

ベトナム国
国家資本投資会社(SCIC)

ベトナム国
国家資本投資会社 (SCIC)
業務改善プロジェクト2
【有償勘定技術支援】
プロジェクト業務完了報告書

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独立行政法人
国際協力機構 (JICA)

PwCあらた有限責任監査法人
株式会社日本経済研究所

産公
JR
16-085

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ベトナム国国家資本投資会社(SCIC)

業務改善プロジェクト2【有償勘定技術支援】

プロジェクト業務完了報告書

1. 本プロジェクトの位置づけ

1.1. 親プロジェクト

ベトナム国国家資本投資会社 (State Capital Investment Corporation: SCIC) 業務改善プロジェクト2【有償勘定技術支援】(以下、「本プロジェクト」または「フェーズ2」という)は、独立行政法人国際協力機構(JICA)と、PwC あらた有限責任監査法人(PwC)を代表者、株式会社日本経済研究所(JERI)を構成員とする共同事業体との間で、2015年10月9日付で締結された業務実施契約書および2016年5月20日付契約変更書に基づき実施されるものであり、この契約履行期間は、2015年10月9日から2016年12月19日までである。

本プロジェクトのアンブレラとなる親プロジェクトは、「国営企業改革実施に向けた企業金融管理能力向上プロジェクト (Enhancing corporate finance management capacity to implement SOE restructuring)」(2014年2月28日実施合意・署名日、2017年2月28日まで。相手国機関名：財政省)(以下、「親プロジェクト」という)であり、この上位目標は、「国営企業の健全かつ効率的な経営の達成により国営企業改革が促進する」こと、プロジェクト目標は、「国営企業改革に緊密に関係する国営企業の債務処理メカニズムの構築を重点に、コーポレートファイナンス管理に係る財政省の能力が強化されること」とされている。

1.2. 先行プロジェクト

JICAは前述の親プロジェクトに基づき、国営企業の債務処理・事業再生のため、国営企業の資本投資や売却を担当するSCICの能力強化にかかる支援として、「国家資本投資会社(SCIC)業務改善支援プロジェクト」(2015年3月完了報告書)(以下、「先行プロジェクト」または「フェーズ1」という)を2014年9月から2015年4月まで実施し、さらに追加支援を2015年5月から10月まで実施した。いずれも、JERIが短期コンサルタントとして業務を実施しており、先行プロジェクトでは、多岐にわたるSCICの現状調査、具体的には、①政令151/2013/ND-CPに規定されるSCICの業務、②財務状況、③組織、④SCIC職員構成および研修内容等、⑤投資先企業の状況、⑥SCICによる国家資本の代表の仕組み、⑦国家資本の売却、⑧資本・ポートフォリオ管理システム(CPMS)、⑨新規投資、⑩企業リスク管

理システム導入プロジェクト（Enterprise Risk Management：ERM）、⑪国営企業改革における SCIC の役割、⑫2020 年までの戦略、⑬第三者による SCIC の見方、を踏まえた戦略的方向性への提言および業務改善への示唆が示されている。

さらに、当該先行プロジェクトでは、プロジェクト・デザイン・マトリックス（PDM）における上位目標達成に向けての以下の 4 つの提言がされていた。

- (1) 政府の規制と所有機能の分離促進
- (2) 傘下企業のコーポレートガバナンス改善
- (3) 新規投資に関する能力強化
- (4) 主要リスク指標の構築

これらの提言のうち、(2) については、本プロジェクトにおける「コンポーネント 1－1：コーポレートガバナンス・コードの策定（CGC）」および「コンポーネント 1－2：議決権行使基準のレビュー（VG）」、(3) および (4) については、「コンポーネント 2：主要リスク指標の構築（KRI）」において対応するものである。なお、コンポーネント 1－2 については、本プロジェクト開始に先立ち、JERI が議決権行使基準策定プロジェクトのコンサルタントとして前述の「追加支援」を担当している。

1.3. 本プロジェクトの目的

本プロジェクトの上位目標は、国営企業の健全且つ効率的な経営の達成により国営企業改革が促進されることであるが、各コンポーネントの目的は以下の通りである。

- コンポーネント 1-1： SCIC の傘下企業に適用すべき CGC が策定される
- コンポーネント 1-2： SCIC の傘下企業に適用すべき議決権行使基準の適用状況をレビューし、必要な改訂がされる
- コンポーネント 2： SCIC の社内リスク管理体制が強化される

1.4. 本プロジェクトの成果品

本プロジェクトの主な成果品は以下の通りである。

コンポーネント 1-1	SCIC の傘下企業が適用するコーポレートガバナンス・コードおよび適用ガイダンス最終草案	別添資料 3－1（英語）
コンポーネント 1-2	議決権行使基準 2016 年版最終草案	別添資料 4－4（英語）
コンポーネント 2	新規投資のリスク管理フレームワーク最終草案	別添資料 5（英語）

2. 本プロジェクト全体の活動

本プロジェクト全体の作業計画および活動の成果を測定するための指標等については、ワークプラン（別添資料 1）において詳細を記載している。当ワークプランは、SCIC および JICA との協議を経て合意したものであり、2015 年 11 月 30 日付で当初策定後、2016 年 4 月 20 日付にて更新されている。当更新では、2015 年 12 月から 2016 年 2 月にかけて、コンポーネント 1-1（CGC の策定）が中断したこと、CGC の策定プロセスに傘下企業 2 社に対する適用テスト（いわゆるパイロットテスト）実施の明確化、ならびにワークショップ実施方針の変更が反映されている。

<PDM の変遷>

プロジェクト・デザイン・マトリックス（PDM）の変遷に関しては、前述のワークショップ実施方針の変更を受けて、最終的には以下の通り変更した。最終的な PDM は、別添資料 2 を参照されたい。

【図表2： PDM の変遷】

策定・変更時期	コンポーネント 1-1: CGC の策定 (MOV: Means of Verificatoin)
2016 年 11 月 30 日付ワークプランおよび 2016 年 4 月 20 日付ワークプラン (別添資料 1)	<ul style="list-style-type: none"> 最終 CGC 草案および適用ガイダンスの SCIC による承認 <u>ワークショップおよび本邦研修後の自己評価</u>
最終版（2016 年 9 月 30 日のワークショップ開催を受けた変更） (別添資料 2)	<ul style="list-style-type: none"> 最終 CGC 草案および適用ガイダンスの SCIC による承認 <u>本邦研修後のヒアリング</u> <p>（下線部分変更の理由： 2016 年 9 月 30 日開催のワークショップの対象者が、当初想定していたタスクフォースメンバーを中心とした SCIC 職員のみならず、SCIC が主催する年次総会のひとつのプログラムとして、国営企業の代表者（State Representatives: SR）全般に拡大されたことにより、個別のアンケート形式による自己評価の実施が困難となったため。）</p>

上記の他に、PDM の変更はない。

3. コンポーネント 1-1: コーポレートガバナンス・コード(CGC)の策定

3.1. 先行プロジェクトにおける上位目標達成に向けた提言

CGC の策定は、先行プロジェクトにおける提言から直接派生するプロジェクトである。先行プロジェクトの完了報告書では、以下の提言が記載されていたことから、CGC の策定に際しては、プロジェクト全体を通じて、この提言が意図する目的、すなわち「SCIC がコーポレートガバナンスのリーダーシップをとること」の達成を意識して対応した。

5.1 コーポレートガバナンス改善のリーダーシップ

(1) コーポレートガバナンスのリーダーシップ

数百社の国家資産を管理する国家機関として、SCIC は以下を構築し、ベトナムにおいて近代的なコーポレートガバナンスを広める「パイオニア」たるべきである。

- 議決権行使基準－取締役会、株主総会で通常発生する課題への一般的考え方、対処法の要約
- コーポレートガバナンス基準－効果的コーポレートガバナンス実現のための、一連の原則
- ディレクターシップの教育・認定機関企業の取締役候補者を育成・資格の認定（ベトナムで設立計画あり）

3.2. コーポレートガバナンス・コード草案策定計画

コンポーネント 1-1 およびコンポーネント 2 は、2015 年 10 月 12 日からハノイの SCIC 本社を訪問し、第一次現地作業を開始した。2015 年 10 月 15 日の SCIC ヒエン副社長および VG タスクフォースメンバー、JICA 専門家、JERI コンサルタントならびに PwC コンサルタントを交えた会議では、SCIC の傘下企業が適用する CGC 草案の開発プロセスおよび完成イメージを PwC コンサルタントが説明し、以下のコメントを SCIC 側から得た。

- 金融機関や事業会社などの業種別のコードは必要ない。すべての業種に共通の一般的なコードを策定してほしい。
- SCIC による傘下企業への投資の保有目的および保有期間の長短によって参照すべきコードの原則に差分があるべきかアドバイスが欲しい。
- すでに SCIC の内規には、コーポレートガバナンスに関連するものが存在する。これらの内規を現在見直し中なので、その改定プロジェクトと重複することのないよう、うまく協調して進めてほしい。
- ベトナムは新しい国であり、国際的なガバナンスの水準を目指すにはそれなりの段階が必要である。今すぐに国際的なレベルを目指すというよりは徐々に目指す方針としてほしい。
- CGC 草案が完成した際には、その実用性をパイロットプログラムの実施によってテストする必要がある。立派なものができても実際に使えないものでは意味がない。実用

的なものを SCIC は必要としている。

プロジェクト期間中を通じて、上記の SCIC 側の意見を、CGC および CGC 適用ガイダンスの草案開発プロセスに反映した。開発手法については、当初のワークプランに記載したとおり、国際的に参照される OECD のコーポレートガバナンス原則等をベースに、ベトナムの既存の法令との差分分析（「ギャップ分析」）、CGC をすでに導入している近隣諸国の調査（「海外比較分析」）、ワークショップ等の実施による SCIC 関係者からの意見聴取および現状把握にもとづき、SCIC の傘下企業が適用する CGC およびその適用ガイダンスの草案を策定する方針であることを SCIC 側と確認した。

また、2015 年 10 月 15 日の会議では、議決権行使基準（VG）案の最終化のプロセスの議論において、VG 草案の冒頭の「原則（Principles）」を規定する部分全体を、VG ではなく、これから策定する CGC の一部とすることが SCIC、JICA 専門家ならびに JERI コンサルタント間で合意された。これは、CGC 草案の当初草案（2015 年 11 月 16 日付）に第 5 章（セクション 5）として反映されたものの、その後の SCIC 側との協議の結果、2016 年 7 月の会議において、SCIC の傘下企業が適用する CGC とは性質が異なることから、独立した文書（仮に「セクション 5」とする）として取り扱うことが合意された。セクション 5 に関しては、本完了報告書の 3.9.2 を参照されたい。

次項以下において、CGC 等の草案を策定するためのインプットとなるギャップ分析および海外比較分析の結果を説明する。なお、いずれも、CGC 草案の当初草案開発目的で実施されたものであり、その後の情報の更新については、主要な法令に関する情報更新を除き、本完了報告書提出時点では行っていない。

3.3. ギャップ分析の実施

3.3.1. ギャップ分析の手法

第一次現地作業（2015 年 10 月 12 日より開始）において、ギャップ分析を実施した。

ギャップ分析は、現在 SCIC や傘下企業が適用するベトナム国内法令や規則、要請等と「G20/OECD コーポレートガバナンス原則」（2015 年 9 月改訂版）（以下、「2015 年 OECD 原則」）や「OECD SOE 向けコーポレートガバナンスガイドライン」（2015 年 9 月改訂版）（以下、「2015 年 OECD SOE ガイドライン」）に、どのような差分（ギャップ）があるかを分析することによって、SCIC や傘下企業をとりまくコーポレートガバナンスの現状及び CGC の適用にあたっての障害となりうる事項を理解するために実施したものである。識別したギャップは、CGC 草案および同適用ガイダンスの当初草案を作成するに当たって考慮した。なお、特段の記載がない限り、以下の情報は 2015 年 10 月時点のものである。

3.3.2. コーポレートガバナンスに関連する主要な法令と適用対象

<企業法>

ベトナムにおけるコーポレートガバナンスに関する規律のうち最も重要な法令は、企業法 (Law on Enterprise) である。ベトナムにおける会社法制は、1990 年に会社法が制定されたのち、1999 年に企業法が制定され、2005 年改正を経て 2014 年 11 月に現在の企業法 (Law 68/2014/QH13) (以下、「新企業法」という。) が成立した。新企業法は、2015 年 7 月から施行されている。企業法の適用対象は、国営企業を含む有限責任会社、株式会社等の企業一般であり、SCIC 傘下企業もすべて企業法の適用を受ける。

<証券法等>

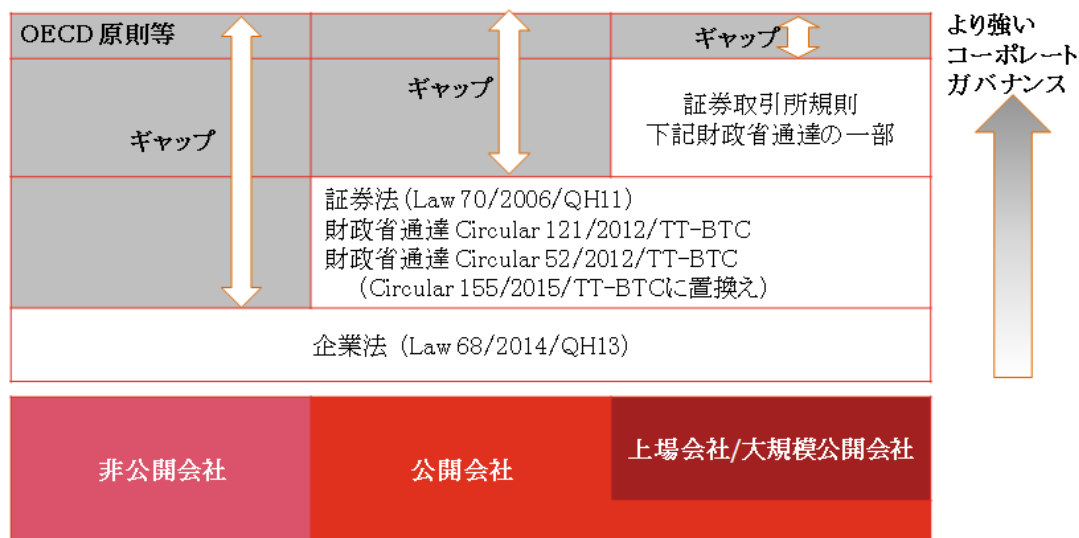
企業法に加え、上場会社を含む公開会社は、証券法 (Law 70/2006/QH11) による規定も適用される。ここで、公開会社とは、①株式の公募を行った会社、②株式を証券取引所または証券取引センターに上場している会社、または③100 名以上の株主 (機関投資家を除く) が存在し、かつ、払込済設立資本が 100 億ベトナムドン以上である会社、の少なくともいずれか一つを満たす会社である (証券法 25 条)。公開会社には財政省通達 (Circular 121/2012/TT-BTC) により規定されるコーポレートガバナンス原則が適用され (証券法 28 条)、新企業法よりも厳格に規制される。また、証券市場における情報開示規則として、財政省通達 (Circular 52/2012/TT-BTC) が存在する (同通達は 2016 年 1 月より発効した Circular 155/2015/TT-BTC に置き換えられた)。

<取引所規則>

さらに、公開会社のうちの上場会社は、取引所の定める規則も適用される。ハノイ証券取引所は、2004 年 OECD 原則を基礎とした「コーポレートガバナンス・ハンドブック」を作成しており、これは、上場会社にとってのベストプラクティスと位置付けられている。

前述の財政省通達の一部の事項は、公開会社のうち上場企業および大規模公開会社のみ適用される。なお、大規模公開会社とは、公開会社のうち、払込済設立資本が 1200 億ベトナムドン以上、かつ、株主が 300 人超の会社である。

これらのハードローによるコーポレートガバナンスに関連する規定は、程度の差こそあれ、各法令の適用範囲の企業が遵守すべき最低限の規律であり、これらの水準を上回るさらに強固なコーポレートガバナンスの水準が、OECD 原則等をはじめとしたコーポレートガバナンス・コードというソフトローの規律である。これを図示すると以下の通りとなる。



【図表 3-1: 各法令等と OECD 原則の関係】 (出所: PwC あらた有限責任監査法人作成)

なお、2016 年 10 月 31 日現在、上記関連する主要法令において CGC 草案に影響のある改訂は行われていない。

<SCIC の内規>

各社には、それぞれに適用される国内法令を順守する義務がある一方で、SCIC はその内規、決定 24 (Decision 24/AD-DTKDV.HDTV) において傘下企業の代表者 (state representatives) 経由による各種報告手順を定めている。なお、SCIC タスクフォースメンバーとの意見交換では、当該内規がコーポレートガバナンスと混同して使用されることがあり注意を要した。これは「コーポレートガバナンス」を意味するベトナム語が一定しておらず、しばしば「企業の管理」や「企業の統制」と同義に訳されて誤認されている場合があることによるものである。

<SCIC の責務を規定する政府議定 151 の改訂>

SCIC の責務は、2013 年 11 月 1 日付 Decree No. 151/2013/ND-CP (以下、「政府議定 151」という) によって規定されているが、政府議定 151 は、現在見直し中であり、2016 年 3 月 25 日付の改訂公開草案が財政省のウェブサイト上で公開されているものの、いつ最終的に政府の承認を得て公布されるのかは、本完了報告書の作成時点では未定である。今後、政府議定 151 の改訂によって、CGC および同適用ガイダンスの草案の文言について修正が必要となる可能性がある。

また、本完了報告書の 3.9.2 に記載の通り、セクション 5 については、SCIC が改定後の政府議定 151 の内容に合わせた見直しが必要であると認識している。

3.3.3. コーポレートガバナンスの実務

アジア開発銀行（ADB）が発行する「アセアン諸国のコーポレートガバナンス比較 2013-2014 年版」（原題：ASEAN Corporate Governance Scorecard - Country Reports and Assessments 2013-2014¹）（以下、「ADB スコアカード」）は、ASEAN 各国の上場会社限定したコーポレートガバナンスの水準を評価しているが、ベトナムは他の ASEAN 諸国と比較してもきわめて低い評価とされている。上述のコーポレートガバナンスに係る規定と実務のギャップについて本プロジェクトでは詳細な分析はしないが、コーポレートガバナンスに関連する法令や規則が整備され、改善されている一方で、コーポレートガバナンスの実務が追いついていない可能性を示唆している。

3.3.4. 新企業法によるコーポレートガバナンス強化

新企業法における改正内容は、利便性向上のための改正とコーポレートガバナンス向上のための改正の 2 つの側面があると指摘されている²。

この背景として、2005 年企業法下では、少数株主権の規定があるが実態としては少数株主の影響が排除されている場合があるとの指摘や、取締役会や監査役会による社長その他の取締役に対する監視が形骸化しているとの指摘がされていた。新企業法では、コーポレートガバナンス向上のために株式会社について以下のような改正がなされた。

a. 株式会社の機関設計の選択肢の拡大

2005 年企業法では、株式会社の機関設計は、個人株主が 11 名以上であるか 50 パーセント以上の株式を保有する法人株主が存在する場合、監査役会を設置することが要求されていた（2005 年企業法 95 条）。新企業法では、監査役会を設置する機関設計のほか、取締役会の下に監査委員会を設置し、かつ、取締役の少なくとも 20 パーセントを独立取締役とする機関設計を選択することが認められた（以下、「監査委員会・独立取締役型」という）（新企業法 134 条）。当該規定の適用は公開会社に限定されない。

監査委員会・独立取締役型で要求される独立取締役の比率は、改定草案の段階では 3 分の 1 以上とすることが規定されていたが、「未だ人材の供給源の乏しいベトナムにおいて、独立取締役として適任なものを全取締役のうち 3 分の 1 以上確保するには非常に困難であり、コスト増加要因となることから、特に業界団体等から反対がなされ、最終的に 20 パーセントへ下げられたといわれている。」

新たに導入された機関設計のモデルは、より欧米の実務に近いモデルであり、コーポレートガバナンスの向上が期待される。新企業法施行後最初の決算期（2015 年 12 月期）に係る株主総会を終えたものの、監査委員会・独立取締役型に移行する株式会社の数は、ほとんどないとされている。

¹ 以下のリンク先から入手可能。年次で公表され、最新版は、2016 年 11 月に公表予定。
<http://www.adb.org/sites/default/files/publication/42600/asean-corporate-governance-scorecard.pdf>

² 石本茂彦、小松岳志、塙晋、ハ・ズン、「ベトナムにおける会社法現代化の現状」（商事法務 2083 号 49-58 頁）

b. 少数株主権の拡大

6 カ月以上継続して発行済み株式総数の 10 パーセント超の株式を保有する株主に少数株主権(例えば取締役候補者の提案権など)が付与されている(新企業法 114 条 2 項)。新企業法では、当該要件を満たす株主に株主総会決議取消訴訟の提起が認められた(新企業法 147 条)。

c. 情報開示

新企業法では、非公開の株式会社も、自社のウェブサイト(もしあれば)において、以下の情報を公表することが定められた(新企業法 171 条 2 項)。

- 会社の定款
- 取締役、監査役、社長又は総社長の履歴、学問と職業経験の程度の概略
- 株主総会が承認した年次財務報告書
- 取締役会と監査役会の年次活動結果評価報告書

新企業法は施行間もないため、実務での開示の状況は現時点で不明である。

なお、利便性向上のための改正としては、株式会社における株主総会決議要件の緩和(144 条 1 項・2 項)、書面決議要件の緩和(同条 4 項)、株主総会の定足数の緩和(141 条)、ベトナム国内常駐義務のある法定代表者の複数設置(13 条 2 項)、異なる会社形態の会社間の合併(195 条)等があげられる。

3.3.5. 主要なギャップと論点

2015 年 11 月 19 日に、ギャップ分析結果について SCIC タスクフォースメンバーとの意見交換を実施した。この目的は、既存の法令や規制の条文上から識別されたギャップが SCIC 社内で傘下企業の管理を業務とし実務を理解しているタスクフォースメンバーの認識から見て適切であるかを確認し、SCIC の傘下企業に適用される CGC を作成する上で留意すべき項目を抽出することである。意見交換の結果、われわれコンサルタントが認識するギャップと SCIC タスクフォースの認識に特段の相違はなかった。

以下は、主要なギャップである。

a. 独立または非執行取締役の員数

取締役会は 3 名から 11 名、監査役会は 3 名から 5 名で構成される(新企業法 150 条 1 項、163 条 1 項)。公開会社では、取締役の少なくとも 3 分の 1 は非執行取締役でなければならない(通達 121 : Circular 121/2012/TT-BTC 11.2)。さらに、上場会社または大規模公開会社の場合、取締役の少なくとも 3 分の 1 は独立取締役でなければならない(同通達 30.2)とされている。なお、新企業法で認められた監査委員会・独立取締役型の機関設計を採用する場合は、取締役の少なくとも 20 パーセントを独立取締役としなければならない。

監査役会を設置する機関設計を採用する非公開会社には非執行・独立取締役についての規定はない。2015 年 OECD 原則は、取締役会は利益相反の可能性がある場合、独立の判断を下せる十分な数の非執行の取締役会メンバーを任命することを検討するべきである、と定

めている。監査役会設置型の機関設計を選択する非公開会社については、独立または非業務執行取締役の員数の点でギャップがある。

b. 取締役選任時の株主への情報提供

公開会社の場合、取締役を選任する株主総会の7日前までに取締役候補者の情報を会社のウェブサイトで公開しなければならない。公開される情報には、氏名、生年月日、職業的資格、経歴、取締役や管理者の地位についている他の会社の名称、会社との利害関係、その他の情報が含まれる(Circular 121/2012/TT-BTC 9)。

非公開会社の場合、候補者の名簿及び詳細情報が決議案として作成され(新企業法 136 条 7 項 dd)、招集通知に添付される(同 139 条 3 項 a)

2015 年 OECD 原則は、取締役会メンバーの指名や選出のようなコーポレートガバナンスにかかる主要な意思決定に株主が有効に参加することが促進されるべきである。株主は、取締役会メンバーや幹部経営陣に対する報酬の方針について、自身の意思を周知することができるべきである、と定めている。

特に非公開会社については、株主が、それぞれの候補者の能力や適合性を評価することが可能となるよう十分に情報を与えられることが確保される必要がある。

c. 非財務情報の開示

前述のとおり、新企業法は全ての株式会社について、ウェブサイトにおける一定の情報開示を要求しているが、施行後間もないため、実務上の運用実績はまだ不明である。公開会社の場合、証券法第 8 章(情報開示)、Circular 121/2012/TT-BTC 第 6 章及び Circular 52/2012/TT-BTC の第 2 章で情報公開の要求が詳細に定められている。

非財務情報のうち、特に取締役の報酬については、報酬総額の上限が株主総会で定められる(新企業法 158 条 2 項 a)。個人別を含む報酬金額や方針の開示については特に規定がないが、SCIC のタスクフォースメンバーによれば、開示を拡充するような法令の改正が予定されているという。

2015 年 OECD 原則は、取締役会メンバーと経営陣幹部に対する報酬（これに限定されるものではないが）についての重要情報は開示されるべきである、と定めている。現時点では、ベトナム法令においては、重要情報の開示が部分的にしか要求されておらずギャップがある。

d. 議決権優先株式

新企業法において、普通株式の他、議決権優先株式を含む優先株式の発行が認められる(新企業法 113 条)。議決権優先株式は、普通株式より多数の議決権を持つ株式である(同 116 条)。ただし、議決権優先株式の発行が認められるのは、発起株主と一定の政府機関に対するもののみに限られ、発起株主の議決権優先株式は設立後 3 年以内に普通株式に転換される(同 113 条 3 項)。SCIC のタスクフォースメンバーによれば、実務上議決権優先株式の利用はまれであり、これによる株主権の不均衡が議論となる事例はないとのことであり、当項目から対処すべきギャップは識別されなかった。

3.3.6. ギャップ分析のまとめ

以上の通り、2015 年 OECD 原則および SOE ガイドラインにおける国際的なベストプラクティスとベトナムの法令等のギャップ（差分）を分析した結果、以下の観点を CGC 草案および適用ガイダンス策定において考慮することとした。

- 2014 年企業法改正（2015 年 7 月施行）によって国内会社のガバナンス強化のための機関設計の選択肢の拡大を含む各種施策が盛り込まれている。
- ハノイおよびホーチミン証券取引所規則によって上場（公開）会社に対しては一定のガバナンス開示が要請されている。各取引所規則は OECD 原則をベースに策定されているものの、網羅的に取り込んでいるわけではない。その結果、アセアン諸国の中でも、ベトナムはより改善が必要な状況であることが ADB スコアカード³において指摘されている。
- SCIC 内規において傘下企業からの各種報告手順が定められている。これをもって CGC であるという認識が一部にあるため、コーポレートガバナンスの概念に関する説明と周知が必要である。
- 企業法の改正など、制度面での整備が進行しつつあるが、実態として一部の大規模上場会社を除き、国際的な標準と比較した場合、コーポレートガバナンスの運用面の不備や開示面での適時性・網羅性に欠ける懸念があるため、中小規模会社のガバナンス強化に資する CGC の導入等による改善が必要である。

3.4. 海外比較分析

3.4.1. 海外比較分析の目的

近隣アジア各国がどのようにして自国の CGC（もしくは同等物）の開発をしたかという情報は、SCIC の傘下企業に適用する CGC を策定する上で有用な情報を提供する。各国が CGC の開発および適用に際して直面する困難等を含む経験から得ることは多い。

当分析にあたっては、次の 4 カ国を調査対象とした。

- シンガポール
- マレーシア
- インドネシア
- 日本

各国それぞれが自国に最適なガバナンス体制を採用する中で、シンガポール、マレーシアならびにインドネシアは、アセアン加盟国の成長が著しい国々として、ベトナムと比較されることが多い。一方、日本は、「コンプライ・オア・エクスプレイン」アプローチの CGC が 2015 年 6 月 1 日からすべての国内上場会社に対して適用しており、もっとも最近 CGC を導入した経験

³ 前出、Asian Development bank, “ASEAN Corporate Governance Scorecard - Country Reports and Assessments 2013-2014” (June 16, 2014)

をベトナムに提供しうる。このような理由から、4カ国を選定した。

また、これらの4カ国ともにOECDコーポレートガバナンス原則を自国のコード開発の出発点としていることから、まず、OECDコーポレートガバナンス原則の内容について把握したうえで各国のコード開発についての分析を実施する。

3.4.2. OECD原則の2015年改訂について

各国のCGCが開発のベースとするOECDコーポレートガバナンス原則は、2004年版（「2004年OECD原則」）である。2004年OECD原則は、10余年ぶりに改訂され、「一層の透明性、一層の説明責任、より効果的なコーポレートガバナンス」⁴を目指すものとして2015年9月にG20/OECDコーポレートガバナンス原則⁵（以下、「2015年OECD原則」）として公表された。本改訂は、広範なパブリック・コンサルテーションや主要国際機関の貢献も得て、G20合意に至ったものであり、最近の経済情勢および資本市場のニーズや諸問題を反映している。今回策定するベトナム国SCSIの傘下企業に適用すべきCGCは、2015年OECD原則をベースにすることとしており、直近の改訂において強化された部分を適時に反映している。

2015年OECD原則は、【図表3-2】の通り、6つの原則から構成されており、2004年OECD原則と比較すると、役員報酬に関する開示の拡充（原則II）、議決権行使助言機関や格付機関など複雑なインベストメント・チェーンとの協働と株主との対話強化（原則III）が特徴的である。これらの新たに導入された項目は、SCIC傘下企業に適用するCGC開発において検討すべき項目である。

【図表3-2：2015年OECD原則の主要項目（新規）と構成】

原則 I	有効なコーポレートガバナンスの枠組みの基礎の確保 ・証券市場の規則は有効なコーポレートガバナンスを支援すべきである（新規） ・情報共有にかかるクロスボーダーの規制当局間の協力が強化されるべきである（新規）
原則 II	株主および主要持分機能の権利と平等な取扱い ・2004年OECD原則の原則IIおよびIIIを統合 ・株主総会および議決権行使プロセスにおける情報技術（IT）について（新規） ・取締役報酬に関する株主総会議案（say-on-pay）など取締役報酬に関する意思決定への株主の参加（新規） ・株主利益の確保のための関連当事者間取引の承認（新規）

⁴ 以下のリンク先から入手可能。

<http://www.oecd.org/tokyo/newsroom/new-g20oecd-principles-of-corporate-governance-will-promote-trust-and-improve-functioning-of-financial-markets-japanese-version.htm>

⁵ 以下のリンク先から入手可能。

<http://www.oecd.org/daf/ca/Corporate-Governance-Principles-ENG.pdf>

原則 III	機関投資家、証券市場ならびにその他の仲介機関について（新規） ・議決権行使助言機関、アナリスト、ブローカー、格付機関との協働（新規） ・「株主とのエンゲージメント（目的のある対話）」概念（新規） ・スチュワードシップ・コードへの言及（新規）
原則 IV	コーポレートガバナンスにおけるステークホルダー ・ステークホルダーの権利の尊重（新規） ・企業とステークホルダー間の積極的な協力（新規）
原則 V	開示と透明性 ・政治的目的による献金など、非財務情報開示（新規）
原則 VI	取締役会の責務 ・ステークホルダーの利害の検討（新規） ・取締役会評価を導入する法域の増加（新規） ・男女などの多様性強化（新規）

3.4.3. アジア各国の CGC 比較

3.4.3.1. シンガポール

(1) コードについて

シンガポールでは、2001 年 3 月 21 日に最初の CG コードが公表され、すべての上場会社に対して、年次報告書においてコーポレートガバナンスに関する実務を開示し、CGC を遵守していない項目について説明をすることが要求されている。

この背景には、1997 年のアジア金融危機および 2000 年のシンガポール取引所統合等の流れがある。2000 年 12 月、コーポレートガバナンス委員会は、約 1 カ月間におよぶ公開意見聴取を開始し、幅広くシンガポール資本市場における企業のガバナンスのあり方を検討した後、欧州や米国の実務を参考にしつつ「コンプライ・オア・エクスプレイン」アプローチの CG コードを導入した。

シンガポールの CG コードは、以下の 4 つの主要項目から構成され、各項目には、原則（principles）とガイドライン（guideline）の二段階の推奨事項（recommendations）があり、各企業は、原則とガイドラインの双方について年次報告書の中で遵守状況を開示することが要求されている。

- 取締役会に関する事項
- 報酬に関する事項
- 説明責任および監査
- 株主とのコミュニケーション

CG コードは、当初制定後、2 度の改訂が行われ現在有効な CG コードは 2012 年 5 月 2 日版⁶

⁶ 2012 年版シンガポール CG コードは以下のウェブサイトから入手可能
http://www.mas.gov.sg/~media/resource/fin_development/corporate_governance/CGCRevisedCodeofCo

であり、この中には明示的に開示が要求されるガイドラインが 28 項目含まれている。

【図表 3-3: シンガポール CG コード(2012 年 5 月 2 日版)】

取締役会に関する事項	
1. 取締役会の行動規範	各社は、有効な取締役会によって会社が主導されコントロールされるべきである。取締役会は、全体として会社の長期的な成功に責任をもつ。取締役会は、経営陣と共にこの目的を達成するために尽力し、経営陣が取締役会に対する説明責任をもつことに変わりない。(7 項目のガイドラインが存在する。)
2. 取締役会の構成およびガイダンス	<p>取締役会には強固で独立した要素がなければならない。特に経営陣と 10 パーセント保有株主から独立していることによって、会社に関する客観的な判断をすることができる。どの個人もしくは少人数グループも、取締役会の意思決定において威圧的であることは許されない。(8 項目のガイドラインには、以下が含まれる。)</p> <p>2.2 次の場合、取締役会の少なくとも半数は独立取締役から構成されなければならない。</p> <p>(a) 取締役会議長と CEO が分離されていない（同一人物）場合、</p> <p>(b) 取締役会議長と CEO が直接的な親族関係にある場合、</p> <p>(c) 取締役会議長が経営陣の一員である場合、</p> <p>(d) 取締役会議長が独立取締役でない場合。</p>
3. 取締役会議長および最高経営責任者（CEO）	<p>取締役会のリーダーシップと会社の業務を執行する責務は明確に分離されるべきである。特定の個人に権力が集中するべきではない。</p> <p>(4 項目のガイドラインには以下が含まれる。)</p> <p>3.1 取締役会議長と CEO は、力の均衡関係を維持し、説明責任を強化するとともに取締役会が独立した意思決定をすることができるように、原則、分離すべきである。取締役会議長と CEO の分離を明確に明文化し設定した上で、直接的な親族関係がある場合は、それを開示すべきである。</p>
4. 取締役会のメンバー	<p>取締役メンバーの選任、再任に際しては、正式で透明性の高いプロセスが存在するべきである。</p> <p>(7 項目のガイダンスには以下が含まれる。)</p>

	4.1 取締役会は、指名委員会を設置し、その権限範囲を文書化された規定で明確化したうえで、すべての取締役の任命について指名委員会が提言をする。(以下、略)
5. 取締役会のパフォーマンス	取締役会全体およびその委員会の有効性ならびに各取締役の貢献度を年次で評価する正式なプロセスが存在すべきである。 (3 項目のガイドライン)
6. 情報へのアクセス	それぞれの責務を果たすため、取締役は完全・適切かつ適時な情報を取締役会前および継続的に提供されるべきであり、これによって十分な情報に基づく意思決定ができる。 (5 項目のガイドライン)
報酬に関する事項	
7. 報酬方針策定手順	業務執行役の報酬および各取締役の報酬パッケージの方針を設定する正式かつ透明性の高い手順が存在すべきである。どの取締役も自らの報酬の決定に関与すべきではない。 (4 項目のガイドラインには以下が含まれる。) 7.1 取締役会は、報酬委員会を設置し、その権限の範囲を明記した規定を定めるべきである。(以下、略)
8. 報酬レベルと構成	報酬レベルとその構成は会社の長期的な利益とリスク方針に沿ったものであるべきであり、(a) 会社に対するスチュワードシップを提供する取締役、および(b) 会社をうまく経営する主要経営陣を惹きつけ、維持し、意欲を高めるに際して適切であるべきである。一方、会社は、この目的のために必要以上の支払いをすることは避けなければならない。 (4 項目のガイドライン)
9. 報酬の開示	各社は、報酬に関する方針、報酬レベルと構成ならびに報酬設定手順を年次報告書において明確に開示すべきである。報酬方針との関連性は投資家にとって報酬支払額と主要経営陣、そのパフォーマンスの関連性を理解することができるような開示であるべきである。 (6 項目のガイドライン)
説明責任と監査	
10. 説明責任	取締役会は、会社の業績、立ち位置ならびに将来に関して、

	<p>バランスのとれた理解可能な評価を表示すべきである。</p> <p>(3 項目のガイドライン)</p>
11. リスク管理と内部統制	<p>取締役会は、リスクの統治について責任をもつ。取締役会は、経営陣がそれによって株主の利益と会社の資産を保全する、リスク管理と内部統制の健全なシステムを維持していることを確認すべきであり、会社の戦略的目的を達成するためにとりうる主要なリスクの性質と範囲を決定すべきである。</p> <p>(4 項目のガイドライン)</p>
12. 監査委員会	<p>取締役会は、監査委員会を設置し、その権限と責務を明記した規定を制定すべきである。</p> <p>(9 項目のガイドライン)</p>
13. 内部監査	<p>会社は、十分なリソースをもち監査対象から独立した有効な内部監査機能を設置すべきである。</p> <p>(5 項目のガイドライン)</p>
株主の権利と責務	
14. 株主の権利	<p>会社は、すべての株主を平等に公正に取り扱うべきであり、株主の権利行使を認識、保護、支援し、これらのガバナンスに関する取り決めに継続的にレビューし更新すべきである。</p> <p>(3 項目のガイドライン)</p>
15. 株主とのコミュニケーション	<p>会社は、株主と積極的にエンゲージし、株主との定期的・有効で公正なコミュニケーションを促進する IR 方針を設定すべきである。</p> <p>(5 項目のガイドライン)</p>
16. 株主総会の開催	<p>会社は、株主総会においてより積極的な株主の参加を推進すべきであり、株主が会社に関する様々な事項に対する自らの意見を表明する機会を提供すべきである。</p>
用語集	
コーポレートガバナンス関連の開示	
投資先企業とエンゲージメントをする上での株主の役割	

(出所：英語の原文をもとに PwC あらた有限責任監査法人が要約)

(2) コードの適用対象会社

シンガポールでは、すべての上場会社に対して、シンガポール証券取引所 (SGX) の上場マ

ニュアル7によって、シンガポールの CG コードの原則とガイドラインの双方に関する遵守状況を「コンプライ・オア・エクスプレイン」の手法に基づき年次報告書で開示することが要求されている。シンガポール CG コードには、28 の原則およびガイドラインが明示的に特定の開示を要求しており、これらのリストが CG コードの付録「コーポレートガバナンス関連の開示」としてまとめられている。

(3) ガバナンス強化に向けた施策

シンガポールは、アジア開発銀行がとりまとめた ADB スコアカード⁸において、6 カ国中第 3 位となっており（第 1 位はタイ、第 2 位はマレーシア）、コーポレートガバナンスを強化するための様々な施策が実施されている。

<各種ガイドラインの設定>

CG コードを補完しガバナンス実務を強化するガイドブックとして、「シンガポールにおける監査委員会のためのガイドブック (Guidebook for Audit Committees in Singapore)」が、政府諮問機関である監査委員会ガイダンス委員会 (ACGC) によって 2008 年 10 月に策定され、2014 年 8 月にその改訂版⁹が公表されている。

シンガポール金融管理局 (MAS) は、2013 年 3 月に「リスク管理のためのガイドライン¹⁰」を公表している。5 つのリスク（信用、マーケット、流動性、運用、技術）、保険、内部統制、取締役会および経営陣幹部の各テーマに沿って詳しく説明され、コーポレートガバナンスを補完するものとなっている。

さらに、シンガポール証券取引所 (SGX) は、自己診断チェックリストである「2012 年版 CGC 遵守に関する開示」¹¹（「開示ガイド」）を 2015 年 1 月に公表した。この開示ガイドは、主に取締役会に関する開示に対する質問から成り立つ。会社は、開示ガイドのすべての質問に回答し、それらを年次報告書に含めて開示しなければならない。開示ガイドを利用することによって、株主が投資先企業をより評価しやすくなることを目的としている。

<表彰制度>

企業側の意欲を高める施策として、コーポレートガバナンスに関する表彰制度があり、例えば、シンガポール投資家協会 (SIAS) がシンガポール経営大学や他の 2 団体とともに評価

⁷ 上場マニュアルは、メインボードとカタリストのそれぞれの市場別に規定されている。

⁸ 前出、Asian Development bank, “ASEAN Corporate Governance Scorecard - Country Reports and Assessments 2013-2014” (June 16, 2014)

⁹ 当該ガイドブックは以下のウェブサイトから入手可能

<http://www.sgx.com/wps/wcm/connect/674b0f9c-80c3-49fb-aab0-4806e13ef458/Guidebook+for+ACs+%282nd+edition%29.pdf?MOD=AJPERES>

¹⁰ ガイドラインは以下のリンク先から入手可能

<http://www.mas.gov.sg/Regulations-and-Financial-Stability/Regulatory-and-Supervisory-Framework/Risk-Management.aspx>

¹¹ チェックリストは以下のリンク先から入手可能

http://infopub.sgx.com/FileOpen/20140129_Disclosure_Guide_Sample.ashx?App=Announcement&FileID=333161

をする「シンガポール コーポレートガバナンス賞 (SCGA) ¹²」がある。この評価は、2012 年版のシンガポール CG コードおよび評価時点で最新の OECD 原則をベースに行われている。大賞以外にも、5つのカテゴリー（大企業、中小企業、不動産投資信託&事業信託、最も改善が見られた企業、多様性）に分けて企業を表彰している。第6回目の2015年10月は、SingTel（シンガポールテレコム社）が大賞を受賞した。

＜会社の開示のモニタリングとレビュー＞

上場企業の開示を分析し傾向をまとめたものについては、シンガポール国立大学（NUS）のガバナンスセンターがオーストラリア CPA と共同で毎年「コーポレートガバナンスのハイライト」という報告書¹³を取りまとめており、コーポレートガバナンスに関する開示の最近の傾向と注目すべき点を要約している。

SGX は、シンガポール企業が CG コードに対して「コンプライ・オア・エクスプレイン」手法をどのように適用しているか、レビューを実施している。このレビューは、シンガポール証券取引所のメインボード上場企業 550 社が 2015 年 6 月 30 日までの 12 カ月間に公表した年次報告書を対象としている。SGX は、今後、レビュー結果を 2016 年の半ばに公表予定としている。

＜コンプライ・オア・エクスプレインに基づくサステナビリティ情報開示規則＞

SGX は上記の調査およびパブリックコメントを踏まえ、2017 年 12 月 31 日以降に終了する会計年度から、上場企業に対し「コンプライ・オア・エクスプレイン」の原則に基づいたサステナビリティ報告書の公開を義務付ける¹⁴。報告書は少なくとも年に一度、会計年度の終了から 5 カ月以内に公表しなければならない。

サステナビリティ報告書は事業および戦略において環境、社会、ガバナンス（ESG）の側面から財務情報を補うツールとして、投資家に開示される。SGX はサステナビリティ報告書を作成することで透明性やガバナンスが構築され、それによってシンガポールの企業が国際的に認められることを目指して同報告書を導入した。同報告書は質の高いリターンを求める投資家の需要に応え、企業に対しては差別化の機会を与えてくれるとしている。

上記の通り、全般的に、シンガポールは、会社のコーポレートガバナンス開示をモニタリングしレビューする多様な仕組みを導入しており、執行面の強化が図られている。一方、SCIC の傘下企業が適用する CGC は、その適用を SCIC が強制をすることはできない任意適用をベースとしたものであり、執行面の強化という側面はシンガポールを倣うことは困難である。

¹² コーポレートガバナンス賞は以下のリンク先を参照

http://sias.org.sg/cgweek2015/ica/SCGA_01.html

¹³ シンガポール CG 報告書は以下のリンク先から入手可能

<http://bschool.nus.edu/CGIO/OurResearch/GovernanceTransparencyIndex.aspx>

¹⁴ サステナビリティ報告書についての通達は下記参照

http://www.sgx.com/wps/wcm/connect/sgx_en/home/highlights/news_releases/sgx_launches_sustainability_reporting_guide_and_rule_will_provide_training_and_tools_to_companies

