internal Auditor**

### 1. Responsibilities:

- a) Implement the approved audit plan;
- b) Identify information that is complete, reliable, appropriate and useful for implementing audit objectives;
- c) Based on appropriate analysis and assessment to draw conclusions and audit results independently and objectively;
- d) Store relevant information to support conclusions and provide audit results;
- e) Take responsibility for the assigned audit results;
- f) Keep information confidential in accordance with the provisions of law;
- g) Continuously improve professional capacity and maintain professional ethics;
- h) Other responsibilities as prescribed by law.

### 2. Authorities:

- a) While performing an audit, have the right to be independent in commenting, evaluating, concluding and making recommendations on the audited contents;
- b) Have the right to request the audited units/departments to promptly and fully provide documents and information related to the audit content;
- c) Reserve written opinions on audit results within the assigned scope;
- d) Exercise other authorities as prescribed by law.

## **Article 13. Responsibilities and authorities of Head of Internal Audit**

### 1. Responsibilities:

- a) Manage and monitor IA department to perform tasks according to regulations;
- b) Ensure that IA members are regularly trained and have sufficient qualifications and professional capacity to perform tasks;
- c) Implement measures in order to ensure independence, objectivity and truthfulness of IA;
- d) Report to the AC when detecting weaknesses and existing problems in the internal control system;
- e) Be responsible for the audit results performed by IA department;
- f) Keep information confidential in accordance with laws;
- g) Other responsibilities as prescribed by law.

### 2. Authorities:

- a) Propose to the BOD (or through the AC) to issue regulations, IA manual and professional methods;
- b) Requested to recruit people from other departments; proposed to hire experts and consultants to establish IA department, to participate in IA engagement when necessary, with conditions that ensure the IA independence;
- c) Attend meetings according to Group of Companies' internal regulations and law;
- d) In the process of carrying out internal audits, exercise independent rights to give their opinions, comments, assessments and recommendations about audited matters;



- e) Request audited department/units to provide materials, documents and information related to subject matters of the internal audit in a timely and sufficient manner;
- f) Retain and reserve written opinions on audit results;
- g) Other authorities as prescribed by law.

#### **Article 14. Independence and objectivity of Internal Audit**

1. IA department will not be interfered with by any factor within the organization, including issues of audit selection, scope, procedures, frequency, timing or content of audit reports to allow maintain the necessary independent and objective attitude;
2. Internal auditors have no direct operational responsibility or authority for any activities being audited. Accordingly, internal auditors will not perform internal control, develop processes, install systems, prepare records, or engage in any other activities that may impair the professional judgement of internal auditors;
3. Internal auditors will demonstrate the highest level of professional objectivity in collecting, evaluating and communicating information about the activity or process being examined. Internal auditors shall make a balanced assessment of all relevant circumstances and shall not be influenced by their own or others' interests in making judgments;
4. Head of IA will annually commit and confirm with the AC for the independence of IA department to the Group of Companies.

## **CHAPTER II**

## **INTERNAL AUDIT ACTIVITIES**

#### **Article 15. Internal Audit methodology**

The method of implementing IA is based on risk-based approach, and prioritizes focusing resources on auditing the processes of Companies/units/departments that are assessed with high risk.

#### **Article 16. Internal Audit plan**

1. Every year, before January 31, IA department will submit IA plan to the AC for review and approval;
2. The IA plan and related adjustments (if any) will be developed based on the requirements of Internal Audit standards.
3. The IA plan will include at least the following contents: audit scope, audit subjects, audit objectives, audit schedule, as well as budget and resource requirements for the next fiscal year;
4. The annual IA plan must be approved within 30 days from the date Head of IA submits to the AC;
5. The IA plan must be sent to the AC and the GD within 05 days from the date of approval.

#### **Article 17. Internal Audit process**

Head of IA develops IA process appropriately to the Group of Companies' operations, consults with the AC before issuing.

## Article 18. Audit report

1. Reporting of each IA engagement:
  - a) Audit report is prepared by IA team leader or the person in-charge of the audit engagement, and submitted to the AC and the GD within 30 days after completing the audit;
  - b) Audit report must have the opinions of the Head of the audited units/department. In case the audited units/departments disagrees with the audit results, the audit report should clearly state the disagreement and the reason;
  - c) After completion, the audit report is submitted to the AC, the GD, audited units/departments and relevant departments.
2. Monthly audit reports:
  - a) Quickly update audit results and activities during the month;
  - b) Observations and assessments of the Group of Companies' operations (even not included in the IA plan): human resources, business, investment, control environment, fraud, emerging issues...
3. Quarterly audit reports:
  - a) No later than 15 days from the last day of the quarter, Head of IA must send the quarterly audit report to the AC.
  - b) The quarterly audit report includes at least the following contents:
    - Audit progress according to the approved annual audit plan;
    - Summary of audit results in the quarter including: Findings, significant recommendations and action plans of the Board of Management agreed with IA, reservations of IA's opinions (if any);
    - Update the organizational structure, personnel structure, recruitment, training... of IA department;
    - Observations and assessments of the Group of Companies' operations (even not included in the IA plan): human resources, business, investment, control environment, fraud, emerging issues...;
    - Cooperation of the Board of Management in supporting IA activities;
    - Methods to control the quality of IA activities.
4. Annual internal audit reports:
  - a) Not later than 30 days from the end date of the fiscal year, Head of IA must submit annual audit report to the AC.
  - b) The annual audit report includes the following contents:
    - Proposed audit plan; audit work has been performed;
    - Major violations exist and are discovered; recommendations by IA;
    - Evaluation of the internal control system related to the audited activities and recommendations to improve the internal control system;
    - Status of implementation the IA's recommendations and proposals;
    - Self-assess the achievements of the IA and future development directions.