3.4.3.2. マレーシア

(1) コードについて

1997～1998 年のアジア金融危機によってマレーシアにおける投資家の信頼感は著しく失墜し、マレーシアにおける上場会社のガバナンス基準を向上するため、2000 年 3 月にマレーシアにおける最初の CGC が公表され、2007 年に改訂（以下、「2007 年コード」という。）された。マレーシアは、「2020 年までに高所得国家への変革を成し遂げる」という国家目標を定め、コーポレートガバナンス実務を強化することがマレーシア企業の競争力を高め投資を促進するために必須であると認識している。

これを受けて、2011 年にマレーシア証券委員会（SC）が「コーポレートガバナンス計画書（青写真）」¹⁵（以下、「計画書」という。）を発表した。この計画書において、コーポレートガバナンスについてあらゆる角度から分析および解説が行われ、全 35 項目の勧告が示されている。各勧告は、上場規則、新 CG コード、法令、タスクフォース、ワーキンググループ、公聴の 6 つの改善実施主体が明示され、35 勧告のうち 13 の勧告については、新 CG コードにおいて対応することが示されている。

この計画書における勧告をベースに、2012 年に証券委員会（SC）は新 CG コード（以下、「2012 年 MCCG」という）¹⁶を公表した。2012 年 MCCG は、【図表 3-4】の通り、8 つの原則（Principles）と 26 の推奨事項（Recommendations）から構成され、上場企業は推奨事項について年次報告書の中で遵守状況を説明することが要求されている。26 の推奨事項のうち、15 は「計画書」の 13 の勧告を反映して改訂されている。さらに、2012 年 MCCG は、コーポレートガバナンスの要求事項に対して、会社が「形式」よりも「実質」を重視することを特に要請している。

さらに、2012 年 MCCG の各推奨事項は、会社が要求されている内容を理解することを助けるための補足（commentary）が記載されている。また、推奨事項を実施するためのガイダンスも提供している。

【図表 3-4: マレーシアの 2012 年版コーポレートガバナンス・コード(2012 年 MCCG)】

原則（Principles）	推奨事項（Recommendations） （2007 年版からの改訂項目）
1. 明確な役割と責務の確立	
取締役会規定として制定されるべき取締役会の責務には、持続可能性と事業運営上の倫理を促進することを拠り所とした経営陣の監督、戦略的方向付けが含まれる。	7 つの推奨事項には以下が含まれる。 1.3 取締役会に、倫理規定と会社の行動規範に基づく法令順守の仕組みの制定を強制する。 1.4 取締役会に、内規によって持続可能性

¹⁵ コーポレートガバナンス計画書は以下のウェブサイトから入手可能。

http://www.sc.com.my/wp-content/uploads/eng/html/cg/cg2011/pdf/cg_blueprint2011.pdf

¹⁶ マレーシア CG コード 2012 年版は以下のウェブサイトから入手可能。

<http://www.sc.com.my/wp-content/uploads/eng/html/cg/cg2012.pdf>

	およびステークホルダーの利益に対応する戦略の設定を強制する。
2. (取締役会の) 構造強化	
取締役会は、取締役会メンバーを選任する助けとなる透明性の高い方針と手続きをもつべきである。取締役会は、取締役会での議論に価値をもたらすメンバーから構成されるべきである。	<p>3つの推奨事項には以下が含まれる。</p> <p>2.1 取締役会が指名委員会を設置し、独立取締役がその委員長を務め役割を強化することを強制する。</p>
3. 独立性の強化	
取締役会には、独立取締役の有効性を確保するための方針と手続きがある。	<p>5つの推奨事項には以下が含まれる。</p> <p>3.1 取締役会に対して、取締役会が設定した要件に基づき、年次、再任時ならびに新たな利害関係や事実関係が生じた時点で独立性評価を実施することを強制する。</p> <p>3.2 独立取締役としての累積在任期間を最長9年間に制限することを強制する。</p> <p>3.4 取締役会議長とCEOの分離、取締役会議長が非業務執行取締役であることを強制する。</p>
4. (取締役の) コミットメントの促進	
取締役は、責務を遂行するに十分な時間を費やし、定期的に知識とスキル向上に努めるべきである。	<p>2つの推奨事項には以下が含まれる。</p> <p>4.1 取締役会が、ほかの外部の役職への就任を受け入れるプロトコルを自らの取締役会規定に含め、時間のコミットメントに対する期待を設定することを強制する。</p>
5. 財務報告における誠実性の維持	
取締役会は、財務諸表が信頼できる情報源のひとつであることを確認する。	2つの推奨事項
6. リスクの認識と管理	
取締役会は、健全なリスク管理と内部統制の枠組みを確立すべきである。	2つの推奨事項
7. 適時かつ高品質の開示	
会社は、企業開示の方針と手続きを設定し、包括的、正確かつ適時な情報開示をすべきである。	<p>2つの推奨事項には以下が含まれる。</p> <p>7.1 最低限の報告ではなく、株主に質の高い情報を適時に提供することを明示的に要求する。</p>

8. 会社と株主の関係強化	
取締役会は、株主による所有者としての権利を行使する支援をすべきである。	<p>3つの推奨事項には以下が含まれる。</p> <p>8.1 会社が株主の権利を尊重し株主に対して権利行使ができることを積極的に伝えるステップを経ることをコミットさせる。</p> <p>会社がより質の高い適時な情報を通知や文書を通じて最低限の通知機関より早く会議の通知を発信することによって促進する。</p> <p>8.2 定時株主総会の議長に、株主に投票権を要求する権利があることを伝えることを義務付ける。</p>
表：2012 年 MCCG と 2007 年版との比較表	

(出所：英語原文をもとに PwC あらた有限責任監査法人が要約)

また、2012 年 MCCG の公表を受けて、2013 年、マレーシア証券取引所は上場規則を改定し、「企業開示ガイド～優れた取締役会に向けて～（第 2 版）」¹⁷を導入した。

上述の通り、2012 年 MCCG は、旧版からの大幅な改訂であったが、1999 年の「上級財務委員会報告 1999 年」において示されたコーポレートガバナンスの定義を維持している。すなわち、コーポレートガバナンスとは、「その他のステークホルダーの利益を考慮しつつ、長期的な株主価値を実現するという最終的な目的に向けた、会社が事業の発展と企業の説明責任を強化するための事業および行動を方向付け管理するためのプロセスと構造である」としている。

(2) コードの適用対象会社

マレーシアでは、すべての上場会社に対して、上場規則によって、2012 年 MCCG 遵守に関する情報の開示が要求されている。2012 年 MCCG の原則等に遵守していない場合、会社はその理由を説明しなければならない（「コンプライ・オア・エクスプレイン」アプローチ）。上場会社は、年次報告書において、当該遵守状況を開示することが要求されている。

非上場会社については、2012 年 MCCG の適用は強制されていない。

(3) ガバナンス強化に向けた施策

<表彰制度>

コーポレートガバナンスに関する表彰制度がある。少数株主監視グループ (MSWG: Minority

¹⁷ マレーシア CG ガイド（第 2 版）は以下のリンク先から入手可能
http://www.bursamalaysia.com/misc/system/assets/7257/CG_Guide2.pdf

Shareholders Watchdog Group)¹⁸による「マレーシア コーポレートガバナンス指標賞¹⁹」である。MSWG は、2010 年より毎年、CG の開示に関する評価を行っている。第 6 回目の 2015 年は、ADB スコアカードと同様の手法を使って評価し、大賞はマレーシア証券取引所含む 5 社が受賞している。

＜開示のモニタリングとレビュー＞

MSWG は、上場会社の開示に関する分析や傾向をまとめた報告書²⁰の作成も行っており、定期的に統計をまとめ、様々なテーマで報告書を作成している。

マレーシアにおける、コーポレートガバナンスの強化は、目下継続中である。証券委員会 (SC) は、2014 年 6 月にスチュワードシップ・コードを発行した。スチュワードシップ・コードは、2015 年 OECD 原則でも言及されているものの実際に採用している国はいまだ少ない。

(4) 今後の課題

ADB スコアカードにおいて、マレーシアは総合評価が 6 カ国中 2 位 (1 位はタイ) であり、前回と比較して、期待を上回るレベルアップであると評価されている。一方で、株主総会議事録の公表や、役員報酬の株主総会による承認、環境・社会・ガバナンス (ESG) に関する情報開示等が課題として指摘されていた。

これに対し、マレーシア証券取引所は (Bursa Malaysia) は、2015 年に上場要件である環境宣誓書 (Sustainability Statement) のガイドラインとして「環境報告ガイドおよびツールキット」 (Sustainability Reporting Guide and Toolkits)²¹ を策定し、ESG (マレーシア語では、経済、環境、社会の頭文字をとって EES という) およびガバナンスの開示強化を図っている。

3.4.3.3. インドネシア

(1) コードについて

インドネシアは、1997 年から 1998 年にかけてのアジア金融危機において、もっとも深刻な打撃を受けた国のひとつであるといわれている。1999 年に、国家組織である「良好なコーポレートガバナンス委員会」が設立され、2000 年に、インドネシアで初めてとなる CGC「良好なコーポレートガバナンス」²²が制定され、その後、2001 年と 2006 年に改訂されている。2006

¹⁸ MSWG はマレーシア政府が主導する団体であり、2000 年に少数株主保護を目的に設立され、現在ではコーポレートガバナンス関連の独立したリサーチセンターの役割を担っている。

<http://www.mswg.org.my/page.php?pid=214&menu=sub>

¹⁹ マレーシア CG インデックス賞は以下のリンク先を参照

<http://www.mswg.org.my/page.php?pid=214&menu=sub>

²⁰ MSWG による直近の統計は以下のリンクから入手可能

http://www.mswg.org.my/files/editor_files/file/KEY_STATS_2015_PDF.pdf

²¹ Sustainability Reporting Guide 及び Toolkit は以下のリンク先から入手可能

<http://www.bursamalaysia.com/market/sustainability/sustainabilityreporting/sustainability-reporting-guide-and-toolkits/>

²² CG コードは以下のリンク先から入手可能

http://www.ecgi.org/codes/documents/indonesia_cg_2006_en.pdf

年版の「良好なコーポレートガバナンス・コード」（「GCG2006」）は、次の 8 つの主要パートから構成され、54 の原則と 119 の附則から構成されている。

【図表 3-5: インドネシアの「良好なコーポレートガバナンス・コード」(2006 年版)構成】

パート	原則	附則数
パート I:インドネシアにおける有効なコーポレートガバナンスの枠組みの基礎を確保する		
	1. 規制、監督、執行の各当局の役割	9
	2. 市場参加者の役割	5
	3. 公衆の役割	3
パート II：良いコーポレートガバナンス・コードの一般原則		
	1. 透明性	4
	2. 説明責任	5
	3. 責任	2
	4. 独立していること	2
	5. 公正であること	3
パート III：企業倫理と行動規範		
	1. 会社の価値	3
	2. 企業倫理	3
	3. 行動規範	6
パート IV：会社の機関		
A. 定時株主総会		3
B. コミサリス会と取締役会		2
C. コミサリス会		
	1. 構成、選任、解任	5
	2. 能力と誠実性	4
	3. 役割と機能	7
	4. 委員会	4
	5. コミサリス会のアカウンタビリティ・レポート	3
D. 取締役会		
	1. 構成	4
	2. 能力と誠実性	4
	3. 役割と機能	5
	4. 取締役会のアカウンタビリティ・レポート	5
パート V：株主の権利と役割		

	1. 株主の権利と主要な持分機能	2
	2. 株主に対する会社の責任	5
パート VI：その他のステークホルダーの権利と役割		
	1. 従業員	8
	2. リソース供給者（仕入先）	4
	3. 製品・サービスの利用者（顧客）	3
パート VII：CG コードの導入ステートメント		4
パート VIII：CG コード導入に関する一般ガイドライン		2

（出所：英訳版のインドネシア CGC をもとに PwC あらた有限責任監査法人が要約）

パート VII の「コード導入ステートメント」とは、各社が CGC の適用状況を説明し、ステートメント（statement）の形式で年次報告書に添付することを要求するものであり、株主が会社のコーポレートガバナンスの状況を評価するために必要な情報である。インドネシアの GCG コードは「コンプライ・オア・エクスプレイン」アプローチを採用すると明示的に記載していない。コード導入ステートメントにおいて、遵守していない原則および附則に関する説明が期待されているものの、実際のインドネシア企業の開示では、当ステートメントには、コーポレートガバナンスに対する会社の取り組み状況の説明がなされており、遵守していない原則等の「エクスプレイン」がされているわけではない。したがって、インドネシアにおいては、「コンプライ・オア・エクスプレイン」のアプローチは実質的にも採用されていないと考えられる。

（2）コードの適用対象会社

インドネシアのすべての会社は、GCG コードやその他のコーポレートガバナンス関連ルールに従うことが望ましいとされているものの、適用が強制されているのは上場会社のみである。

世界銀行グループの国際金融公社（International Finance Corporation: IFC）²³が金融庁（OJK）と協力し、2014 年 1 月に発行した「コーポレートガバナンス・マニュアル（初版）」²⁴（「マニュアル」）にも記載の通り、インドネシアの法規制の枠組みは、国の歴史および経済の発展を反映し、ある意味ユニークで、複数の産業別法令が存在する。実務上それらを遵守し、より良いコーポレートガバナンスを導入しようとする企業にとっては、複数の法令間の重複・不整合等により混乱、不明瞭さ、不確実さをもたらしているという。このような状況下において、インドネシア国内法令間の解説を含む当マニュアルは、インドネシアにおけるガバナンス実務上の参照文書として GCG コードを補完するものとなっている。

²³ IFC（International Finance Corporation）は、世界銀行グループの 1 つで、開発途上国のための世界で最も大きな団体である。

²⁴ コーポレートガバナンス・マニュアルは以下のリンク先から入手可能
http://www.ifc.org/wps/wcm/connect/64185f0042cc3ab0b145fd384c61d9f7/Indonesia_CG_Manual_Feb2014.pdf?MOD=AJPERES

(3) ガバナンス強化に向けた施策

<ロードマップ>

2014年に上述のCGマニュアルが発行されると同時に、OJKは「コーポレートガバナンス・ロードマップ」²⁵を発行した。当ロードマップは、インドネシア語と英語が併記されており、上場企業やそれ以外の証券発行体におけるコーポレートガバナンス改善に向けた指針を提供し、コーポレートガバナンスの枠組みと規則の強化への貢献を意図するものである。インドネシアは、2015年までに少なくともアセアン域内他国と同等レベルのコーポレートガバナンス体制に改善することを目指しているという。

<表彰制度>

インドネシアにも、コーポレートガバナンスに関する表彰制度がある。インドネシア・コーポレートガバナンス協会（IICG）によって、「インドネシア良好なコーポレートガバナンス賞」²⁶の表彰制度が毎年あり、直近では、2015年12月に表彰式典が開催されているが、公式情報はインドネシア語でのみ公開されている。

<モニタリングとレビュー>

IFCや世銀などの国際機関がとりまとめた地域別の分析資料以外には、インドネシア企業のガバナンスに関する開示状況をモニタリングもしくはレビューをした結果の報告書は英語では公開されていない。

(4) 今後の課題

前述のADBスコアカードにおいては、6カ国中5位となっており、インドネシア企業のコーポレートガバナンスの実力はまだ許容できるレベルではないとしている。特に、外国人投資家向けの英語での情報開示の少なさが指摘されている。しかしながら、「規制当局による過度な圧力を上場会社に課すことによって反発を受けるよりも、対案として、将来に向けて徐々にコーポレートガバナンスの実務が浸透することを期待する」とADBスコアカードは説明している。

上記の通り、インドネシアは、決して国際的にガバナンスに関する評価が高くないが、その実例から、実効性のあるCGC策定のためには、コンプライ・オア・エクスプレインのアプローチの導入が望ましいという示唆を得た。

3.4.3.4. 日本

(1) コードについて

日本においては、2015年6月1日より、すべての内国上場会社に対して、コンプライ・オ

²⁵ CGロードマップは以下のリンク先から入手可能

<http://www.ifc.org/wps/wcm/connect/a476310042e2a54bbc09fc384c61d9f7/Indonesia+CG+Roadmap.pdf?MOD=AJPERES>

²⁶ コーポレートガバナンス賞については、以下のリンク先を参照。<http://www.iicg.org/>

ア・エクスプレインのアプローチを採用する「コーポレートガバナンス・コード～会社の持続的な成長と中長期的な企業価値の向上のために～」(以下、「JCGC」という)が適用されている。JCGCは、以下の5つの基本原則、原則ならびに補充原則から構成されている。

【図表 3-6: 日本のコーポレートガバナンス・コードの構成】

章	基本原則
1. 株主の権利・平等性の確保	<p>上場会社は、株主の権利が実質的に確保されるよう適切な対応を行うとともに、株主がその権利を適切に行使することができる環境の整備を行うべきである。</p> <p>また、上場会社は、株主の実質的な平等性を確保すべきである。</p> <p>少数株主や外国人株主については、株主の権利の実質的な確保、権利行使に係る環境や実質的な平等性の確保に課題や懸念が生じやすい面があることから、十分に配慮を行うべきである。</p>
2. 株主以外のステークホルダーとの適切な協働	<p>上場会社は、会社の持続的な成長と中長期的な企業価値の創出は、従業員、顧客、取引先、債権者、地域社会をはじめとする様々なステークホルダーによるリソースの提供や貢献の結果であることを十分に認識し、これらのステークホルダーとの適切な協働に努めるべきである。</p> <p>取締役会・経営陣は、これらのステークホルダーの権利・立場や健全な事業活動倫理を尊重する企業文化・風土の醸成に向けてリーダーシップを発揮すべきである。</p>
3. 適切な情報開示と透明性の確保	<p>上場会社は、会社の財政状態・経営成績等の財務情報や、経営戦略・経営課題、リスクやガバナンスに係る情報等の非財務情報について、法令に基づく開示を適切に行うとともに、法令に基づく開示以外の情報提供にも主体的に取り組むべきである。</p> <p>その際、取締役会は、開示・提供される情報が株主との間で建設的な対話を行う上での基盤となることも踏まえ、そうした情報(とりわけ非財務情報)が、正確で利用者にとって分かりやすく、情報として有用性の高いものとなるようにすべきである。</p>
4. 取締役会等の責務	<p>上場会社の取締役会は、株主に対する受託者責任・説明責任を踏まえ、会社の持続的な成長と中長期的な企業価値の向上を促し、収益力・資本効率等の改善を図るべく、</p>

	<p>(1) 企業戦略等の大きな方向性を示すこと</p> <p>(2) 経営陣幹部による適切なリスクテイクを支える環境整備を行うこと</p> <p>(3) 独立した客観的な立場から、経営陣（執行役及びいわゆる執行役員を含む）・取締役に対する実効性の高い監督を行うことをはじめとする役割・責務を適切に果たすべきである。</p> <p>こうした役割・責務は、監査役会設置会社（その役割・責務の一部は監査役及び監査役会が担うこととなる）、指名委員会等設置会社、監査等委員会設置会社など、いずれの機関設計を採用する場合にも、等しく適切に果たされるべきである。</p>
5. 株主との対話	<p>上場会社は、その持続的な成長と中長期的な企業価値の向上に資するため、株主総会の場合以外にも、株主との間で建設的な対話を行うべきである。</p> <p>経営陣幹部・取締役（社外取締役を含む）は、こうした対話を通じて株主の声に耳を傾け、その関心・懸念に正当な関心を払うとともに、自らの経営方針を株主に分かりやすい形で明確に説明しその理解を得る努力を行い、株主を含むステークホルダーの立場に関するバランスのとれた理解と、そうした理解を踏まえた適切な対応に努めるべきである。</p>
資料編	

（出所：東証）

日本のコーポレートガバナンス・コード（JCGC）において、「コーポレートガバナンス」とは、会社が、株主をはじめ顧客・従業員・地域社会等の立場を踏まえた上で、透明・公正かつ迅速・果断な意思決定を行うための仕組みを意味する、とされている。

JCGC は、2013 年 6 月に閣議決定された「日本再興戦略」および 2014 年 6 月『日本再興戦略』改訂 2014』を受けて、金融庁に設置された「コーポレートガバナンス・コードの策定に関する有識者会議」において原案が開発された。JCGC の確定に先立ち、2014 年 2 月には、日本版スチュワードシップ・コードが最終化されている。これら 2 つのコードは、日本の成長戦略の一環として策定され、特に JCGC は、会社が様々なステークホルダーに対する責務に関する説明責任を果たし、会社の意思決定の透明性・公正性を担保しつつ、これを前提とした会社の迅速・果断な意思決定を促すことを通じて、いわゆる「攻めのガバナンス」の実現を目指すものであるとされている。

これは、諸外国の CGC に類するものの開発や改訂の契機が、主に深刻な金融危機に対処する「守り」の側面が強いものであることとは対照的である。日本の「攻めのガバナンス」は、ベトナムが危機対応というよりは、さらなる成長を目指すためのガバナンス強化を志向する点で、参考となる視座を提供する。

なお、JCGC が開発される前の 2004 年から、各証券取引所は、「上場会社コーポレートガバナンス原則」²⁷を策定し、上場規則等に基づく「コーポレートガバナンスに関する報告書」の作成と取引所への提出を義務付けてきたが、「コンプライ・オア・エクスプレイン」のアプローチは導入していなかったために、投資家にとって有用な情報を十分に提供していないという批判があった。そこで、『日本再興戦略』改訂 2014 では、開発すべき CGC は、OECD 原則をベースにし、さらに、「コンプライ・オア・エクスプレイン」のアプローチとすることが明記された経緯がある。

(2) コードの適用範囲

JCGC は、各証券取引所の上場規則等によって、すべての内国上場会社に適用され、各社はコーポレートガバナンスに関する報告書を各取引所に提出することが要求されているが、JASDAQ やマザーズなどの新興市場に上場する会社には減免措置があり、基本原則（5 項目）、原則（30 項目）ならびに補充原則（38 項目）から構成される JCGC のうち、5 つの基本原則のみを適用すればよいことになっている。

(3) ガバナンス強化に向けた施策

<開示のモニタリングとレビュー>

JCGC 適用初年度の 2015 年 8 月に、前年から適用されているスチュワードシップ・コードと合わせたフォローアップ会議が設置され、金融庁と東証がその事務局を担当している。2015 年 12 月末までに提出された JCGC 適用後の「コーポレートガバナンスに関する報告書」の分析「CGC への対応状況（2015 年 12 月末時点）」²⁸によると、東証第 1 部および第 2 部に上場する 1,858 社のうち、216 社（11.6%）は、JCGC のすべての原則等をコンプライしており、1,233 社（66.4%）は、9 割以上の原則等についてコンプライしている。コンプライが 9 割未満の会社数は 409 社（22.0%）であった。特定の原則は、半数以上の会社がコンプライしていない。それらは次の 2 原則等であった。

- 補充原則 4－11③：取締役会の実効性評価の実施とその概要の開示（エクスプレインをする会社が 63.6%）、
- 補充原則 1－2④：電子的議決権行使／株主総会招集通知の英訳（エクスプレインを

²⁷ 2002 年 11 月に設置された上場会社コーポレート・ガバナンス委員会によって、最初の「上場会社コーポレート・ガバナンス原則」が 2004 年 3 月に公開され、その後 2009 年に改訂されている。

http://www.jpx.co.jp/equities/listing/cg/tvdivq0000008j6d-att/governance_091222.pdf

²⁸ 第 5 回フォローアップ会議資料 2。 <http://www.fsa.go.jp/singi/follow-up/siryou/20160120/02.pdf>

する会社が 55.9%)

東証は、適用開始後各社から提出された CGC を分析し、2016 年 3 月に「東証上場会社コーポレートガバナンス白書 2015」²⁹を公表した。また、2016 年 7 月には CGC への対応状況集計結果（2016 年 7 月時点）を公表し、継続的にモニタリングを行っている。同集計結果では、エクспレイン率が最も高いのは上記の補充原則 1－2④：電子的議決権行使／株主総会招集通知の英訳であるが、全体としてコンプライ率が上昇しており、すべての原則等をコンプライしている会社は 21%、9 割以上の原則等についてコンプライしている会社は 84.5%となっている。補充原則 4－11③：取締役会の実効性評価の実施とその概要の開示についても 55%がコンプライする結果となった。

(4) 今後の課題

JCGC は、細則主義（ルールベース）ではなく、原則主義（プリンシプルベース）を採用している。詳細な説明やガイダンスがないため、日本企業の多くは、ガバナンス開示において自社のストーリーを語るような説明が困難であると感じているという。その背景には、日本企業が従来から開示に際して雛型や他社事例等を含むガイダンスを参照してきた歴史があり、投資家が期待する自社固有の説明に慣れていないことがあげられる。第 1 回のコーポレートガバナンス報告書における記述を見ても、エクспレインの内容の充実が課題である。

3.4.3.5. その他の諸外国

<タイ>

タイは、ADB スコアカードで総合評価が最上位であった。ADB スコアカードによると、タイの強みとして「株主の権利」および「株主の平等な取扱い」があげられている一方、改善の余地がある点として、「ステークホルダーの役割」および「取締役会の責務」があげられている。

タイ証券取引所（SET）は、2002 年にコーポレートガバナンス原則を公表し、2006 年に改訂をした。そして、「タイ上場会社のための良好なコーポレートガバナンス原則 2012 年版」を 2013 年 1 月に公表した。この最新版では、コードという用語ではなく、原則（Principles）という用語が使用され、タイ語と英語の双方で表記されている。これには、15 の原則が含まれ、2004 年 OECD 原則を包括的に取り込み、さらに、コンプライ・オア・エクспレインの手法を導入している。SET のウェブサイト上では、関連する様々なマニュアル、ガイドライン、自己評価事例集、一覧化されたコーポレートガバナンス原則等が掲載されている。

タイ取締役協会は、「タイ国上場会社のコーポレートガバナンス報告書」（「報告書」）において、コーポレートガバナンスの評価を公表し、2012 年から 2013 年において、評価の指標を見直した。評価指標見直しの主な焦点は、開示（様式）と適用方針（実質）間の整合性を提

²⁹ 「東証上場会社コーポレート白書」は以下のリンク先から入手可能。
<http://www.jpx.co.jp/equities/listing/cg/tvdivq0000008.jb0-att/white-paper15.pdf>

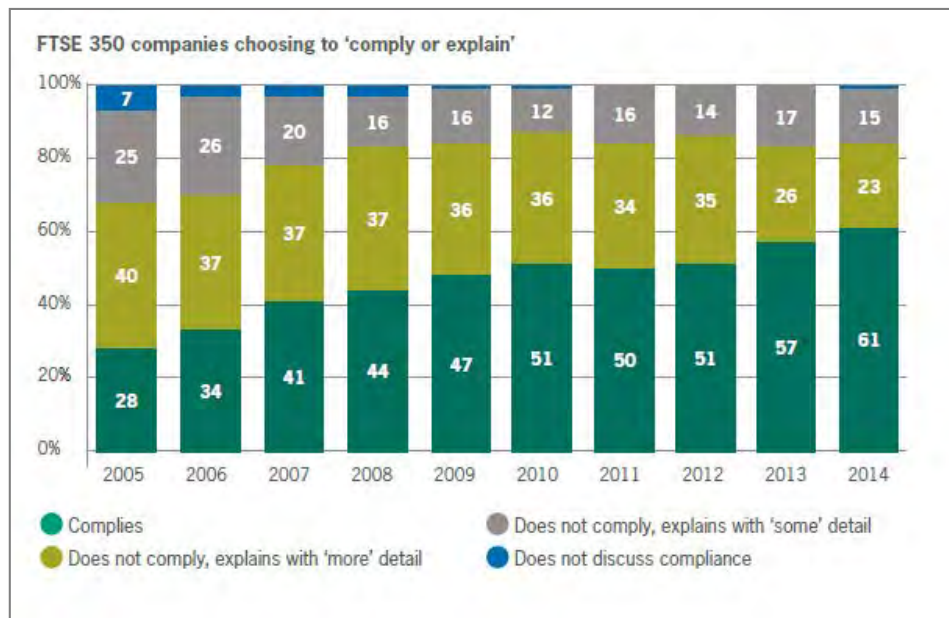
供することであった。2014 年報告書では、バンコク航空燃料サービス（BAFS）が大賞を受賞している。

全般的に、他のアセアン諸国と比較して、タイにおいては英語によるコーポレートガバナンス関連情報が入手しやすい環境にあり、そのことによって、スコアカード上、高評価を得ているものと思われる。

<英国>

英国は、「コンプライ・オア・エクスプレイン」手法の CGC を導入した最も長い歴史をもつ国である。以下の【図表 3-7】は、英国における最近 10 年間の企業の開示の傾向を示すものである。初めて「コンプライ・オア・エクスプレイン」手法を導入して 20 年以上経過する英国においても、未だ多くの企業がコンプライしていない事実が見て取れる。2005 年において、FTSE 350 指標を構成する企業のうち、すべての UKCGC の各則をコンプライした企業は 28%に過ぎなかった。このような情報は、今後、SCIC の傘下企業が適用する CGC を導入する際に、コードの各原則に「コンプライ」をすることが「エクスプレイン」よりもベターであるという印象を払拭する素材になると考えられる。「コンプライ率 100%」は各社が目指すべき方向ではなく、質の高いエクスプレインが投資家との対話の開始点となることを周知する必要がある。

【図表 3-7： 英国 FTSE350 を構成する企業のコンプライ率推移】



（出所：Grant Thornton、「コーポレートガバナンス・レビュー2014 年」）

<米国およびフランス>

多くの国では、政府機関や証券取引所等が主体となり、CGC またはその同等物を設定することが一般的だが、米国では、米国主要企業の CEO をメンバーとする民間団体である「ビジネ

スラウンドテーブル」(BRT) がコーポレートガバナンス原則を設定している。BRT によるコーポレートガバナンス原則は、米国上場会社のベストプラクティスのガイダンスを示している。

フランスでは、上場会社向けに 2 つの CGC が民間の団体によって策定されている。ひとつは、フランス私企業協会およびフランス企業連盟 (AFEP/MEDEF) が策定する大規模上場会社向けのものであり、もうひとつはフランス中小企業連盟 (MiddleNext) が策定する中小規模の上場会社向けのものである。実務上は、中小規模の上場会社であっても、より高品質のガバナンスを目指すという理由から、自主的に大規模上場会社向けの AFEP/MEDEF コードを適用している事例が多い。

3.4.4. 海外比較分析の要約

3.4.4.1. 比較表

以下の表は、アジア各国のコードを比較したものである。

【図表 3-8：類似点と相違点】

	シンガポール	マレーシア	インドネシア	日本
コードの名称	コーポレートガバナンスのコード	コーポレートガバナンスに関するコード	良好なコーポレートガバナンスのコード	コーポレートガバナンス・コード
コンプライ・オア・エクスプレイン手法の導入	○	○	×	○
アニュアルレポート上での開示	必須	必須	上場会社は必須	コードとは別に有価証券報告書(金商法)、事業報告(会社法)における一定の開示が必須。 コードについては上場規則により証券取引所に「CG 報告書」を提出
開示の法的根拠	取引所の上場規則	取引所の上場規則	証券法	上場規則

コードの策定主体	コーポレートガバナンス委員会 ³⁰	証券委員会 (SC ³¹)	ガバナンスポリシー政策委員会 (NCG ³²)	金融庁(JFSA)と東京証券取引所(TSE)が事務局をつとめる有識者会議
コードが適用される企業の範囲	上場企業のみ	全ての会社に適用。上場会社のみ強制適用。	全ての会社に推奨。上場企業のみ強制適用。	内国上場会社のみ
規制当局	MAS	SC	OJK	TSE など各証券取引所
コードの導入時期	2001 年	2000 年	2000 年	2015 年
直近の更新時期	2012 年	2012 年	2006 年	-

(出所：PwC あらた有限責任監査法人作成)

<モニタリング、レビューおよび表彰制度>

	シンガポール	マレーシア	インドネシア	日本
実施状況のレビュー報告書	あり	あり	なし	あり
開示優秀企業表彰制度	あり	あり	あり	あり
モニタリング実施機関	シンガポール金融管理局 (MAS) ³³	マレーシア証券委員会 (SC)	インドネシア金融庁 (OJK)	金融庁、東証
OECD 加盟国	No	No	No	Yes
OECD CG 委員会の調査対象か ³⁴	Yes	No	Yes	Yes

<各国の取引所について>

	シンガポール	マレーシア	インドネシア	日本
上場社数 ³⁵	484	895	506	3,458

³⁰ シンガポール金融管理局 (MAS: Monetary Authority of Singapore) およびシンガポール証券取引所 (SGX) が事務局を務め、シンガポール企業からの代表者、取締役協会 (SID) 代表者、弁護士、投資家および学者等のメンバー12名 (議長はシンガポール・テレコム会長) から構成されていた。

³¹ SC : Securities Commission Malaysia

³² NCG : National Committee on Governance Policy (Indonesia)

³³ MAS: Monetary Authority of Singapore

³⁴ 前出、OECD Corporate Governance Factbook 2015 の調査対象か否か

³⁵ 上場社数4か国とも2014年12月末を基準とする
参考 <http://data.worldbank.org/indicator/CM.MKT.LDOM.NO>

時価総額 ³⁶ (10 兆 US ドル)	752	459	422	4,377
売買株式数 1 日平均 (百万株)	1,603 ³⁷	2,086 ³⁸	5,484 ³⁹	2,911 ⁴⁰
年間売買規模 (10 兆 US ドル)	203 (SG \$ 279B)	119 (512, 221MR)	122 (Rp1, 453, 392B)	6,165 (748, 567 千円)

(出所：PwC あらた有限責任監査法人作成)

3.4.5. 結論－海外比較分析

上記、海外比較分析の結果、SCIC 傘下企業が適用する CGC 草案を策定する際に、以下の検討をすることが考えられる。

- CGC 草案は、G20 で承認された最新の 2015 年 OECD 原則をベースにすべきである。
- 各国は OECD 原則をベースにしつつも各国のニーズやコード開発の目的に応じて相当の修正を施した上で自国のコードを策定している。既存の法制度の枠組みとの整合性や特別の事情がもしあれば考慮すべきである。
- OECD 原則を修正して CGC 草案を開発する際には、多様な手法（聞き取り調査、アウトリーチ、草案の公開、ワーキンググループ、委員会等）で、投資家、アナリスト、上場会社、証券規制当局など関係者の意見を十分に反映することが望ましい。
- CGC 草案は、「コンプライ・オア・エクスプレイン」手法を導入し、会社に遵守しない理由の説明を求めるべきである。これによって、企業の開示を拡充し株主とのコミュニケーションを強化する有効なツールとなる。日本では、JCGC が導入される以前にも OECD 原則をベースとした「上場会社のコーポレートガバナンス原則」が 2004 年 5 月に導入されていたが、コンプライ・オア・エクスプレイン手法を適用していなかったため、投資家にとって有用な情報を十分に提供していないという批判があった。
- 単一のルールがすべての会社（例：規模の大小、金融機関か非金融機関かの別、会社の機関設計の別など）に等しくふさわしいとは限らない、と言われるように、コンプライ・オア・エクスプレイン手法は、多様な会社の状況に応じて柔軟に対応できるという利点がある。

³⁶ 時価総額 4 カ国とも 2014 年 12 月末を基準とする

参考 <http://data.worldbank.org/indicator/CM.MKT.LCAP.CD>

³⁷ シンガポールの売買株式数および売買規模は公表されている 2015 年度を参考とした

http://www.sgx.com/wps/portal/sgxweb/home/marketinfo/market_statistics

³⁸ マレーシアの売買株式数は直近の数字、売買規模は 2015 年度を参考とした

http://www.bursamalaysia.com/misc/system/equity_market_statistics/securities_equities_keyindicators.pdf

³⁹ インドネシアの売買株式数および売買規模は公表されている直近 2014 年度を参考とした

http://www.idx.co.id/Portals/0/StaticData/Publication/Statistic/Yearly/IDX_Annually_2014.pdf

⁴⁰ 日本の売買株式数および売買規模は 2015 年度を参考とした

<http://www.jpx.co.jp/markets/statistics-equities/misc/>

- CGC 草案は、「細則主義」ではなく「原則主義」のアプローチを採用すべきである。それによって、CGC の適用に際して一定の柔軟性を企業に提供することができる。一方で、十分なガイドラインや研修なしに、原則主義は成り立たない。
- CGC の策定後、時間の経過につれて、定期的に見直し必要に応じて改訂がされるべきである。4 カ国の事例では、それぞれ継続的な見直しの手続きが導入されている。CGC は、時として「生きた文書」と表現されるように、新鮮さを維持するための定期的な見直しが必須のものである。
- 適時に CGC を見直すために、会社による CGC の適用および開示をレビューし適用状況をモニタリングする機関が必要である。
- 一般的に、CGC は上場会社にのみ強制適用することが多い。しかし、上場準備企業もしくは公的性質を持つ企業については CGC を適用すべきである。
- CGC 草案を開発する際には、既存の分析資料、例えば、ADB による「アセアン・コーポレートガバナンス・スコアカード（2013 年～2014 年）」および世界銀行による「基準およびコードの適用に関する報告書（ROSC）－国別コーポレートガバナンス評価－ベトナム国」（2013 年 8 月）等を参照し、国際的なスタンダードにおけるベトナム国の相対的位置づけを理解すべきである。

3.5. コーポレートガバナンス・コード草案策定の方針

3.5.1. 当初 CG 草案（2015 年 11 月 16 日版）の大方針と骨子

前述の SCIC タスクフォースメンバーからの情報、ギャップ分析ならびに海外比較分析を踏まえて、2015 年 9 月に公表された G20/OECD コーポレートガバナンス原則をベースとした CGC 草案（英語）を次の大方針の通り策定し、SCIC タスクフォースメンバーからの意見を聴取した。なお、当初草案の大方針および骨子は、その後のタスクフォースメンバー等との議論の中で修正されているため、最終草案とは一致していない。

<大方針>

- SCIC 傘下企業のうち、会社形態が「株式会社（JSC: Joint Stock Company）」の非公開会社（ハノイまたはホーチミン証券取引所規則または証券法〈Law on Securities〉によるコーポレートガバナンス開示規制が適用されない会社）を主たる対象としてコーポレートガバナンス・コード（CGC）および適用ガイダンス（AG）を策定する。
 - 株式会社以外を排除するというよりは、株式会社における「取締役会」を他の表現に読み替えるなどの対応とすることを明記する。
 - 公開会社は別途証券法等の規制を受けるため、それよりも高度なガバナンスを非公開会社には当面要請しない。
- 銀行など金融機関・業種特有の論点には触れない。一般的な CGC 開発をする。（10 月 15 日 SCIC との会議に基づく）

- SCIC 自身が遵守すべき原則（2015 年議決権行使基準案の冒頭に記載されていた Principles を含む）は、SCIC 傘下企業向け CGC のひとつの不可分の構成要素とする。具体的には、「前文」（頭出し）および「第 5 章（セクション 5）」（詳細規定）に書き込む。（なお、本方針は、その後の SCIC タスクフォースメンバーとの協議の結果、SCIC 傘下企業向けの CGC からは切り離し、独立した文書として SCIC がウェブサイト上で公表することが決定された。）
- 構成一すべての傘下企業が遵守すべき基本原則（General Principle）、大規模傘下企業が遵守すべき原則（Principle）、遵守することが推奨される事項（Recommendation）の 3 段階構成とする。「大規模傘下企業」については別途定義を設ける。（売上高、総資産、従業員数に数値基準を設定する。公開会社は、数値基準に関わらず「大規模」とみなす。（なお、本方針は、その後の SCIC タスクフォースメンバーとの協議の結果、SCIC が傘下企業の管理目的で分類している A1, A2, B1 および B2 の 4 区分に置き換えることが最終的に決定している。）
- 所定の「報告様式」を適用ガイダンス（Application Guidance）にて設定し、定期的（少なくとも年次）で SCIC およびその他の株主に対する書面での報告を要請する。株主総会招集通知に添付する関連書類とすることも視野にいれる。
- CGC は、コンプライ・オア・エクスプレイン（comply or explain）のアプローチとする。コンプライ（遵守）できていない場合についての罰則規定は設定しない（ソフト・ロー）が、十分なエクスプレインの開示に重点を置く。（なお、本方針は、その後の SCIC タスクフォースメンバーとの協議の結果、コンプライ（comply）という用語はハードローの法令遵守を想起させることから使用せず、「アプライ（apply）」という用語でもって表現することが決定された。）

<SCIC 傘下企業向け CGC の骨子案>

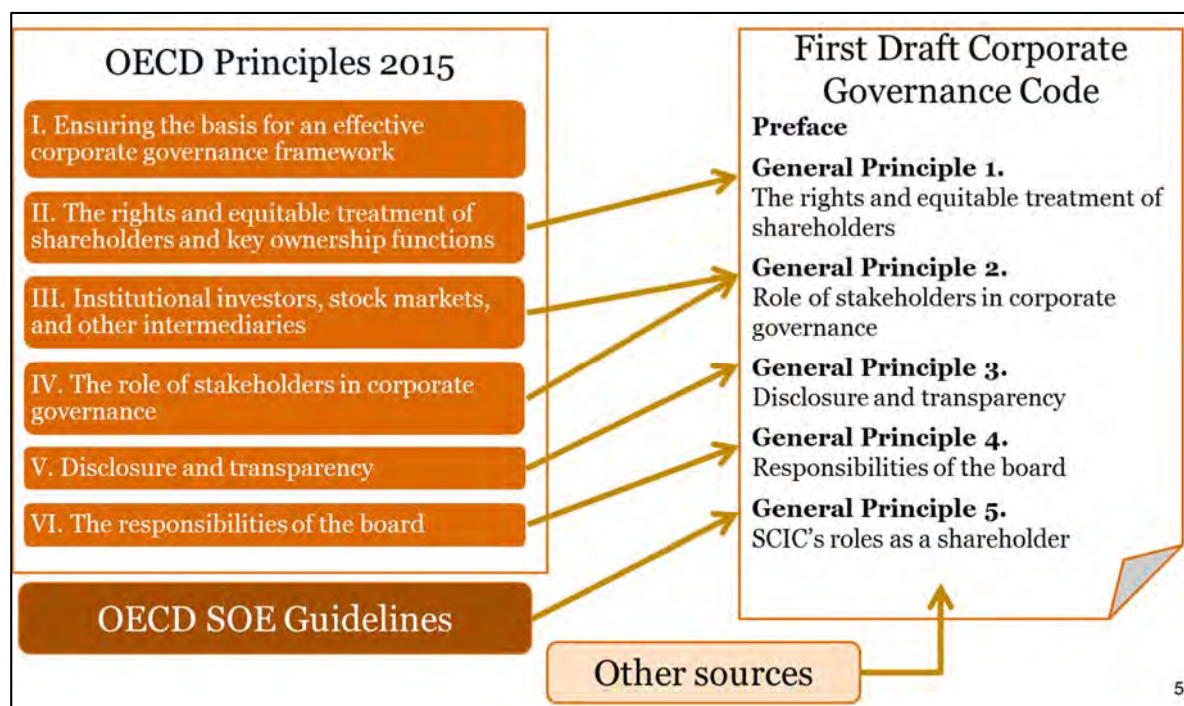
- 前文
 - a. SCIC 傘下企業が適用する CGC 策定の背景と目的、なぜガバナンス強化が必要なのか
 - b. 傘下企業各社に対するガバナンス強化の前提となる SCIC 自身の株主としての姿勢（VG ドラフトの Principles 冒頭部分を転載）、詳細は「第 5 章（セクション 5）」
 - c. コンプライ・オア・エクスプレインのアプローチ説明
 - d. 傘下企業の株主に対する「受託者責任」について
 - e. 銀行など公益企業（日本での別記企業）は特段の留意が必要であることを明記
 - f. 具体的な適用方法については「適用ガイダンス」を参照すること
 - g. 今後の継続的 CGC の適用と見直し頻度について
- 第 1 章： 株主の権利・平等性の確保
 - a. 株主の実質的な平等性の確保一少数株主、外国人株主の権利の確保、権利行使に

係る環境整備、平等性の確保（海外投資家の視点を詳しく）（株主提案、等）

- b. 議案について一取締役、経営陣幹部の選任、報酬。なお、取締役報酬に関する株主総会議案「Say-on-pay」は欧米諸国で広く導入されているが SCIC 傘下企業向けの CGC には含めない。
- c. （株主である）機関投資家、戦略投資家との関係（対話促進）
- d. 関連者取引は、利益相反を適切に管理し会社と株主の利益を保全する中で承認され実施されるべきであり、関連者取引の利害関係者をその承認等に関係させるべきではない
- e. 株主総会について（運営面での議決権行使がしやすいような工夫）
- 第2章： 他のステークホルダーとの関係
 - a. 株主以外のステークホルダーとの適切な協働関係（顧客、取引先、債権者、従業員などの各ステークホルダーの説明を含む）
 - b. （株主ではない）機関投資家、戦略投資家、議決権行使助言会社（Proxy Advisor）、アナリスト、格付機関等との関係の透明性確保（利益相反の開示）
 - c. 従業員・役員に対する行動規範（code of conduct）の制定と周知徹底
 - d. 社会・環境問題への対応重視
 - e. 内部通報制度（hotline）の充実
 - f. 規制当局と株主の分離
- 第3章： 適切な情報開示と透明性の確保
 - a. 適切な財務情報の開示、外部会計監査人による監査報告書の要否
 - b. 適切な非財務情報の開示（経営戦略、事業戦略、経営課題、リスク、ガバナンス、社会・環境対応等）
 - c. 中長期的な企業価値向上に向けた取組みの説明
 - d. 公平な情報開示（Fair disclosure）
- 第4章： 取締役会の責務
 - a. 取締役会の責務（企業法による規定との関係を明確にする）
 - ① 取締役会は高い倫理基準を適用するべきである。
 - ② 取締役会は、ステークホルダーの利益を考慮すべきである。
 - ③ 過度な租税回避など、企業の風評に関わる行為を監視すべき
 - b. 取締役会の構成、多様性確保
 - ① 取締役会メンバーの多様性（ダイバーシティ）を確保すべき（年齢、性別、専門性、他）
 - c. 独立非業務執行取締役の役割
 - ① 一定数（最低2名）の独立非業務執行取締役選任
 - d. 特別委員会の導入—監査、リスク管理、経営者報酬・指名に関する委員会の導入を検討すべき

- e. 業務執行取締役および経営陣幹部（CEO や CFO を想定）の報酬
- f. 利益相反
- g. 受託者責任
- h. 取締役会評価—自己評価の仕組みを導入する
- i. トレーニング（コーポレートガバナンスに関する研修を含む）によって法令、会計等に関する知識を習得する機会を取締役に提供する
- 第5章： 民営化過渡期の国営企業として（SCIC の CGC）
 - a. 民間企業との公平性確保
 - b. VG ドラフトの Principles 部分を転載
 - c. UK、日本のスチュワードシップ・コードから一部転載

この当初 CGC 草案とベースとなる OECD 原則の関係を図で示すと以下の通りとなる。



【図表 3-9： OECD 原則と CGC 草案の関係】（出所:PwC あらた有限責任監査法人作成）

なお、当初の CGC 草案策定に際しては、ギャップ分析および海外比較調査の過程で得た情報に加えて、その他の参考情報として、以下を参照している。

【図表 3-10： 参考情報リスト】

参考情報の名称	目的
日本版スチュワードシップ・コード ⁴¹	主に機関投資家としての視点を参照するため。

⁴¹ 以下のリンク先から入手可能（英語版）。

東京証券取引所コーポレートガバナンスに関する報告書記載要領 ⁴²	主にコーポレートガバナンス報告書の様式を検討するため。
英国コーポレートガバナンス・コード（2014年9月改訂） ⁴³	主に「取締役会の責務」について充実しているため参照。
ドイツ コーポレートガバナンス・コード（2015年5月改訂） ⁴⁴	主に「D&O 保険に関する規定」等、スーパーバイザリー・ボードとマネジメント・ボードの2つのボードをもつ二層階層の機関設計のガバナンスモデルを参考とするために参照。
米国ビジネス・ラウンドテーブル（BRT）のコーポレートガバナンス原則（2012年） ⁴⁵	米国主要上場企業の CEO 団体の視点から見たコーポレートガバナンスのベストプラクティスを参照。
国際金融公社（IFC）「コーポレートガバナンス・マニュアル」（第2版 2010年10月） ⁴⁶	世界銀行グループの一員である IFC が 2010 年 10 月に公表したベトナムのためのコーポレートガバナンスに関するマニュアル。全 571 頁。過去の取り組みを理解するために参照。
世界銀行「ROSC コーポレートガバナンス国別評価ーベトナム」（2013年8月）	世界銀行が各国の上場会社を対象としてコーポレートガバナンスのレベルを分析しとりまとめた報告書。全 40 頁。法的枠組み、規制当局による執行状況、取引所の取り組み、国営企業（SOEs）の監督、株主の権利の確保、取締役会の機能改善、開示の拡充等に言及している。

3.5.2. CGC タスクフォースからの主なコメント

2015 年 11 月 4 日付で正式に任命された SCIC の CGC タスクフォースメンバーとの複数回にわたる打ち合わせでは、コーポレートガバナンス・コード当初草案および改訂草案（12

<http://www.fsa.go.jp/en/refer/councils/stewardship/20140407/01.pdf>

⁴² 日本語のみ。

<http://www.jpx.co.jp/english/equities/listing/cg/tvdivq0000008j85-att/b7gje600000080wm.pdf>

⁴³ 以下のリンク先から入手可能。

<https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-Corporate-Governance-Code-2014.pdf>

⁴⁴ 以下のリンク先から入手可能。

http://www.dcgk.de//files/dcgk/usercontent/en/download/code/2015-05-05_Corporate_Governance_Co_de_EN.pdf

⁴⁵ 以下のリンク先から入手可能。但し、当プロジェクト進行中の 2016 年 8 月に改訂版が別途公表されている。

http://businessroundtable.org/sites/default/files/BRT_Principles_of_Corporate_Governance_-2012_Formatted_Final.pdf

⁴⁶ 以下のリンク先から入手可能。

<http://www.ifc.org/wps/wcm/connect/8a40ee804a81f904ad3dfdf998895a12/CG+manual+for+Vietnam-second+edition-Eng.pdf?MOD=AJPERES>

月 4 日版) に対して以下のコメントを得た。カッコ内はそれらに対する対応を記載している。

- 用語・訳語の「議決権行使基準 (VG 2015)」との統一 (→用語集を作成することで対応した)
- D&O 保険導入を推奨する原則を追加 (→追加した)
- リスク管理および内部統制についてさらに充実させる、また、内部監査部門の設置を推奨すべき (→追加した)
- 取締役会をサポートする会社秘書役 (→英国における会社機関のひとつである Company Secretary を意図) の設置等を検討すべき (→追加した)
- 外部会計監査人と会社の契約締結のタイミングを前倒しにすることを推奨 (→追加した)

上記コメントを反映するように修正をしたものが、2015 年 12 月 8 日版 CGC 草案であり、これをベトナム語に訳し、SCIC の各部門長を含むマネジメントに対して改めて意見を求めた結果、さらに、各用語の定義や「コンプライ・オア・エクスプレイン」などの概念の明確化、具体的ガイダンスを要求する意見が多く見られた。これら寄せられた意見の詳細について、2015 年 12 月 25 日に SCIC タスクフォース、JICA 専門家ならびに PwC コンサルタント間で議論し、各原則について、以下の構成順となるよう再度 CGC 草案を大幅に修正することが決定された。

- ① 既存のベトナム国内法令等 (特に新企業法) における規定の説明 (現行の CGC 草案では主に脚注に表示)
- ② 国際的に認知されたガバナンス原則およびマニュアルの説明 (例: International Finance Corporation, “Corporate Governance Manual, Second Edition,” October 201047) (なぜ有用なのかの説明を加筆)
- ③ ベスト・プラクティスの説明 (国際的にも先進的な取組みを推奨)

細則主義ではなく原則主義、また、ハードローではなくソフトローであることを特長とする CGC に含まれる用語や概念の定義をあえて記載しないことが国際的なコードの通例ではあるものの、CGC を初めて本格的に導入するには、段階的ステップを経ることが結果として実効性のある近道であるかもしれないと考え、SCIC の要望通り、CGC 草案および適用ガイダンス草案を修正した。

なお、多様な傘下企業に対応すべく、大規模会社に対するベスト・プラクティス (推奨) の提供および小規模に対する緩和措置の導入、新たな概念 (例: コンプライ・オア・エクスプレイン) について事例解説を追加するべきであるという指摘についてもすべて対応した。

上記のプロセスを経た 2015 年 12 月 25 日の議論を反映した修正後 CGC 草案について、さ

⁴⁷ 当該文書は以下のリンク先から入手可能。

http://www.ifc.org/wps/wcm/connect/region_ext_content/regions/east+asia+and+the+pacific/publications/vietnam+corporate+governance+manual

らに、SCIC タスクフォースメンバーと検討し修正した CGC 草案および適用ガイダンスでもって、パイロットテストを実施し、実際の傘下企業側の意見を求めることとした。

3.5.3. CGC 利用方法等の検討

<CGC の利用方法>

SCIC の傘下企業が適用する CGC 草案を開発するとして、だれが、どのように完成した CGC を利用（もしくは適用）するのか、本プロジェクトの開始時点から議論の焦点となっていた。そのため、適用方法について当初 CGC 草案の前文に説明を記載しているものの、適用ガイダンスの草案としては、2015 年 12 月時点で SCIC 側に提示していなかった。

SCIC の傘下企業 200 社超のポートフォリオは日々入れ替わり常に多様な企業が含まれる。また、傘下企業各社に対する SCIC の支配力、影響力も多様であることから、一律、完成した CGC の適用とそれに準拠した情報開示ならびに適時報告を強制することはできないという。

そのような考えから、2015 年 12 月 25 日の会議で SCIC 側が提示した CGC の活用方法は以下の 3 通りであった。

- a. 傘下企業が自主的に適用する。もしくは、SCIC の株式持分が 20%超の場合は CGC 適用を要請できるかもしれない。
- b. SCIC のポートフォリオ管理担当者が傘下企業のガバナンス水準を評価するためのツールとして利用する。
- c. SCIC の職員が傘下企業の取締役としての職務を果たす上で参照する。

<CGC の利用度合いの測定尺度>

これらを踏まえると、仮に上記 a. ～c. の 3 通りの利用をする場合、その成果を測定するための尺度を次の通り設定することが考えられる。

- a. 傘下企業が自主的に適用する。もしくは、SCIC の株式持分が 20%超の場合は CGC 適用を要請できるかもしれない。

成果の測定指標案：

新たに開発するコーポレートガバナンス・コードに沿って「コーポレートガバナンス報告書」を自主的に作成し株主に開示する傘下企業の数（もしくは%）

- b. SCIC のポートフォリオ管理担当者が傘下企業のガバナンス水準を評価するためのツールとして利用する。

成果の測定指標案：

SCIC のポートフォリオ管理担当者が作成する「コーポレートガバナンス・チェックリスト（仮称）」（傘下企業 1 社につき 1 つのチェックリストを作成することを想定）数（もしくは%）

- c. SCIC の職員が傘下企業の取締役（もしくは representative）としての職務を果たす上で参照する。

成果の測定指標案：

SCIC 職員が傘下企業の取締役としての自らの職務遂行のために作成する「コーポレートガバナンス・チェックリスト（仮称）」（傘下企業 1 社につき一つのチェックリストを作成することを想定）数（もしくは%）

ただし、傘下企業のポートフォリオは常に入れ替わるため、上記（a. ～c.）の指標の企業数は、CGC 導入初年度からの累計企業数（もしくは、ある一定時点の CGC 任意適用企業数の総傘下企業数に対する比率）とすることが考えられる。上記には、CGC 草案のセクション 5（SCIC 自身が遵守すべき原則）に関する成果の測定指標は含まれていない。

<CGC の利用度合いの測定のタイミング>

上記成果測定のタイミングについては、以下が考えられる。

コーポレートガバナンス報告書は少なくとも年に 1 度更新することが期待され、日本では定時株主総会終了後、速やかに新たな取締役等の情報に更新する実務がある。一方、米国などでは、株主総会招集通知・関連書類（Proxy Statement）に含めて議決権行使の参考情報となるよう株主に提供する実務がある。

ベトナム国においては、2016 年 12 月期の株主総会（2017 年 4 月頃開催）招集通知（2017 年 2 ～3 月頃送達）にコーポレートガバナンス報告書を添付できることが望ましい。よって、2017 年から成果を測定開始することが考えられる。

上記については、2016 年 1 月以降の議論において、SCIC タスクフォースメンバーと協議を継続し、その結果、本完了報告書の「6. 今後の取り組みに向けた提言」において最終的な報告性を示している。

3.5.4. ワークショップの実施について

2015 年 11 月 30 日付のワークプランでは、コンポーネント 1-1 に関連した主要な活動のひとつとして、SCIC の CGC タスクフォース（TF）のメンバーおよび各部門長等のマネジメントを対象としたワークショップの開催による意見聴取（第 1 回）を 2015 年 10 月から 12 月中に実施することが予定されていた。この目的は、コーポレートガバナンス・コードおよびその適用ガイダンスの各草案を策定する前に、それぞれの草案に期待すること等のインプットを得ることであった。

さらに、策定された CGC および適用ガイダンスの草案をもとに、ワークショップ（第 2 回）を 2015 年 12 月から 2016 年 1 月中に実施することによって、各草案の説明に加えて、SCIC 関係者からのコメントを収集することを意図していた。

しかしながら、当プロジェクトの中間レビュー等における議論の結果、以下の理由から、

ワークショップの実施の見直しを行った。

- 議論のたたき台となる CGC およびその適用ガイダンスの草案なしに、コーポレートガバナンスに関する一般的な意見を収集することが困難であることが判明した。（第 1 回ワークショップについて）
- CGC および適用ガイダンスの草案に対する大幅な修正要請が 2015 年 12 月 25 日の打ち合わせにおいて示された結果、SCIC タスクフォースおよびマネジメントとある程度合意した草案に基づくワークショップに開催時期を遅らせる必要性が生じている。（第 2 回ワークショップについて）

上記の問題点を踏まえ、関係者と協議の結果、2015 年 11 月 30 日付のワークプランで計画されていたワークショップの実施のタイミングを延期することを決定した。CGC 草案策定に関してはタスクフォースメンバーとの協議を優先し、CGC の実効性についてパイロットテストを実施することとし、ワークプランの見直しが行われた。（別添資料 1：2016 年 4 月 20 日付ワークプラン）

3.6. 本邦研修

3.6.1. 実施計画

本プロジェクトの本邦研修は、（１）コーポレートガバナンス・コードの意義と目的理解、（２）上場会社ガバナンスへの機関投資家等の期待（３）新規投資・継続投資判断にかかる意思決定の３点をテーマとして、2016 年 3 月 10 日から 16 日にかけて実施した。

対象者は、SCIC で直接ポートフォリオ管理を行い、昨年来コード策定の議論を行ってきた SCIC タスクフォースメンバーに加えてベトナム財政省職員（SCIC から 10 名、ベトナム財政省から 3 名）であった。

研修講師は、日本政府機関職員や東京証券取引所および機関投資家を中心であり、政府機関職員はコードの意義と目的について講義し、東京証券取引所や機関投資家は上場会社ガバナンスへの期待や新規投資等の意思決定判断に関する講義を担当した。

いずれの研修も 1 コマ 90 分とし、60 分程度のレクチャーと 30 分程度の質疑応答セッションで構成され、可能な限り研修受講者が質疑応答や意見交換に参加できる形式とした。

3.6.2. 研修スケジュールおよび研修参加者

当本邦研修のスケジュールは以下の通りである。

【図表 3-11： 本邦研修スケジュール】

日時			内容	担当
3 月 10 日（木）	9:30	10:30	来日ブリーフィング(1)	JICA
	10:45	12:15	オリエンテーション(1)	PwC コンサルタント/JERI
	12:30	13:30	昼食	
	14:00	15:30	CG コードの目的(2)	金融庁総務企画局

				企業開示課
3 月 11 日（金）	10:00	11:30	投資家の期待(3)	機関投資家
	12:30	13:30	昼食	
	14:00	15:30	CG コードの目的(4)	ガバナンス有識者
3 月 14 日（月）	10:00	11:30	投資家の期待(5)	格付機関
	11:45	13:15	昼食	
	13:30	15:00	投資家の期待(6)	機関投資家
	15:30	17:00	CG コードの目的(7)	ガバナンス有識者
3 月 15 日（火）	10:30	11:30	東証アローズ概要説明(8)	東京証券取引所（東証）
	11:45	12:45	昼食	
	12:45	13:00	役員挨拶・記念品贈呈	東証
	13:00	14:30	CG コードの目的(9)	東証
	14:30	16:00	上場会社への期待(10)	東証
3 月 16 日（水）	10:00	11:30	ファンドのリスク管理 (11)	投資運用会社
	11:45	13:15	昼食	
	13:30	15:00	KRI(12)	機関投資家
	15:15	15:30	閉会	PwC コンサルタント/JERI
	15:30	16:15	修了証書授与式	JICA

※研修生は 3 月 9 日（水）に入国、3 月 17 日（木）に帰国

本研修には、ベトナムから、以下の SCIC 職員および財政省職員が参加した。

【図表 3-12：本邦研修参加者リスト①】＜SCIC 職員＞

	名前	部門	役職
1	Cao Duy Ha	財務投資部	副局長
2	Le Ba Nam Linh	ポートフォリオマネジメント部 1	
3	Le Thanh Tuan	ポートフォリオマネジメント部 4	局長
4	Tong Van Toan	人事部	局長
5	Tran Minh Duc	投資部 3	
6	Tran Trung Kien	ポートフォリオマネジメント部 4	
7	Vu Hong Tuan	マネジメント部	局長
8	Nguyen Anh Tam	パートナーシップ開発及び PR 部門エグゼクティブオフィス	
9	Nguyen Thi Kim Anh	投資部	副局長
10	Nguyen Thi Tham	リスクマネジメント部	局長

【図表 3-13：本邦研修参加者リスト②】＜財政省（MOF）職員＞

	名前	部門	役職
1	Nguyen Linh Tuan	企業財政課	専門員
2	Phan Thi Thanh Loan	企業財政課	専門員
3	Nguyen Thi Thanh Huyen	企業財政課	専門員

3.6.3. 研修実施結果の概要

(1) 来日ブリーフィングおよびオリエンテーション



(PwC あらた有限責任監査法人汐留オフィスにおける来日オリエンテーションの様様)

- JICA より、各種書類の用意、事務手続の確認を実施した。
- PwC および JERI コンサルタントから、本プロジェクトの各コンポーネント (CGC, VG, KRI) の責任者が挨拶し、研修の目的、各コンポーネントの概要および進捗について説明した。

(2) 3月10日（木）14:00 - 15:30 金融庁（総務企画局企業開示課）

講義題目	日本におけるコーポレートガバナンス改革の進展
講義内容概要	<ul style="list-style-type: none"> • 日本の会社法におけるガバナンスの現状の説明。日本の会社法につ

	<p>いては、「監査役会設置会社」、「監査等委員会設置会社」および「指名委員会等設置会社」の3つの機関設計の説明を実施した。</p> <ul style="list-style-type: none"> 日本で適用されているコーポレートガバナンス・コード（以下、「JCGC」）やスチュワードシップ・コード（以下、「SSC」）の特徴を説明した。 <ul style="list-style-type: none"> JCGC における「コーポレートガバナンス」は、株主をはじめ顧客・従業員・地域社会等の立場を踏まえた上で、意思決定をする仕組みを意味している。 JCGC、SSC が日本で導入された経緯についての説明。JCGC 及び日本版 SSC は「プリンシパルベース・アプローチ（原則主義）」、「コンプライ・オア・エクスプレイン」を採用している。 2015 年 6 月 1 日の適用開始から現在までの対応状況として、2015 年末までに上場会社 3,500 社中 2,485 社のコーポレートガバナンス報告書の開示があった。「エクスプレイン」率が高いものの具体例としては、取締役会の自己評価、独立社外取締役の2名以上の選任、指名・報酬等の検討における独立社外取締役の関与・助言、中長期的業績と連動する報酬の割合などがあつたと紹介があつた。 JCGC への対応は形式的な遵守ではなく実質を伴ったものであり、今後もフォローアップをしていく必要があると強調されていた。
質疑応答	<ul style="list-style-type: none"> 日本において、取締役会、監査役会の構成人数は決まっているかとの質問。特に決まりはなく、平均して取締役会は8人程度、監査役会は3～4人程度との回答があつた。 監査委員会は取締役会の中にあるのに独立して監査できるのか、という質問。ここでいう「監査」の対象は個々の取締役・執行役の職務執行であり、モニタリングをしている取締役会の監査をする訳ではないとの回答があつた。 JCGC はどの範囲まで適用されるのかとの質問。日本での適用は上場会社全社との回答があつた。

(3) 3月11日(金) 10:00 - 11:30 機関投資家

講義題目	日本における企業価値創造への取り組み
講義内容概要	アベノミクスとは何か、成長戦略＝生産性革命による価値創造、PLAN

	(JCGC/SSC、伊藤レポート) から Do-Check-Action (エンゲージメント) へ、投資家の懸念払拭等の内容の説明。特に投資家の立場から、エンゲージメントの重要性を強調 (PDCA サイクルの説明)
質疑応答	<ul style="list-style-type: none"> エンゲージメントの根拠の確認。SSC 原則 4 との回答。 大株主以外も対話できるか、またその方法についての質問。大株主以外の株主の対話も可能であり、IR 部門が優先度付けをした対応が行われると説明。

(4) 3 月 11 日 (金) 14:00 - 15:30 ガバナンス有識者

講義題目	コーポレートガバナンス・コードについて
講義内容概要	<ul style="list-style-type: none"> 我が国の JCGC の成り立ちを説明。日本企業は資本効率性が低く、低利益率に一因があること (伊藤レポート)、そのため攻めのガバナンスの必要性から JCGC 作成に向かった。逆に欧州の CGC はリーマンショックを起点とし過度の短期志向抑制を目的として作成されているが、日本と欧州の CGC は反対方向から、同様の規律へ収斂していると考えられる。 我が国の JCGC の特徴を説明。OECD 原則と日本の JCGC の比較において、JCGC に特徴的なことは「株主との対話」が明示されている点である。 先進的といわれる「指名委員会設置会社」を導入した会社であっても、実質的に機能していなかったために経営の失敗につながった事例を紹介。経営トップだけでなく、社外取締役及び社外監査役にも直接 (潜在的な不祥事等に関する) 報告が届く体制が必要。
質疑応答	内部監査部門が CEO などの経営トップだけでなく社外取締役へ直接報告を行う体制をどう築くのか、という質問があった。日本でも過去の不祥事等を踏まえて、優良企業の中には、内部監査部門から社外取締役へのダイレクト・レポーティング・ラインを設置する会社が出始めており、社外取締役の監督体制のもとで内部監査部門が有効に機能しうること、そうした企業の CEO は自らの責任を全うする上で、社の内外を問わず、独立社外取締役を含む多方面からの協力を得たいと考えているとの説明があった。

(5) 3 月 14 日 (月) 10:00 - 11:30 格付機関

講義題目	投資コミュニティによる上場企業への期待 ～資本市場で格付会社が果たす役割を踏まえて
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講義内容概要	<ul style="list-style-type: none"> 格付会社、格付の定義、格付の特性、格付の活用例についての説明。格付の特性として、将来の見通しを伴った意見であって、投資価値そのものを表すものではないとの説明があった。 情報の信頼性やエンゲージメントに関する説明。格付を行うに当たり、信頼性のある情報が入手できることが必要であり開示は重要であること。また、信頼性のある情報の入手という点で、格付会社にとってエンゲージメント（投資家との対話）は重要との説明があった。
質疑応答	参加者からは、ベトナムには現在格付会社はないが、今後ベトナム版の格付会社が市場で信頼を得るにはどうしたらよいか、という質問があり、これに対して、講師からは、監査を受けた財務諸表が入手可能であること、経営者から戦略等の説明が受けられるかどうか、信頼できる情報の入手が可能であること等、高品質の情報を活用して格付方法を適用することが重要であるとの回答があった。

(6) 3月14日（月）13:00 - 15:00 機関投資家

講義題目	日本版「コーポレートガバナンス・コード」(JCGC)
講義内容概要	<ul style="list-style-type: none"> 機関投資家の視点から JCGC の内容について説明。コーポレートガバナンス責任者 (Chief Corporate Governance Officer) の役割として、企業の議決権の行使および企業とのエンゲージメントがある。どのようにエンゲージメントを行うかについて、日本ではコンサルタント的役割を担い、企業と信頼関係を築いた上で投資家の意見を聞いてもらうとの説明があった。 JCGC により今後企業経営が変わると考えられ、取締役会は取締役に対する実効性の高い監督を行うことが求められる。さらに、従来の業務の執行役という立場からモニタリング型の業務の執行を評価する役割へとになっていく。経営陣幹部の報酬は、中長期的な会社の業績や潜在的リスクを反映させるべき、との説明があった。
質疑応答	<p>✓ 社外取締役の報酬を中長期の利益に紐づけるとは具体的にどうするのか、任期が1～2年であるのに中長期目標にどう対応するのか、という質問があった。一株当たり当期純利益 (EPS) をターゲットとして失敗した例を挙げつつ、日本では株主資本利益率 (ROE) が適当と考えられる、もしくは、任期が終了して退任後に報酬をもらうように設定する、などの回答があった。</p>



(研修中の受講者の模様)

(7) 3月14日(月) 15:30 - 17:00 ガバナンス有識者

講義題目	コーポレートガバナンス
講義内容概要	<ul style="list-style-type: none"> 社外取締役経験者の立場から、コーポレートガバナンスは不正防止のため（主にコンプライアンス目的）という議論に偏りがちだが、会社の意思決定が難しい局面で長期持続的な企業価値最大化に資する「攻め」の意思決定をするためのコーポレートガバナンスの重要性を解説。 社外取締役には適性があり、最低限のスキルとして簿記、コーポレートファイナンス等の知識に加え、組織のダイナミクスや人間のインセンティブに基づく行動に対する知見および経営やマネジメントの経験があることが望ましい。理想は企業の経営トップの経験者。
質疑応答	ベトナムでは法令上2名以上の社外取締役の設置が定められているが、社外取締役は個人の損得を重視する傾向にあり、会社の業績が良くても悪くても関係ないと考えている。形式的な社外取締役の設置が法定である必要があるのか、という質問があった。これに対し、社外取締役は必

	要であり、一定規模以上の上場会社では2人以上の社外取締役を置くべきである、また、社外取締役が有効に機能するための動機付け（名声、報酬等）が必要ではないかとの回答。
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(8) 3月15日（火）10:30 - 11:30 東証

東証アローズを訪問し、日本取引所グループ（JPX）の歴史に関するビデオの視聴と取引の場の見学を行った。

(9) 3月15日（火）13:00 - 14:30 東証

講義題目	コーポレートガバナンス・コードの目的
講義内容概要	上場企業を管理する東証の立場から、のCGの充実に向けた取り組みの解説。実効性の向上にかかわる支援として、独立役員ハンドブック、上場会社e-ラーニングを紹介。
質疑応答	<ul style="list-style-type: none"> 社外取締役の役割・実務に興味があり、独立役員ハンドブックに社外取締役に関するガイドもあるか質問、含まれているとのことであり英語版のハンドブックが贈呈された。 会社が提出した「ガバナンス報告書」を閲覧できるかどうか質問。ネット上で開示されており一部は英語のものもあるので、閲覧可能。

(10) 3月15日（火）14:30 - 16:00 東証

講義題目	コーポレートガバナンス・コード～上場会社への期待
講義内容概要	2015年12月までに開示された第1回のガバナンス報告書に関して、「エクスプレイン」の具体例を説明。
質疑応答	政策保有株の開示例に関連して、株式の政策保有率を低下させる具体的期日目標はあるかとの質問。期日目標はなく、保有を禁止しているわけではなく、合理的理由があれば保有可能である旨の説明があった。

(11) 3月16日（水）10:00 - 11:30 投資運用会社（欧州系ヘッジファンド）

講義題目	債券投資のリスク管理についての研修
講義内容概要	<ul style="list-style-type: none"> デュアルレイヤー・リスクマネジメントの解説がされた。これは、フロント内モニタリング（投資者が投資時にリスク管理を行う）とリスク管理部のモニタリング（独立した立場のモニタリング）の2層でのモニタリングである。また、ハードリミットとソフトリミッ

	<p>トの2種類のリミットによるリスク管理を紹介した。</p> <ul style="list-style-type: none"> • KRI として VaR, 投資先集中度、流動性、グロスのエクスポージャー、CS 01 (クレジットリスク- Credit Spread Widening 01)、ストレステスト、シナリオ分析を紹介し、リスク管理手法について具体例を挙げながら説明した。
質疑応答	<p>過去のリスク管理上の失敗経験について質問。他社の失敗例の分析から、身の丈に合った投資とリスク管理が重要との回答。具体的には、資産流動性の高い商品と流動性の低い商品では管理手法も異なるので、自社の管理可能な分野に焦点を絞る必要があるとの回答。</p>

(12) 主要リスク評価指標 3月16日(水) 13:30 - 15:00 機関投資家(外資系投資銀行)

講義題目	国策投資会社と民間証券会社の投資手法・リスク管理の違い
講義内容概要	<ul style="list-style-type: none"> • 前者は分散が重要、後者はスキルを使う。具体的には、政府系は政策に従いリスクが高くても投資を行うことがあり、企業分析とリミット設定、分散投資が重要となる。一方、民間はリスク対リワードの考え方が徹底しており、デリバティブを用いたリスクヘッジを行う。 • 紙ベースから IT ベースの移行。民間会社では IT ベースのリスク管理を行っており、分析レポート、承認プロセス等もシステム化されており、システム開発投資・システム管理要員確保が必要である。システムによるリスク管理を行うには、会社のカルチャーの育成も重要である。
質疑応答	<p>ベトナムには現在デリバティブ市場はないが、今後作っていく動きがある。どのような商品が適切かとの質問。参考例として日本では、債券先物、為替先物、金利スワップ、通貨スワップ等からデリバティブ市場が発達してきた経緯を説明。政府系投資会社は損失した場合多方面から批判を受けるため、リスクの高い商品には手を出さず、金利スワップ、通貨スワップが多く使われ、政府系でも民営化されると投資商品が増え、エキゾチックのデリバティブの取引が増加するとの回答。ベトナムの会社へ投資する際、CDS (Credit Default Swap) でヘッジする例も紹介。</p>

3.6.4. 研修生からのフィードバック内容

主催者側から、今回の研修内容を持ち帰り、ベトナムに適応したコーポレートガバナンスを導入するに当たり、重要と思われる事柄及び想定される問題点(例:企業からの潜在的な抵抗など)について質問をしたところ、研修生からは以下の意見があった。

<CGC タスクフォースメンバーを中心とした研修生からの主な意見>

- エンゲージメント
エンゲージメントの推進はベトナム文化においても重要である。SCIC のポートフォリオ企業のうち、大企業ではエンゲージメントが行われているが、株主総会で否決された事項について話し合うにとどまる。SCIC は大口株主として、また企業内部の取締役会役員の協力を得て、企業に対して定期的なエンゲージメントを提案していきたい。
- 情報開示
現状のベトナム企業の情報開示は法令の要求事項に限定されているが、今後は要求事項以外にも開示していくことが必要だと考える。SCIC は大口株主として英語での開示を求めている。
- 人事
ベトナム企業では伝統的に代表取締役と CEO は兼務されている。これを分離することについては企業からの抵抗が予想される。また、社外独立取締役の選任は重要だが、SCIC が社外取締役を紹介すると SCIC 利益に配慮する人物だと取られる可能性が高く、選任は容易ではない。
- コンプライ・オア・エクスプレイン
この概念をベトナムでも広く周知されるようにしたい。

<KRI タスクフォースメンバーを中心とした研修生からの主な意見>

- リスクマネジメント
リスクマネジメントはベトナムではまだ新しく、SCIC でもシステムによるリスク管理を行っていない。ハードもソフトも含めたシステム化にはお金も時間もかかるが KRI などできるところから始めていきたい。
- ステークホルダーの権利
ベトナムではあまり知られていない概念で、ぜひベトナムでも取り入れていきたい。
- トレーニング
各企業のリーダーたちのトレーニングが必要ではないかと考えている。トレーニングを行うと周知の他、企業のリーダーの意見も聞ける。
- 中長期の視点からの経営計画
中長期視点の重要性は特に参考になった。ベトナムでは単年の利益だけを考える傾向が強い。
- その他
システムは形式で本質は人間であるという話が印象に残った。

3.6.5. 終了

本邦研修最終日に、主催者の JICA より各参加者に修了証が手渡され、本邦研修は終了した。



(本邦研修に参加をした研修生および関係者との記念撮影)

上記の通り、本邦研修のすべてのプログラムが当初予定通り完了し、研修目標が達成された。事後的に SCIC タスクフォースメンバーに本邦研修について非公式の意見交換をしたところ、豊富な質疑応答により理解度が深まったという肯定的な意見が多かった。また、この本邦研修を境に、現地作業における各タスクフォースメンバーの議論への参加度合いが格段高まった点が印象的である。

3.7. パイロットテスト (CGC)

3.7.1. パイロットテストの概要

<経緯および目的>

契約変更後の業務実施計画に従い、2016 年 7 月 21 日までにドラフトされた CGC を対象として、実際の傘下企業 2 社を対象に、策定途中の CGC 草案の実効性を確認するためのパイロットテストを行った。対象となる企業は、①SCIC の他の傘下企業への波及効果、②ベトナム国のガバナンス強化への波及効果、③その前提となるパイロット企業側の協力体制、の 3 点を候補先選定の要件とし、これらを満たす候補先を SCIC がリスト化した上で、PwC

の独立性確認を経て以下の2社となった。パイロット企業の関連情報についてはウェブサイト
の公開情報の他、各社の担当者より直接入手した。

＜パイロットテスト対象企業の概要＞

(1) Hai Phong ACS Vietnam Joint Stock Company (以下、「ACS」)

【図表 3-14: ACS 概要】

(単位:百万ドン)

正式会社名	Hai Phong ACS Vietnam Joint Stock Company
本店所在地	Km10 Pham Van Dong, P. Anh Dung, Q. Duong Beijing, Hai Phong City
業種	高速道路沿いのビルボード広告塔、建造物設置広告等を扱う会社
上場・非上場、公開の区分	公開会社 (株主数減少により 2016 年 7 月中旬以降非公開会社)
定款資本	108,000
従業員数	62 名 (2016 年 6 月末時点)
財務情報基準日	2015 年 12 月 31 日
売上高	20,292
純利益	(2,561)
総資産	172,961
純資産	100,799
株主構成・親会社の有無など	300 人以下 (2016 年 7 月中旬以降)
大株主	SCIC 30%
会社の機関設計	取締役会、監査役会
SCIC 出資額 (持分%)	30%
取締役会の構成員	6 名
監査役会の構成員	2 名
選定時に期待した効果	SCIC のポートフォリオの中で標準的な企業規模であり、CGC 草案の要求水準と比べた際のガバナンス整備状況を理解することにより、CGC に対する必要な修正を特定するために選択。

(2) FPT Telecom Joint Stock Company (以下、「FPT テレコム」)

【図表 3-15: FPT テレコム概要】

(単位:百万ドン)

正式会社名	FPT Telecom Joint Stock Company
本店所在地	FPT Building, Duy Tan Street, Dich Vong Hau Ward,
業種	携帯電話、インターネット (ブロードバンド) サービスな

	どの通信業。
上場・非上場、公開の区分	非公開
定款資本	1,246,200
従業員数	7,296
財務情報基準日	2015 年 12 月 31 日
売上高	5,567,741
純利益	1,034,785
総資産	7,963,812
純資産	2,755,965
株主構成・親会社の有無など	SCIC と親会社を含め、500 人以上
大株主	SCIC 50.16% FPT Corporation (Parent) 45.64%
会社の機関設計	取締役会、監査役会
SCIC 出資額（持分％）	50.16%
取締役会の構成員	6 名
監査役会の構成員	2 名
選定時に期待した効果	今回の CGC 草案がターゲットとしている非上場企業であり、かつ、ベトナムを代表する上場会社の FPT コーポレーションの連結子会社であるため、非上場会社におけるトップレベルのガバナンス水準を理解し、CGC 草案の実効可能性を検討できるものと期待。

＜パイロットテストの実施＞

パイロットテストの実施にあたっては、策定途中の CGC 草案の実効性の確認を目的としており、パイロットテスト対象企業のコーポレートガバナンスを向上させることを目的としたものではないことを各パイロットテスト対象企業、SCIC および JICA 専門家と事前に合意した。

パイロットテストの導入セッションとして、2016 年 6 月に ACS の経営陣及び FPT テレコムの CEO 及び主要な経営陣に対し一般的なコーポレートガバナンスに関する勉強会をそれぞれ実施した。また、当該導入セッションでは、ベトナム語のコンプライ（comply）に相当する語は法律への準拠を意味することから、策定中の CGC においてはコンプライ・オア・エクスプレインではなく、アプライ（apply）・オア・エクスプレインのアプローチを適用していること、アプライ・オア・エクスプレインの評価においては「形式」よりも「実態」を考慮して判断すべきことが説明された。すなわち、CGC の各原則の言葉通りでなくても実質的に原則または推奨項目の目的を満たしている場合は「実施している（アプライ）」と評

価される場合があること、逆に、「実施している（アプライ）」であっても各原則等の目的に鑑みアプライの仕方に改善の余地がある場合があること、エクスプレインとなった場合でも合理的かつ十分な説明ができる場合は問題ないこと、などである。

依頼した情報の入手状況および導入セッションにおける対応状況を考慮し、FPT テレコムについては、ガバナンスに対する相当程度の理解が進んでいることがわかった。パイロットテストを効率的かつ効果的に実施するため、それぞれのパイロット企業の理解度に応じたテストを行うこととし、ACS については主に聞き取り（ヒアリング）、FPT テレコムについては CGC 草案の各原則等に対する自己評価の実施を依頼し、その結果を踏まえたコミュニケーションを行うこととした。

＜パイロットテストの結果と CGC 草案への反映＞

（１）ACS（2016 年 7 月 22 日ヒアリング実施）

ヒアリングの結果、総合して、ACS は法令及び諸規則に準拠し、公開会社として一定の水準で財務及び非財務情報の開示をウェブサイト上で行っていることがわかった。

ヒアリングに基づく CGC 草案の各原則に対する適用（アプライ）状況は次表の通り。

【図表 3-16： ACS の CGC 草案適用結果】

CGC 草案適用状況暫定結果	第 1 章	第 2 章	第 3 章	第 4 章	合計
アプライしている	7	2	6	11	26
エクスプレイン（Explain）	1	3	5	13	22
合計（原則等の数）	8	5	11	24	48

PwC コンサルタントによる各原則の解説に引き続く意見交換では、ACS の監査役会の監督機能の十分性、行動規範の浸透性、仮に存在するとして、経営陣トップの不正を検出する内部統制などに潜在的懸念があるという共通認識に至った。開示と透明性については、行動規範や利益相反について一定の開示をしているが、法令の範囲内にとどまる点、コーポレートガバナンス・コードが目指す、より高度な任意開示の重要性について議論した。ACS からは、取締役会の有効性評価の具体例、D&O 保険について追加の説明および資料を求められた。

直接的なパイロットテストの目的ではないが、PwC コンサルタントが「パイロットテスト要約」を作成し ACS と共有した。当該要約では、ACS による各原則の適用状況がアプライ／エクスプレインにかかわらず、外部に提供する（であろう）情報の妥当性（どのようにアプライしているかの説明／なぜエクスプレインをするかの説明の十分性）を PwC コンサルタントが評価し、その評価のプロセスおよび考え方を ACS に説明した。

ACS のパイロットで抽出された CGC 草案策定上の潜在的検討項目は、次表の通りであった。

【図表 3-17: ACS ベトナムからのフィードバック】

原則等	項目	ACS の意見等
2. 2, 2. 3	内部通報制度	ホットラインシステムの導入に際しては、その前提として、通報者保護等の施策導入が必要である。
3. 8	英文開示	法令で要求される最低限の開示をすればよいと理解をしていたが、CGC では、それを超える追加的な情報開示を奨励している点が理解できた。
4. 9	役員指名	取締役・主要執行役員の指名方法および手続は、定款に記載されているが、さらなる透明化が必要であることが理解できた。
4. 15	役員報酬	役員報酬の変動部分を中長期的な企業の業績に連動させることについては、具体的なスキーム事例の説明が望ましい。
4. 20 ～ 4. 22	取締役への教育・研修	新任取締役に対してはすでにオリエンテーションを導入しているが、継続的な研修に対する認識がなかった。
4. 23	D&O 保険	D&O 保険は新しい概念であるため、どのようなスキームが会社にとって適切か、調査を実施したい。

上記、ACS からの意見を踏まえて策定中の CGC 草案に、わかりにくいと指摘された原則等に対する追加解説をするなど、CGC 草案の最終化に向けて有益な情報が得られた。また、PwC コンサルタントはパイロットテスト結果を踏まえた CGC 草案適用に関する要約を作成し、ACS と共有した。SCIC のタスクフォースメンバーによると、ACS は、SCIC の傘下企業の中でも比較的平均的なガバナンスレベルとみなされており、パイロットテストの過程で得られた情報をもとに、CGC 適用タイダンスの強化や記載例の追加など、CGC 草案実用化の改善を図ることができたと考える。

(2) FPT テレコム (2016 年 8 月 24 日、25 日ヒアリング実施)

ヒアリングに先立ち実施した勉強会での意見交換から、FPT テレコム社は SCIC 傘下企業の中でもコーポレートガバナンスの概念及びその重要性について比較的高い意識を持っており、CGC 草案の各原則等の目的を十分に理解しているものの、一部の項目については、コンサルタントによる十分な解説なしに、自己診断が困難あるいはアプライ／エキスプレイ

ンの判断に迷うものがあるということであった。

CGC 草案の各原則に対する適用状況について、FPT テレコム による自己診断結果は、次表の通りであり、この自己診断結果をもとにヒアリングを実施した。

【図表 3-18: FPT テレコムによる自己診断結果】

自己診断結果	第1章	第2章	第3章	第4章	合計
適用している (Apply)	8	3	10	17	38
未定 (Not yet decided)	－	2	1	3	6
不明 (Unclear)	－	－	－	4	4
合計 (数)	8	5	11	24	48

なお、上記【図表 3-18】表で「不明」とされている4項目は、次の通りである。

【図表 3-19: 「不明」の内訳】

原則等	項目	「不明」とした具体的理由
R4. 12	取締役会の有効な運営	事務局のあり方が、どのレベルであれば「アプライ」とできるのかが不明瞭。
R4. 13	取締役会の評価	何をすれば実施していることになるのかが不明瞭。取締役会実効性評価の具体的方法、評価ツール事例が必要。
R4. 14	役員の後継者計画	どこまで計画していると実施していることになるのか不明瞭。「計画的な交代」以外に緊急時に備えた対策は今のところなし。
4. 16	役員報酬のクローバック (Claw-back Provision)	現在のベトナム法制度上、役員と会社の契約に追加条項を含めることは困難と思われる。単年度の財務諸表数値が監査され確定（事後的な修正再表示の可能性が極めて低い）した後に、ボーナス等が支給されるスキームではアプライとみなされないのか。

(注) 上記表において“R”は推奨項目。“R”がないものは原則。

上記【図表 3-18】で「未定」とされている6項目は、次表の通り。

なお、「不明」と「未定」の差異は、「不明」は、現状の CGC 草案の原則等の記載ぶり、要求事項の目的や意図がわかりにくいというものであり、「未定」については、どのように

コーポレートガバナンス報告書に会社の現状を記載すべきか、自社がアプライなのかエクスプレインなのかの判断基準がわかりにくいというものである。

【図表 3-20: 「未定」の内訳】

原則等	項目	「未定」とした具体的理由
2. 2/2. 3	内部通報制度	いわゆるホットライン制度はないが、代替的手段として Facebook at Work（内部のみ）や外部者も投稿できる Discussion Forum を活用している。ホットライン制度を導入するには、その前提となる内部通報者保護に係る法制度整備が必要。
R3. 8	英文開示	現状、財務諸表は英語で開示しているが、その他の情報のすべてを英文開示していない。現在ウェブサイト改修中であり3カ月後には英語サイトが拡充される予定。一般的に、国内同業他社の開示が十分とは言えない中、当社だけが追加的な情報開示をすることによる潜在的な不利益について検討する必要がある。
R4. 6	取締役会の委員会（任意の諮問委員会含む）	当社の親会社は上場会社であり監査役会設置会社であるが、取締役会に複数の委員会（Personnel and remuneration committee, Development policy committee）を設置している。子会社である当社も親会社の委員会による監督・助言対象となっており、当社独自に委員会を設置する必要性が低いと認識している。
4. 10	取締役会の有効性	非業務執行取締役が、どの程度時間をかけて執務をしているか、兼任状況などについて具体的には把握していないが、取締役会での議論の活発さからして、必要十分であると判断している。
R4. 19	Pay Ratio	従業員とCEOの報酬比率の開示については厳密に計算をしていないが、従業員全体の平均給与は把握しておりCEOの報酬との比較は簡易計算