5. Abnormal audit reports:

In case of detecting serious violations or when realizing that there is a high risk that may adversely affect the Company's operations, IA department must immediately report to the AC and/or the GD. Extraordinary audit reports in case of problems arising during the fiscal year include the following contents:

- a) Risk issues that IA cares about and pays attention to;
  - b) Revealing or arising weaknesses in the internal control system at the department or unit;
  - c) Serious findings require handling and remedial direction from the BOD, the AC and/or the GD;
  - d) Abnormal report presents problems that arise or are discovered along with recommendations for handling.
6. Check the implementation of IA's recommendations:
- a) Check and evaluate the time and results of the work that the audited Companies/units/departments has performed according to IA's recommendations;
  - b) Report the inspection results of implementation IA's recommendations of the audited Companies/units/departments to the AC.

**Article 19. Retention and storage of Internal Audit documents**

1. Audit documents must be recorded in written form (paper or electronic) and stored so that competent organizations and individuals can have access and understand IA activities and performance results included in audit reports;
2. IA reports and documents must be stored according to current regulations of the State and Group of Companies.

**Article 20. Quality assurance and improvement of Internal Audit**

1. IA department should maintain a quality assurance and improvement program that covers all aspects of IA activities;
2. The program includes compliance assessment of IA department following IA's regulations and standards; evaluate the compliance with the Code of Ethics. The program also evaluates the effectiveness and efficiency of IA department and identifies opportunities for improvement;
3. Re-evaluation of IA activities is performed at the end of each audit engagement and annual self-assessment of the overall IA activities is carried out by IA department to ensure the quality of IA activities. In necessary condition, a qualified auditing firm can be hired for an independent external assessment at the request of the AC;
4. Head of IA report to the AC about the program to ensure and improve the quality of the IA department, including the results of annual internal assessment and external assessment (if any).

## **CHAPTER III RESPONSIBILITIES OF PARTIES INVOLVED IN INTERNAL AUDIT**

### **Article 21. Responsibilities of the Audit Committee**

The AC is responsible for supervising the IA's functions and activities as stipulated in the AC charter. In addition, the AC performs:

1. Review, check, evaluate to ensure the effectiveness of IA tasks; mainly responsible for ensuring the quality of IA activities;
2. Ensure that IA tasks has an appropriate position and there are no unreasonable obstacles to IA activities;
3. Develop, amend, supplement and regularly improve IA methodology and policies to submit the BOD for approval;
4. Ensure effective cooperation with independent auditors;
5. Carry out other responsibilities as prescribed by current laws, the Parent Company's Charter and Internal regulations on management.

### **Article 22. Responsibilities of the General Director**

1. Manage and resolve administrative issues for the IA department and internal auditors;
2. Create favorable conditions for IA department to perform assigned tasks and direct relevant departments to cooperate with IA department;
3. Require relevant departments to implement recommendations agreed with IA department and inform IA department for the status of agreed recommendations;
4. Other responsibilities are prescribed according to current law and the Parent Company's Charter.

### **Article 23. Responsibilities of the Supervisory Board of Group of Companies' subsidiaries**

1. Implement rights and obligations regarding IA tasks at the Subsidiaries according to the provisions of law and the Subsidiaries' Charter;
2. Cooperate to provide information with the Group of Companies' IA department in tasks at the Subsidiaries, creating conditions for the IA department to perform IA function at Subsidiaries;
3. Receive IA reports from the Group of Companies' IA department according to the deadline in this Charter and/or other Group of Companies' internal regulations.

### **Article 24. Responsibilities of Directors of Subsidiaries and Heads of Departments**

1. Directly establish and maintain the internal control system of the Subsidiaries/units/departments through drafting and issuing regulations, internal processes and managing the activities of the Subsidiaries/units/departments;
2. Ensure compliance of the Subsidiaries/units/departments with internal rules, regulations, processes as well as current laws;
3. Ensure that IA department is fully informed about changes, new issues that arise in the Subsidiaries/units/departments' operations in order to early identify related risks;
4. Provide complete information, necessary documents as required by IA department transparently and accurately, without concealing information;
5. Head of departments report to the GD of the Parent Company and/or Directors of Subsidiaries and IA department on non-compliance findings within the units/departments.

**Article 25. Responsibilities of audited units/departments**

1. Provide complete information, necessary documents as required by IA department transparently and accurately, without concealing information;
2. Immediately inform IA department when detecting weaknesses, violations, risks, major loss of assets or potential risk of asset loss;
3. Implement recommendations agreed with IA department or as directed by the BOD and/or GD of the Parent Company and/or Directors of Subsidiaries;
4. Create favorable conditions for IA department to work effectively.

**CHAPTER IV IMPLEMENTATION PROVISIONS**

**Article 26. Enforcement**

This Charter takes effect from 05/03/2025.

**Article 27. Amendment, supplement and replacement**

1. Head of IA is responsible for periodically review this Charter and propose necessary amendments, supplements and replacements.
2. Amendments, supplements and replacements of this Charter are decided by the BOD (or through the AC).

**Article 28. Implementation**

Members of the BOD, the AC, the GD of the Parent Company, Directors of Subsidiaries, Head of IA, IA members, units/divisions/departments under the Company, other related organizations/individuals, are responsible for implementing this Charter.

In case there are differences or inconsistencies between the rules and regulations on the roles and responsibilities of the parties regarding IA, the provisions of this IA Charter shall comply./.

**ON BEHALF OF THE BOARD OF DIRECTORS  
CHAIRMAN**



*[Handwritten signature]*  
Khuân Xuân Cảnh