		が可能な状況となっているものの、開示は難しいと会社は考えている。(理由:1社だけ開示しても同業他社と比較できないため意味がない。)
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上記の結果をもとに、PwC コンサルタントはパイロットテスト結果を踏まえた CGC 草案適用に関する要約と CGC 草案理解のための補助資料を作成し、FPT テレコムと共有した。また、FPT テレコムからの意見を受けて、CGC 草案のうち、原則 4.16（役員報酬のクロウバック）を原則ではなく推奨事項（recommendation）とするほか、不明、未定とされた原則等については、追加的な説明を加筆するように CGC 草案を修正することとした。

以上、傘下企業 2 社に対するパイロットテストから得られた企業側の意見をもとに、策定中の CGC 草案を修正し、SCIC タスクフォースメンバーとの追加検討を行った。

3.8. ワークショップの実施

業務実施計画のワークショップ実施に代わるものとして、2016 年 9 月 30 日にホーチミン市内のホテルにおいて開催された SCIC の年次セミナーで CGC 草案等に関するプレゼンテーションを実施した。

SCIC が主催する本セミナーには、国営企業の政府代表者（state representatives：SR）120 名余り（SCIC の傘下企業の SR50 名以上を含む）に加えて、ホーチミン証券取引所代表者、国際機関である IFC のコーポレートガバナンス担当者等多数が参加した。本セミナーは、毎年秋に開催される年次総会を兼ねており、SCIC が SR に対して情報共有および研修を提供するものであり、今年のテーマは「コーポレートガバナンス」であった。午前中は SR 向けの内部情報共有のセッション（部外者の参加なし）、午後は外部講師を招いての講演・パネルディスカッションを行った。PwC コンサルタントは、午後の部において、CGC に関する解説およびパネルディスカッションのパネラーとして参加した。なお、当該セミナー英語のゲストスピーカーの発言はベトナム語への同時通訳が提供された。さらに、当日午後の各講演は、SCIC のウェブサイト上で動画配信（ベトナム語）され、当日出席できなかった SR や SCIC 職員が自由に視聴できる状況となっている。

午後の部のスケジュールおよび概要は以下の通りであった。

【図表 3-21：SCIC ワークショップのスケジュール】

時間	内容	発表者	概要
13:30 ～ 13:45	参加登録	—	
13:45	開会	マネジメント・コ	

～ 13:50		ミッティ	
13:50 ～ 14:00	開会挨拶	SCIC マネジメント	コーポレートガバナンスの重要性強調
14:00 ～ 14:30	OECD 原則に沿ったコーポレートガバナンスと国営企業への示唆	Nguyen Quang Trung, Deloitte Vietnam	OECD 原則の内容を具体的に解説
14:30 ～ 15:00	SCIC および傘下企業向けのコーポレートガバナンス・コードの概要	PwC コンサルタント (井坂)	コンプライ・オア・エクスプレイン、原則主義などについて解説。使用した資料は、別添資料 3 - 5)
15:00 ～ 15:45	コーポレートガバナンスの実践	Chatri Sityodtong, One Championship 創業者兼 Chairman	現役の企業経営者かつ投資家としての経験から、いかに投資先企業のガバナンス (誠実性) を重視するかを強調
15:45 ～ 16:15	パネルディスカッション	モデレーター： SCIC ヒエン副社長 パネラー： <ul style="list-style-type: none"> • Nguyen Quang Trung • PwC コンサルタント (宇塚) • Chatri Sityodtong • Nguyen Ngyet Anh, IFC • Chu Thanh Ha, Chairwoman, FPT テレコム • Tran Tuc Ma, CEO, Traphaco 	会場からパネラーへの質問を募り、ヒエン副社長の司会進行の下、各パネラーが 3～4 回コメントが求められた。PwC コンサルタントに対しては、日本のコーポレートガバナンス・コード導入経験等に対する説明が求められた。 また、パイロット参加企業の FPT テレコムの取締役会議長がパネラーとして参加をし、同社のガバナンス強化に向けた取り組み事例が紹介された。 パネルディスカッションの様子は、後日、ベトナム国営テレビ番組で放映された。
16:15 ～ 16:25	閉会の辞	SCIC ヒエン副社長	
16:25 ～ 16:30	写真撮影	パネルディスカッション参加者全員	
18:00 ～	夕食会		

SCIC が主導した本セミナーの開催は、約 1 年間の本プロジェクトによる技術移転の成果

を示唆するものとして意義深く、外部講演者の選定やパネルディスカッションにおけるテーマの選定等からして、SCIC のコーポレートガバナンスの要諦への理解が深まっていることが確認された。本プロジェクトでは、CGC 策定プロセスに投資家の視点を反映することができなかったが、本セミナーにおいて、ヘッジファンド運用経験のある外部登壇者を招聘することにより、投資家の視点を SR に印象付けたことは有益であった。また、完成した CGC の強制適用ができない状況下で、傘下企業に対する CGC の任意導入への動機付けも行うことができた。SR を代表してバオミン保険（Bao Minh Insurance）の SR から、コーポレートガバナンスの重要性を理解する機会を提供することが CGC の効果的な適用につながるとのコメントがあり、今後も継続して SCIC がセミナー・研修等の開催などをリードすることが期待される。

3.9. CGC 最終草案について

3.9.1. CGC および適用ガイドンス最終草案

パイロットテストおよびその後のSCICタスクフォースメンバーとの検討を踏まえたCGC 草案（ベトナム語版、解説・追加ガイドンス部分を除く）の最終化に向けて、ベトナム法を専門とする弁護士のレビューを受け合計18項目のコメントを得た。これらのコメントは、主に現行のベトナム法による規定を追加説明するものであり、最終的なCGCおよび適用ガイドンス草案のパートIIとして加筆することとした。さらに、SCICのタスクフォースメンバーからは、法令の参照は各原則の解説（commentary）より後ろに配置すること（各原則の意図が十分理解された今のなつては参照すべき法令を冒頭に配置することが不要となったため）、原則（principles）と推奨（recommendations）の区別を明確にするよう要請があった。これらの最終的なSCICタスクフォースメンバーのコメントを反映した最終草案の構成は、【図表3-22】の通りである。全文（英語）については、別添資料3－1を参照のこと。

【図表 3-22： CGC および適用ガイドンス最終草案の構成】

大項目	中項目	主な内容
	イントロダクション	CGC 草案策定の経緯
パート I:	4つの基本原則、それらに関連する33の原則および8つの推奨事項（合計45の原則等）	<ol style="list-style-type: none"> 1. 株主の権利と平等な取扱い（7つの原則） 2. コーポレートガバナンスにおけるステークホルダーの役割（4つの原則） 3. 開示と透明性（7つの原則と1つの推奨事項） 4. 取締役会の責務（15の原則と7つの

		推奨事項)
パート II:	前書き	背景、原則主義、アプライ・オア・エクスプレインのアプローチ、適用の仕方、構成、コーポレートガバナンス報告書、開示、上場会社の対応、今後の継続的な更新とレビューの必要性。
	基本原則	パート I に記載された基本原則、原則、推奨項目に加えて、各原則等の解説 (commentary)、関連する法令の引用、その他のガイダンスが追加されている。
	原則	
	推奨項目	
	付録A	関連する法令等
	付録B	用語の定義と説明
パート III:	適用ガイダンス	CGC の適用の仕方
	付録C	報告様式例 (コーポレートガバナンス報告書記載例)

3.9.2. セクション5について

前述の通り、当初、VG2015草案の冒頭に「議決権行使の原則」として記載されていた内容は、最終的なVG2015には含まれず、CGC草案開発のプロセスで検討することが2015年10月のSCICヒエン副社長、JICA専門家、JERIおよびPwCコンサルタント間の会議で決定された。その後、CGC草案の第5章に仮置きされた当該内容（以下、「セクション5」という。）は、その他のCGC草案の各原則等とともにSCICのタスクフォースメンバーと協議され修正された。セクション5の最終的な文案は、別添資料の3-3（英語）を参照されたい。

本完了報告書の「6. 今後の取り組みに向けた提言」に記載の通り、セクション5については、CGC草案から切り離されることとなったものの、継続的にSCICにおいて対外的な開示に向けた検討がされることとなっている。その際には、セクション5の内容の、サンチャゴ原則および各国のスチュワードシップ・コードとの類似性、諸外国のソブリン・ウェルズ・ファンド（例：シンガポールのテマセクやマレーシアのカザナ等）が対外的にウェブサイト上で開示する内容等をSCICが考慮し、国家資本を運用する重要な機関としての認知度向上に資するような対応が期待されることを強調した。（別添資料3-4）

3.10. ラップアップ・ミーティング

2016年10月17日、本プロジェクトの最終的な現地業務として、SCICのCGCタスクフォースメンバーと最終打ち合わせを行い、CGCおよび適用ガイダンスの最終草案の内容および体裁等について合意を得た。

さらに、2016年10月18日、SCIC側の本プロジェクト責任者であるヒエン副社長およびJICA 専門家チームならびにJERIコンサルタントとPwCコンサルタントが本プロジェクト最後の面会をし、CGCおよび適用ガイダンスの最終草案について合意を得た。SCICヒエン副社長より今後のSCIC内部手続きとして、翌週以降にCGCおよび適用ガイダンスの最終草案および2016年版VG草案をSCICの取締役会承認に付し、その後、本プロジェクト完了に関する対外的な公表をする旨の説明があった。さらに、今後は、毎年、3つの文書（VG, CGC, KRI）をSCIC自身が見直し、維持管理していくことが確認された。

3. 11. プロジェクト実施運営上の課題・工夫・教訓（CGC）

本コンポーネント実施に際しては、SCIC 側から適時に適切なタスクフォースメンバーおよびそのリーダーが選任され、また、現地の JICA 専門家チームから先行プロジェクトの実施経験やベトナム国全般の社会・経済・政治情勢に関する最新情報を適時に共有されたことにより、効率的かつ効果的に業務を実施することができた。JICA 専門家は、ベトナムに居住し、支援対象の企業と非常に良好な関係を築いているため、先方とのコミュニケーションの仲立ち役として、その存在は非常にありがたかったが、PwC コンサルタントが支援先企業と直接やり取りする度合いがもっと高い方が、相互理解促進が早期に図られたのではないかと考える。これは、概ね月次で現地作業を実施したものの、タスクフォースメンバーとの打ち合わせの日程がなかなか確定できないことが多かったという教訓による。

また、プロジェクトの途中、2015 年 12 月から 2016 年 2 月にかけて、ベトナム国内主導者の交代等に伴う SCIC 内部事情等によって、CGC コンポーネントの活動が一旦中断した。さらに、SCIC への政府からの大規模国営企業の移管が計画通りに進まず、パイロットテストの計画策定（具体的には、対象企業の選定、パイロット実施時期など）に影響があった。このような外的要因によってプロジェクトの進捗や進め方について臨機応変な対応をとる必要性が高いため、JICA プロジェクトの人件費の工数見積り・算定に当たっては、より柔軟な計画と実施体制が望まれる。具体的には、長期集中型現地業務に加えて、短期的な現地業務の反復形式を幅広く容認してはどうか。短期的な現地業務の繰り返しの方が、先方都合による大幅な日程変更に対処しやすいという利点がある。

CGC 草案を策定するというようなソフトスキル導入技術支援プロジェクトの場合には、コンサルタントが説明する「新たな概念」を支援先企業の職員が十分理解し習熟するためには一定の時間の経過を要することが想定される。そのため、長期間（2～3 週間以上）集中して現地作業を実施したとしても、その期間内に習熟度はさほど向上しないため、結果としてプロジェクトの進捗が遅滞するというデメリットがある。それよりも、毎月数日間程度、先方の理解度を確認しつつ繰り返し新たな概念について議論をする形式の方が、結果として効率的かつ効果的に新たな概念等を習得できるということを今回のプロジェクトから感じ取った。渡航費や移動時間というコスト面の課題はあるものの、有形ではなく無形の技術支援（ソフトスキル導入）については、多様な支援のあり方を検討してもよいので

はないか。もっとも、このような短期反復形式の支援には、日常的に支援先企業と良好な関係を維持している現地専門家チームの存在が大きかったことは言うまでもない。

本プロジェクトの支援先企業側の意見も踏まえて、支援方法について、今後、継続して改善する必要がある。

4. コンポーネント1－2:議決権行使基準のレビュー(VG)

フェーズ2の目的は、2015年度案件として実施された「国家資本投資会社(SCIC)業務改善支援」(追加支援)の成果としてSCICに提出された議決権行使基準(以下、「VG2015」)につき、SCIC内部における役員決裁を得て傘下企業に試行適用すること、同時にその適用状況をモニターするとともに、適用経験を踏まえ必要に応じ内容の見直しを行い、改訂版を作成することにより、SCICによる傘下国有企業の管理能力の強化を通じ国有企業の企業価値の向上と処分の促進を図ることを支援することにある。

以下、追加支援における取り組みを再述し、次に本フェーズ2における取り組みにつきまとめる。

4.1. 2015年度案件「国家資本投資会社(SCIC)業務改善支援」(追加支援)の概要

4.1.1. 経緯および目的

先行プロジェクトの提言を受け実施された追加支援は、SCICが株主となっている国営企業(SOE)、および今後移管を受ける、ないしは新規に株式を取得するSOEを対象に適用すべき議決権行使基準の策定・実施を支援することが目的とされた。追加支援の形で実施されたのは、2015年中に大手企業を含む複数のSOEをSCICに移管するとの政府方針を受け、SCICおよびベトナム国財政省から、SCICの管理体制の強化を急ぐ必要ありとして、JICAに早急な支援の開始を強く要請してきたことが背景にあったものと理解している。本件実施により、SCICがベトナムにおいて近代的なコーポレートガバナンスを広める先駆者たる役割を果たすことを通じ、もって国営企業の改革および処分の促進に寄与するとともに、新規投資の効果的な促進を図る事が期待された。

4.1.2. 実績

- 実施体制：JERI職員4名、現地コンサルタント4名(先行案件と同じ者を継続活用)により実施。加えて、現地法令に通じた西村あさひベトナム事務所に法律面のアドバイスと内容チェックを仰いだ。
- 業務実施契約期間：2015年5月開始、同年11月終了
- 具体的な業務実施の内容
 - a. 最新の企業法を含むベトナムにおける議決権行使およびコーポレートガバナンスの最新の議論をレビュー
 - b. SCIC側タスクフォース(TF)と共同で、SCICによる株主総会での投票行動内容を分析し、重要議案を抽出(調査票調査および一部ヒアリング調査)
 - c. 上記調査結果を踏まえ我が国を含む周辺諸国の例等を参照しながら「あるべき投票行動」を抽出し議決権行使基準案を作成
 - d. 作成した原案を各関係者に提示しフィードバックを得た後、最終案を作成し、SCIC

役員会の了承を得て、実行に移す(関連セミナーも実施)

- e. 上記作業をふまえ、次のステップを展望し、SCIC 内部におけるコーポレートガバナンス強化チームの設立を支援
- f. SCIC が収集している企業および主要産業情報の有効活用を図るため、SCIC の担当部署の求めに応じ、産業調査分析レポートの内容向上につきアドバイス
- 議決権行使基準最終案の決裁：作成された最終案はベトナム語訳のうえ 9 月上旬 SCIC に提示した（英語版は 8 月末提出）。同最終案については、9 月 8 日の SCIC セミナーおよび 10 月 20 日の SCIC 創立 10 周年記念セミナーにて概要説明を行った。

4.1.3 フェーズ 2 への課題等

- (1) 議決権行使基準のトライアル実施および実施経験を踏まえた内容の見直し
- (2) コーポレートガバナンス策定に向けたタスクフォースの活用体制整備
- (3) 傘下企業データベースの強化、業界分析能力の向上
- (4) 産業調査、企業経営診断能力を備えた人材の育成

4.2. 2016 年度「国家資本投資会社(SCIC)業務改善支援」(フェーズ 2)

4.2.1. 目的

フェーズ 2 では、先行プロジェクトにおける上位目標を達成するため、上記「追加支援」において策定した VG2015 の実施状況をフォローアップし、SCIC 役員会の決裁を得た最終案文の実施状況をモニターしつつ 2016 年度の傘下企業株主総会における活用・適用状況を調査し、必要に応じて内容の見直しを図ったうえで同基準の本格採用を実現し、もってベトナムにおける国営企業の改革および処分の促進に寄与するとともに、SCIC による新規投資の効果的な促進を図る事を目的とした。

4.2.2. 実施体制

- 業務実施体制：追加支援とほぼ同じ JERI コンサルタント 3 名、現地コンサルタント（追加支援と同じメンバー）、また、西村あさひ法律事務所の継続支援も仰ぐ体制を取り万全を期した。
- 業務実施時期：2015 年 10 月から 2016 年 11 月

4.2.3. VG の現状

VG2015 は、2015 年 12 月初頭、SCIC 役員会により承認され、2016 年 1 月下旬、国家資本代表（State Representatives、以下 SR）宛て配布、2016 年 2 月初旬から利用に供された。ただし、SCIC では、議決権行使基準の適用は初めての事でもあり、今年度については参照文書の位置付けとし、今年度予定されている株主総会での適用経験等を踏まえ、必要に応じ内容の見直し等を行ったうえで本格実施に移ることとしている。なお、VG2015 は、実施状況に係る調査結果を踏まえ改定作業が本格化しつつあった 8 月中旬、SR からのコメント聴

取の目的もあって SCIC のウェブサイト上にも掲載された⁴⁸。

4.2.4. VG2015 のフォローアップ調査および改定作業内容

VG2015 の試行結果確認のため、前年度に実施したアンケート調査票を一部修正のうえ、2016 年株主総会に際しての適用状況、見直しを要すると考えられる事柄、VG 適用の有用性等につき、SCIC 担当職員および全対象企業の SR 宛て配布・回収の上、内容につき分析を行い、改訂版の VG 2016 の策定にあたった。

① フォローアップ調査実施日程

- 2016 年 5 月下旬…アンケート調査票を手交し、内容を確認。
- 2016 年 6 月下旬…上記アンケート調査票の内容、実施スケジュール等につき SCIC 役員決裁を得たのち調査票を配布。並行して、VG に反映すべき最近の法令改正状況につき確認。
- 2016 年 7－8 月…アンケート調査票回収、分析。TF を通じ Hien 副社長に報告するとともに、追加面談調査を実施。
- 2016 年 8－9 月…上記調査および面談結果等を踏まえ VG 2015 を修正した VG2016 を作成し提出（添付資料 3）。あわせて、TF の求めにより SR の理解促進を図るためケーススタディを追加作成し、VG2016 の Appendix として挿入。また、これに加え、TF メンバーの利用に供するとともに各関係部局の新任の担当者の理解促進にも資するため VG Reference Material（マニュアル、別添資料 4－5）も作成し、TF に手交した。

なお、実施状況確認の為、調査票回収後 8 月下旬から 9 月初旬にかけ SR への直接面談も行った。同面談調査先の選定に当っては、アンケート調査結果に対しフィードバックコメントを寄せてきた企業の中から、作業日程等も勘案し、ハノイ市内・同近郊および、電話・インターネットインタビューが可能な先を 20 社強選定し TF に通知し、当該企業の SR の業務上の都合等も勘案し、TF が面談をアレンジできた 6 社につき面談を実施した。なお、調査に当たり用いた調査票及び調査分析・面談結果は別添資料 4－3 の通りである。

⁴⁸ 2016 年 8 月 17 日、SCIC のサイト <http://www.scic.vn/index.php/danh-cho-ngu-i-d-i-di-n.html> にアップロードされた（ただし越語のみ）。

【図表 4: 面談調査実施先】

企業名	資本金 (百万VND)	担当 部局	SCIC 出資比率	所在地	業種	SCIC 分類	ROE
Transportation & Vessel Renting JSC (VietFracht)	150,000	PMD 2	7.67%	Hanoi	運輸	B2	-5%
Geographic & Physic Technology JSC	12,000	PMD 4	12.66%	Hanoi	サービス	B2	3%
Vinamilk	12,008,963	PMD 3	45.05%	Ho Chi Minh	飲料	A1	31%
Hau Giang Pharmaceuticals	847,293	PMD 3	43.44%	Can Tho	製薬	A1	23%
ACS Vietnam JSC	108,000	PMD 1	30.20%	Hai Phong	通信	B2	-2%
Sai Son Cement JSC	195,160	PMD 1	16.40%	Hanoi	建設	B2	5%

(2) 調査結果および得られたインプリケーション等

VG 2015 の要改善点として下記のような諸点が確認された。

- ① VG 2015 の項目 1.8 から 1.10 につき、取締役会メンバー等の任命、解任等に関する記述を区別し、より分かりやすく再整理すること。
- ② 昨年 12 月、外資の持分規制にかかる Decree 58 が改正され新たに Decree 60 が制定された事を受け、改正内容に合わせ外資出資比率にかかる記述を追加すること。
- ③ 企業合併 (M&A) の際に SCIC にとって適否を判断する際の基準につき、より具体的に記載するよう検討すること。(VG 2015 の第 1.11 項)。
- ④ VG 2015 の項目 2.3 の ESOP(従業員持ち株制度)に関する記述が、Vote “Against” しかなく、原則認めてはならないという印象を強く与えるため、Vote “For” のケースも記載すること。
- ⑤ 目下作成中の CGC と VG との連携につき、VG において取締役会メンバーの任免に際し CGC への配慮度合いにつき考慮する旨の項目を挿入すること。
- ⑥ 外部から任命している SR 等の VG に対する理解促進のため、典型的な事例を取り上げた Case study を追加すること。

a) 以上に加え、今後の適用方法等についても、以下のような意見等が寄せられた。

＜VG 2015 の有用性に対する評価＞

- ・アンケート調査結果では、調査総数 116 社中 60 社が、VG2015 を参照し、うちほぼすべて (115 社) が VG は有益と評価している。特に、新任の SR 及び担当者にとっては非常に有益な手引きになると考える。

“Application of VG by SCIC is considered as an encouraging tool for both SCIC and portfolio companies as it was agreed that the application of VG

contributed to increasing transparency in decision making at the AGM and enhancing the communication between SCIC and the management people of the company.”

- ・ また、追加要望として、3 社から VG を SCIC の社内 IT システム（例えば CPMS）に取り込み、PC から参照が可能な仕組みを導入してほしいとの要望が寄せられた。
- b) SCIC 傘下企業からは、その企業経営について SCIC がより積極的にアドバイスを与えることを期待し、また必要に応じリーダーシップを発揮して主要株主に対し経営陣との間に「建設的な対話（constructive dialogue）」を持つよう働きかけることを歓迎するとの声が強かった。
- c) 一方、SCIC 側では、SCIC がマイノリティ株主の立場にある場合、いかに法令等を遵守した提案を行っても、企業側に拒否されてしまう例が多いことに限界を感じており、そうした場合の対応方法につき何らかの指針がほしいとする担当者が多かった。
- d) また、VG の適用状況等につき上記調査票を参考に定期的な調査を行うことにより、傘下企業との要関係改善点や SCIC に対する要望等をより客観的かつ総合的に把握・分析し、両者間の関係向上に資する情報を得ることが可能と考えられるとの見方について、ヒアリングした SR は全員賛同した。ただし、VG は一般原則を定めたもので、SCIC から個別対応が求められるケースは依然多く、引き続き SCIC への報告・打診が必要とされる点に変わりはないので、報告事項の削減等一段の運営改善を図ってほしいとの意見が聞かれた。
- e) さらに、SCIC による議決権行使状況とそれに対する企業側の受入れ状況にかかる情報を公表することにより、SCIC の提言に対する傘下企業側の注意を促すとともに、傘下企業のコーポレートガバナンスの改善を促す上で有益な手段になると考えられるとの見解についても賛同する意見が聞かれた。

4.2.5. 本邦研修（VG）

2016 年 2 月、本プロジェクトの本邦研修が実施された際、VG 2015 の試行にかかるフォローアップ調査の実施内容、スケジュール等につき、VG 担当 TF のリエゾン担当者（Ms. Tam）に対し概要を説明し、5 月以降の作業の円滑な遂行に向け打ち合わせを行った。

4.2.6. ラップアップ・ミーティング

2016 年 9 月 9 日、Hien 副社長、Ngan 次長ほか TF メンバー 3 名とラップアップ・ミーティングを行い、VG2015 改訂の骨子、Case study として取り上げた事項の内容、本件終了に向けた今後の作業スケジュール等につき打ち合わせ。さらに、その後の修正依頼等を織り込んだ最終案につき、10 月 17～19 日、現地にて報告・確認を実施した。

4.3. プロジェクト実施運営上の課題・工夫・教訓（VG2016）

＜タスクフォースについて＞

本コンポーネントは、昨年の追加支援で作成済みの VG 2015 の追加修正という性格であったためか、当初 SCIC 側にも、昨年度および、CGC・KPI 作成コンポーネントへの取り組みに比較すると、当初やや担当者任せ的な対応がみられたので、以下のような工夫を施し、極力 SCIC 側から真剣な取り組みを引き出すよう配慮した。しかしながら、昨年度に比べると、TF メンバー全員が会議に集まる機会は最後までなく、一部の者に検討を任せるといった取組みを排除することはできなかった。

- (1) カウンターパート側の円滑な業務実施を担保するため、ヒエン副社長に対し直接訴え、原則として関係各局からタスクフォースメンバー（担当局から各 1 名ずつ 5 名、法律担当部局から 1 名の計 6 名）を選定するとともに、局次長クラスの者をリーダーに選定してもらい、同リーダーが中核となって各作業を遂行する体制を構築した。（選定されたリーダーは効率的に業務の遂行に当たってくれたものの、同人が 8 月中旬に外部転出となったため、後任選任までの間 VG の修正内容や、Case study に取り上げるべき事項の確認が滞る事態が生じた。）
- (2) 上記のようなケースに対応するため、極力コンサルタント側人員を切れ目なく現地に配置するべくスケジュールを調整するとともに、現地コンサルタントを通じ、定期的に SCIC の TF リーダーないし、窓口担当者にコンタクトさせ、現状確認と作業の督促を行った。

＜追加面談の実施について＞

調査票調査だけでは実態把握が不十分と思われたので、それを補完するため複数社につき追加面談インタビューを実施した。ただし、予算上コンポーネントには国内旅費を織り込んでいなかったこともあり、直接面談はハノイ市内在住企業に限られることとなった。このため、インターネット・電話を用いてヒアリングを行うよう工夫した。

5. コンポーネント2： 主要リスク管理指標(KRI)の構築

5.1. 先行プロジェクトにおける提言

当コンポーネントに関しては、先行プロジェクトにおいて以下の提言がされていた。

(3) 新規投資に関する能力強化

これまで SCIC は、オフィスビル、テレビ塔を中心とした複合施設など複数の不動産開発、製薬工場や病院建設などのプロジェクトを検討してきたが、この投資方針と「SOE の活動範囲を不可欠な製品・サービス、治安、防衛に集中すべき」という決定 929 が示す方針との整合性には疑問が残る。

また、ベトナムにおける不動産や株式投資について直接指導できる専門家を確保できるかという技術的問題についても検討が必要である。11 月下旬にハノイで開催したキャッシュフローやリスク分析についての講義のような「座学による理論研修」は実施可能であるが、「投資案件発掘の支援」は技術支援の範囲内で実施することが可能かという点にも疑問が残る。

(4) 主要リスク指標の構築

適切なリスク管理システムと組織を構築することは SCIC の業務改善に重要であるが、SCIC はデロイトを雇用して 2014 年初から企業リスク管理導入プロジェクトを開始しており、既に長期のロードマップ（2014 年～2020 年の 6 年間）が SCIC 経営陣に提示されている。

主要リスク指標の構築については、本事業開始前にも SCIC より要望を受けたものの、既にデロイトによる作業が進んでいたことから、大きな貢献が出来なかった経緯もあり、今後の継続支援において本件を取り上げる場合にはデロイトとの協力体制について事前に合意することが必要と考えられる。

これらを踏まえて、KRI の策定支援については、次の通り活動を実施した。

5.2. 対象範囲

(1) 新規投資に関する KRI の策定支援等

(2) 対象とする投資

- ・ プロジェクト投資
- ・ 金融資産への投資

すなわち、リスク管理の対象と手法は非常に多岐に亙るが、今回は、SCIC が実施する新規投資に関する KRI の策定支援を中心に実施した。具体的には、新規投資に関する KRI の策定支援のほか、関連する管理体制についても提言を実施した。

5.3. 支援の実施方法

5.3.1. 2015 年に実施した支援活動の内容

下記の日程で定期的にベトナムを訪問し、SCIC 担当者との打ち合わせを実施した。打ち合わせにおいて明らかになった課題等について、帰国後、次回までに調査を行なうという方法で支援を実施した。

日程（2015 年）	実施した支援活動の内容
10 月 13 日～16 日	プレ・キックオフ（実施目的、スケジュール等の確認）
10 月 26 日～29 日	キックオフ（新規投資に関する KRI の概要説明） KRI 設定に関する説明およびディスカッション
11 月 16 日～19 日	KRI 設定に関する説明およびディスカッション
11 月 24 日～27 日	KRI 設定案および関連する管理体制案の提示およびディスカッション
12 月 7 日～10 日	KRI 設定案および関連する管理体制案の修正提示およびディスカッション
12 月 21 日～24 日	KRI 設定案および関連する管理体制案の修正提示およびディスカッション（※）

（※） 内容については、SCIC のタスクフォースと基本的に合意に至っている。
その後、年明けに、内容を整理して書き直したものを SCIC に提出した。

5.3.2. 2016 年に実施した支援活動の内容

下記の日程で、定期的にベトナムを訪問したほか、本邦研修における SCIC 担当者の来日時に、SCIC 担当者との打ち合わせを実施した。打ち合わせにおいて明らかになった課題等について、帰国後、次回までに修正を行なうという方法で支援を実施した。

日程（2016 年）	実施した支援活動の内容
3 月 10 日～16 日	本邦研修実施時に、KRI 設定案および関連する管理体制案の修正提示およびディスカッション
5 月 25 日～27 日	KRI 設定案および関連する管理体制案の修正提示およびディスカッション 既存投資案件を用いた試行および実用性の確認 リスク管理部および投資部を対象とするワークショップ（内容説明および意見収集）
6 月 20 日～23 日	KRI 設定案および関連する管理体制案の修正提示およびディスカッション 既存投資案件を用いた試行および実用性の確認 リスク管理部および投資部を対象とするワークショップ（内容説

	明および意見収集)
7月25日～27日	KRI 設定および関連する管理体制の最終案提示 クロージング・ミーティング

5.4. 骨子

以下の構成により、KRI 設定および関連する管理体制の最終案の提示を行った（詳細は、別添資料5を参照）。

- 第1章 目的
- 第2章 リスク管理の対象資産と制御手法および組織体制について
- 第3章 投資上限の制御
- 第4章 プロジェクト投資・株式・債券（以下、国債を除く）に対するリスク管理
- 第5章 ロス・カット・ルール
- 第6章 担当者の在籍期間
- 第7章 組織体制に対するリスク管理
- 第8章 今後のリスク管理と運用体制について

5.5. 今後の業務計画

SCIC のリスク管理部および投資部は、上記の体制を新規投資に適用し、管理体制案を定着させることが期待される。

5.6. プロジェクト実施運営上の課題・工夫・教訓等（KRI）

本コンポーネント実施に際しては、SCIC 側から適時にタスクフォースメンバーが選任された。また、支援対象のカウンターパーティと非常に良好な関係を構築している現地専門家からプロジェクト運営に関するサポートを得て、円滑にプロジェクトを遂行することができた。

現地業務の実施に際しては、コンサルタントが日本から定期的に訪越し、カウンターのパーティである SCIC の KRI タスクフォースメンバーと打ち合わせを実施した上で次回までの双方のタスクを決定し、次回に双方の成果を持ち寄るという形式を取った。本コンポーネントのテーマは、支援対象のカウンターパーティにとって馴染みの薄い分野であったため、定期的に訪越するスケジュールで進めることにより、次回までに内容を吟味した上で検討する時間を設けることができ、実施内容に適したスケジュールを組むことができた。また、コンサルタントにとっても、日本において検討する期間中に最新のプラクティスの調査を実施することもでき、非常に効率的かつ効果的に業務を遂行することができた。なお、コンサルタントが日本にいる期間においても、電話および電子メールにより、カウンターのパーティとは十分なコミュニケーションを行なった。

なお、プロジェクト遂行上、次のような検討課題があると認識している。

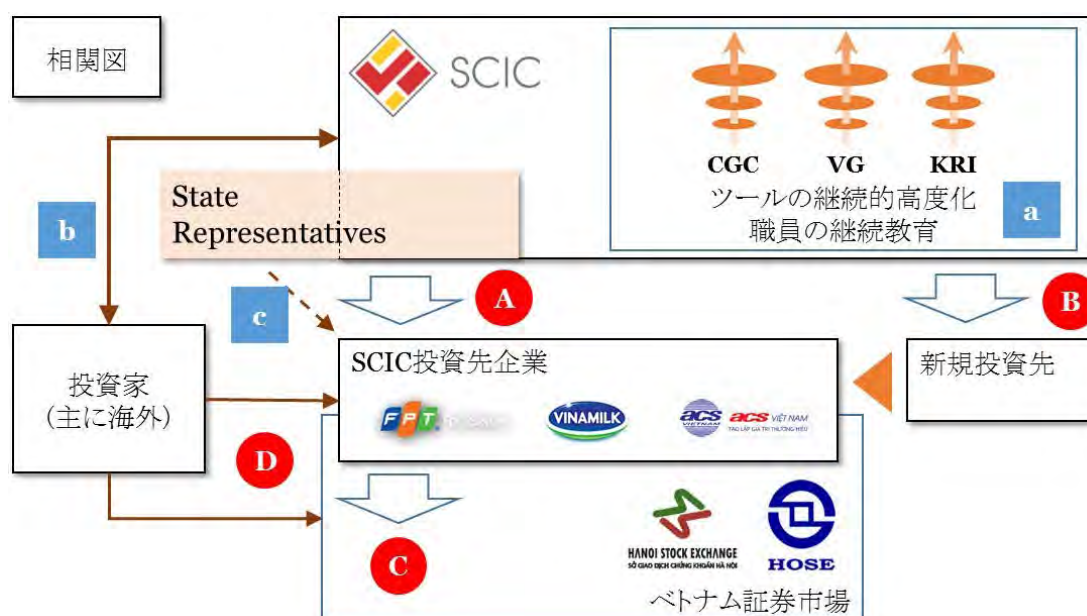
(1) 本コンポーネントは、支援対象のカウンターパーティにとって馴染みの薄い分野であったと記載した通り、KRI の前提となるリスク管理に関する知識や理解が支援対象のカウンターパーティには乏しかった。そのため、支援対象のカウンターパーティによる、「KRI (key risk indicators)」という言葉に対する理解が通常 KRI の定義とは異なっており、KRI およびその前提となっているリスク管理に関する考え方の理解を得るのに時間を要した。これは、当初は想定していなかった事態であったが、上述の通り定期的に訪越し、その合間にはメール等でフォローするスケジュールで進めたことにより、内容を吟味した上で検討する時間を設けることができ、支援対象のカウンターパーティも内容を十分に肚落ちさせることができたと考えている。

支援対象のカウンターパーティにおいて実施準備が完全に整っていない段階においては、長期間現地に滞在する必要性と意義は乏しいため、有形ではなく無形の技術支援（ソフトスキル導入）においては、コンサルタントが定期的に訪問する方法を、一般的な支援方法の一つとして検討してはどうかと考える。

6. 今後の取り組みにむけた提言

本プロジェクトは、親プロジェクトの上位目標である「国営企業の健全かつ効率的な経営の達成により国営企業改革が促進すること」を、SCIC の業務改善を通じて実現するというものであり、1) コーポレートガバナンス・コードの策定（コンポーネント 1-1: CGC）、2) 議決権行使基準の改訂（コンポーネント 1-2: VG）、および 3) 新規投資にかかるリスク管理フレームワークの策定（コンポーネント 2: KRI）という 3 つのツールの導入等が主要素となっていた。

これらのツールの導入等は、有効に機能するための環境整備と共に継続的な検討がなされることによって所期の目的が達成されるが、その関係を一覧にすると【図表 6-1】のような関係となる。



【図表 6-1: 3つのコンポーネント相関図】（出所：PwC あらた有限責任監査査法人作成）

6.1. 総論

● ツールの導入・浸透で期待される効果

（1）SCIC 投資先企業に対する規律（相関図の A に相当）

SCIC が投資先企業向けの規律としてコーポレートガバナンス・コード（以下、「CGC」または「コード」）を示し、企業のガバナンスに対する品質確保を行い、議決権行使基準（VG）を示して株主としてのスタンスを明確にすることで、投資先企業の活動に株主の視点から企業経営の質の向上を促すことにより、企業価値の向上を図る。CGC も VG も既存の投資先

企業の中長期的企業価値の向上のための施策であり、これら2つのツールが相まって SCIC の投資先企業は企業統治確立の筋道が付けられ、中長期的な価値創造の基礎を確立することができる。

(2) 新規投資先検討の洗練（相関図の B に相当）

SCIC は投資先企業の企業価値向上を通じ、これを適時に売却することによって国富を豊かにすることをその存在意義の1つとするが、現在の保有有価証券を売却するだけでは、事業規模が縮小する一方となる。この点、KRI は新規投資のリスク管理に関する指針を示し、SCIC が保有株式売却益を資金とし、新たな国営企業を投資ポートフォリオに組み込むことにより、事業の継続的拡大と SCIC 自身の企業価値向上を可能にする。

(3) SCIC 投資企業の最良執行／適時売却（相関図の C に相当）

CGC/VG/KRI が有効に機能することによって、SCIC は投資先企業の適切な売却タイミングに関する重要な情報を得ることができる。SCIC における最良執行／適時売却を図るには、今回のツール導入に加え、さらに業界や政府による産業政策の立案等への働きかけも必要であるが、中長期的な企業価値の向上およびリスクに関する重要な情報を提供する点で CGC/VG/KRI は有効である。

(4) 投資家からの投資促進（相関図の D に相当）

CGC/VG/KRI が有効に機能した場合、直接的、間接的に SCIC 投資先企業に対する内外投資家からの信頼性を高め、投資家から SCIC 投資企業あるいはベトナムの証券市場への投資促進が期待される。

● ツールの効果を促進する取組み

(1) ツールの継続的高度化および SCIC 職員の教育（相関図の a に相当）

上記のように様々な効果が期待される今回のプロジェクト成果物であるが、今回導入するツールを市場のニーズを的確に捉えて継続的に内容の高度化を図るとともに、SCIC 職員研修を継続的に実施することは、上述のツールが持つ効果を促進する上で不可欠と考えられる。

(2) SCIC と他の投資家の連携（相関図の b に相当）

SCIC は、今回のプロジェクト成果物を適切に他の主要株主等に周知し、当該主要株主と投資先企業の間で建設的な対話の場が形成されるよう促すことで各種ツールの効果を高めることができる。特に海外の投資家に対しては、SCIC がベトナム企業との橋渡し役として積極的にベトナム企業を紹介したりするなどの活動を通じて、SCIC の存在価値を高めるこ

とが可能となる。

(3) State representative (SR) の関与 (相関図の c に相当)

SR は、今回のプロジェクト成果物を適切に運用することによって、ツール導入の効果を促進し投資先からの SCIC に対する信頼性を高める上で重要な役割を担うことが可能となる。なお、SR に対しては、その人選を適切に行うことに加え、上記ツールの的確な運用を指導することにより、SCIC の株主としての機能の高度化を促進することができると考える。

上記を踏まえ、各コンポーネントにおける今後の提言を以下に説明する。

6.2. コンポーネント 1-1 : コーポレートガバナンス・コード

CGC の最終的な草案 (コード原案) 完成後、継続した内容の見直しおよび更新をするべきであることは、CGC の適用ガイダンスにも記載しているが、形式的ではない実質的なベトナム企業のガバナンス強化を達成するために、今後、SCIC は、以下を検討すべきである。

● コーポレートガバナンス強化の啓蒙活動を推進する上でのリーダーシップ

本プロジェクトで策定したコード原案は、SCIC の傘下企業が適用することを念頭としている。SCIC は、傘下企業の取締役・監査役ならびに経営陣幹部、SR、そして、SCIC 職員等に対するコーポレートガバナンス強化の啓蒙活動、具体的には研修やワークショップ等の実施を推進するのみならず、傘下企業以外のベトナム企業のガバナンス強化支援についてもリーダーシップをとるべきである。

さらに、ベトナム上場企業向けのコーポレートガバナンス・コードの策定が、ベトナム国家証券委員会 (SSC) およびホーチミンおよびハノイ証券取引所を中心として計画されていることから、このような活動についても、SCIC が、傘下企業向けコード原案策定経験を生かした積極的な参画をすることが期待される。

● コーポレートガバナンス・コード原案の利用方法について

SCIC の傘下企業による適用を意図して策定したコード原案であるが、その適用を、株主である SCIC としては各社に強制できない。ここでいう、コードの適用とは、「コーポレートガバナンス報告書」(以下、「CG 報告書」という。)をコードの適用ガイダンスに沿って作成し、株主に開示することを意図している。

仮に、コードを適用しない傘下企業については、SCIC の SR が、CG 報告書を作成することによって、投資先企業のガバナンスの水準を把握することが考えられる。

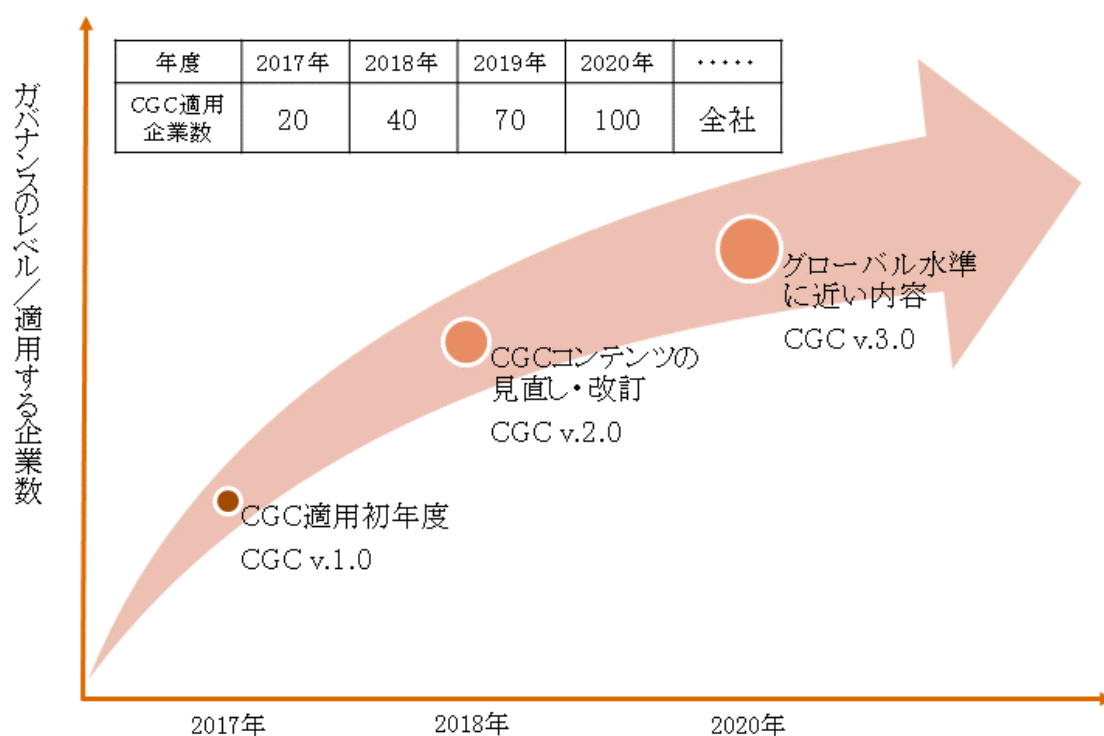
さらに、SCIC の SR による CG 報告書の作成が困難な場合であっても、SCIC のポートフォリオ担当者が、各投資先企業における CGC に含まれる各原則の適用状況を分析し、適用していない原則については、企業にその理由および対応計画をヒアリングするなどして、ガバ

ナンスの格付けをすることが考えられる。

いずれの場合も、投資先企業のガバナンスの水準は、SCIC が株主としての議決権を行使する際のひとつの指標として有効に活用するべきであり、具体的には、議決権行使基準の「1.8 取締役会メンバーおよび監査役会メンバーの選任議案」および「1.9 同解任議案」に関連した議決権行使においてCGCを参照することが考えられる。

グローバルな非財務情報格付機関における評価項目のうち、コーポレートガバナンス関連の状況が非常に重要な位置づけとなっていることから、ガバナンス強化の便益が、企業価値向上に直接的に資することを念頭に、各傘下企業による積極的なCGCの任意適用が望まれることは言うまでもない。

これらを実現するために、例えば【図表6-2】のような、CGCの活用を促進するための定量的な数値目標を設定することも考えられる。（注：CGC適用企業数は、あくまでも目安である。）



【図表 6-2: CGC 今後のマイルストーン案】 （出所：PwC あらた有限責任監査法人）

● 国内法制整備の必要性

一部のコード原案に記載された内容を実行するには、ベトナム法令の整備が不可欠である。一例として、内部通報制度（原則 2.2、2.3）では、企業の潜在的不正等に関する従業員からの匿名の通報を促進するものであるが、通報者保護に関する法制整備が前提となっており、そのような法制整備なしには、内部通報制度の導入が困難である。また、改正企業法によっ

て、株主の権利確保に関して相当の近代化が図られているものの、原則 1.2 で示す

「Say-on-pay」などには、未対応となっているため、グローバルな CGC の導入の前提となる法制度の整備を検討することが必要である。

さらに、原則 4.16 が目指す、(短期ではなく) 中長期の業績に連動した役員報酬制度の構築に関しては、株式報酬制度などの導入が期待されるが、そのような株式報酬制度に関する会計処理や税法上の対応が前提となっている点にも留意が必要である。

このような法制度、会計基準、税法等の整備は、SCIC 単独で解決できる問題ではないため、別途、ベトナム国としての支援が必要である。

● SCIC のコーポレートガバナンス (セクション 5 の取り扱い)

SCIC の傘下企業が適用する CGC を策定する過程において、傘下企業の株主たる SCIC 自身のガバナンス強化のための施策要否が検討された。議決権行使基準 2015 年版の策定過程では、その冒頭に、SCIC が株主として議決権を行使する際に、個別の議決権行使基準では対処されない場合の判断基準を示す一般原則 (Principles) の挿入が検討され、これを傘下企業向けの CGC 検討プロセスで合わせて考慮することが 2015 年 10 月の関係者間会議において合意され、CGC 草案の第 5 章 (セクション 5) に仮置きされた。

日本を含む主要国では、企業が遵守すべきコーポレートガバナンス・コードに加えて、機関投資家が遵守すべきスチュワードシップ・コードが策定されている場合がある。CGC 草案の第 5 章は、ある意味で、スチュワードシップ・コード的な受託者責任が含まれていることから、今後、SCIC の責務を規定する政府議定 (Decree 151) が最終化されるタイミングに合わせて、文言を見直し、SCIC のウェブサイト上で英文にて公開するなど、積極的に SCIC 自身のガバナンス強化の姿勢とコミットメントを対外的に示していくことが必要であると思われる。これについては、別添資料 3-4 において検討している。

6.3. コンポーネント 1-2 : 議決権行使基準

SCIC は、議決権行使基準の試行実態調査結果をとりまとめた 2016 年 8 月末時点で傘下企業約 159 社を管理しているが、政府の方針を受けこれらの企業は極力早期に処分し民営化を進める方向にある。処分は優良先から進む一方、業績不芳先については処分がなかなか進まず、つれて現在高収益企業とみなされている SCIC も、早晚収益の減退に加え、機能面においても、より積極的に新規投資を行うとともに、優良企業を育成し収益の確保につなげていく形に転換を図っていかざるを得なくなることが想定される。

こうした状況に鑑みれば、SCIC としては、今後一段と、①傘下および新規投資先企業に対する経営分析・指導力 (早期経営立直し、および業績不芳先については処分促進のため) および、②新規産業分野の企業発掘・育成能力の強化が必要になるものと考えられる。

こうした能力を強化するためには、①手持ちしている企業情報データベースを有効活用し、産業・企業分析能力を高めるとともに、当該情報を幅広く提供していくこと、②企業

経営人材育成機能を発揮するべく、これまで得た知見をデータベース化し社内にて共有し、幅広い経営者候補人材プールとして活用していくこと、③海外金融機関、投資ファンドとの提携を強化し、ベトナム企業と日系企業を含む海外企業との橋渡し役を果たしていくことが必要であり、これらは SCIC がこれまで培ってきた知見を有効活用する道でもある。

企業の経営指導に当たっては、CGC を念頭に置きつつ、VG を有効活用しながら、傘下企業のガバナンスの質を高め優良企業を育成していくことが必要となろう。VG の有効活用 の例を示すと、【図表 6-3】のように SCIC がすでに用いている企業区分により SCIC への報告 時点の使い分けを図りつつ、VG に明示した判断基準に沿う議決事項については SCIC への事 前の打診および指示を待つことなく SR が議決権行使することを認めるなどの運営面での一 層の改善を進めることにより、SCIC と参加企業間との関係の円滑化促進を図る事が出来る ものと考えられるので、SCIC の今後の検討に供したい。

現在、SCIC は、下表でいえばフェーズ 1 のスタート地点に位置している。今後 2～3 年、 VG の概念および内容に関する SR の理解促進を図りつつ、企業区分を考慮しながら事前に指 示を求めるべき事柄を漸次減らし、VG に投票行動が明記されている項目については事後報 告でよしとするという運用方式の効果を確認しながら、例えば 3 年後を目途に、そうした 運用項目の拡充を図ることが考えられる。

【図表 6-3: VG 活用基準】

企業分類と定義		VG 活用基準	
		1st phase (2-3years term)	after 3 years
A1	Actively retain for long-term investmentsStrategically hold	follow VG but report to SCIC before voting	as for issues clearly defined by VG, vote and report after;
A2	SCIC has controlling stakes and will privatize according to the PM's guidelines		only special issues shall be reported to SCIC for consultation before making the vote
B1	Need to be restructured to increase state investmnet value before totally divesting		follow VG but report to SCIC before voting (increase business matching efforts)
B2	Need to be totally divested in the short-term	follow VG but report to SCIC before voting (in principle hold, watch and seek the optunity for divesture)	as for issues clearly defined by VG, vote and report after; but as divesture first, seek the business matching oportunity to increase the value to some extent

(出所：日本経済研究所作成)

6.4. コンポーネント 2：主要リスク管理指標

本プロジェクトにおいて策定した「SCIC の新規投資のためのリスク管理フレームワーク」(別添資料 5) の第 8 章に記載の通り、今後 SCIC には、次の 4 項目に関するリスク管理フ レームワークについての継続的な取り組みが期待される。

- 市場リスク―新規投資の対象となるアセットの種類が拡大した場合には、VaR 等の定量的リスク分析の導入を検討するべきである。
- 流動性リスク―現状すべてエクイティ調達であるため、非流動資産でも区分可能であるが、今後、資金調達手法が拡大する場合には、調達構造に係る流動性管理を実施することが必要となる。また、投資資産の比較的短期的な入替えを行う場合、流動性の高い資産を一定割合保有する必要が想定されるが、市場流動性の観点から、発行量に対する保有割合等のモニタリングが必要である。そのほか、流動性バッファの観点から管理を行うことが必要である。
- 信用リスク―スコアリングモデルを導入する等、投資対象の信用リスクを判定するためのリスク管理体制を導入することが必要である。当該リスク管理導入により、売買を委託する証券会社に対するカウンターパーティーリスクの管理についても、モニタリング可能となる。
- オペレーショナル・リスク―例えば、取引担当者（ディーラー）の通話音声を録音し保管するなど不正の発生等を未然に防止する体制や、手順のマニュアル化やダブルチェックの徹底など、ミスが発生しない体制を構築する必要がある。

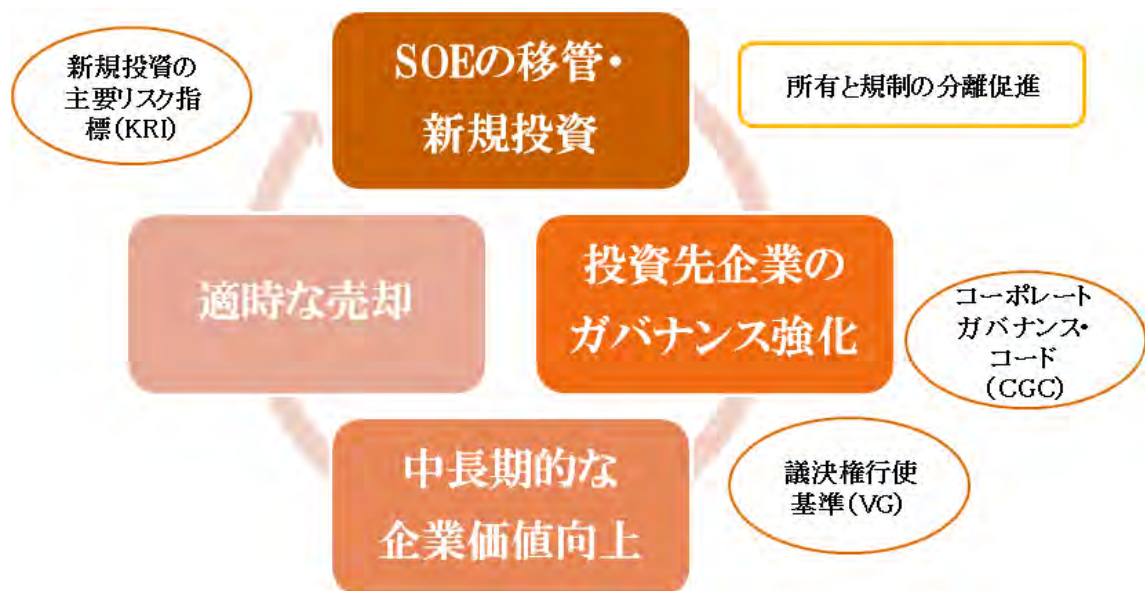
今後については、投資信託への投資により、ダウンサイドの抑制を図り、イベントリスク発生時の大幅な損失を防ぐなどの運用を実施していくことが考えられる。

以上の通り、新規投資のためのリスク管理フレームワークは、今後も継続して見直し、特定のリスクに対応するリスク管理のフレームワークの追加を必要に応じて検討する必要がある。

6.5. まとめ

ベトナム、インドネシア、マレーシアなどの新興国における国営企業（SOEs）が民営化され、国際的な市場での競争が激化するにつれ、民間企業との公正な競争環境の整備が期待されている。

ベトナムにおいては、株式化により、国営企業が政府から SCIC に移管され、本プロジェクトで策定した CGC 草案や VG2016 草案を活用することにより、投資先企業のガバナンス強化を SCIC の主導により実現することが期待される。投資先企業の中長期的企業価値が向上したタイミングで、適時にそれらの株式を売却し、投資ポートフォリオの入れ替えを促進する。政府からの移管を待つだけでなく、売却益を新規投資に充当し、その際には本プロジェクトで開発した「リスク管理フレームワーク」をリスク管理のツールとして使用する。このような、「移管⇒ガバナンス強化⇒企業価値向上⇒売却⇒新規投資⇒ガバナンス強化…」【図表 6-4】のサイクルが効率的に循環することによって、政府の保護なしに民間企業と対等な条件で競争できる、国際的にも「強いベトナム企業」の育成に資するものと考えられる。



【図表 6-4: SCIC の投資サイクル】 (出所: PwC あらた有限責任監査法人作成)

一方で、本報告書の 1.2 に記載の通り、本プロジェクトの先行プロジェクトでは、4つの提言がなされ、そのうちの3つが本プロジェクトで対処されたものの、残る一つの提言は本プロジェクトの直接的な対象範囲には含まれていない。それは、「政府の規制と所有機能の分離促進」であり、以下の提言がなされていた。

上位目標⁴⁹達成への SCIC 業務改善の最大の貢献は、公共目的でなく民間企業と競争関係にある商工業分野の SOE が省庁や地方政府から SCIC へより多く移管されることである。それら SOE が経済合成性に則って管理されることにより、SOE 自身の経営効率が向上することのみならず、競合する民間企業にとっても公正な競争条件が確保されることによって経済全体の活性化につながる。しかし、SCIC はこの機能を果たすために設立されたにも関わらず、利権を手放すことに対する省庁や地方政府の抵抗は続いており、SCIC の役割は限定的である。

「決定 929」以降、有力 SOE の SCIC への移管が再開されつつあり、今後の JICA 支援においてはこの動きを後押しすべきである。具体的には、ベトナム政府に対して「規制と所有の分離」の重要性を強調し、SCIC の国家資本管理能力をさらに向上させるべくシステム強化や内部規定策定、組織改編支援等を行うべきである。(略)

⁴⁹ 先行プロジェクトにおける上位目標は、「国営企業の健全且つ効率的な経営の達成により国営企業改革が促進される」こととされていた。

これに関しては、JICA が、国営企業改革、銀行セクター改革に関する JICA 政策提案書（「国有企業改革、銀行セクター改革に関する国際協力機構の提案 - ベトナムの産業と金融の一体的リストラクチャリングを目指して - 」）の最終版を 2016 年 7 月 27 日に同副首相他に提出しており、以下の提言が含まれていた。

- 現在、ベトナム政府では、規制・行政当局と国家資本所有機関の分離を図るべく、国有企業に投下された国家資本を管理する独立した組織（” Single Ownership Entity”）を新たに設立することが検討されている。
- SCIC はその中で、「国家が支配する必要がない企業」に投下されている国家資本の管理・処分を一元的に行い、新組織と SCIC が「車の両輪」として国家資本の管理・処分を行うことが望ましい。
- “Single Ownership Entity” の具体的な姿については、例えば、①中国の国有資産監督管理委員会（State-Owned Assets Supervision and Administration Commission (SASAC)）のような新たな行政組織を（既存の省庁の一部の分離・統合等により）作り、その役割を担わせる、②シンガポールのテマセック・ホールディングスのような持株会社とし、SCIC に（人員等を強化した上で）その役割を担わせる、③「国有資産の管理」「国家保有株式の売却による財政収入の確保」といった日本と同様の観点から、財政省企業金融管理局（MOF/CFD）を「総局」に格上げしその役割を担わせる、等の案が考えられるが、いずれにせよ、この点については、ベトナム共産党、政府、国会等において、ベトナムの実情や諸外国の経験等を踏まえつつ、幅広くかつ十分な検討が行われることを期待したい。

潜在的な利益相反の懸念から、OECD による「SOC コーポレートガバナンスガイドライン 2015 年版」にも「所有と規制の分離」（規制・行政当局と国家資本所有期間の分離）は強調されており、この概念は、強固なコーポレートガバナンスの前提となる基本的必要条件であることから、引き続き、ベトナム国として検討されるべきである。

以上の通り、本プロジェクトの親プロジェクトの上位目標「国営企業の健全かつ効率的な経営の達成により国営企業改革が促進すること」を達成するための、SCIC の業務改善を支援する 3 つのツール（CGC, VG, KRI）がすべて完成した。今後は、これらのツールを SCIC 自らが活用しながら継続的に改訂・深化させ、ベトナム国の SOE 全体のコーポレートガバナンスの強化において、極めて重要な役割を果たしていくことが内外から期待されている。

SCIC に期待される国家資本の重要な管理者としての役割は、決して過小評価されるべきではなく、SOE の「民営化へのつなぎ役」としての重要性は、今後ますます高まることだろう。

7. 供与機材・携行機材実績等

- HP M127FN レーザープリンター（複合機）1 台

上記、プリンター1 台を 2015 年 10 月 12 日から JICA ベトナム事務所より貸与を受け、2016 年 10 月 19 日に返却した。

以上

別添資料一覧

別添資料 1	ワークプラン（2016 年 4 月 20 日付更新版）
別添資料 2	プロジェクト・デザイン・マトリックス（PDM）（最終版）
別添資料 3－1	SCIC 傘下企業が適用するコーポレートガバナンス・コードおよび適用ガイドランス最終草案（英語版）
別添資料 3－2	パイロット企業向け CGC 解説資料（英語版）
別添資料 3－3	セクション 5 草案（英語）
別添資料 3－4	セクション 5 の取り扱い検討資料（英語）
別添資料 3－5	SCIC 2016 年 9 月 30 日開催セミナー資料 CGC 部分抜粋（英語版）
別添資料 4－1	議決権行使基準（VG 2015） 適用調査シート（英語版）
別添資料 4－2	議決権行使基準（VG 2015） 適用調査結果報告（英語版）
別添資料 4－3	議決権行使基準（VG 2015） 調査結果データ（英語版）
別添資料 4－4	議決権行使基準 2016 年改訂版（VG 2016）（英語版）
別添資料 4－5	VG2016 適用のための参照資料（英語版）
別添資料 5	SCIC 新規投資のリスク管理フレームワーク（英語版）

別添資料

Japan International Cooperation Agency (JICA)

Vietnam

**The project for enhancing corporate finance
management capacity to implement SOE
restructuring on State Capital Investment
Corporation (SCIC) -2**

Work Plan

November 30, 2015

(Revised: April 20, 2016)

PricewaterhouseCoopers Aarata

Japan Economic Research Institute Inc.

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1. Outline of the Project

1.1. Background

Under the technical cooperation project named “Enhancing corporate finance management capacity to implement state owned enterprises (SOEs) restructuring” (hereinafter referred to as the “Umbrella Project”) between the Japan International Cooperation Agency (JICA), the Ministry of Finance of the Socialist Republic of Vietnam (MOF) and its policy implementation entities including State Capital Investment Cooperation (SCIC), to strengthen the capacity in corporate management, supervision and governance for officials and staff of SCIC is defined as one of the important outputs shown as the output 4 of the Project Design Matrix of the Umbrella Project.

To achieve such an output of the Umbrella Project, JICA and SCIC have been implementing activities related to SCIC (hereinafter referred to as the “SCIC’s Sub-Project”) as follows:

<Phase 1-1 of the SCIC’s Sub-Project from September 2014 to March 2015>

JICA and the Japan Economic Research Institute Inc. (JERI) team (the “Team”), who are the consultants to co-work with SCIC to implement the related project activities to the abovementioned project’s output, reviewed and analyzed the current SCIC’s institutional structure, mandate, business strategy and related regulations to identify the business opportunities and needs of the capacity development of SCIC from September 2014 to March 2015. The Team concluded and shared with SCIC the following recommendations to enhance corporate finance management capacity of SCIC to implement SOEs restructuring in Vietnam.

- (i) As a state agency that manages state capital in hundreds of enterprises, SCIC should be “the pioneer” in promoting modern corporate governance practice in Vietnam, by establishing the voting guidelines (“VG”) and Corporate Governance Code (“CGC”), and to establish the Institute for Directorship to educate and accredit those who become board members of joint stock companies (“JSC”).
- (ii) Reinforcing the portfolio company database
- (iii) Establishing functional teams, such as a strategic industry team with industry research capability, a specialized divestiture team for specific purposes, and other specialized teams to support portfolio companies
- (iv) Expanding new investments gradually by identifying the areas where the government’s investments are justified, such as playing a role of “catalyst” to promote investment in strategic sectors and/or the areas that are difficult for private sectors to invest, by setting a specific target for each type of investments, and by setting clearly both a single entity exposure limit and a sector specific exposure limit.

Based on these recommendations, MOF, SCIC and JICA decided to implement the follow-up activities mainly focusing on establishing VG and CGC, and strengthening risk management process of SCIC. The activities on establishing VG has showed the progress as follows:

<Phase 1-2 of the SCIC's Sub-Project from May 2015 to October 2015>

For establishing VG, JERI was assigned by JICA in May 2015 to support SCIC in drafting the VG. JERI submitted the draft VG (hereinafter referred to as “VG 2015”) in early September 2015 for SCIC’s review and approval. The draft VG 2015 was reviewed and was submitted to the Board of Management for approval during the period between October and November 2015, and the Board approved it in December 2015.

After the approval by the Board, the VG 2015 will be put under the trial application and a follow-up survey will be conducted to review the outcomes of the application. The contents of the VG 2015 shall be revised if necessary based on the outcomes of the survey.

For the abovementioned follow up tasks of the VG 2015 and updating and revising it, JICA and SCIC agreed to assign JERI again in cooperation with the SCIC, and to assign SCIC’s task force members (TF) who have been assigned for the preceding project.

In parallel with activities on establishing and application of the VG 2015, JICA and SCIC agreed to start activities related to establishing CGC and strengthening internal risk management of SCIC as the second phase of the SCIC’s Sub-Project. The following section describes the components of the second phase.

1.2. Phase 2 of the SCIC’s Sub-Project (Sub-Project 2) – Three components

Given the urgency and importance of the recommendations made in the preceding project, MOF, SCIC, and JICA all decided to implement the phase 2 – “the Project for enhancing corporate finance management capacity to implement SOE restructuring on State Capital Investment Corporation (SCIC) 2” (the “Sub-Project 2”) in September 2015, which consists of the following three components:

- Component 1-1: Developing the draft Corporate Governance Code to be applied to the SCIC’s portfolio companies,
- Component 1-2: Revising the Voting Guidelines applied to the SCIC’s portfolio companies, and
- Component 2: Enhancing the internal risk management system of SCIC

To implement the Sub-Project 2, JERI and PricewaterhouseCoopers Aarata (“PwC”) have formed a joint venture consultant team where PwC is acting as a lead consultant and mainly working on the components 1-1 and 2, while JERI is continue working on the component 1-2 with leverages from the preceding project.

Since CGC and VG are both important elements of good governance and are closely inter-related, PwC and JERI will closely communicate and coordinate each other during the Project to deliver the consulting services effectively and efficiently.

1.3. Objectives of Sub-Project 2

1.3.1. Overall objective (Goal) of Sub-Project 2

Strengthening capacity in corporate management, supervision, and governance for officials and staff of SCIC (same as the Output 4 of the Umbrella Project), specifically the capacity to accelerate innovation of state owned enterprises (“SOEs”) by further enhancing the SOEs’ healthy and efficient management.

1.3.2. Objective (Purpose) of Sub-Project 2

There are two project specific objectives:

- To contribute to the innovation of SOEs, SCIC should be “the pioneer” in promoting modern corporate governance practice in Vietnam by developing the internationally recognizable draft corporate governance code and voting guidelines to be applied to the SCIC’s portfolio companies, and
- To maintain healthy and efficient operations of the state capital by enhancing the internal risk management system of SCIC.
- For the component 1-2, project specific purpose is to monitor and review the trial implementation of the Voting Guideline (VG) 2015, update and revise the contents if necessary to establish VG 2016 and contribute to strengthening the capacity of SCIC in corporate governance, with focus on the increase of the value of SOEs in the portfolio of SCIC and promote the divestment of SOEs. (Added as of April 20, 2016)

1.4. Expected output of Sub-Project 2

1.4.1. Component 1-1 Developing the draft CGC

The output is the draft corporate governance code and its application guidance to be applied to the SCIC’s portfolio companies.

1.4.2. Component 1-2 Developing the VG

The output is the VG 2016 for increasing further the value of the enterprises in the portfolio of SCIC (“SCIC’s portfolio companies”) based on the results of monitoring and reviewing the actual trial implementation of VG 2015 vis-à-vis enterprises in the portfolio of SCIC. (Revised as of April 20, 2016)

1.4.3. Component 2 Enhancing the internal risk management system of SCIC

The output is the risk assessment methodology based on key risk indicators (“KRI”) for new investments of SCIC to enhance the internal risk management system of SCIC by reviewing the current situations and making recommendations.

2. Approaches of Sub-Project 2

2.1. Component 1-1 Developing the draft CGC

Using the most recent international corporate governance framework, such as “OECD Guidelines on Corporate Governance of State-Owned Enterprises (2015 Edition)” (“OECD SOE Guidelines”) and “G20/OECD Principles of Corporate Governance” (“OECD Principles”) as benchmarks, the draft CGC and its application guidance will be developed with close communication with SCIC and

other stakeholders. The SCIC's portfolio companies are expected to use the final CGC and its application guidance.

Other input in developing the draft CGC and its application guidance would include: (a) Gap analysis with reference to relevant Vietnamese laws and regulations, (b) Researches on other countries who have CGC in place, (c) Observations and recommendations by preceding project, and (d) Inputs from workshops for SCIC task force members and management.

The final draft CGC and its application guidance should be practical as well as well understandable both by SCIC staff and by SCIC's portfolio companies' management.

2.2. Component 1-2 Revising the VG

The VG 2015 approved in December 2015 and was distributed to the state representatives of the enterprises in the portfolio of SCIC for trial application using it as the reference material for the preparation of 2016 AGM from February 2016.

Follow-up survey of the trial application will be conducted by TF during May and July 2016. By leveraging experiences in the developing phase of the VG 2015 and analyzing the outcomes of the trial application of the VG 2015 to the SCIC's portfolio companies, VG 2016 is to be developed by updating the VG 2015.

The updated VG 2015 will be prepared by September as the VG 2016 and it shall be submitted to the Board of SCIC for approval before being officially applied.

Ultimate outcome is to transfer the know-how to the SCIC staff by working closely with them in developing the VG 2015/2016.

Expected project period would be:

Starting from the first trial application of the VG 2015 until end of October 2016 (Please refer to 7. Work Schedule, Component 1-2, of this document.) (Added as of April 20, 2016)

2.3. Component 2 Enhancing the Internal Risk Management System of SCIC

Using leverage by co-working with the SCIC staff who has considerable knowledge and experiences, establishing the KRI for new investments to contribute to the internal risk management system for the SCIC's new investments.

3. Specific procedures – activities and output of Sub-Project 2

3.1. Component 1-1: Developing the draft CGC

3.1.1. Work in Vietnam (October – December 2015)

a. Discuss and agree workplan with SCIC and Ministry of Finance

<Output>

A workplan is prepared and agreed with SCIC and MOF.

b. Hold initial meeting with SCIC task force members

<Activities>

Initial meeting with SCIC task force members is held in November/December 2015 to help them understand the concept of CGC, and PwC consultants to understand the current status of the corporate governance of SCIC's portfolio companies and to identify potential areas of focus by this interactive session. Timing will be determined in coordination with SCIC. It could be combined with the workshop if it is more efficient to do so.

<Output>

Meeting material and summary of the meeting results is prepared.

c. Perform a gap analysis

<Activities>

A gap analysis is performed by reviewing the relevant Vietnamese laws and regulations and SCIC's internal regulations, comparing them with the OECD Principles and the OECD SOEs Guidelines.

<Output>

A gap analysis report is prepared.

d. Perform research on other countries who have CGC in place

<Activities>

Perform research on other Asian countries that have CGC in place how they have developed the CGC (including analysis on the departures from the OECD Principles/Guidelines and their application policies). Sample countries would include: Singapore, Indonesia, Malaysia and Japan. UK and other countries would also be referred to as a leading best practice.

<Output>

A comparative analysis report is prepared.

e. Develop the first draft CGC

<Activities>

The first draft CGC to be applied to the SCIC's portfolio companies is developed in English by end of November 2015 based on the output of procedures b, c, and d above. The first draft CGC would include the principles for SCIC that are considered to be essential elements of the corporate governance as a governmental investment company.

<Output>

The first draft CGC in English is developed.

f. Develop the first draft application guidance of CGC

<Activities>

The first draft application guidance of the CGC would include but not limited to the following contents: scope, legal basis, application exemptions, effective date, disclosure requirements and format, assurance over disclosed information, monitoring and enforcement, subsequent revision of the CGC, and any other guidance that would be necessary to implement the CGC.

<Output>

The first draft application guidance of the CGC in English is developed by end of November 2015.

g. Hold the workshop with SCIC task force members and management (June-August 2016)

<Activities>

To help SCIC management and other relevant parties understand the first draft CGC and its application guidance both in English and in Vietnamese, the ~~second~~ workshop is held mainly by the SCIC task force members with support from PwC consultants. (Note: The division of roles in arrangements including cost for workshop(s) inviting participants from outside of SCIC shall be discussed and determined between JICA and SCIC accordingly.)

<Output>

Workshop material and the summary, together with a list of feedbacks from SCIC participants, are prepared. Timing will be determined in coordination with SCIC.

h. Discuss with MOF and international organizations (June – August 2016)

<Output>

Meeting materials and discussion summary are prepared.

3.1.2. Training in Japan (March 2016)

The objective of the training is to further understand how corporate governance system is working in Japan among public and private financial institutions, asset management companies and private enterprise group, by exchanges of views on:

- Underlying concept and objective of the corporate governance code in general that are derived from the experience of Japan,
- Global institutional investors' views and expectations to the Vietnamese enterprises, and
- Risk management system and practices of the major Japanese securities companies for new and existing investments.

<Output>

A training program is developed and agreed with SCIC and MOF in advance; Trainees (around 10 people) are selected from SCIC and MOF; Training time-schedule is prepared (10 day-training in Japan including travel time); Training materials are prepared; A feedback from all participants is obtained and summarized, and report that summarized the activities is prepared.

3.1.3. Follow-up procedures in Vietnam (June - August 2016)

a. Develop a final draft CGC and its application guidance to be applied to the SCIC's portfolio companies (by end of September 2016)

<Activities>

- SCIC is to select one or two appropriate sample company/companies in the portfolio of SCIC who are willing to apply the first draft CGC and its application guidance to test the applicability of the first draft CGC and its application guidance. A sample company (or two companies) is selected by SCIC by May 31, 2016.
- Plan the follow-up review procedures and agree with SCIC.
- Provide training sessions to the sample company/companies how to apply the first draft CGC and how to prepare the disclosures.
- Discuss with the SCIC task force members and department heads over the sample portfolio companies' CGC disclosures and assess the first draft CGC's applicability and usefulness.
- Revise the final draft CGC and its application guidance based on the results of the follow-up procedures described above. The revised final draft CGC and its application guidance should be modified by the any changes in the Vietnamese laws and regulations during the subsequent period after the first CGC draft and its application guidance was originally developed in December 2015.
- SCIC is to approve the revised final draft CGC and its application guidance and take necessary action (i.e. revision of Decision 24) to request its portfolio companies to implement the CGC and its application guidance (by end of December 2016).
- Prepare a final report

<Output>

- A final draft CGC to be applied to the SCIC's portfolio companies and its application guidance are developed in Vietnamese and in English.
- Any recommendations regarding to the post implementation of the CGC and its application guidance are communicated to SCIC in the final report.

3.2. Component 1-2: Revising the Voting Guidelines

<Activities> (Revised as of April 20, 2016)

Based on the trial application of VG 2015 approved by the Board of SCIC, the Team will make following monitoring activities for enhancing corporate governance management capacity of SCIC over its portfolio companies to increase the corporate value of those companies.

a. To assist SCIC's TF of the Voting Guideline (VG) for monitoring the actual

application, reviewing the contents of the VG 2015 when necessary to update the contents, and preparing the decisive VG to be implemented by SCIC in 2016.

- b. In this connection, the JERI consultants will assist TF for preparing the questionnaire survey (as for the survey forms, please refer to the Attachment), collecting feedback comments from staff of SCIC using the questionnaire, including suggestions from the State Representatives of enterprises being under the portfolio of SCIC (SR), and analyzing the results.
- c. The JERI consultants will work closely in cooperation with the TF to revise the contents of VG 2015 taking into consideration recent changes of the legal framework by Vietnam and requesting advices from legal experts, both Vietnamese and international and in cooperation with the TF for drafting the Corporate Governance Code for SCIC's portfolio companies led by PwC.
- d. In order to motivate SCIC's portfolio companies to use Corporate Governance Code, BOD members' efforts of the portfolio companies for the improvement of Corporate Governance of portfolio companies will be included in the revision of VG 2015 as one of the criteria for nomination of BOD members based on the discussion dated on 15th of April 2016 among SCIC, JICA Vietnam office and JICA SOE project team.

The above activities are revised as of April 20, 2016. Consequently, corresponding PDM <activities> are also updated.

< Work Schedule for 2016> (Added as of April 20, 2016)

- a. Trial implementation of the VG: VG brochure was distributed in late January 2016. Preliminary (trial) implementation by SCIC is expected during February and June.
- b. Forms of the questionnaire survey to be used in the review of the trial implementation (follow-up Survey) will be prepared during April-May by JERI team in cooperation with TF members.
- c. Follow-up survey: The follow up survey shall be implemented during June and July by TF with the assistance of JERI team using the forms.
- d. Analysis the survey results and discussions in TF will be held during August to review and amend the VG 2015 if necessary based on the survey results.
- e. Review of VG for official implementation: Report the contents of the revision of VG2015 to the Board of SCIC in September to distribute it for the implementation with the official approval of SCIC (target date of the approval will be the end of October).

<Output>

VG 2016 based on the revision of VG 2015 which shall be approved by the Board of Directors of SCIC and implemented by SCIC in and after 2016. (Revised as of April 20, 2016)

3.3. Component 2: Enhancing the internal risk management system of SCIC

3.3.1 Support establishing the KRI for new investments

<Activities>

- Confirmation of the project scope and clarification
- Presentation of the drafted KRI including its basic concept
- Feasibility study of the drafted KRI
- Decision of the interim KRI
- Preparation of the interim report and Training

<Output>

An interim KRI is to be prepared based on the above procedures.

3.3.2 Support enhancement of the KRI for new investments

<Activities>

- Review status of implementation of the KRI
- Discussion of revision of interim KRI
- Preparation of final report

<Output>

An action plan for enhancement of KRI is prepared.

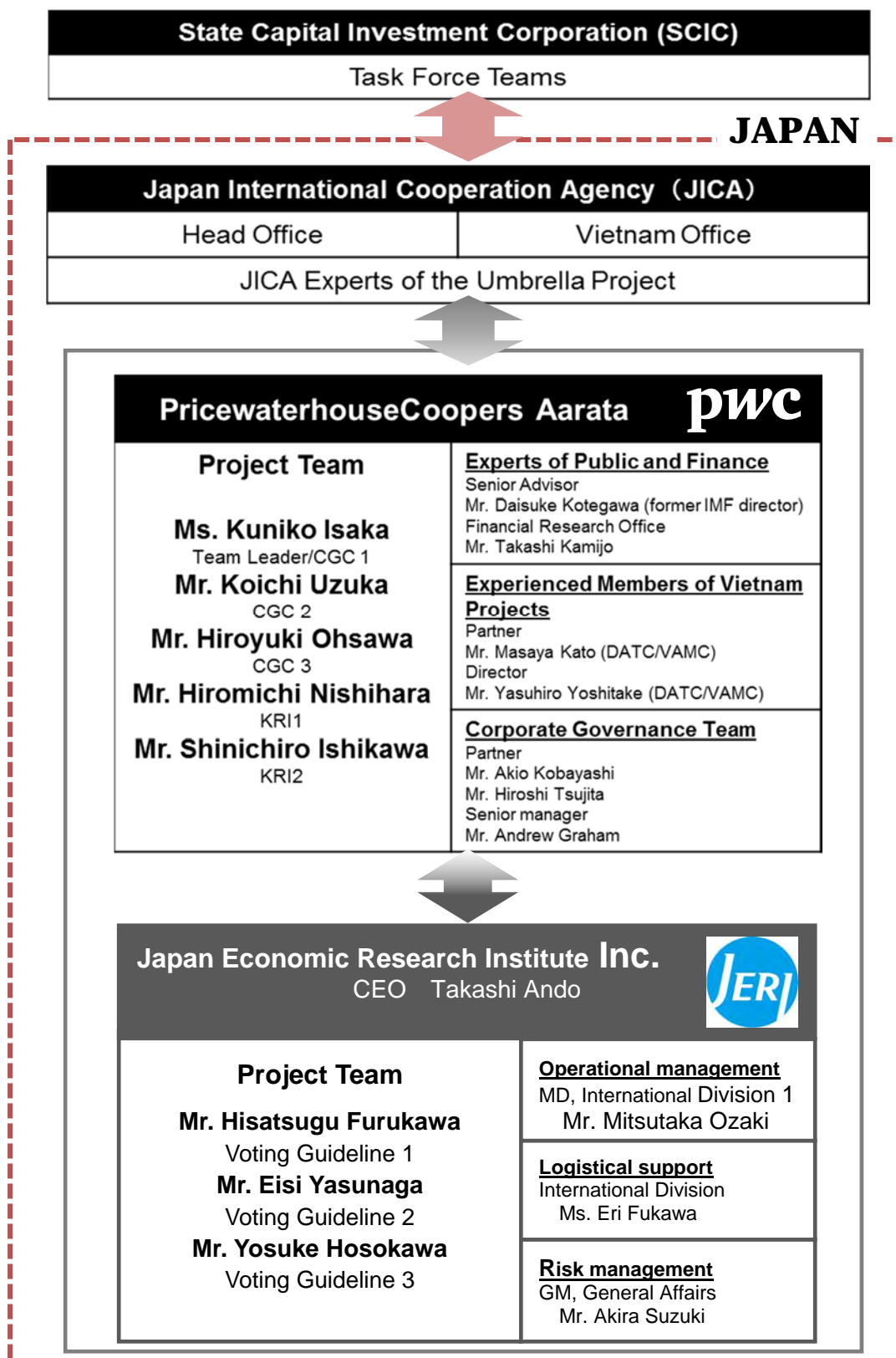
3.4. Final Reporting (July – October 2016)

<Output>

A set of completion reports that covers components 1-1, 1-2, and 2 in Japanese, Vietnamese, and English is prepared and submitted to MOF/SCIC/JICA by PwC/JERI.

4. Project implementation bodies

4.1. JICA Experts and a Joint Consultant Team (PwC and JERI)



4.2. Professional Background of the Consultant Team Members

Name	Role	Experiences
Kuniko Isaka (Ms) PwC	Team Leader/ CGC1	Worked for Indonesian oil & gas company PERTAMINA affiliate company in Tokyo, Lloyds Bank Plc., and PwC New York as a US-CPA. At present, director of PwC Aarata Japan, and a member of PwC Centre for Corporate Governance in Japan. Provided advisory services to the Tokyo Stock Exchange in developing the draft Japanese Corporate Governance Code.
Koichi Uzuka (Mr) PwC	Team Sub-Leader/ CGC2	PwC Tokyo, Financial Service Agency, Director, Leader of Insurance GRC group of PwC Aarata. A member of PwC Centre for Corporate Governance in Japan.
Hiroyuki Ohsawa (Mr) PwC	CGC3	PwC Tokyo, manager of Insurance GRC group of PwC Aarata.
Tomoko Kanno (Ms) PwC (Subject to JICA/PwC contract modification)	CGC4	PwC Tokyo, CPA of the US (New Hampshire), experienced advisor, mainly working on the regulatory governance enhancement advisory for financial institutions and on implementation of various company policies.
Hisatsugu Furukawa (Mr) JERI	VG1	Bank of Japan, MURC and JERI; ODA Projects (WB, ADB, long-term adviser of JICA to SBV; expert in finance, SME development, HRD and many others)
Eishi Yasunaga (Mr) JERI	VG2	DBI and JERI, Executive Vice President of JERI in charge of International Operations; ODA Projects (support for DAF, HRD in Asian countries and other policy based financial institutions in Asia and Africa, and others)
Yosuke Hosokawa (Mr) JERI	VG3	DBJ, Merrill Lynch, and JERI; M&A projects (adviser to aviation company, electric power company, and various kinds of manufacturers); ODA Projects (JICA, DBJ in corporate finance)
Hiromichi Nishihara (Mr) PwC	KRI 1	Bank of Japan, secondment to JBIC, PwC Tokyo, Partner of BCM(Banking/Capital Markets) of PwC Aarata
Shinichiro Ishikawa (Mr)	KRI 2	Bank of Japan, PwC Tokyo, Director of FS-GRC of PwC Aarata

PwC		
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JERI team will work with following local consultants to support the team and require legal advices from Nishimura & Asahi Vietnam Office when necessary

- StoxPlus Co.
 - Mr. Nguyen Quang Thuan, CEO
 - Ms. Nguyen Thi Quynh Lan, Manager of Research Services, Senior Consultant
 - Mr. Ha Hoang Giang, Consultant
 - Ms. Nguyen Ngoc Phuong Anh, Consultant
- Legal advisors: Nishimura & Asahi Vietnam Office (HCMC Office)
 - Ms. Hikaru Oguchi, Partner, Admitted in Japan & New York, Registered foreign attorney in Vietnam
 - Mr. Ha Hoan Loc, Attorney-at-Law, Admitted in Vietnam
- (Hanoi Office)
 - Mr. Shiro Muto, Attorney-at-Law, Admitted in Japan & New York, Registered foreign attorney in Vietnam
- (Tokyo Office)
 - Ms. Taeko Morita, Attorney-at-Law, Admitted in Japan & New York

5. Project Design Matrix (PDM) of Sub-Project 2

Narrative Summary	Objectively Verifiable Indicators (OVI)	Means of Verification (MOV)	Material Assumptions
Overall Objective (Goal): Strengthening the capacity in corporate management, supervision, and governance for officials and staff of SCIC (same as the Output 4 of the Umbrella Project), specifically the capacity to accelerate innovation of state owned enterprises (“SOEs”) by achieving the SOEs’ healthy and efficient management	TBD	TBD	TBD
Project Objective (Purpose): (1)To contribute innovation of state owned enterprises, SCIC should be “the pioneer” in promoting modern corporate governance practice in Vietnam by establishing the Corporate Governance Code (“CGC”) to be applied to enterprises in the portfolio of SCIC.	<p>The number of portfolio companies that apply the corporate governance code for SCIC’s portfolio companies.</p> <p>Task force members are capable of maintaining CGC by themselves and disseminating concept of CGC to other SCIC staff and portfolio companies.</p>	<p>Progress report</p> <p>Task Force members’ activity log</p>	Active participation to the project (e.g. interviews, meetings and workshops) by the SCIC task force members and management as well as management of the SCIC’s portfolio companies.

<p>(2)To maintain healthy and efficient operation and management of the state capital by enhancing the internal risk management system of SCIC.</p>	<p>The periodic reviews and revisions, if necessary, of the KRI for new investments by SCIC's risk management department and TF members.</p>	<p>A periodic review log of the KRI for new investments.</p>	<p>Active participation to the project (e.g. interviews, meetings and workshops) by the SCIC task force members and management. Continuous review and update of the KRI by the SCIC task force members and management after initial implementation.</p>
<p>Output: Component 1-1 Developing the Corporate Governance Code ("CGC") to be applied to the enterprises in the portfolio of SCIC</p>	<p>CGC to be applied to the SCIC's portfolio companies and its application guidance are developed and approved by SCIC.</p> <p>The task force members' and other key management's level of knowledge and understanding of CGC are further</p>	<p>Approval of final draft of CGC and application guidance by SCIC</p> <p>Self-assessment after workshop and training program in Japan.</p>	<p>Active participation to the interviews, meetings, workshops and timely disclosure of necessary information by SCIC Task Force members and management.</p>

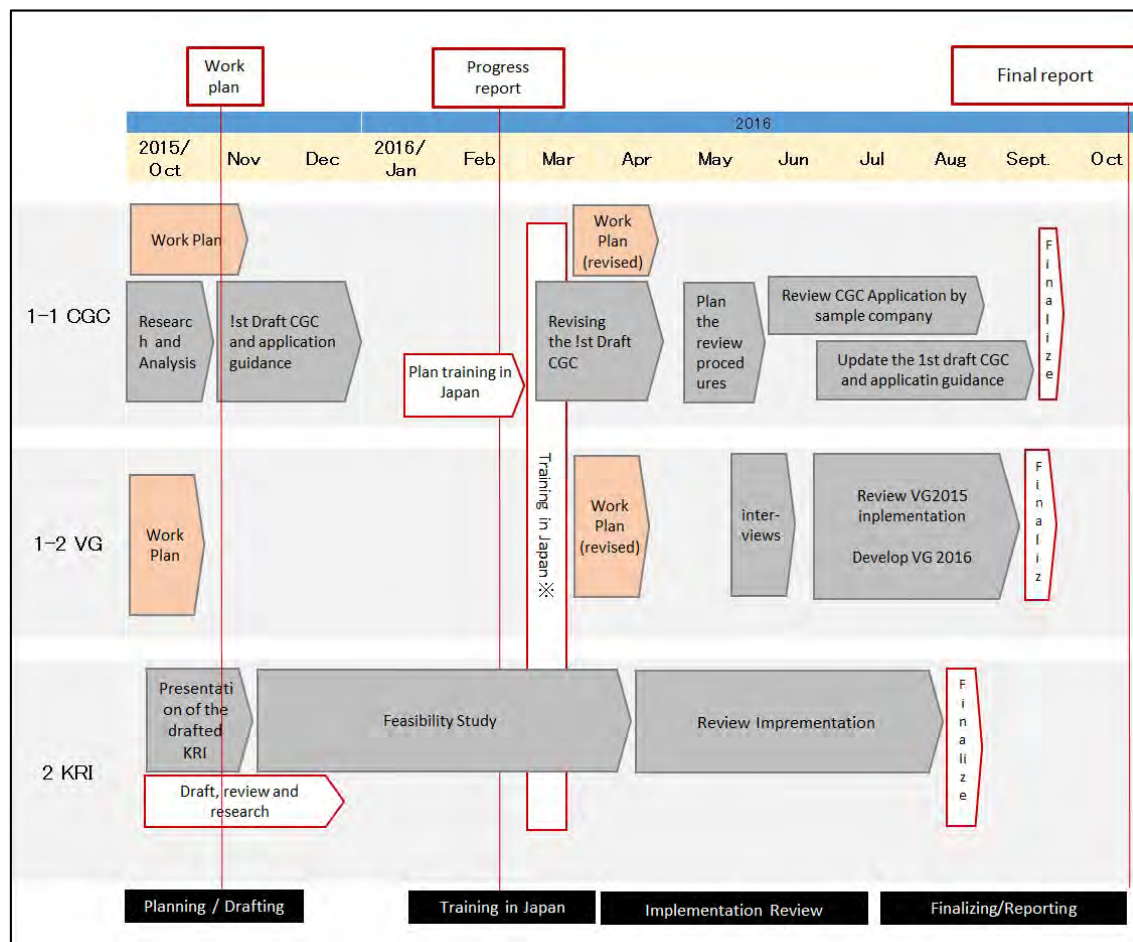
	enhanced.		
Output: Component 1-2 To monitor and review the trial implementation of the VG 2015, update and revise the contents if necessary, to establish the VG 2016, and contribute to strengthening the capacity of SCIC in corporate governance, with focus on the increase of the value of SOEs in the portfolio of SCIC and promote the divestiture of SOEs.	<ul style="list-style-type: none"> VG 2016 is prepared 	VG 2016 and Progress report	Active participation to the interviews, meetings, workshops and timely disclosure of necessary information by SCIC Task Force members and management.
Output: Component 2 Enhancing the internal risk management system of SCIC by establishing the KRI for new investments	<ul style="list-style-type: none"> The KRI for new investment is developed based on the review of current risk management system of SCIC 	Progress report	Active participation to the interviews, meetings, workshops and timely disclosure of necessary information by SCIC Task Force members and management.
Narrative Summary		Input	Material Assumptions
Activities: Component 1-1: Corporate Governance Code (1) Work in Vietnam (October – December 2015) <ol style="list-style-type: none"> Discuss and agree work plan with SCIC and Ministry of Finance Hold initial workshop with SCIC task force members and management (it could be combined with the 2nd workshop) Perform gap analysis 		Vietnam: <ul style="list-style-type: none"> SCIC Task force members and relevant department heads Office space and basic 	Timely assignment of task force members with sufficient availability of time and efforts.

<ul style="list-style-type: none"> d. Perform research on other countries who have CGC in place e. Develop the first draft CGC f. Develop the first draft application guidance of CGC g. Hold second workshop with SCIC task force members and management h. Discuss with Vietnamese government and international organizations 	<p>facilities</p> <p>Japan:</p> <ul style="list-style-type: none"> ▪ Experts and consultants ▪ Basic supplies 	<p>Active cooperation and participation to interviews, meetings, and workshops by task force members and other relevant staff within SCIC.</p> <p>Timely disclosure of necessary information by SCIC.</p>
<p>(2) Training in Japan (March 2016)</p> <ul style="list-style-type: none"> a. A training program is developed and agreed with SCIC and MOF in advance b. Trainees (around 10 people) are selected from SCIC and MOF c. Training time-schedule is prepared (10 day-training in Japan including travel time) d. Training materials are prepared e. A feedback from each participant is obtained and summarized f. A report that summarized the activities is prepared 	<p>Vietnam:</p> <ul style="list-style-type: none"> ▪ SCIC/MOF participants <p>Japan:</p> <ul style="list-style-type: none"> ▪ Instructors from various organizations ▪ Training materials ▪ Training facilities (JICA) ▪ Hotel accommodation (JICA) 	<p>Active participation to the training programs by all participants</p>
<p>(3) Follow-up procedures</p> <ul style="list-style-type: none"> a. Test the first draft of the CGC and its application guidance to be applied to the SCIC's portfolio companies by selecting one or two sample companies to apply b. Develop a final draft CGC and its application guidance to be applied to the SCIC's portfolio companies 	<p>Vietnam:</p> <ul style="list-style-type: none"> ▪ SCIC Task Force members and management ▪ Sample portfolio company's management and staff ▪ Workspace at SCIC and basic facilities 	<p>Timely selection of one or two SCIC's sample portfolio companies by May 31, 2016.</p> <p>Sample portfolio company management's consent</p> <p>Active participation by the selected sample portfolio companies</p>

	<p>Japan:</p> <ul style="list-style-type: none"> • Experts and consultants 	Active participation by the SCIC task force members, other relevant staff and management
<p>Component 1-2: Voting Guideline</p> <p>a. To assist SCIC’s Task Force (TF) for the Voting Guideline (VG) for monitoring the actual application, reviewing the contents of the VG when necessary to update the contents, and preparing the decisive VG to be implemented by SCIC in 2016.</p> <p>b. In this connection, the JERI consultants will assist TF for preparing the questionnaire survey, collecting feedback comments from staff of SCIC using the questionnaire, including suggestions from the State Representatives of enterprises being under the portfolio of SCIC (SR), and analyzing the results.</p> <p>c. The JERI consultants will work closely in cooperation with the TF to revise the contents of VG 2015 taking into consideration recent changes of the legal framework by the Government of Vietnam and requesting advices from legal experts, both Vietnamese and international and in cooperation with the TF for drafting the Corporate Governance Code for SCIC’s portfolio companies lead by PwC.</p> <p>d. In order to motivate SCIC’s portfolio companies to use Corporate Governance Code, BOD members’ efforts of the portfolio companies for the improvement of Corporate Governance of portfolio companies will be included in the revision of VG 2015 as one of the criteria for nomination of BOD members based on the discussion dated on 15th of April 2016 among SCIC, JICA Vietnam</p>	<p>Vietnam:</p> <ul style="list-style-type: none"> • SCIC task force members for VG and management • Workspace and basic facilities at SCIC <p>Japan:</p> <ul style="list-style-type: none"> • Experts and consultants • Office supplies 	<p>Assignment of a leader within the VG TF members</p> <p>Active participation by the SCIC task force members, relevant staff and management, and cooperation from state representatives</p>

office and JICA SOE project team.		
Component 2: <ul style="list-style-type: none"> a. Support establishment of the KRI for new investments <ul style="list-style-type: none"> ▪ Confirmation of the project scope and clarification ▪ Presentation of the draft KRI including its basic concept ▪ Feasibility study of the draft KRI ▪ Decision of the interim KRI b. Support enhancement of the KRI for new investments <ul style="list-style-type: none"> ▪ Review status of the implementation of KRI ▪ Discussion of revision of interim KRI 	Vietnam: <ul style="list-style-type: none"> ▪ SCIC Task Force members ▪ Office space and basic facilities Japan: <ul style="list-style-type: none"> ▪ Experts and consultants 	Active participation by the SCIC task force members, relevant staff and management

6. Work-flow of Sub-Project 2 (Revised as of April 20, 2016)



Component 1-1: Developing the Corporate Governance Code to be applied to the SCIC's portfolio companies

Component 1-1: Developing the Corporate Governance Code to be applied to SCIC's Portfolio Companies		2015/October				November				December				2016/January				February				March					
		5	12	19	26	2	9	16	23	30	7	14	21	28	4	11	18	25	1	8	15	22	29	7	14	21	28
1. Work in Vietnam (Oct 2015-Dec 2015)																											
a. Discuss and agree work plan with SCIC and MOF																											
b. Hold initial workshop with SCIC Task Force members and management (It could be combined with the 2nd workshop)																											
c. Perform GAP Analysis																											
d. Perform research on other countries who have CGC in place																											
e. Develop the first draft CGC																											
f. Develop the first draft application guidance of CGC																											
g. Hold second workshops session with SCIC task force members and management																											
h. Discuss with Vietnamese government and international organizations																											
2. Training in Japan																											
2-1 Preparation of training program																											
2-2 Training in Japan																											
2-3 Obtaining feedback and preparation of report																											
3. Follow-up procedures																											
a. Select a sample company to test the draft CGC and application guidance																											SCIC's task
b. Plan the review procedures																											
c. Provide training sessions to the sample company																											
d. Discuss with SCIC task force members on sample company's CGC application																											
e. Revise the final draft CGC and its application guidance																											
f. SCIC is to approve and implement the final CGC and its application guidance																											
g. Prepare a final report																											
<By Person>																											
CGC-1	Kuniko Isaka (Ms)																										
CGC-2	Koichi Uzuka (Mr)																										
CGC-3	Hiroyuki Ohsawa (Mr)																										

Work in Japan

Work in Vietnam

Component 1-1: Planned schedule after April 2016 for follow-up procedures (Revised as of April 20, 2016)

Workschedule																																																
Component 1-1: Developing the Corporate Governance Code to be applied to SCIC's Portfolio Companies		March				April				May				June				July				August				September				October				November				December										
		7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	5	12	19	26				
1. Work in Vietnam (Oct 2015-Dec 2015)																																																
3. Follow-up procedures																																																
a. Select a sample company to test the draft CGC and application guidance (including relevant approval of the draft CGC)																																																
b. Plan the review procedures																																																
c. Provide training sessions to the sample company																																																
d. Discuss with SCIC task force members on sample company's CGC application																																																
e. Revise the final draft CGC and its application guidance																																																
f. SCIC is to approve and implement the final CGC and its application guidance																																																
g. Prepare a final report																																																
<By Person - Updates from November 30, 2015 version (as of April 20, 2016)																																																
CGC-1	Kuniko Isaka (Ms)																																															
CGC-2	Koichi Uzuka (Mr)																																															
CGC-4	Tomoko Kanno (Ms) (Note)																																															
CGC-3	Hiroiyuki Ohsawa (Mr)																																															
Note: Addition of Ms. Tomoko Kanno is subject to the contract modification between JICA and PwC.																																																
<div><div></div>Work in Vietnam</div> <div><div></div>Work in Japan</div>																																																

Component 1-2: Revision of the Voting Guidelines applied to the enterprises in the portfolio of SCIC (Revised as of April 20, 2016)

Workschedule: year 2016																																								
Component 1-2: Tasks to be covered by JERI team	parties involved	Start at	Target termination date or Final Report	2016/ March	April				May					June				July				August					September				October									
					1st	2nd	3rd	4th	1st	2nd	3rd	4th	5th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	5th	1st	2nd	3rd	4th	1st	2nd	3rd	4th						
0. Preparatory discussion	SCIC, JICA, PWC/JERI	2015/10/19-23																																						
1. Voting Guidelines (Co work with TF team of SCIC)	1-1 ~ 1-3 : JERI with SCIC task force	2015/10/19	End-Oct																																				Final Report	
1-1. To assist TF to monitor and review the implementation of VG 2015		2015/10/19	End-Oct																																					
1-1.1 To prepare survey questionnaire		2016/3/1	(May-27)																																					
1-1.2 To implement questionnaire survey		2016/5/30	Mid-July																																					
1-2. To discuss the outcomes of the implementation with TF		2016/5/23	End-Aug																																					
1-3. To assist TF for drafting VG 2016 (including approval of the board)		2016/8/1	Mid-Oct																																					
<By Person>Work Plan																																								
VG-1 Hisatsugu Furukawa (Mr)																																								
VG-2 Eishi Yasunaga (Mr)																																								
VG-3 Yosuke Hosokawa (Mr)																																								
	(note)	on sight																																						
		works to be done by TF with assistance by JERI team (using e-mails)																																						
		works to be done on ad hoc basis																																						

Component 2: Enhancing the internal risk management system of SCIC (1/2) (Revised as of April 20, 2016)

Workschedule Draft																															
Component 2: Enhancing the internal risk management system of SCIC by es		2015/October				November					December				2016/Jan				Feb					Mar				Apr			
		5	12	19	26	2	9	16	23	30	7	14	21	28	4	11	18	25	1	8	15	22	29	7	14	21	28	4	11	18	25
1. To support for establishment of KRI for new investment																															
1-1. Confirmation of the project scope and clarification																															
1-2. Presentation of the drafted KRI including its basic concept																															
1-3. Feasibility study of the drafted KRI																															
1-4. Decision of the interim KRI																															
1-5. Preparation of the interim report and Training																															
3. To support for enhancement of KRI for investment																															
3-1 Review the status of implementation																															
3-2 Discussion of revision of interim KRI																															
3-3 Preparation of final report																															
<By Person>																															
KRI-1 Hiromichi Nishihara																															
KRI-2 Shinichiro Ishikawa																															
<div>(note) on sight<div>Handi</div><div>Japan</div></div>																															

Component 2: Enhancing the internal risk management system of SCIC (2/2) (Revised as of April 20, 2016)

Workschedule Draft																						
Component 2: Enhancing the internal risk management system of SCIC by es	May					June				July				August					September			
	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	5	12	19	26
1. To support for establishment of KRI for new investment																						
1-1. Confirmation of the project scope and clarification																						
1-2. Presentation of the drafted KRI including its basic concept																						
1-3. Feasibility study of the drafted KRI																						
1-4. Decision of the interim KRI																						
1-5. Preparation of the interim report and Training																						
3. To support for enhancement of KRI for investment																						
3-1 Review the status of implementation																						
3-2 Discussion of revision of interim KRI																						
3-3 Preparation of final report																						
<By Person>																						
KRI-1 Hiromichi Nishihara																						
KRI-2 Shinichiro Ishikawa																						

8. Preliminary agreements and requests to SCIC

8.1. Assignment of the Task force members

To implement the tasks within the component 1-2 of the Sub-Project 2, the JICA/JERI team has requested SCIC to appoint six SCIC TF members for VG, same number as previous project, and to include some members who were also the VG 2015 TF members. In addition, the team has requested SCIC to appoint a leader among the six appointees and share the name, title and contact address within SCIC including State Representatives.

For components 1-1 and 2, in response to the request by JICA/PwC team, following members were appointed as TF members on November 4, 2015:

- Connection Team – Executive Office:
Ms Dam Thuy Nga, Deputy Director
Mr Truong Dinh Tuan (Until November 30, 2015)
Ms. Nguyen Anh Tam (From December 1, 2015)
- CGC TF Members
Mr Le Thanh Tuan, Head of Portfolio Management Department (PMD) 4
Ms Do Thi Phuong Lan, PMD 2 : Main contact of this group
Mr Le Ba Nam Linh, PMD 1
Mr Tran Minh Duc, PMD 3
Mr Tran Trung Kien, PMD 4
- KRI TF Members
Mr Vu Hong Tuan, Deputy Director, Audit and Risk Management Department
Ms Nguyen Thi Tham, Deputy Manager, Risk Management Division, Risk Management Department (RMD), main contact of this group
Mr Cao Duy Ha, Deputy Manager of Investment Department (ID)
Ms Nguyen Thi Kim Anh, Deputy Manager of ID
Ms Nguyen Dieu Huyen Trang, Associate, RMD

These TF members are expected to take ownership of each responsible task within the Sub-Project 2 and to demonstrate leadership in SCIC in developing, proper applications and maintenance of the corporate governance code or key risk indicators for new investments.

To achieve the overall goal and project objectives for the Sub-Project 2, the PwC/JERI consultants believe that the TF members should play an important role as a leader of the corporate governance enhancement project throughout the Sub-Project 2.

8.2. Periodic communication

JICA/PwC/JERI team would request SCIC management to have a periodic communication throughout the project. Such communication could be face-to-face

meetings or e-mail exchanges.

8.3. Workspace for project consultants at SCIC premises

SCIC and JICA/PwC/JERI consultants have agreed that the consultants have access to a meeting room on the 24th floor of the SCIC Head Office premises as a project room for timely and effective communication throughout the Sub-Project 2.

8.4. Follow-up procedures for CGC

To perform the follow-up procedures in Vietnam described in section 3.1.3 of this document, JICA/PwC consultants request SCIC to select one or two sample companies who is willing to participate to the pilot program by May 31, 2016 for testing the final draft of the CGC and its application guidance so that consultants have sufficient time to plan and prepare for the procedures.

In case SCIC's selection process is not completed by May 31, 2016, JICA/PwC consultants would not perform the review procedures and the component 1-1 Corporate Governance Code shall be terminated as of May 31, 2016.

8.5. This Work Plan

This work plan was originally prepared and agreed as of November 30, 2015 and subsequently revised as of April 20, 2016. Words and sentences highlighted in yellow are revised as of April 20, 2016.

(End)

Attachment (Added as of April 20, 2016)

Survey sheet 1: Preliminary application of VG 2015 (draft)

Survey sheet 1			
Voting Guideline - current situation of investee company		Notes for answering this sheet: numbers printed in [] are inputted based on the list of the portfolio companies * if the given information in the column of is incorrect or changed, please write correct or new information in the column in blank.. Your sheet No. if necessary ()	
Code	Item	2015 Old	2016
I	About the portfolio company		
1.10	Company Code (given by SCIC)	BGT20	
1.20	Company name	Bac Giang Cement JSC	
1.30	Allocated group (check in the ☐)	B2	A-1 (Invested strategically core group) ☐; A-2 (guided strategically core group) ☐; B-1 (flexible group) ☐; B-2 (divestiture group) ☐
1.40	Industrial Section (by main products/activities)	601010 - Other sector	Please chose and write the number of the industry classification shown in the right column: In case of '99. Others', please also specify the industry/sector; 1. Telecommunication; 2. Healthcare; 3. Financial Services (banking-insurance); 4. Information Technology; 5. Construction; 6. Water-Electricity-Gasoline; 7. Production of basic consumer goods (foods, beverages & drinks...); 8. Energy-Mining; 9. Transportation; 10. Agriculture; 11. Commerce/wholesale & services; 99. Others
1.50	Type of the company	Joint Stock Company	1. Single-member limited liability company ☐; 2. Multiple-member limited liability company ☐; 3. Joint stock ☐; 4. Partnership ☐; 5. Private ☐; 6. Corporate group ☐; 7. Share holding company ☐; 8. Joint venture ☐; 9. Foreign owned ☐; 11. Listed ☐; at Hanoi EX ☐; at HCMX ☐; 12. un listed ☐;
1.60	Province/address of the company registration	Thị trấn Tân Uyên, huyện Tân Uyên, tỉnh Lai Châu	
1.70	Chartered Capital amount (million VND or million USD)	58,173,000,000	1. VND ☐, 2. USD ☐ amount:
1.80	of which, amount held by SCIC	2,703,250,000	1. VND ☐, 2. USD ☐ amount:
1.90	Year that SCIC acquired the share of the enterprises	Tiếp nhận năm 2013	(19XX):
1.10	Department/branch in charge	Portfolio Department Management 1	1. PMD 1 ☐; 2. PFD 2 ☐; 3. PMD 3 ☐; 4. PMD 4 ☐; 5. New Investment Dept. ☐; 6. North Branch ☐; 7. Central Branch ☐; 8. Southern Branch ☐; 9. Other Dept. ☐ (Please specify the name of the Dept.:)
II	About General Meeting of Shareholders (or Members' council) of the company		
2.10	Closing date of the annual accounting	December	1, 2, etc. (please write the number of the month):
2.20	Month when Shareholders' meeting was held	April	1, 2, etc. (please write the number of the month):

Survey sheet 2: For Joint Stock Company (draft)

Survey sheet 2

Voting Guideline - Research on the use of the VG; for limited liability company

	Item	Write or check in the blank of the appropriate one									Your sheet No. if necessary ()
I	About the portfolio company										
1.10	Company name										
1.20	Company Code (given by SCIC)										
1.30	Chartered Capital amount (million VND or million USD)	1. VND □, 2. USD □	amount:								
1.40	Number of shareholders										
1.50	Amount of shares held by SCIC	1. VND □, 2. USD □	amount:								
1.60	Top 10 shareholders/controllershareholders if any (with number of shares or percentage of shares)	Name of shareholders	number or percentage of shares held by the shareho	Address or Province							
		1.	(shares /or %)								
		2.	(shares /or %)								
		3.	(shares /or %)								
		4.								
		5.									
6.											
7.											
8.											
9.											
10.											
1.70	Department/branch in charge	(please write below the number or the name of the Department/Branch listed in the right):			1. Portfolio Department (PD) 1; 2. PD 2; 3. PD 3; 4. PD 4; 5. Investment Department; 6. Southern Branch; 7. Central Branch;						
II	About General Meeting of Shareholders (or Members' council) of the company										
2.10	Date of the Shareholders' meeting (or Members' council)	Date: / / (dd/mm/yyyy) 1. Annual general meeting □; 2. Extraordinary meeting □;									
2.20	Number of shareholders presented in the meeting										
III	Issues voted (write all the issues item by item)	No.* (choose appropriate number of category/issue in the Reference)	Instruction given by SCIC to the state representatives for voting	Date of report to SCIC prior to the shareholders' meeting	Date of instruction for vote form SCIC	Result of the votes	If the instruction was rejected, what was the adopted proposition and what are the reasons why the result was different from SCIC's instruction	Did you refer to the VG? Please write ○ if yes, X if not	Were rational and instructions by VG helpful? Please write ○ if yes, X if not	Any comments or suggestions about the item for making the VG instruction more applicable?	
				/ / (dd/mm/yyyy)	/ / (dd/mm/yyyy)	1. accepted □; 2. not accepted □					
IV	Issues discussed and voted In the Board of Directors meeting (write all the issues item by item)	No.* (choose appropriate number of category/issue listed in the Reference)	Instruction given by SCIC to the state representatives for voting	Date of report to SCIC prior to the member's council (dd/mm/yyyy)	Date of instruction for vote from SCIC (dd/mm/yyyy)	Result of the votes	If the instruction was rejected, what was the adopted proposition and what are the reasons why the result was different from SCIC's instruction	Did you refer to the VG? Please write ○ if yes, X if not	Were the rational and instructions of VG helpful? Please write ○ if yes, X if not	Any comments or suggestions about the item: your comments for making the VG instruction more applicable?	
				/ /	/ /	1. accepted □; 2. not accepted □					
5.00	Please write what kind of responses did you receive from external representative(*1): whether the use of VG contributes to the smoother decision making in AGM?	not agree	agree	(Please give us your comments/evaluation, if any, about the effectiveness of VG as a whole.)							
	<div><div></div><div></div><div></div><div></div><div></div></div>										
5.01	Does the external representative give a positive response to the usefulness of using VG?	not agree	agree	(Please give us your comments/evaluation, if any, about the effectiveness of VG as a whole.)							
		<div><div></div><div></div><div></div><div></div><div></div></div>									

(*) External representative means a representative who is not a SCIC officer.(ex; BoD members assigned as state representative from the portfolio company or the line ministry including local government.)

Survey sheet 3: Reference (draft)

Survey sheet 3: Reference:	
Chose appropriate number of issues for vote indicated in the reference below (if there are no suitable items, please write the issue and number X.99 as indicated below)	
No.	Items for vote
1.00	Operational Items
1.10	Approval of the Financial Statements and related documents
1.20	Approval of annual business plan
1.30	Approval of the long-term development strategy
1.40	Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)
1.50	Approval of investment
1.60	Approval of sales of assets, including approval of divestment of shares in other companies
1.70	Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member
1.80	Election of member of the BOD, taking the director's attendance into consideration and the inclusion of at least one outsider or independent director in the BOD
1.90	Dismissal or replacement of the BOD member or Supervisory Board member
1.10	Appointment of Supervisory Board members
1.11	Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements
1.12	Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company
1.13	Other shareholders' proposals
2.00	Remuneration
2.10	Approval of remuneration and remuneration cap for BOD members and Supervisory Board members
2.20	Equity compensation plan
2.30	Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)
3.00	Article amendments
3.10	Amendment of statute (Charter), including expansion of business activities
3.20	Reduction of BOD members' term in office
3.30	Board structure and decrease in the maximum board size
3.40	Disclosure of information
4.00	Share Issuance Request
4.10	Increase of the charter capital
4.20	Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares
4.30	Approval to repurchase shares
4.40	Creation or modification of preferred shares
5.00	Miscellaneous items related to the AGM
5.1	Vote 'Against' if the item does not satisfy the requirements in the Charter, Law on Enterprise and other regulations
5.2	Approval of establishing branches & representative offices, SCIC shall decide on a case-by-case basis

-Please give us your comments on the usefulness of the Voting Guideline 2015 or any suggestions to make it more helpful for your company management.

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別添資料 2 プロジェクト・デザイン表

2-1 サブプロジェクト2のプロジェクト・デザイン表 (PDM) の最終版

2016年4月20日改訂ワークプランからの変更については下PDMに記載

要約	指標	確認方法	前提条件
<p>上位目標： SCIC職員の企業経営、監督、およびガバナンス能力（親プロジェクトの期待される成果4と同様）の強化、特に国営企業（SOE）の健全かつ効率的な経営を実現することにより国営企業の改革推進力を強化する。</p>	TBD	TBD	TBD
<p>プロジェクトの目的： (1) 国営企業の改革に貢献するため、SCICはベトナムに近代的なコーポレートガバナンスを広める「パイオニア」として、その傘下企業で適用されるコーポレートガバナンス・コード（CGC）を策定する。</p> <p>(2) SCICの内部リスク管理体制を強化することにより、国家資本の運用および管理を健全かつ効率的に行う。</p>	<p>SCICの傘下企業によるCGCの適用比率</p> <p>TFメンバーはCGCを自ら維持し、SCIC職員および傘下企業に対してCGCの概念を広めることができる。</p> <p>必要に応じてSCICリスク管理部およびTFメンバーによる新規投資に関するKRIの定期的レビューおよび見直し</p>	<p>プロGRESSレポート</p> <p>TFメンバーの活動記録</p> <p>新規投資に関するKRIの定期的な見直しの記録</p>	<p>SCIC タスクフォース（TF）メンバーおよびマネジメント並びにSCICの傘下企業のマネジメントによるプロジェクト（例インタビュー、ミーティングおよびワークショップ）への積極的参加</p> <p>SCIC TFメンバーマネジメントによるプロジェクト（例インタビュー、ミーティングおよびワークショップ）への積極的参加</p> <p>適用後もSCIC TFメ</p>

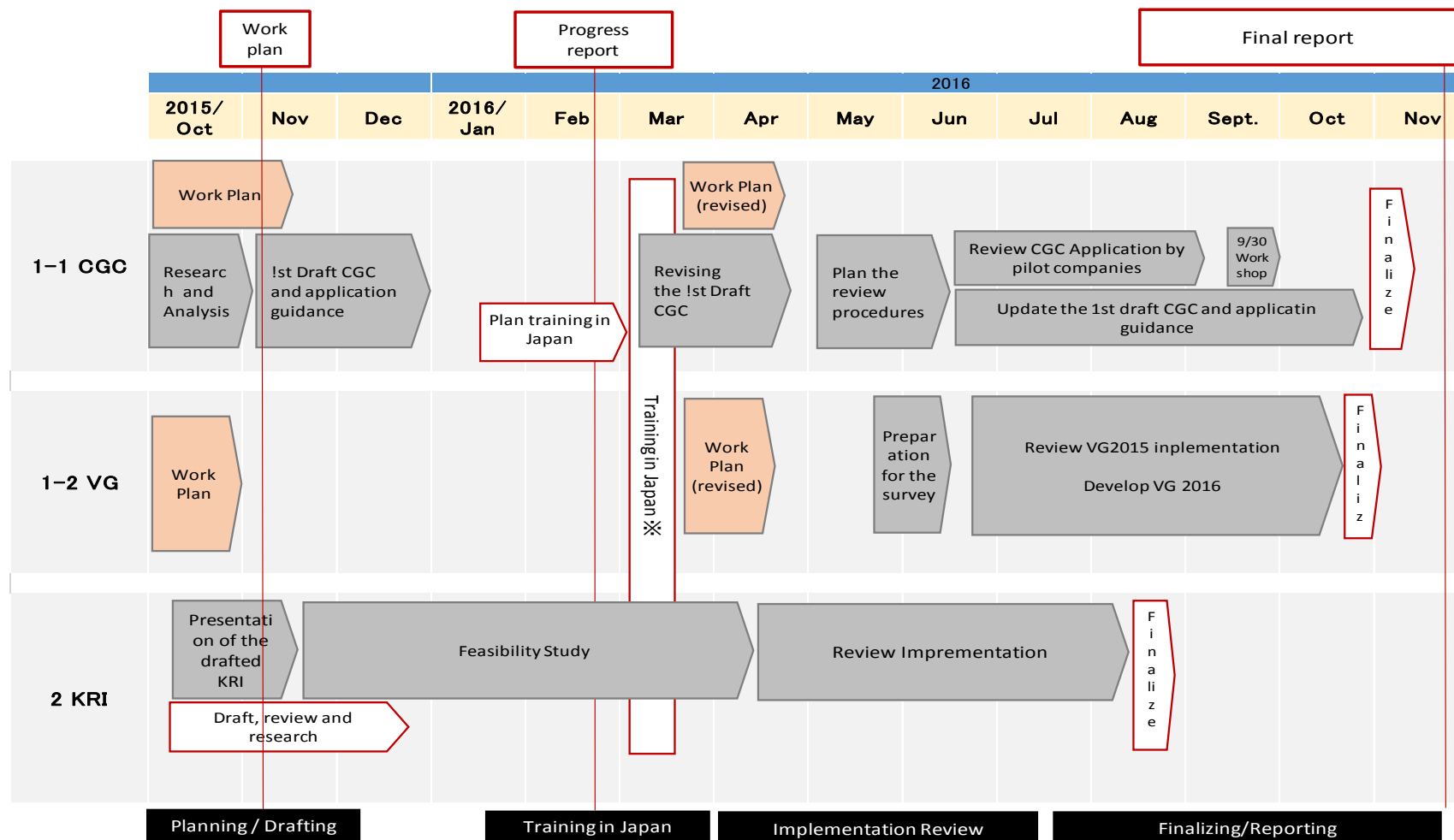
			ンバーおよびマネジメントによるKRI の継続的見直しおよび更新
期待される成果：コンポーネント 1－1 SCICの傘下企業に適用されるCGC を策定する。	SCICの傘下企業に適用されるCGC および適用ガイダンスがSCICにより策定、承認される。 TFメンバーおよびその他の主要マネジメントのCGC に関する理解がさらに強化される。	SCICによるCGC 最終草案および適用ガイダンスの承認 本邦研修後のヒアリング（変更理由は完了報告書本文 2 に記載）	SCIC TFメンバーおよびマネジメントによるインタビュー、ミーティング、ワークショップへの積極的参加、および必要な情報の適時開示
コンポーネント 1－2 VG2015のトライアル実施を観察し、見直す。必要があれば修正し、VG2016を作成する。SCIC傘下の国営企業の価値を向上し国営企業の売却を促進することを焦点としたSCICのコーポレートガバナンス能力を強化することに貢献する。	VG2016の作成。	VG2016およびプロGRESSレポート	SCIC TFメンバーおよびマネジメントによるインタビュー、ミーティング、ワークショップへの積極的参加、および必要な情報の適時開示
コンポーネント 2 新規投資に関するKRI を構築することによりSCICの内部リスク管理システムを強化する。	現行のSCICのリスク管理システムを見直して新規投資に関するKRI を構築する。	プロGRESSレポート	SCIC TFメンバーおよびマネジメントによるインタビュー、ミーティング、ワークショップへの積極的参加、および必要

			な情報の適時開示
要約		投入	前提条件
活動： コンポーネント 1－1：コーポレートガバナンス・コード (1) ベトナムでの活動（2015年10月～12月） <ul style="list-style-type: none"> a. SCICおよび財務省（MOF）と詳細活動計画に合意 b. SCIC TFメンバーおよびマネジメントと第1回ワークショップを行う（第2回ワークショップとまとめることができる）→（3）-c.に変更（変更の詳細については報告書本文3. 5. 4参照） c. ギャップ分析 d. 海外比較分析 e. CGC の第一次草案を作成 f. CGC の適用ガイダンスに関する第一次草案を作成 g. SCIC TFメンバーおよびマネジメントと第2回ワークショップを行う→（3）-c.に変更（変更の詳細については報告書本文3. 5. 4参照） h. ベトナム政府および国際機関と議論を行う 		ベトナム： <ul style="list-style-type: none"> ● SCIC TFメンバーおよび関係部署の代表 ● 執務スペース 日本： <ul style="list-style-type: none"> ● 専門家およびコンサルタント ● 基本的必要品 	TFメンバーの適時任命とTFメンバーによる十分な関与 SCIC TFメンバーおよびその他の関係者によるインタビュー、ミーティングおよびワークショップへの積極的協力および参加 SCICによる必要情報の適時開示.
(2) 本邦研修（2016年3月） <ul style="list-style-type: none"> a. 研修プログラムのSCICおよびMOF との事前合意 b. 研修参加者はSCICおよびMOF から選出（SCICから10名、MOF から3名） c. 研修のタイムスケジュール準備（移動時間を除き、日本で5日間の研修） d. 研修資料の作成 e. 本邦研修 f. 研修参加者からのフィードバック g. 活動内容をまとめたレポート作成。 		ベトナム： <ul style="list-style-type: none"> ● SCICおよびMOF の研修参加者 日本： <ul style="list-style-type: none"> ● 様々な機関からの講師 ● 研修資料 ● 研修施設（JICA） ● 宿泊施設（JICA） 	全参加者による研修プログラムへの積極的参加

<p>(3) フォローアップの手続き（2016年4月～10月）</p> <p>a. SCICの傘下企業から1社または2社をサンプルとして選び、CGC の第一次草案およびその適用ガイダンスを試行適用</p> <p>b. SCICの傘下企業が適用するためのCGC 草案とその適用ガイダンスの作成</p> <p>c. パイロット企業に対する研修（追加）</p> <p>d. パイロット企業のCGC 適用状況についてSCIC TFメンバーと協議（追加）</p> <p>e. CGC 最終草案とその適用ガイダンス改訂（追加）</p> <p>f. SCICによるCGC 最終草案とその適用ガイダンスの承認（追加）</p> <p>g. ワークショップ開催 （1）-b, g の代替手続き）（追加）</p>	<p>ベトナム：</p> <ul style="list-style-type: none"> ● SCIC TFメンバーおよびマネジメント ● サンプルの傘下企業のマネジメントおよび職員 ● SCICでの執務スペースおよび基本施設 ● セミナーの企画 <p>日本：</p> <ul style="list-style-type: none"> ● 専門家およびコンサルタント ● 研修資料 ● ワークショップ資料 ● ワークショップ講師 	<p>2016年6月3日までにSCICの傘下企業からパイロットテスト対象企業1社または2社を適時に選択</p> <p>パイロットの傘下企業のマネジメントの同意</p> <p>パイロットの傘下企業の積極的参加</p> <p>SCIC TFメンバー、その他関係者およびマネジメントの積極的参加</p>
<p>コンポーネント1－2：議決権行使基準</p> <p>a. 議決権行使基準（VG）のSCICのTFを支援して、VGの実際の適用状況をモニターし、VGの内容をレビューし、必要な場合は内容を更新する。また2016年にSCICが導入する最終的なVGを作成する。</p> <p>b. これに関連して、JERI コンサルタントは、TF準備するアンケート調査を利用してSCIC職員からのフィードバックおよびSCIC傘下の国家資本代表（SR）からの提言を集めて結果を分析することを支援する。</p> <p>c. JERI コンサルタントは、TFと協力し、VG2015の内容を改訂する。改訂に当たり、ベトナム政府による最近の法制度の見直しを考慮し、ベトナム国内外の専門家に助言を求める。また、PwCの指導により、SCIC</p>	<p>ベトナム：</p> <ul style="list-style-type: none"> ● VGに関するSCIC TFメンバーおよびマネジメント ● SCICの執務スペース <p>日本：</p> <ul style="list-style-type: none"> ● 専門家およびコンサルタント ● 事務用品 	<p>VGのTFメンバーからリーダーの任命</p> <p>SCIC TFメンバー、関係者およびマネジメントによる積極的参加、並びに国家代表からの協力</p>

<p>の傘下企業向け CGC 草案を策定する TF とも協力する。</p> <p>d. 2016 年 4 月 15 日に SCIC、JICA ベトナム事務所および JICA SOE プロジェクトチームで議論した内容に基づき、傘下企業の BOD メンバーによるコーポレートガバナンス改善の取り組みは、取締役役員指名基準として VG2015 の改訂に反映し、SCIC 傘下企業の CGC 採用の動機付けとする。</p>		
<p>コンポーネント 2 :</p> <p>a. 新規投資に関する KRI 構築への支援</p> <ul style="list-style-type: none"> ● プロジェクト範囲の確認および明確化 ● 基本的概念を含めた KRI の草案の提示 ● KRI の草案に係る実効可能性検証 ● KRI 設定案の決定 <p>b. 新規投資に関する KRI 強化への支援</p> <ul style="list-style-type: none"> ● KRI 導入状況のレビュー ● KRI 設定案の見直しに係る議論 	<p>ベトナム :</p> <ul style="list-style-type: none"> ● SCIC TFメンバー ● 執務スペース <p>日本 :</p> <ul style="list-style-type: none"> ● 専門家およびコンサルタント 	<p>SCIC TFメンバー、その他の関係者およびマネジメントの積極的参加</p>

2-2 サブプロジェクト2のワークフロー



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＜ワークスケジュール 最終更新版＞

☒ ベトナム現地作業
☐ 国内作業

ワークスケジュール(VG)

[illegible][illegible]

ベトナム現地作業
国内作業

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Work in Vietnam
Work in Japan

SCIC Seminar

Advanced Corporate Governance Standards and
Application into State-invested Enterprises

Draft corporate governance code for
SCIC's portfolio companies

September 30, 2016

<Version 1.1 >



Agenda

- Introduction
- Project Overview
- Draft corporate governance code (CGC)
- Draft Application Guidance (AG)

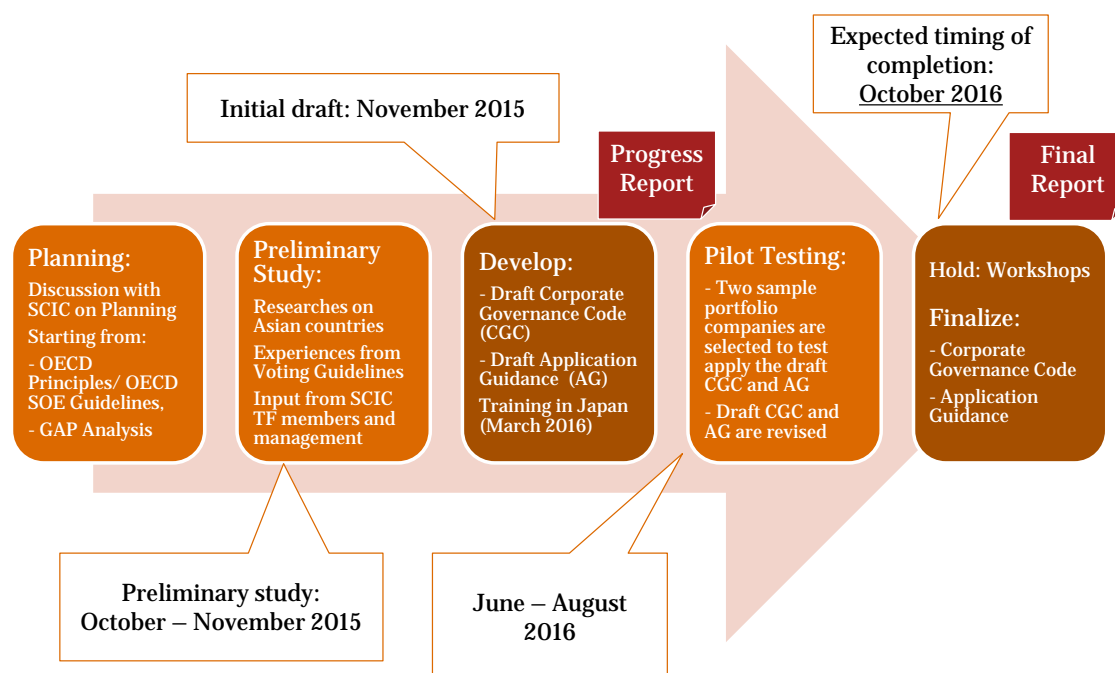
Introduction

- State Capital Investment Corporation (SCIC) is engaged with the Japan International Cooperation Agency (JICA) and its consultant, PricewaterhouseCoopers Aarata LLC Japan (PwC), to develop the draft corporate governance code (CGC) and its application guidance (AG) for SCIC's portfolio companies, as part of *the project for enhancing corporate finance management capacity to implement SOE restructuring on SCIC – Phase 2*.
- The CGC project started in October 2015 and the draft CGC has been developed based on the following:
 - ✓ OECD Principles 2015/OECD SOE Guidelines 2015
 - ✓ GAP Analysis (OECD Principles vs. SCIC's current rules & regulations)
 - ✓ Researches on other Asian countries (Indonesia, Malaysia, Singapore, and Japan)
 - ✓ Input from SCIC's CGC Task Force members and management

3

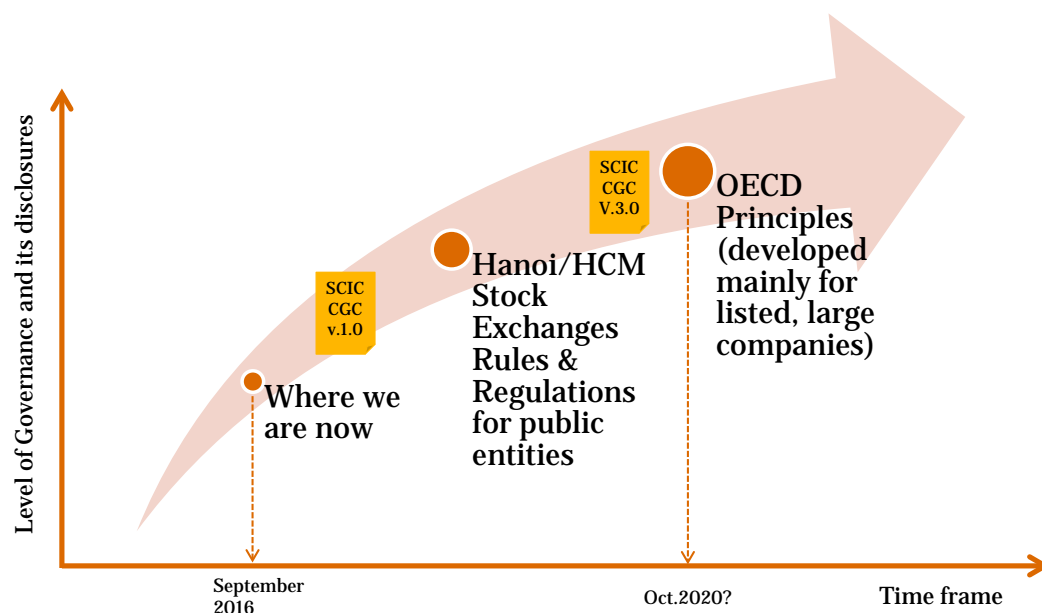
Project overview

Developing the Corporate Governance Code



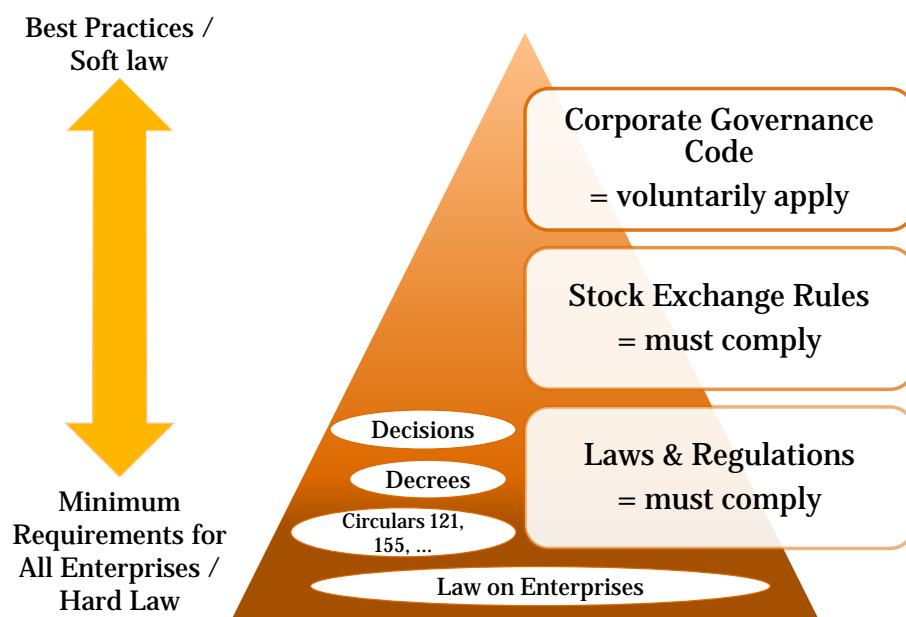
4

Corporate Governance Code for SCIC's portfolio companies - Target level



5

Corporate Governance Code (soft-law) and other rules & regulations (hard-law)



6

How we have developed the draft CGC? (1)

Based on OECD Principles 2015 – Six principles

I. Ensuring the basis for an effective corporate governance framework

- The corporate governance framework should promote transparent and fair markets, and the efficient allocation of resources. It should be consistent with the rule of law and support effective supervision and enforcement.

II. The rights and equitable treatment of shareholders and key ownership functions

- The corporate governance framework should protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights.

III. Institutional investors, stock markets, and other intermediaries

- The corporate governance framework should provide sound incentives throughout the investment chain and provide for stock markets to function in a way that contributes to good corporate governance.

IV. The role of stakeholders in corporate governance

- The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.

V. Disclosure and transparency

- The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company.

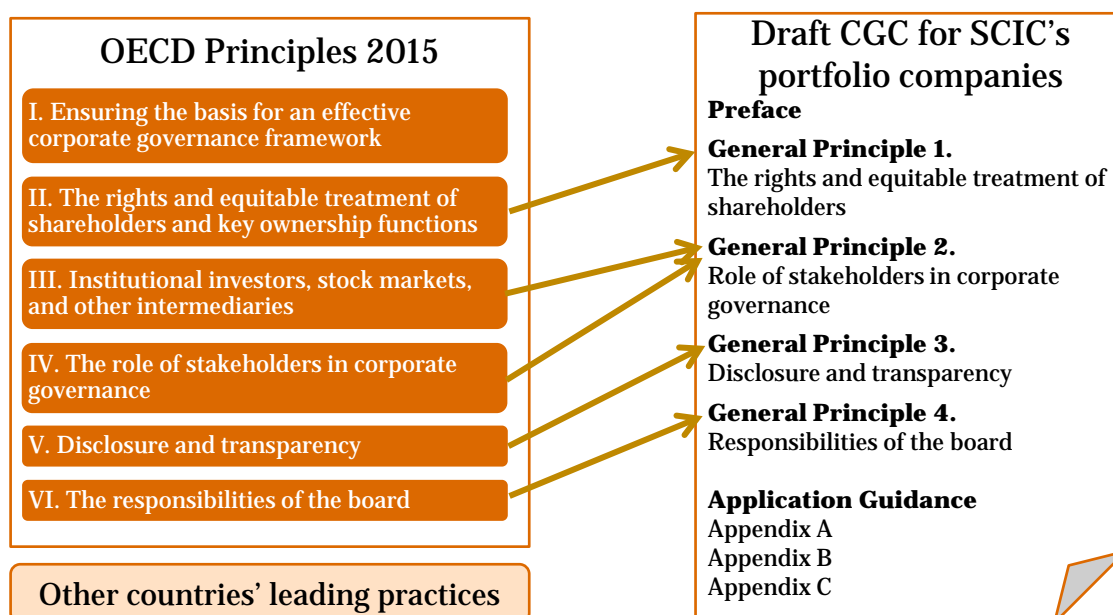
VI. The responsibilities of the board

- The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of management by the board, and the board's accountability to the company and the shareholders.

7

Content of the draft corporate governance code

Content mapping with OECD Principles 2015



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Content of the draft corporate governance code (Revised as of August 31, 2016)

Part I.

- Section 1: The rights and equitable treatment of shareholders
- Section 2: Role of stakeholders in corporate governance
- Section 3: Disclosure and transparency
- Section 4: Responsibilities of the board

Part II.

- Preface
- Sections 1 to 4 with additional guidance
- *Appendix A: Reference to legal documents*
- *Appendix B: Terminologies*

Part III.

- Application guidance
- *Appendix C: A sample reporting format*

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Draft corporate governance code (August 31, 2016)

Preface	General Principle 1	General Principle 2	General Principle 3	General Principle 4
Background	1.1. Shareholder's right	2.1. Code of conduct	3.1. Disclosure of material information	4.1. Relations with Shareholders 4.2.- 4.3. Risk management and internal control
Principles-based approach	1.2. Shareholders meeting	2.2. – 2.3. Whistleblowing	3.2. Fair disclosure 3.3. Strategic investors	4.4. Corporate culture 4.5. Independent non-executive director
Comply (Apply) or explain	1.3. Equality	2.4. ESG matters	3.4. Narrative explanation	R4.6. Specialized committee 4.7.-4.8. Effective board – board diversity
How to adopt the Code	1.4. Related-party transactions		3.5. Disclosure of risks	4.9. Transparent procedure for a new director appointment
The Board	1.5. Minority shareholders		3.6. Internal controls	4.10. Sufficient time allocation 4.11. Separation of chairman/CEO
Structure of this document	1.6. – 1.7. Relations with shareholders		3.7. External auditor	4.12. Effective operation R4.13. Board evaluation
Corporate governance report			R3.8. Disclosure in English	R4.14. Succession planning 4.15.-4.16. Remuneration
Listed companies			R3.9. Audit of financial statements	R4.17. Claw-back provision R4.18. Remuneration disclosure
Post implementation review			R3.10. Disclosure of individual director's appointment	R4.19. Pay ratio disclosure 4.20.-4.21. Training R4.22. D&O Insurance

Note: Items with "R" denote "Recommendations" and not "Principles" within the Code.

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Preface: What is “corporate governance”?

- Corporate governance (CG) is the system by which enterprises are directed and controlled.
- Corporate governance provides the structure through which the objectives of the enterprises are set, and the means of attaining those objectives and monitoring performance are determined.
- The purpose of corporate governance is to facilitate effective management that can deliver **the long-term success and performance of the enterprise.**
- **Board of directors or equivalent are responsible for the governance of their enterprises.**

CG is not just “managing the company” or “internal controls.”

CG is focusing on the “Long-term sustainability” (not a “short-term” profit).

“Board of directors” plays an important role in the good CG.

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Preface: Principles-based approach

SCIC’s portfolio companies vary in –

- Size (charter capital, revenue, total assets, net assets, the number of employees, etc.)
- Organizational structure (e.g. single-tier, two-tier board system) and management style
- Industry sector, business model and complexity of operation
- Risk profile and other attributions
- SCIC’s ownership %
- SCIC’s investment categories (A1, A2, B1, B2)



No single set of rules can be applied to **all** portfolio companies (“one size doesn’t fit all”); certain **flexibility** should be allowed.

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Preface: Comply (Apply) or explain approach (1)

- Clarification of the terms

Comply / tuân thủ

- Follow the “hard-laws” without exception

Apply / áp dụng

- Follow a principle within the corporate governance code or any other “soft-laws”

Adopt / Sử dụng

- Follow/Implement the entire corporate governance code as an internal policy

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Preface: Comply (Apply) or explain approach (2)

It provides **flexibility** in adopting the CGC.

<Example>

Principle 2.1. requires implementation of a code of conduct.

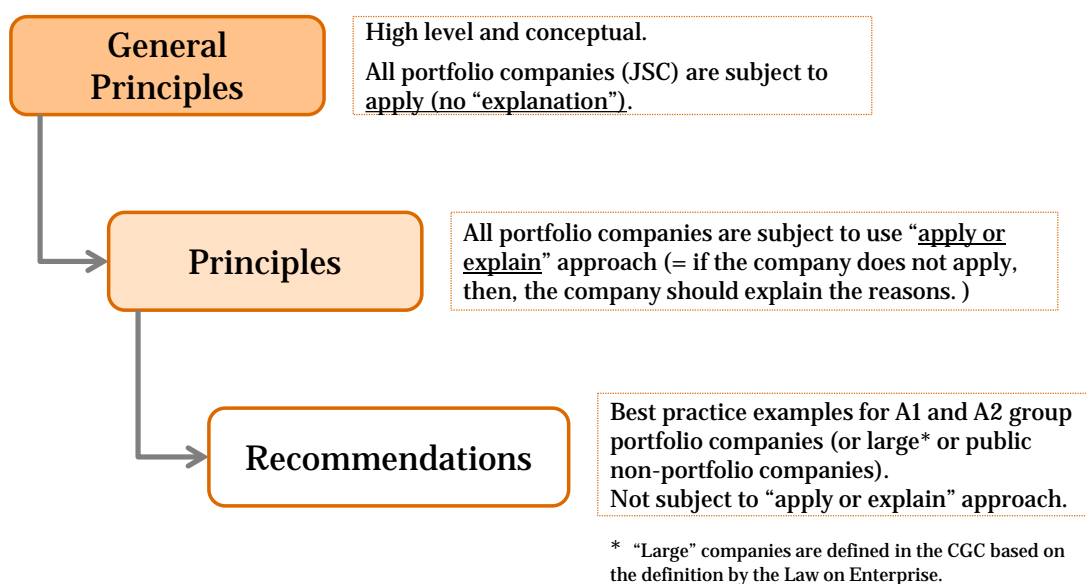
If an enterprise has already implemented the code of conduct, then, the enterprise is applying the Principle 2.1.

If an enterprise does not have a code of conduct in place, the enterprise should **explain** the reasons why. It could be either -

- The enterprise believes that the code of conduct is not necessary because it has other measures (need to explain further) to achieve the same outcome; or
- The enterprise believes that the code of conduct is beneficial so it is going to implement in near future (by specifying the timeline).

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Preface: Three-tier structure



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Preface: How to adopt the CGC by each group of portfolio companies

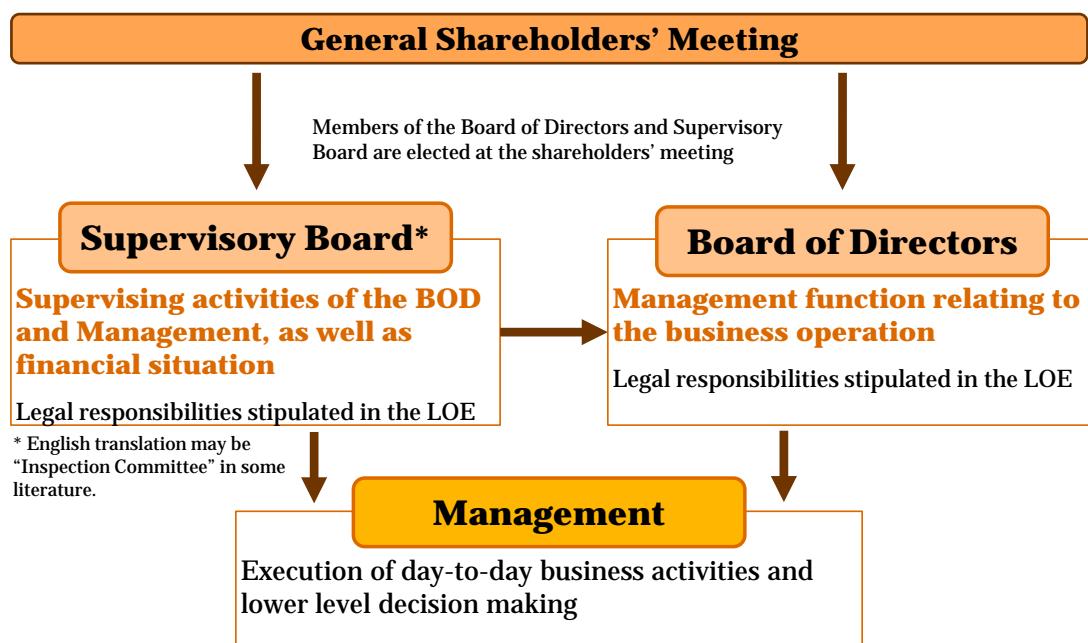
Code Component	SCIC's portfolio companies (Note)		
	A1 and A2	B1	B2
	Large or public companies	Not large, non-public companies	Smaller companies
General Principles	Apply	Apply	Apply
Principles	Apply or Explain	Apply or Explain	Reference only
Recommendations	Recommended to apply	Reference only	Reference only

Note: When a company determines how to adopt the CGC, consider the size and structure of the company, complexity of the business,

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Terminology - The Board (Two-tier system)

Traditional model in Vietnam

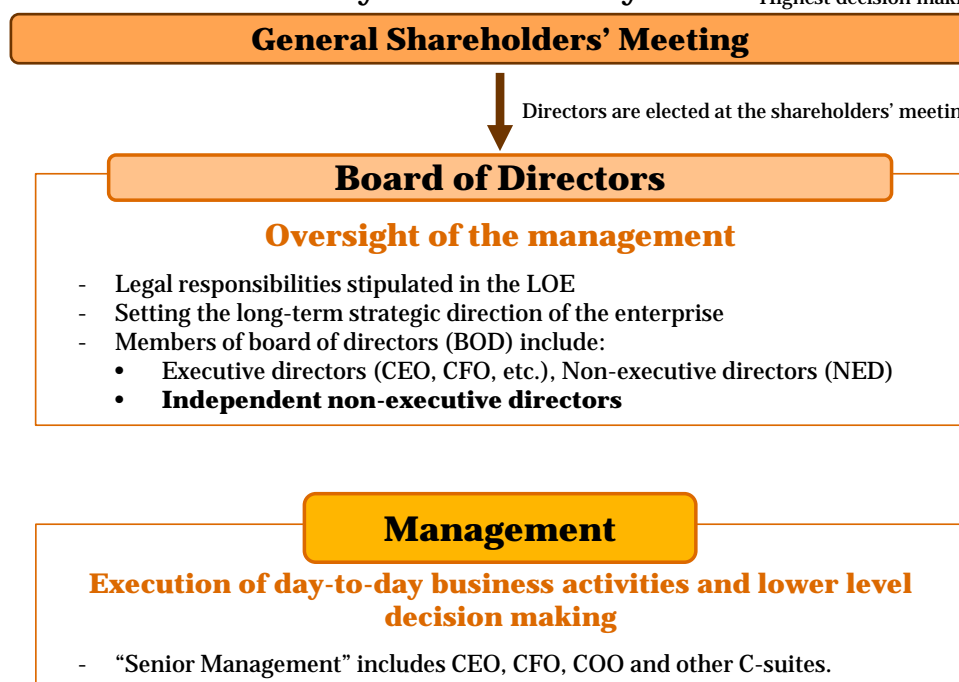


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Terminology - The Board (Single-tier system)

Global standard/Newly introduced by LOE

Highest decision making body



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Section 1: ***The right and equitable treatment of shareholders***

General Principle 1.

Enterprises should take necessary measure to protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective remediation for violation of their rights.

1.1 Shareholders should be sufficiently and timely informed and have the right to approve relevant decisions

1.2 Shareholders should have the opportunity to vote in general shareholders meeting (GSM)

1.3 All shareholders of the series of a class should be treated equally

1.4 Related-party transactions

1.5 Minority shareholders should be protected

1.6 Enterprise's policy on constructive dialogue with shareholders

1.7 Relations with shareholders

The OECD Principles 2015 says, "The corporate governance framework should protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, **including minority and foreign shareholders**. All shareholders should have the opportunity to obtain effective redress for violation of their rights."

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Section 2: ***Role of stakeholders in corporate governance***

General Principle 2.

Enterprises should fully recognize that appropriate cooperation with the stakeholders other than shareholders, is indispensable in achieving sustainable growth and increasing corporate value over the mid- to long-term.

2.1 Code of conduct

2.2 Whistleblowing - framework

2.3 Whistleblowing - point of contact

2.4 ESG matters - Environmental, social and governance matters/Sustainability issues

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Code of conduct

- Many companies have already implemented its own Code of Conduct for all employees/management. Some companies have different contents of the code of conduct for different group of people (e.g. finance/accounting department, executive directors)
- Continuous monitoring of its effectiveness and adherence by all employees is important.
- Does your company:
 - Provide training sessions for code of conduct?
 - Perform annual compliance confirmation?
 - Has mechanism through which any violation is timely reported?
 - Has internal policy for disciplinary actions?

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Environment, social and governance (ESG)

Provide enterprise's future sustainability information

Financial Information

- Financial statements
- Note disclosures
- Audit Report

Provide historical results of an enterprise's financial performance

Non-financial information

- **Strategy**
- **Corporate governance**
 - Board of Directors
 - Committees
 - Senior Management
- Environmental matters
- Social responsibilities
-

Provide more information as to long-term sustainability and growth potential of an enterprise

Also provide potential risk profile of an enterprise

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Section 3: *Disclosure and transparency*

General Principle 3.

Enterprises should make appropriate information disclosure in compliance with the relevant laws and regulations. Enterprises should also try to actively provide information beyond those required by laws, which includes both financial and non-financial information such as business strategies, business issues, risks and governance matters. The board should recognize that disclosed information should be accurate, clear and concise so that it will serve as the basis for constructive dialogue with shareholders.

3.1 Disclosure of material information

3.2 Fair disclosure

3.3 Strategic investors

3.4 Narrative explanation

3.5 Disclosure of risks

3.6 Internal controls

3.7 External auditor

R3.8 Disclosure in English

R3.9 Audit of annual financial statements

R3.10 Disclosure of individual nomination and appointment of directors

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Section 4: *Responsibilities of the board*

General Principle 4.

(1) The board should be responsible for monitoring management performance and achieving an adequate return for shareholders, while preventing **conflicts of interest** and balancing competing demands on the enterprise.

In order to fulfil their responsibilities, the board should be able to exercise **objective and independent judgment**.

(2) The board should be responsible to oversee the **risk management** system and systems designed to ensure that the enterprise is in compliance with applicable laws and regulations, while determining the nature and extent of the **principal risks it is willing to take** in achieving its strategic objectives.

(3) The board is not only **accountable** to the company and its shareholders but also has a duty to act in their (=the enterprise and its shareholders') best interests. In addition, the board is expected to take due regard of, and deal fairly with, other **stakeholder interests** including those of employees, creditors, customers, suppliers and local communities. Observance of environmental and social standards is relevant in this context.

In order to fulfil their responsibilities, board members should have **access to accurate, relevant and timely information**.

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General Principle 4.(1)

Responsibilities, Objective and independent judgment

4.1 Relations with shareholders

4.5 Independent non-executive director

R4.6 Specialized committee

4.7 Board diversity – skills, experiences

4.8 Board composition – executive vs. non-executive, independent directors

4.9 Transparent procedures in appointment of new directors

4.10 Sufficient time allocation and commitment by each director

4.11 Separation of chairman and CEO

4.12 Effective operation of the board

R4.13 Board evaluation

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Principle 4.6. Specialized committee

Specialized committee

Audit committee

- Audit committee is not same as “supervisory board” in Vietnam
- Audit committee members are **all board of directors** and usually all members have certain level of accounting/auditing experiences or knowledge (e.g. Sometimes described as “*financial literacy*”, “*financial sophistication*”, “*financial expert*” in English)
- Many jurisdictions in the world requires Audit Committee within the Board
- Some of the responsibilities include:

Assist the Board of Directors in its oversight of:

- The integrity and audit of the company’s financial statements,
- The company’s accounting, financial reporting and disclosure processes and the adequacy of the systems of disclosure and internal control established by management,
- Processes established by management to provide compliance with legal and regulatory requirements,
- The independent auditor’s qualifications, performance and independence,
- The performance of the company’s internal audit function.

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General Principle 4.(2)

Risk management and risk taking

4.2 Risk management and internal control

4.3 Internal audit function

4.4 Corporate culture

R4.14 Succession planning for key executives

4.15 Executive directors' remuneration – design

R4.17 Claw-back provision

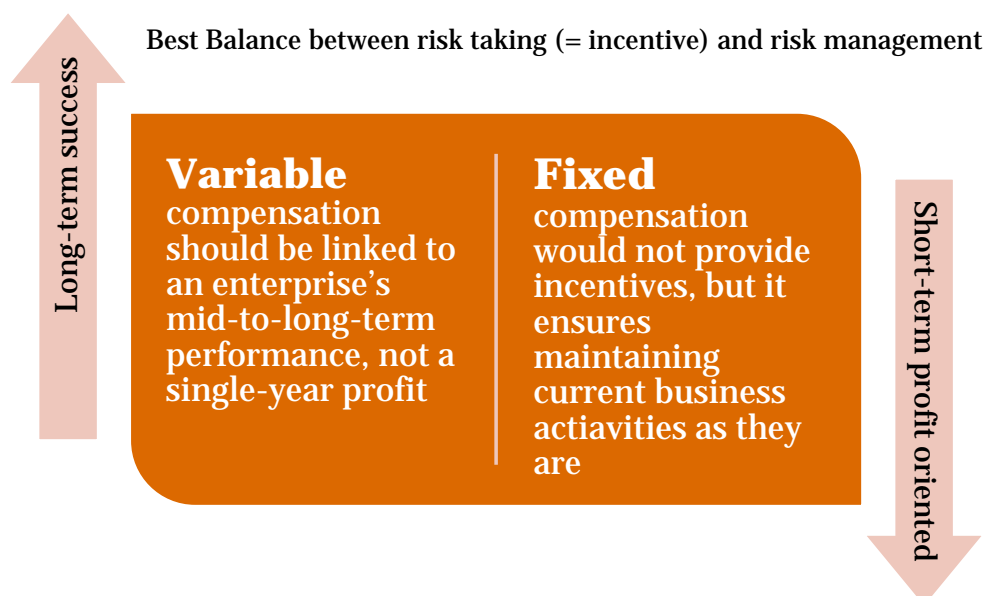
R4.18 Remuneration disclosures

R4.19 Pay Ratio disclosure

27

Principle 4.15. Executive directors' remuneration

Executive directors' remuneration - Design



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General Principle 4.(3)

Accountability

4.20 Director training

4.21 Director training – chairman's duty

R4.22 D&O insurance

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Principle 4.23. D & O Insurance

D&O Insurance

Adequate coverage

- D&O insurance is a liability insurance to cover indemnification for losses or defense costs in the cases where directors and officers suffer losses from a legal action brought against any acts in their capacity as directors and officers. The enterprise should arrange appropriate insurance coverage in respect of such legal actions against its directors or officers if General Shareholder Meeting approves.
- However, D&O insurance coverage should not allow directors or officers to act without due care (moral hazard); the terms of the insurance policy should be examined carefully.
- **Shareholders should be informed of the terms of the D&O insurance policy including deductible amount and reason of why such amount is set at an appropriate level.**

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Application Guidance

Corporate governance report – Appendix C

Corporate Governance Report <Sample Only>

To: The shareholders

Name of the company
Head office address: Telephone: Fax: Email:
Charter capital:
Securities code (if available):

I. Overview of the Enterprise's corporate governance policy/framework*

Narrative explanation of the Enterprise's corporate governance policy and framework.

II. Corporate Governance Statement*

Statement that the Enterprise applies the Corporate Governance Code (CGC) and whether the Enterprise does not apply any specific Principle or Principles as of the specified date.

If an enterprise is categorized as a "smaller enterprise" subject to certain exemption (i.e. applies only General Principles) for the purpose of applying the CGC, the enterprise is expected to state so here.

If an enterprise is categorized as a "smaller enterprise" but decided to apply the entire CGC without exemption (i.e. applies both General Principles and Principles), the enterprise is expected to state so here.

III. Explanation of reason for non-application of CGC*

No.	Principle # / CGC Requirement	Explanation of reasons/rationale why the Enterprise does not apply specific Principle of the CGC

At minimum, an enterprise is expected to describe the structure (single tier or two tier model), and general policy of the corporate governance here.

An enterprise is expected to state that it has been applying which part(s) of the CGC and whether there is any unapplied principle(s).

An enterprise is expected to explain why particular principle(s) cannot be applied by the enterprise.

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Application Guidance

Corporate governance report – Appendix C

IV. Explanation of how the Enterprise applies CGC

Corporate Governance Report <Sample Only>

To: The shareholders

Name of the company
Head office address: Telephone: Fax: Email:
Charter capital:
Securities code (if available):

I. Overview of the Enterprise's corporate governance policy/framework*

II. Corporate Governance Statement*

III. Explanation of reason for non-application of CGC*

IV. Explanation of how the Enterprise applies CGC*

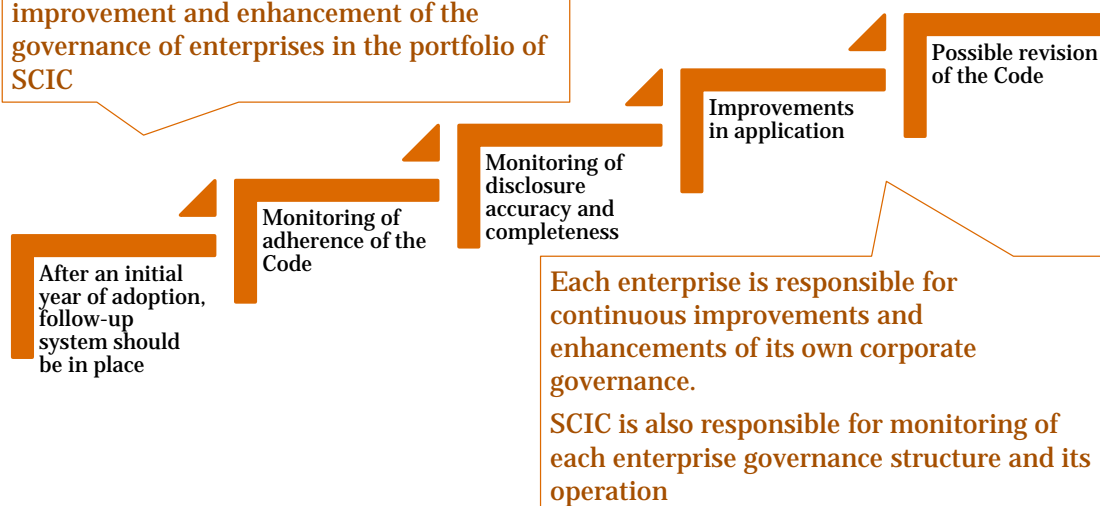
No.	Principle # / CGC Requirement	Explanation of how the Enterprise complies with a specific Principle of the CGC (If the Enterprise disclose the same information in other report such as Annual Report, cross-reference to the other report)

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Post implementation review (PIR) and continuous updates

Developing the Corporate Governance Code is not a goal but a starting point of further improvement and enhancement of the governance of enterprises in the portfolio of SCIC

Note that this PIR process is NOT included in the current Project.



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Thank you.

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Corporate Governance Code for SCIC's Portfolio Companies (Final Draft as of 31 October 2016)

Introduction*

PricewaterhouseCoopers Aarata LLC (PwC) has engaged with the Japan International Cooperation Agency (JICA) to support the State Capital Investment Corporation (SCIC) in developing a draft corporate governance code (CGC) to be applied to the SCIC's portfolio companies together with its application guidance by the end of September 2016. The draft CGC and its application guideline are to be incorporated into the SCIC's internal documentation after approval by the SCIC management. Detailed timelines, procedures and tasks are described in a separate work-plan dated November 30, 2015 and subsequent revisions thereon.

The draft CGC for the SCIC's portfolio companies is based on the *G20/OECD Principles of Corporate Governance – OECD Report to G20 Finance Ministers and Central Bank Governors (September 2015)* (the “OECD Principles 2015”). Although the OECD Principles 2015 mainly focuses on publicly traded companies both in financial and non-financial sectors, PwC believes that it is beneficial for the SCIC to use the OECD Principles 2015 as a basis to better manage its non-public portfolio companies that are going to be divested in the near future or those portfolio companies that SCIC intends to hold for a longer-period of time regardless of public or non-public classification. The OECD Principles 2015 and previous versions have been widely used as a benchmark by individual jurisdictions around the world.

The draft CGC (Sections 1 - 4) was prepared for discussions with the SCIC's Corporate Governance Task Force (TF) members. The first draft was prepared on November 16, 2015 and has been revised several times to reflect comments provided by the TF members and other department heads. The second draft includes the commentary section to explain some of the code principles, application guidance to reflect comments received through to December 25, 2015, as well as certain clarifications of terms such as “comply”, “apply” and “adopt” identified at a meeting between the SCIC TF members and PwC consultants on April 15, 2016. Some of the comments received from the SCIC TF members through to May 27, 2016 have been reflected in the third draft (for pilot testing) but others have not. The comments that are *not* reflected in the third draft are to be discussed further among SCIC, JICA and PwC consultants as part of the pilot project.

The third draft of CGC was further revised as a result of the *pilot testing* in August 2016 to reflect the suggestions from two pilot companies. The major revisions include the following:

- Clarification between Principle or Recommendation;
- Reclassification from Principle to Recommendation (Pay Ratio Disclosure, D&O Insurance);
- Additional guidance as *commentary* for new concepts/principles;
- Additional example of “corporate governance report” as part of the application guidance; and
- Formatting changes (three parts: Part I, Part II and Part III)

In addition to the above revisions, the current version has been modified to reflect suggestions from the TF members in the areas as follows:

- Application matrix has been modified to be in line with the existing four categories of portfolio companies (A1, A2, B1 and B2)
- Identified mandatory disclosure items regardless of “apply” or “explain” in the corporate governance report.

Finally, Part I of the revised draft was reviewed by a legal expert for consistency with the Vietnamese laws & regulations.

We appreciated SCIC’s two portfolio companies for their active participation to the application tests (pilot testing) and input to the draft CGC. We also thank SCIC’s TF members for their continued efforts to refine the draft CGC and its application guidance.

31 October 2016

PricewaterhouseCoopers Aarata LLC

*: Note that this introduction is not a part of the Draft CGC.

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Part I. Corporate governance code

1. The rights and equitable treatment of shareholders

General Principle 1.

Enterprises should take necessary measures to protect and facilitate the exercising of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective remediation for violation of their rights.

Shareholder's right

Principle 1.1

- 1.1. Shareholders should be informed in a sufficient and timely manner, and the shareholders with voting rights have the right to approve, or participate in, decisions concerning fundamental corporate changes such as; 1) amendments to the statutes, or articles of incorporation or similar governing documents of the enterprise; 2) the authorisation of additional shares; 3) the election, removal, or dismissal of the members of Board of Directors or members of Supervisory Board (Inspection Committee); and 4) extraordinary transactions, including investment decisions valued 35% or more of the total value of the enterprise's assets and the transfer of all or substantially all assets that in effect result in the sale of the enterprise.

Shareholders' meeting

Principle 1.2

- 1.2. Shareholders with voting rights should have the opportunity to participate effectively and vote in general shareholders' meetings and should be informed of the rules, including voting procedures, that govern general shareholders' meetings:
- Shareholders should be furnished with sufficient information on a timely basis concerning the date, location and agenda of general meetings, as well as full disclosure regarding the issues to be decided at the meeting on a timely basis.
 - Processes and procedures for general shareholders' meetings should allow for equitable treatment of all shareholders. Enterprise procedures should not make it unduly difficult or expensive to cast votes.
 - Shareholders with appropriate rights should have the opportunity to ask questions to board of directors and supervisory board, including questions

relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.

- **Say-on-pay:** Shareholders with appropriate rights should have the opportunity to participate in key corporate governance decisions, such as the nomination and election of board of directors and supervisory board members. Shareholders should be able to make their views known, including through votes at shareholders' meetings, on the remuneration of board of directors, supervisory board members and key executives, as applicable. The equity component of compensation schemes for board of directors, supervisory board members and employees must be subject to shareholder approval.

Shareholders' rights - equality

Principle 1.3

1.3. All shareholders of the same series of a class should be treated equally. Capital structures and arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership should be disclosed.

- Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected, in addition to the general shareholders meeting's approval.
- The disclosure of capital structures and control arrangements should be required.

Related-party transactions

Principle 1.4

1.4. Related-party transactions should be approved and conducted in a manner that ensures proper management of any potential conflict of interest and protects the interest of the enterprise and its shareholders. "Related-party" or "related person" is defined by existing laws and regulations including accounting standards (VAS 26) differently. The enterprise should consider disclosing related-party transactions **beyond the requirements by other laws, regulations and accounting standards**, taking into account the enterprise's specific situations. For example, the enterprise may consider disclosing their internal rule of approving and disclosing related-party transactions. The enterprise may also consider disclosing employment of family members of key executives.

- Conflicts of interest inherent in related-party transactions should be addressed, and
- Members of the board of directors and the supervisory board as well as key executives should be required to disclose to the board of directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.

Minority shareholders

Principle 1.5

- 1.5. Minority shareholders should be protected from abusive actions by, or which are in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.

Relations with shareholders

Principle 1.6

- 1.6. Enterprises' policies for promoting constructive dialogue with shareholders should include but are not limited to the following:
- Appointing a senior management or a director who is responsible for overseeing that constructive dialogue takes place;
 - Measures to ensure positive cooperation among relevant departments within the enterprises (e.g. investor relations, corporate strategic planning, finance & accounting and legal departments) to support such dialogue;
 - Measures to take necessary action to share views and concerns from shareholders with senior management, board of directors and supervisory board of the enterprises, and
 - Measures to control insider information when engaging in such dialogue.

Principle 1.7

- 1.7. Enterprises should engage in constructive dialogue with shareholders including institutional investors and both domestic and foreign strategic investors, outside of the general shareholders' meetings to contribute to sustainable growth and the increase of corporate value over the mid- to long-term. Constructive dialogue would be facilitating mutual understanding, building trust and confidence, as well as promoting value adding communications.

2. Role of stakeholders in corporate governance

General Principle 2.

Enterprises should fully recognize that appropriate cooperation with the stakeholders other than shareholders is indispensable in achieving sustainable growth and increasing corporate value over the mid- to long-term.

Code of conduct

Principle 2.1

2.1 Enterprises should implement a code of conduct for employees in order to express their values with respect to appropriate cooperation with and serving the interests of stakeholders and carrying out sound and ethical business activities including anti-bribery and corruption measures. Board of directors and supervisory board should have measures to help employees understand and apply the code of conduct. For large enterprises with a number of subsidiaries, board of directors and supervisory board of the parent enterprise should be also responsible for adherence to the code of conduct by subsidiaries' employees.

Whistleblowing

Principle 2.2

2.2 Enterprises should establish an appropriate framework for whistleblowing such that employees can report illegal or inappropriate behaviour, disclosures, or any other serious concerns without fear of suffering from disadvantageous treatment. The framework should allow for an objective assessment and appropriate response to the reported issues, and board of directors and supervisory board should be responsible for both establishing this framework, and ensuring and monitoring its enforcement.

Principle 2.3

2.3 Enterprises should establish a point of contact that is independent from the management. In addition, rules should be established to secure the confidentiality of the information provider and prohibit any disadvantageous treatment. A point of contact could be the third party legal counsel or any other independent bodies.

Environmental, social and governance (ESG) matters

Principle 2.4

2.4 Enterprises should take appropriate measures to address sustainability issues, including environmental, social and governance matters. With the recognition that dealing with sustainability issues is an important element of risk management, board of directors and supervisory board should take appropriate actions to this end. Board of directors and supervisory board are also responsible for maintaining and improving corporate governance set forth in this Code.

3. Disclosure and transparency

General Principle 3.

Enterprises should make appropriate information disclosure in compliance with the relevant laws and regulations. Enterprises should also try to actively provide information beyond those required by laws, which includes both financial and non-financial information such as business strategies, business issues, risks and governance matters.

Board of directors and supervisory board should recognize that disclosed information should be accurate, clear and concise so that it will serve as the basis for constructive dialogue with shareholders.

Disclosure of material information

Principle 3.1

3.1 Disclosures should include, but not be limited to, material information on:

- (i) The financial and operating results of the enterprise;
- (ii) Enterprise objectives and non-financial information;
- (iii) Major share ownership, including beneficial owners, and voting rights;
- (iv) Remuneration of the members of board of directors and supervisory board, and key executives;
- (v) Information about members of board of directors and supervisory board, including their qualifications, the selection process, other enterprise directorships and whether they are regarded as independent by board of directors;
- (vi) Related-party (broader concept than “related person”) transactions;
- (vii) Foreseeable risk factors;
- (viii) Issues regarding employees and other stakeholders;

- (ix) Governance structures and policies, including the content of any corporate governance code or policy and the process by which it is implemented, and
- (x) Explanation of the independence of the external auditor including duration of audit contract with current auditor (i.e. year of renewal), and audit fees to indirectly prove the quality of audit.

These items above are required to disclose by other laws or regulations. However, an enterprise should consider disclosing the additional information relevant to the enterprise's stakeholders voluntarily so that the stakeholders, shareholders in particular, could understand the enterprise more clearly.

Fair disclosure

Principle 3.2

- 3.2 Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users. An enterprise should be aware of the fair disclosure concept and should not provide particular material information only to a selected group of people.

Principle 3.3

- 3.3 An enterprise should distinguish strategic investors from other investors in a way where a strategic investor obtains information from the enterprise within a capacity of the enterprise management. Although a strategic investor's legal rights and obligations are generally balanced, an enterprise should consider fair balance between their rights and obligations.

Narrative explanation

Principle 3.4

- 3.4 Board of directors and supervisory board should ensure that the disclosed information is not "boiler-plated" but as enterprise specific as much as possible with sufficient detail so that the information adds value to investors. A "boiler-plate" disclosure does not provide meaningful information to users; it could be too generic or it could be copied from another enterprise's disclosure and does not tell their own stories but another enterprise's.

Disclosure of risks

Principle 3.5

- 3.5 An enterprise should disclose its overall exposure of risk and link it to its strategy and the business model, and explain how significant risks are mitigated. In addition, the enterprise should explain how its risk exposure changes over time.

Internal controls

Principle 3.6

- 3.6 An enterprise should disclose and explain its design and operating effectiveness of its internal control system over financial reporting and disclose necessary information to its shareholders.

External auditor

Principle 3.7

- 3.7 An enterprise and its external auditor should recognize the responsibilities that the external auditor owes towards shareholders and investors, and take appropriate steps to secure the proper execution of audits of the enterprise's financial statements. To secure the proper execution of audits, enterprises should engage with auditors soon after their election at the general shareholders' meeting so that the auditors have sufficient time to perform the effective and efficient audits.

Disclosure in English

Recommendation 3.8

- 3.8 It is recommended for certain large enterprises that such enterprises should consider disclosing information in English on a timely basis in addition to Vietnamese to facilitate decision useful information to foreign investors.

Timely audit of financial statements

Recommendation 3.9

- 3.9 It is recommended that the annual financial statements should be audited in a timely manner.

Recommendation 3.10

3.10 It is recommended that explanations with respect to the individual appointments, reappointments and nominations of the members of board of directors and supervisory board should be based on policies and procedures of board of directors and supervisory board, respectively, should be disclosed.

4. Responsibilities of the board of directors

General Principle 4.

- (1) Board of directors should be responsible for monitoring management performance and achieving an adequate return for shareholders, while preventing conflicts of interest and balancing competing demands on the enterprise. In order to fulfil their responsibilities, board of directors should be able to exercise objective and independent judgement.
- (2) Board of directors should be responsible in overseeing the risk management system and systems designed to ensure that the enterprise is in compliance with applicable laws and regulations, while determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives.
- (3) Board of directors is not only accountable to the enterprise and its shareholders but also has a duty to act in their (i.e. the enterprise and its shareholders') best interests. In addition, board of directors is expected to take due regard of, and deal fairly with, other stakeholder interests including those of employees, creditors, customers, suppliers and local communities. Observance of environmental and social standards is relevant in this context.
- (4) In order to fulfil their responsibilities, board of directors should have access to accurate and relevant information on a timely basis.

Relations with shareholders

Principle 4.1

4.1 There should be a dialogue with shareholders based on the mutual understanding of objectives. Board of directors as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place. Board of directors should use the general shareholders' meetings to communicate with investors and to encourage their participation.

Risk management and internal control

Principle 4.2

- 4.2 Enterprises should robustly assess their principal risks and explain how they are being managed or mitigated, and monitor their risk management and internal control systems including internal audit function.

Principle 4.3

- 4.3 Board of directors and supervisory board should ensure that the internal audit function evaluates and contributes to the improvement of governance, risk management, and control processes using a systematic and disciplined approach.

Corporate culture

Principle 4.4

- 4.4 One of the key roles for board of directors includes establishing the culture, values and ethics of the enterprise. It is important that board of directors sets the correct “tone at the top.” Board of directors should lead by example and ensure that good standards of behaviour permeate throughout all levels of the organisation. This will help prevent misconduct, unethical practices and support the delivery of long-term success.

Independent non-executive directors

Principle 4.5

- 4.5 Board of directors should be able to exercise objective independent judgement on corporate affairs by assigning a sufficient number of independent non-executive directors being capable of exercising independent judgement to tasks where there is potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related-party transactions, nomination of board of directors and key executives, and board of directors’ remuneration.

Specialised committees

Recommendation 4.6

- 4.6 Board of directors should consider setting up specialised committees to support the full board of directors in performing its functions, particularly with respect to audit, nominations, and, depending upon the enterprise’s size and risk profile, with respect to risk management and remuneration. When committees of board of directors are

established, their mandate, composition and working procedures should be well defined and disclosed by board of directors.

Effective board of directors – diversity

Principle 4.7

4.7 Board of directors and its committees should have the appropriate balance of skills, experience, independence and knowledge of the enterprise to enable them to discharge their respective duties and responsibilities effectively.

Principle 4.8

4.8 Board of directors should include an appropriate combination of executive and non-executive directors (and, in particular, independent non-executive directors) such that no individual or small group of individuals can dominate board of directors' decision taking.

Transparent procedure for a new director appointment

Principle 4.9

4.9 Board of directors should ensure that there is a formal and transparent procedure for the appointment of new directors.

Sufficient time allocation

Principle 4.10

4.10 All directors should be able to allocate sufficient time to the enterprise to discharge their responsibilities effectively.

Separation of the chairman and CEO

Principle 4.11

4.11 A chairman of board of directors and a General Director (or CEO) should be separated. No single person shall hold the two positions simultaneously because these two roles have different responsibilities.

Effective operation of board of directors

Principle 4.12

4.12 An enterprise should consider establishing an effective supporting structure for board of directors. Under the direction of chairman of the board of directors, the supporting structure ensures sufficient and effective information flows within board

of directors including non-executive directors, its committees and senior management. The supporting function should facilitate induction training programs for the new members of board of directors and assist them with professional development programs as needed.

Board of directors' evaluation

Recommendation 4.13

4.13 The board of directors should undertake a formal and rigorous annual evaluation of its own performance. The objective of the annual performance evaluation is to assess the effectiveness and efficiency of board of directors. A summary of the assessment should be disclosed.

Succession planning

Recommendation 4.14

4.14 Based on the enterprise objectives, such as business principles, and specific business strategies, the board of directors should engage in the appropriate oversight of succession planning for the CEO and other key executives.

Remuneration

Principle 4.15

4.15 The board of directors should ensure that the enterprise has a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of *individual* directors. No director should be involved in deciding his or her own remuneration.

Principle 4.16

4.16 The board of directors should ensure that the enterprise's executive directors' remuneration is designed to promote the long-term success of the enterprise. Performance-related elements should be transparent, stretching and rigorously applied.

Clawback provision

Recommendation 4.17

4.17 When part of the executive directors' remuneration (incentive-based compensation) is linked to the enterprise's financial performance (e.g. EBITDA) and when such financial performance measurement is revised or restated as a result of errors or

misconducts found by external audit or any other regulatory proceedings, the enterprise should have the right to reclaim the excess amount of the incentive-based compensation that had been paid. The clawback provision may be included in the employment agreement or any other arrangements.

Remuneration disclosure

Recommendation 4.18

4.18 Remuneration for each member of the board of directors and key executives should be disclosed in sufficient detail.

Pay ratio disclosure

Recommendation 4.19

4.19 The enterprise should consider disclosing the following information in addition to other remuneration related disclosures:

- The median of the annual total compensation of all employees other than the chief executive officer;
- The annual total compensation of the chief executive officer; and
- The ratio of these amounts.

Training

Principle 4.20

4.20 All directors and supervisory board members should receive induction training upon joining the boards, and should regularly update and refresh their skills and knowledge.

Principle 4.21

4.21 The chairman of the board should ensure that the directors and supervisory board members continually update their skills and the knowledge and familiarity with the enterprise required to fulfil their roles as directors on board and board committees. The enterprise should provide the necessary resources for developing and updating its directors' and supervisory board members' knowledge and capabilities.

Directors' and officers' liability insurance (D&O insurance)

Recommendation 4.22

4.22 D&O insurance is liability insurance to cover indemnification for losses or defence costs in the cases where directors and officers suffer losses from a legal action brought against any acts in their capacity as directors and officers. The enterprise should

arrange appropriate insurance coverage with respect to such legal actions against its directors or officers if the general shareholders' meeting approves. However, D&O insurance coverage should not allow directors or officers to act without due care (moral hazard); the terms of the insurance policy should be examined carefully. Shareholders should be informed of the terms of the D&O insurance policy including deductible amount and reason of why such amount is set at an appropriate level.

Part II. Corporate governance code with additional guidance

Corporate Governance Code For SCIC's Portfolio Companies (Final Draft as of 31 October 2016)

Preface

Background

Corporate governance is the system by which enterprises are directed and controlled. Corporate governance provides the structure through which the objectives of the enterprise are set, and the means of attaining those objectives and monitoring performance are determined. The purpose of corporate governance is to facilitate effective management that can deliver the long-term success and performance of the enterprise. Board of directors or equivalent are responsible for the governance of their enterprises. If an enterprise or a country tries to obtain the full benefits of the global capital market, and if they are to attract long-term “patient” capital, corporate governance arrangements must be credible, well understood across borders and adhere to internationally accepted principles. Recently, Vietnam has been one of the best performing equity markets across the world; however, its market has been very volatile partly due to the large number of domestic individual investors who trade for short-term profit. In June 2015, the revised Decree 58 (amended by Decree 60 issued on 26 June 2015) was signed and certain foreign ownership restrictions for Vietnamese listed equity, except for banking and other selected sectors, have been lifted. As a result, increased foreign ownership of Vietnamese listed equity is anticipated. It is critical for SCIC and its portfolio companies to attract the right investors who can provide their capital with an intention to hold with the longer-term perspective. This is why SCIC needs to develop the corporate governance code (the “Code” or “CGC”) for its portfolio companies and these portfolio companies are encouraged to voluntarily adopt the Code.

Principles-based approach

As SCIC's portfolio companies vary in size (in terms of charter capital, revenue, total assets, net assets, the number of employees) and other attributes such as organizational structure, industry sector, business model, management style, risk profile and so on; it is often said that "one size doesn't fit all¹." To facilitate the general concept of corporate governance to the wide variety of the portfolio companies, the Code adopts a "principles-based approach" under which no formal rules are prescribed in detail; rather, ultimate objectives or expected outcome are explained so that each enterprise has certain flexibility in selecting how to attain the expected outcome.

Comply (Apply) or explain approach

The "comply or explain" approach is commonly used to principles-based corporate governance codes in many countries. It is a foundation of flexibility and it has been supported by both companies and shareholders. Under the "comply or explain" approach, an alternative to the principles must be explained and justified under the circumstances if strong governance can be achieved by other means.

In developing the Code in Vietnamese language, however, the word, "comply (in Vietnamese language, tuân thủ)" suggests that enterprises "must follow" the rule without any exceptions although the Code itself is not a set of hard laws that must be strictly complied with. Therefore, in the following part of the Code, "apply" instead of "comply" is used when describing the situation where an enterprise follows the General Principles, Principles and/or Recommendations within the Code.

Some Principles in the Code might not be suitable for a certain enterprise, taking into account its business model, size of the enterprise, management style or any other reasons. In these circumstances, the enterprise should provide reasonable explanation of non-application to the shareholders and other stakeholders. Non-application of a particular Code principle does not mean a *weak* corporate governance. Instead, shareholders and other stakeholders should carefully examine the reasons of non-application and assess whether the enterprise's *explanation* is reasonable or not. Reasonable and sufficient *explanations* should result in constructive dialogue between the enterprise and its stakeholders.

¹ In this context, "size" does not mean the size of an enterprise but a variety of enterprise attributes.

To evaluate an enterprise's each explanation, SCIC, as a shareholder, should pay due regard to the enterprise's individual circumstances and bear in mind in particular the size and complexity of the enterprise and the nature of the risks and challenges it faces.

It should be noted that when an enterprise's "explanation" under the "apply or explain" approach is not sufficient, SCIC should consider as a shareholder whether it should suggest the potential deficiencies in the portfolio company's corporate governance when exercising the voting rights, given all the relevant circumstances.

How to adopt the Code

The Code specified General Principles, Principles and Recommendations. General Principles are conceptual, high-level standards of good governance and aimed to be adopted by all companies; while Principles are expected to be applied by companies other than certain smaller ones using the "apply or explain" approach. Recommendations are the best practice examples that could be referred to by all companies, and are not subject to the "apply or explain" approach. In other words, the "General Principles" are expected to be applied to all portfolio companies while the "Principles" are applicable to companies other than **Group B2** (or *smaller companies*). The "Recommendations" are expected to be applied to **Groups A1** (or relatively large or public companies) and **A2** (or not large, non-public or not smaller companies). **Groups A1, A2, B1 and B2** are defined by the SCIC to categorize its portfolio companies.

Alternatively, when an enterprise other than SCIC's portfolio companies wishes to use the Code, "Large or Public companies," "Not-large or non-public companies" and "Smaller companies" are used to categorize the enterprise. A large company is defined for the purpose of applying the Code as any enterprise with more than 300 employees or total capital over 100 billion VND². Smaller companies for the purpose of applying the Code are defined as any enterprise with less than 50 employees or total capital less than 10 billion VND³.

² These thresholds are in consistent with Article 3 of the Decree 56/2009/ND-CP. "Large-scale public company" is defined in the Article 2, Clause 2 of the Circular 155/2015/TT-BTC; "a public enterprise with the shareholder's equity of at least VND 120 billion as mentioned in the latest audited annual financial statements."

³ These thresholds are in consistent with Article 3 of the Decree 56/2009/ND-CP. Total capital is the priority criterion.

The following table presents the relationship between the SCIC's portfolio companies' four groups and how each group of four is expected to adopt each component of the Code:

Code Component	SCIC's portfolio company group		
	A1 and A2	B1	B2
	Alternatively, Large or Public companies	Alternatively, Not large, non-public companies	Alternatively, Smaller companies
General Principles	Apply	Apply	Apply
Principles	Apply or Explain	Apply or Explain	Reference only
Recommendations	Recommended to apply	Reference only	Reference only

Each group is defined by SCIC as follows⁴:

- **Group A1:** Includes companies that SCIC will actively retain for long-term investment.
- **Group A2:** Includes companies where SCIC holds 100% of capital; has controlling stakes or equity, and will privatize according to the Prime Minister's guidelines.
- **Group B1:** Includes companies that need to be restructured to increase state investment value before totally divesting. Companies in this group can also be considered to maintain state holdings or invest more if they prove profitable before divestiture.
- **Group B2:** Includes companies that need to be totally divested in the short-term. These companies fall into the rest (not included in Group A and B1). These are small-sized, poorly-performing or loss-making companies with potential risks. SCIC need to actively divest from these companies according to the plan of its Board of Directors and does not invest more.

These groupings should be the basis when adopting the Code by SCIC's portfolio companies. In the situations where the Code is adopted or referred by enterprises other than the SCIC's portfolio companies, alternative classification method, for example, by size (large or small),

⁴ As of December 31, 2015, the total number of portfolio companies was 197; and portfolio book value was VND 19,740 billion, according to the SCIC's website. The definition of each group can be found at <http://www.scic.vn/english/index.php/investment/16-investment/portfolio.html>

by public or non-public, by complexity of business, and other attributes that would potentially affect the enterprise's corporate governance model may be considered.

The Board (the board of directors and/or supervisory board)

The term the “Board (either “Board of Directors” or “Supervisory Board,” or both) as used in the Code is meant to embrace the different models of organizational structures. In the typical two-tier system, the “Board” as used in the Code refers to the “Board of Directors” and “Supervisory Board.” In the cases of single-tier system, which is introduced by the revised Law on Enterprises (LOE), the “Board” as used in the Code refers to the “Board of Directors.”

Entities other than joint-stock companies may use the Code as a reference material. In such case, the term the “Board” and “key executives” should be replaced by other terms used in respective organization structure. The Code is, however, written for the use by the joint stock companies (JSC) as defined by the Law on Enterprise (LOE).

There are variations of English translations of Vietnamese laws and regulations, where specific terminologies are translated differently. For the purpose of developing the Code and its application guidance, the Vietnamese term, “Hội đồng Quản trị,” is translated into English as “Board of Directors” although some literatures use the English translation of “Board of Management.” Similarly, the Vietnamese term, “Ban kiểm soát” is translated into English as “Supervisory Board” although some literatures use the English translation of “Inspection Committee.” Appendix B presents some of the key terminologies and definitions both in Vietnamese and English.

Structure of this document

Part I of this document consists of the four sections of the Code without any guidance and Part II consists of the four sections of the Code and additional guidance (reference to legal requirements, OECD Principles, and commentary) as follows:

Part I: Corporate governance code

Each of the four sections has:

- General principles
- Principles
- Recommendations

Part II: Corporate governance code with additional guidance

Each of the four sections has:

- General principles
 - Notes from OECD Principles 2015
- Principles/Recommendations
 - Commentary
 - Requirements under Vietnamese laws and regulations

Appendix A: Reference to legal documents

Appendix B: Definitions and terminologies

Part III: Application guidance

Application guidance

Appendix C: Sample corporate governance report

Certain laws and regulations are only applicable to public enterprises (e.g. Circular 155/2015/TT-BTC) while others (e.g. Law on Enterprises) are applicable to almost all enterprises. When applying the Code principles, each enterprise is expected to first identify which laws and regulations are required to be complied with carefully because those laws and regulations are *mandatory* to comply with and are not subject to the “apply or explain” approach.

The commentary section provides additional guidance when applying the Code principles. It also provides some of the examples but not all-inclusive type of examples.

Corporate governance report

The Code has 47 general principles, principles and recommendations. The SCIC’s portfolio companies who adopt the Code are expected to prepare and update a corporate governance report at least annually. The corporate governance report should be shared with the stakeholders by posting it on the enterprise’s website or by sending it to the shareholders. In the corporate governance report, the enterprise is expected to describe (1) the overview of the enterprise’s corporate governance policy/framework, (2) the corporate governance statement, (3) explanations of reasons for non-application of the CGC, and (4) explanations of how the enterprise applies the CGC, and other relating information such as the list of the members of board of directors.

A sample corporate governance report is shown in Part III, Appendix C of this document. Note that if an enterprise has already prepared other similar document, such as “corporate governance policy,” the enterprise may refer to such other document in the corporate governance report.

Disclosure requirements

Some of the principles and recommendations within the Code require disclosures that may be seen to be duplicative. However, each principle or recommendation has a different objective, for example, Section 3 requires each *enterprise* to make particular disclosures while Section 4 requires each *board of directors* to oversee such disclosures. Therefore, depending on the Code requirement, an enterprise should assess if it applies the Code principle/recommendation or not, based on *who* within the enterprise is responsible for the Code requirement.

Listed companies

Listed companies and certain public companies are subject to relevant stock exchange's rules and regulations, Law on Securities and related legal framework. Generally, such rules and regulations and legal framework require higher standards of transparency, accountability and corporate governance of the public and/or listed companies. As the Code is developed to facilitate a wider range of enterprises including non-public enterprises, most of the Code principles and recommendations have already been applied by such public or listed companies. These companies are expected to further enhance their disclosures by reference to the *Recommendations* part of the Code.

Post implementation review and continuous updates

The Code is a starting point for strong governance. The Code and its application guidance must be continuously reviewed and updated in accordance with the changes in circumstances. Once it is adopted by the SCIC's portfolio companies, post-implementation reviews (PIR) should be performed in the subsequent years. These PIR procedures are separately documented in the application guidance of the Code.

Section 1: The rights and equitable treatment of shareholders

1. The rights and equitable treatment of shareholders

General Principle 1.

Enterprises should take necessary measures to protect and facilitate the exercising of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective remediation for violation of their rights.

Notes from OECD Principles 2015:

Basic shareholder rights should include the right to: 1) secure methods of ownership registration; 2) convey or transfer shares; 3) obtain relevant and material information on the corporation on a timely and regular basis; 4) participate and vote in general shareholder meetings; 5) elect and remove members of the Board; and 6) share in the profits of the corporation.

Commentary:

General Principle 1 describes the core concept of the CGC which is to protect the rights of shareholders. Each enterprise is expected to have internal policies on these areas, in addition to the ones required by the Vietnamese laws & regulations. Generally, it is included in the enterprise charter or a separate document such as Corporate Governance Policy.

Requirements under the Vietnamese laws & regulations:

Under Article 113 of the Law on Enterprises, save for the ordinary shares, a JSC may also have preference shares. Each share of the different types provides its holder with different rights, obligations, and interests. For example, holders of dividend preference shares do not have the voting right, attend general shareholders' meeting, nominate candidates for board of directors and the Supervisory Board.

Shareholder's right

Principle 1.1

- 1.1. Shareholders should be informed in a sufficient and timely manner, and the shareholders with voting rights have the right to approve, or participate in, decisions concerning fundamental corporate changes such as; 1) amendments to the statutes, or articles of incorporation or similar governing documents of the enterprise; 2) the authorisation of additional shares; 3) the election, removal, or dismissal of the members of Board of Directors or members of Supervisory Board (Inspection Committee); and 4) extraordinary transactions, including investment decisions valued 35% or more of the total value of the enterprise's assets and the transfer of all or substantially all assets that in effect result in the sale of the enterprise.

Commentary:

- The meaning of “sufficiently and timely informed”: Article 171 of the LOE about “public disclosure of information on shareholding companies” stipulates that a shareholding enterprise shall publish the following information on its website (if any): the charter of the enterprise, curriculum vitae, academic standard and working experience of members of board of directors, members of the Supervisory Board, director or general director of the enterprise; annual financial statement passed by general shareholders’ meeting; reports on evaluation of annual operation results of board of directors and Supervisory Board. A public shareholding enterprise shall publish or publicly disclose information in accordance with the law on securities. A shareholding enterprise in which the State holds more than fifty (50) per cent of the charter capital shall publish and publicly disclose information as stipulated in article 108 and 109 of this law. Article 109 of the LOE stipulates “Announcement of abnormal information” and such information must be published on the enterprise’s website or provided in a printed materials (if any) within 36 hours from the occurrence of such events. The Code suggests earlier disclosure of such events (e.g. within 24 hours from the occurrence of such events) is one of the examples of “timely informed”.
- The meaning of “extraordinary transactions”: Items in addition to the ones described in the Article 109 of the LOE, that the enterprise believes that is unusual in occurrence (= infrequent) and in nature (= not in an ordinary course of the enterprise’s operation).
- The meaning of “result in the sale of the enterprise”: Although legal form of the transaction is not “a sale of the enterprise,” if such sale of significant assets is considered to be a transfer of significant profitable assets/business of the enterprise, then, it should be treated as such.
- The meaning of “the transfer of all or substantially all assets”: In this context, “transfer” include both sale and lease (both operating and financing leases) transactions where the enterprise is no longer able to control the assets. Since an “asset” is used by the enterprise to generate economic benefits either in the form of increased income or decreased expenses, a transfer of assets may be resulting in the decline in profitability of the enterprise that investors should know on a timely basis. How much is considered to be “substantial”? It depends on the enterprise’s business model and investor’s expectations.

Requirements under the Vietnamese laws & regulations:

- Article 114 of the LOE stipulates the *Rights of ordinary shareholders*.

Shareholders’ meeting

Principle 1.2

- 1.2. Shareholders with voting rights should have the opportunity to participate effectively and vote in general shareholders’ meetings and should be informed of the rules, including voting procedures, that govern general shareholders’ meetings:
 - Shareholders should be furnished with sufficient information on a timely basis concerning the date, location and agenda of general meetings, as well as full disclosure regarding the issues to be decided at the meeting on a timely basis.

- Processes and procedures for general shareholders' meetings should allow for equitable treatment of all shareholders. Enterprise procedures should not make it unduly difficult or expensive to cast votes.
- Shareholders with appropriate rights should have the opportunity to ask questions to board of directors and supervisory board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.
- **Say-on-pay:** Shareholders with appropriate rights should have the opportunity to participate in key corporate governance decisions, such as the nomination and election of board of directors and supervisory board members. Shareholders should be able to make their views known, including through votes at shareholders' meetings, on the remuneration of board of directors, supervisory board members and key executives, as applicable. The equity component of compensation schemes for board of directors, supervisory board members and employees must be subject to shareholder approval.

Commentary:

- Proxy documents should be provided to the shareholders on a timely basis, preferably well in advance of the deadline determined by the laws & regulations.
- Think about, in the past years, what kind of questions your board of directors and supervisory board received from the shareholders and how they responded. What were the voting results? If the voting against the enterprise's proposal exceeded certain level, the enterprise should analyze the reasons and should take necessary action.
- An enterprise is expected to have a mechanism to collect shareholder's views even though each shareholder might not have right to vote for remuneration of each member of board of directors and supervisory board or a senior executive.

Requirements under the Vietnamese laws & regulations:

- The shareholders' meeting only votes on the total amount and calculation method of executive remuneration and bonuses (Articles 158.2.a. and 167.1 of the LOE). Refer to "say-on-pay" in Principle 1.2.
- Under Article 138(2) of the Law on Enterprises, the shareholder or group of shareholders holding at least 10% of ordinary shares for at least 6 consecutive months (or a smaller amount prescribed by the company's charter) have the right to propose additional matters to the agenda of general shareholders' meeting.
- Under Article 114 of the Law on Enterprises, the shareholder or group of shareholders holding at least 10% of ordinary shares for at least 6 consecutive months (or a smaller amount prescribed by the enterprise's charter) have the right to nominate the candidates for board of directors and the supervisory board.

Shareholders' rights - equality

Principle 1.3

1.3. All shareholders of the same series of a class should be treated equally. Capital structures and arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership should be disclosed.

- Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected, in addition to the general shareholders' meeting's approval.
- The disclosure of capital structures and control arrangements is required.

Commentary:

- The “arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership” include an arrangement recently introduced in France in 2015, known as *Florange* double-vote law, where shareholders who own the shares longer than two years are granted double voting rights.

Requirements under the Vietnamese laws & regulations:

- Each share of the same type shall entitle its holder to the same rights, obligations and interests. (Article 113 -5 of LOE)
- Shareholders have all rights and obligations as prescribed by the Law on Enterprise, relevant documents, the company's charter, especially:

The right to fair treatment. Each shares of the same class bring the shareholders equal rights, obligations and interests. If the company has preferential shares, the rights and obligations attached to such preferential shares must be announced to the shareholders and approved by General assembly of shareholders (Article 3 -1-b) of Circular 121/2012/TT-BTC).

Refer to Appendix A. Reference to legal documents for “*Change of Rights*.”

Related-party transactions

Principle 1.4

1.4. Related-party transactions should be approved and conducted in a manner that ensures proper management of any potential conflict of interest and protects the interest of the enterprise and its shareholders. “Related-party” or “related person” is defined by existing laws and regulations including accounting standards (VAS 26) differently. The enterprise should consider disclosing the related-party transactions **beyond the requirements by other laws, regulations and accounting standards**, taking into account the enterprise's specific situations. For example, the enterprise may consider disclosing their internal rule of approving and disclosing

related-party transactions. The enterprise may also consider disclosing employment of family members of key executives.

- Conflicts of interest inherent in related-party transactions should be addressed, and
- Members of the board of directors and the supervisory board as well as key executives should be required to disclose to the board of directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.

Commentary:

- In the Code, the concept of “related-party” includes the concept of “related person” and additional parties that are considered to be important to disclose from the stakeholder’s point of view. The “additional parties” could vary depending on the circumstances each enterprise faces.
- Potential “conflicts of interest” may be addressed by explaining that the “terms and conditions” of transactions between the enterprise and a specific related-party is exactly the same as other non-related parties. Since investors are concerned about the potential conflicts of interest that may negatively affect the enterprise’s earnings, or fair business practices, each enterprise is responsible for disclosing the information on related-party transactions including pre-approval policy and how to collect a complete list of such transactions.

Requirements under the Vietnamese laws & regulations:

- “Related person” is a defined term in Article 4-17 of the LOE, “Interpretation of terms” as follows:

Related person means an organization or individual related directly or indirectly to an enterprise in the following cases:

- a) *A parent company, the manager of a parent company and the person who has the power to appoint the manager of a subsidiary company in the corporate group;*
- b) *A subsidiary company of a parent company in the corporate group;*
- c) *A person or a group of persons being able to control the decision-making process and operations of such company through the management bodies of the company;*
- d) *A manager of the company;*
- dd) *Husband, wife, biological father, adoptive father, biological mother, adoptive mother, biological children, adopted children, siblings, brothers-in-law, sisters-in-law of any manager of an company, any member, or any shareholder holding a share of capital contribution or controlling share;*
- e) *An individual who is authorized to act as the representative of the persons, companies as stipulated in paragraphs a), b), c), d) and dd) of this clause;*
- g) *An company in which the persons, companies as stipulated in paragraphs a), b), c), d), dd), e) and h) of this clause holding shares to the level that they can control the decision-making process of the management bodies of such company;*
- h) *Any group of persons who agree to co-ordinate to take over shares of capital contribution, shares or interests in the company or control the decision-making process of the company.*

- Article 159 of the LOE, “public disclosure of relevant interests,” stipulates that the company must gather and update a list of related persons of the company and members of board of directors, inspectors, director or general director (or CEO) and other managers of the company must declare their relevant interests within the company. Such declaration must be made within seven working days from the date on which the relevant interests are earned.
- Chapter V, “Prevention of Conflicts of Interest”, Article 24 of the Circular No. 121/2012/TT-BTC, “Transactions with related persons,” stipulates the disclosure requirements of the related persons for public companies.
- “Related-party” is a defined term in the accounting standards VAS 26 as follows: *Related party*: parties are considered to be related if one party has the ability to *control* the other party or exercise *significant influence* over the other party in making financial and operating decisions.
- *Related-party transaction*: a transfer of resources or obligations between related parties, regardless of whether a price is charged.
- *Control*: ownership, directly, or indirectly through subsidiaries, of more than one half of the voting power of an company, or a substantial interest in voting power and the power to direct, by statute or agreement, the financial and operating policies of the management of the company.
- *Significant influence*: participation in the financial and operating policy decisions of an company, but not control of those policies. Significant influence may be exercised in several ways, such as representation on board of directors, participation in the policy making process, material inter-company transactions, and interchange of managerial personnel or dependence on technical information. Significant influence may be gained by share ownership, statute or agreement. With share ownership, significant influence is presumed in accordance with the definition contained in VAS 07 “Accounting for Investments in Associates”.

Minority shareholders

Principle 1.5

- 1.5. Minority shareholders should be protected from abusive actions by, or which are in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.

Commentary:

- One such possible abusive actions may include the multiple voting shares that do not follow the “one share, one vote” model AND is unevenly preferable to the controlling shareholders. However, if minority shareholders have a right to vote on or approve the creation of such multiple voting shares, as well as any material changes to the attributes of such shares, it could be an effective means of redress.
- Other possible abusive actions may include but are not limited to pre-emptive rights, golden shares, and any other forms of restrictions on issuance of shares. To prevent potential abuse, minority shareholder approval on these actions should be considered.

Requirements under the Vietnamese laws & regulations:

- Exercising the right to attend general shareholders’ meeting (Article 140 of LOE)
- Rights to take legal proceedings against members of board of directors, director or general director (Article 161 of LOE)
- Demand for cancellation of resolutions of general shareholders’ meeting (Article 147 of LOE).
- Responsibility of major shareholders (Article 4 Circular 121/2012/TT-BTC)

Relations with shareholders

Principle 1.6

1.6. Enterprises' policies for promoting constructive dialogue with shareholders should include but are not limited to the following:

- Appointing a senior management or a director who is responsible for overseeing that constructive dialogue takes place;
- Measures to ensure positive cooperation among relevant departments within the enterprises (e.g. investor relations, corporate strategic planning, finance & accounting and legal departments) to support such dialogue;
- Measures to take necessary action to share views and concerns from shareholders with senior management, board of directors and supervisory board of the enterprise, and
- Measures to control insider information when engaging in such dialogue.

Principle 1.7

1.7. Enterprises should engage in constructive dialogue with shareholders including institutional investors and both domestic and foreign strategic investors, outside of the general shareholders' meetings to contribute to sustainable growth and the increase of corporate value over the mid- to long-term. Constructive dialogue would be facilitating mutual understanding, building trust and confidence, as well as promoting value adding communications.

Commentary:

An "engagement" is the term used for constructive mutual interaction between the enterprise and its shareholders, it is not a one-way communication. The general shareholders meeting is one of the important opportunities for both enterprise and its shareholders, however, the enterprise is expected to provide other opportunities for such mutual communications throughout the year.

Requirements under the Vietnamese laws & regulations:

- Shareholders have all rights and obligations as prescribed by the LOE, relevant documents, the enterprise's charter, especially;
- The right to be informed of periodic and irregular information about the enterprise's operation. (Article 3.1.(c) Circular 121/2012/TT-BTC)

Section 2: Role of stakeholders in corporate governance

2. Role of stakeholders in corporate governance

General Principle 2.

Enterprises should fully recognize that appropriate cooperation with the stakeholders other than shareholders is indispensable in achieving sustainable growth and increasing corporate value over the mid- to long-term.

Notes from OECD Principles 2015:

The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.

The corporate governance framework should provide sound incentives throughout the investment chain and provide for stock markets to function in a way that contributes to good corporate governance.

Commentary:

- General principle 2 emphasises the importance of **stakeholders** when an enterprise is trying to enhance its long-term value.
- **Stakeholders** include shareholders, employees, customers, vendors, suppliers, creditors, communities at large, and so on. Each enterprise might have a different priority among these stakeholders. One action by the enterprise may be beneficial to shareholders but not for other stakeholders. Therefore, when an enterprise is seeking long-term sustainable growth, the enterprise should consider not only shareholders' interests but also other stakeholders' benefits.

Code of conduct

Principle 2.1

2.1 Enterprises should implement a code of conduct for employees in order to express their values with respect to appropriate cooperation with and serving the interests of stakeholders and carrying out sound and ethical business activities including anti-bribery and corruption measures. Board of directors and supervisory board should have measures to help employees understand and apply the code of conduct. For large enterprises with a number of subsidiaries, board of directors and supervisory board of the parent enterprise should be also responsible for adherence to the code of conduct by subsidiaries' employees.

Commentary:

- Code of conduct may be named in different ways such as "code of ethics," "employees' ethical standards/handbook" and so on. Often, an enterprise has several different

ones for different groups of officers and employees within the enterprise. For example, the code of conduct for finance/accounting department employees generally has more robust standards to prevent fraudulent financial reporting.

- The code of conduct for foreign subsidiary enterprises should be modified to best fit for the local culture and to be line with the local laws & regulations. Many multinational enterprises disclose their code of conduct on their website.

Whistleblowing

Principle 2.2

- 2.2 Enterprises should establish an appropriate framework for whistleblowing such that employees can report illegal or inappropriate behaviour, disclosures, or any other serious concerns without fear of suffering from disadvantageous treatment. The framework should allow for an objective assessment and appropriate response to the reported issues, and board of directors and supervisory board should be responsible for both establishing this framework, and ensuring and monitoring its enforcement.

Principle 2.3

- 2.3 Enterprises should establish a point of contact that is independent from the management. In addition, rules should be established to secure the confidentiality of the information provider and prohibit any disadvantageous treatment. A point of contact could be the third party legal counsel or any other independent bodies.

Commentary:

- A hotline system is a telephone (or e-mail or other communication method) reporting system under which anyone (sometimes including external parties) could directly report to the enterprise's general counsel (house lawyer) or equivalent his/her concerns relating to the enterprise's business conduct **anonymously**.
- The number of reporting per year through such hotline may indicate the level of effectiveness of the system. If the number of reporting is too few or too many, it might not be operating effectively. For example, an employee would not use the hotline system to report his/her supervisor's wrongdoing if he or she is not protected against potential revenge by the supervisor. Therefore, in many countries, whistle-blower is protected by law from potential abusive treatment. On the other hand, if the number of reporting through hotline is too many, then, an enterprise should consider how to handle such a large number of reports efficiently.
- Board of directors and supervisory board should be aware of the nature of the reports through hotline and should ensure that the necessary action is taken.

Environmental, social and governance (ESG) matters

Principle 2.4

- 2.4 Enterprises should take appropriate measures to address sustainability issues, including environmental, social and governance matters. With the recognition that dealing with sustainability issues is an important element of risk management, board of directors and supervisory board should take appropriate actions to this end. Board of directors and supervisory board are also responsible for maintaining and improving corporate governance set forth in this Code.

Commentary:

- Environmental, social and governance (ESG) matters has become more and more important these days. Large institutional investors, such as global pension funds, are strategically investing in enterprises whose rating for ESG matters are higher than average, with a view that such investments will bring them better medium- to long-term returns.
- Financial analysts and investors are also increasingly focusing on an enterprise's non-financial information including ESG matters. Corporate governance is one of the most important ESG matters that these investors are looking at when evaluating the enterprises.
- Many global enterprises are disclosing voluntarily their "sustainability report" (in other word, Corporate Social Responsibility report) on their website. In the sustainability report, they typically describe, strategy and analysis, organizational profile, stakeholder engagement, environmental matters (emissions, energy, materials, water, etc.), governance matters (employment, labour/management relations, occupational health and safety, training and education, diversity and equal opportunity, human rights, non-discrimination, child labour, etc.), social matters (local communities, anti-corruption, etc.) and related compliance matters. Sustainability report or CSR report often refers to the "G4 Sustainability Reporting Guidelines – Reporting Principles and Standard Disclosures" issued by the Global Reporting Initiative (GRI), the United Nation's "Global Compact – Ten Principles 2000," or the "OECD Guidelines for Multinational Enterprises 2011" as a basis for reporting.
- Integrated reporting is another way of disclosing non-financial information together with traditional financial information. For details, refer to the following website: <http://integratedreporting.org/>

Section 3: Disclosure and transparency

3. Disclosure and transparency

General Principle 3.

Enterprises should make appropriate information disclosure in compliance with the relevant laws and regulations. Enterprises should also try to actively provide information beyond those required by laws, which includes both financial and non-financial information such as business strategies, business issues, risks and governance matters.

Board of directors and supervisory board should recognize that disclosed information should be accurate, clear and concise so that it will serve as the basis for constructive dialogue with shareholders.

Notes from OECD Principles 2015:

The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the enterprise.

Commentary:

Although the General Principle 3 encourages disclosures beyond those required by laws, enterprises may use their discretion as to whether they should provide additional disclosures if disclosing such sensitive information (e.g. law suit, M&A, strategic alliance, and so on) would be disadvantageous.

Requirements under the Vietnamese laws & regulations:

- Disclosure requirements for public companies were stipulated in the Chapter II of Circular 52/2012/TT-BTC and have been replaced by the Chapter II – Information Disclosure of Public Companies- and Chapter III – Information Disclosure of Listed Organizations and Large-Scale Public Companies – of the Circular 155/2015/TT-BTC effective January 1, 2016.
- Disclosure requirements for non-public companies are stipulated in Article 1.2 of Decree 05/2013/ND-CP.

Disclosure of material information

Principle 3.1

3.1 Disclosure should include, but not be limited to, material information on:

- (i) The financial and operating results of the enterprise;
- (ii) Enterprise objectives and non-financial information;
- (iii) Majority share ownership, including beneficial owners, and voting rights;
- (iv) Remuneration of the members of board of directors and supervisory board, and key executives;

- (v) Information about members of board of directors and supervisory board, including their qualifications, the selection process, other enterprise directorships and whether they are regarded as independent by board of directors;
- (vi) Related-party (broader concept than “related person”) transactions;
- (vii) Foreseeable risk factors;
- (viii) Issues regarding employees and other stakeholders;
- (ix) Governance structures and policies, including the content of any corporate governance code or policy and the process by which it is implemented, and
- (x) Explanation of the independence of the external auditor including duration of audit contract with current auditor (i.e. year of renewal), and audit fees to indirectly prove the quality of audit.

These items above are required to disclose by other laws or regulations. However, an enterprise should consider disclosing the additional information relevant to the enterprise’s stakeholders voluntarily so that the stakeholders, shareholders in particular could understand the enterprise more clearly.

Commentary:

- The Principle 3.1 aims to encourage enterprise to disclose voluntarily additional information beyond those required by the existing laws & regulations. Non-public companies may refer to the disclosure requirements for public companies. Public enterprises subject to Circular 155/2015/TT-BTC may elect to disclose any additional information that the enterprise believes useful for its investors beyond the requirements of Circular 155/2015/TT-BTC.
- Non-financial information in (ii) above, is any information other than financial statements and its footnotes. Non-financial information would include but is not limited to policies on environmental and social matters, respect for human rights, anticorruption and bribery issues, and diversity in the enterprise’s board of directors. These examples are in line with the EU Directive 2013/34/EU.
- Item (viii) above, *Issues regarding employees and other stakeholders*, may include management/employee relations, including remuneration, collective bargaining coverage, and mechanisms for employee representation, and relations with other stakeholders such as creditors, suppliers, and local communities. The objective of such disclosure is to provide information that may materially affect or may have a significant impacts upon the performance of the enterprise.
- Disclosure rules by laws and regulations are the minimum mandatory requirements that enterprises should comply with. The Code intends to go beyond the minimum disclosure requirements mainly for the purpose of increased transparency and further encouraging the dialogue with stakeholders.

Requirements under the Vietnamese laws & regulations:

- Chapter VI of the Circular 121/2012/TT-BTC, providing regulations on corporate governance applicable to public companies, stipulates the disclosure requirements.

- Article 9 of the Circular 155/2015/TT-BTC, “Irregular information disclosure” stipulates the list of information that must be disclosed within 24 hours as follows:

Each public company must perform irregular information disclosure within 24 hours, from the occurrence of one of the following events:

- a) *The banking accounting of the company is blocked or unblocked after the blockage, unless the company requests the blockage of its banking account;*
- b) *Partially or completely suspending the business operation; adding or withdrawing one or a number of business lines; the operation is suspended or the Business registration certificate or the Establishment and operation permit or the operation permit; changes of the prospectus after receiving the certificate of offering registration issued by the SSC;*
- c) *Ratification of the decision of general shareholders’ meeting (including Resolution of general shareholders’ meeting, meeting minutes, or report on vote counting (in case of absentee voting of shareholders)). If general shareholders’ meeting ratify the decision on cancellation of the listing, the company must disclose the decision together with the affirmative vote ratio of shareholders not being major shareholders;*
- d) *The decision on purchase or sale of treasury shares; the expiry date on which the share purchase right of bondholders shall be performed together with the call option of shares the expiry date on which the convertible bonds are converted into shares; the decision on securities offering overseas and decision related to securities offering as prescribed in law on companies;*
- dd) *The decision on the dividend rate, forms and time of dividend payment, common shares issue; the decision on the share splitting and grouping;*
- e) *The decision on company restructuring (total division, partial division, consolidation), company dissolution; change in the name or the seal of the company; change in location, establishment or shutdown of the headquarters, branches or offices; amendments to the Charter, mid-term development strategies or plans and the annual business plan of the company;*
- g) *The decision on change in accounting period, applied accounting policies (excluding change due to regulations of law); notification of the audit firm entered into the contract of annual financial audit or change in the audit firm (after conclusion of the contract); audit firm refuses to audit the financial statement of the company; the retroactive adjustment results of the financial statement (if any); the auditor’s opinion except for an unqualified opinion;*
- h) *The decision on contributing capital to establish an company or buying stakes of a company leading such company become a subsidiary, a joint venture company, or an associate or the decision on selling stakes of its subsidiary, joint venture company, or associate leading such company is no longer its subsidiary, joint venture company or associate, or the decision on dissolution of a subsidiary, a joint venture company, or an associate; the decision on shutdown or establishment of a branch, a plant or a representative office;*
- i) *The decision of the general shareholders’ meeting or board of directors on ratification of a contract/agreement concluded with internal or relevant persons;*
- k) *The decision on issuance of convertible bonds or preferred shares;*
- l) *Upon the change in number of voting shares outstanding. Time of information disclosure:*
 - *If the company issues additional shares, the time of information disclosure shall be determined from the date on which the report on result of issuance sent to the SSC as prescribed;*

- *If the company conducts transaction of treasury shares, the time of information disclosure shall be determined from the date on which the report on results of transaction of treasury shares is sent as prescribed;*
- *If the company repurchase shares from officers according to the selective program of the company or repurchase odd-lot shares of the company through the securities company; the securities company purchases own shares at the request of the client or to rectify transaction errors, the company shall disclose the latest information within the first 10 days of the month upon the completion of the transactions.*
- m) *The company receives the Certificate of Company registration or the Establishment and operation license or the operation license which is amended;*
- n) *The company replaces, appoints, re-appoints, or dismisses an executive officer. Within 3 working days from the date of information disclosure in terms of the replacement, appointment, re-appointment of the executive officer, the company shall send the curriculum vitae of new executive officer (if any) to the SSC and the SE where the company listed or registered as prescribed in Appendix 3 issued herewith;*
- o) *The company receives a decision on prosecution, detention or criminal prosecution against an executive officer of the company;*
- p) *The company receives a judgment or a decision made by a court relating to the company's operation; or a decision on violations against the laws on taxation committed by the company sent by a tax authority;*
- q) *The decision on borrowing or issuance of bonds leading total of borrowings of the company accounting for at least 30 % of owner's equity as determined in the latest audited annual financial statement or the latest reviewed biannual financial statement.*

If the total of borrowings of the company accounts for at least 30 % of owner's equity as determined in the latest audited annual financial statement or the latest reviewed biannual financial statement, the company shall disclose information about the decisions on additional borrowing or additional bonds accounting for at least 10% of owner's equity as determined in the latest audited annual financial statement or the latest reviewed biannual financial statement;

- r) *The company receives a notification of receipt of the petition for initiation of company bankruptcy process;*
- s) *Other events occurs leading major impact on the production, business and administration of the company. (...omitted...)*

In case of listed or and large-scale public company, article 12 stipulates additional events that required to be disclosed in addition to above:

1. *The stakes of the owner or total assets decrease by at least 10% in the latest audited annual financial statement or the latest reviewed biannual financial statement.*
2. *There is a decision on increase/decrease in charter capital; a decision on investment in an organization, project, borrowing, lending or other transaction with value of at least 10% of total assets of the company as mentioned in the latest audited annual financial statement or the latest reviewed biannual financial statement; there is a decision on capital contribution of at least 50% of charter capital of an organization (according to the charter capital of such organization before the time of contribution); a decision on sale or purchase of assets with value of at least 15% of the total assets of the company as mentioned in the latest audited annual financial statement or the latest reviewed biannual financial statement.*
3. *The organization/company is approved or delisted at a foreign stock exchange.*

Article 10 of the Circular 155/2015/TT-BTC, "Information disclosure on request" stipulates as follows:

1. *The public company shall disclose information within 24 hours in any of the following cases upon receipt of the request of the SSC (the State Securities Commission) or the SE (Stock Exchange) where the company listed or registered:*
 - a) *Occurrence of events that causes serious effect to the legal interests of the investors;*
 - b) *There is any information about the company that cause major effect to the securities prices that needs verified.*
2. *The disclosed information on request must be detailed and contain reasons and evaluation of the truthfulness of the information and handling measures (if any). (...omitted...)*

Fair disclosure

Principle 3.2

- 3.2 Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users. An enterprise should be aware of the fair-disclosure concept and should not provide particular material information only to a selected group of people.

Commentary:

- “Fair Disclosure” concept should be adhered to if enterprise is public or aiming to be public in the near future. The enterprise should not disclose material non-public information such as earnings projection, key personnel changes, or M&A plans, to certain individuals or entities including news media companies (“selective disclosure”). Fair disclosure is a fundamental to the healthy capital markets.
- “Channels for disseminating information” may include, filing the annual report and other documents to the regulatory authority, posting to the enterprise’s website, interviews with media representative (e.g. newspaper article, TV broadcast), using the social network services (e.g. Facebook) and all other means.

Requirements under the Vietnamese laws & regulations:

No specific reference to “fair disclosure” in the Law on Securities (2010)

Principle 3.3

- 3.3 An enterprise should distinguish strategic investor from other investors in a way where a strategic investor obtains information from the enterprise within a capacity of the enterprise management. Although a strategic investor’s legal rights and obligations is generally balanced, an enterprise should consider fair balance between their rights and obligations.

Commentary:

Generally, a strategic investor’s rights and obligations should be balanced and no special treatment would be needed. However, under unusual circumstances where strategic investor’s rights is unfairly limited, certain measure to compensate the unbalance should be considered.

Requirements under the Vietnamese laws & regulations:

There is a definition of “strategic investor” under Decree 59/2011/ND-CP on transformation of companies with 100% state capital into joint stock companies.

Narrative explanation

Principle 3.4

3.4 Board of directors and supervisory board should ensure that the disclosed information is not “boiler-plated” but as enterprise specific as much as possible with sufficient detail so that the information adds value to investors. A “boiler-plate” disclosure does not provide meaningful information to users; it could be too generic or it could be copied from another enterprise’s disclosure and does not tell their own stories but another enterprise’s.

Commentary:

A boiler-plate disclosure means something that looks exactly like the “template” available to everyone and often suggests a negative example.

Disclosure of risks

Principle 3.5

3.5 An enterprise should disclose its overall exposure of risk and link it to its strategy and the business model, and explain how significant risks are mitigated. In addition, the enterprise should explain how its risk exposure changes over time.

Internal controls

Principle 3.6

3.6 An enterprise should disclose and explain its design and operating effectiveness of internal control system over financial reporting and disclose necessary information to its shareholders.

Requirements under the Vietnamese laws & regulations:

Article 165.4 of LOE stipulates Inspection Committee has responsibility to review, inspect and evaluate the effectiveness and efficiency of the internal control, internal audit, risk management and early warning system of the company.

External auditor

Principle 3.7

3.7 An enterprise and its external auditor should recognize the responsibilities that the external auditor owes toward shareholders and investors, and take appropriate steps

to secure the proper execution of audits of the enterprise's financial statements. To secure the proper execution of audits, enterprises should engage with auditors soon after their election at the general shareholders' meeting so that the auditors have sufficient time to perform the effective and efficient audits.

Requirements under the Vietnamese laws & regulations:

- External independent auditors for the purpose of applying the Code are certified public accountants or equivalent under the Vietnamese regulations.
- Article 15.3 c) of Decree 17/2012/ND-CP stipulates that “Enterprises and organizations with 20% or more of the voting rights held by state groups, state corporations in the end of the fiscal year must be audited for annual financial statements”

Disclosure in English

Recommendation 3.8

3.8 It is recommended for certain large enterprises that such enterprises should consider disclosing information in English on a timely basis in addition to Vietnamese to facilitate decision useful information to foreign investors.

Requirements under the Vietnamese laws & regulations:

- Regulations on Information Disclosure at the Hanoi Stock Exchange (issued together with Decision No. 250/QD-SGDHN on 06/06/2013 by the Chief Executive Officer of the Hanoi Stock Exchange)
- Article 3 of the Circular 155/2015/TT-BTC stipulates the rules for information disclosure and says, “The disclosed information in Vietnamese and English shall apply to the SE, SDC as prescribed by the SE and the SDC that are approved by the SSC. Other entities are recommended to disclose information in English as prescribed in the Regulation of the SE and the SSC. The disclosed information in English is provided for reference only.”

Timely audit of financial statements

Recommendation 3.9

3.9 It is recommended that the annual financial statements should be audited in a timely manner.

Recommendation 3.10

3.10 It is recommended that the explanations with respect to the individual appointments, reappointments and nominations of the members of board of directors and supervisory board should be based on policies and procedures of board of directors and supervisory board, respectively, should be disclosed.

Commentary:

Often, “procedures” for the appointment, reappointments and the nomination of directors are documented in the form of a “nomination committee charter” or “nomination

committee's terms of reference" which contains, for example, how the nomination committee identifies suitable candidates for any appointment (e.g. the committee uses open advertising and/or external advisers to facilitate the search, and so on.)

Requirements under the Vietnamese laws & regulations:

- Article 170.2 of LOE stipulates JSC of which audit of annual financial statement is required by law.
- Article 3 of the Circular 155/2015/TT-BTC, "Rules for information disclosure" stipulates that the information disclosure must be sufficient, accurate and punctual.
- Chapter II of the Circular 155/2015/TT-BTC stipulates that each public company must disclose its audited annual financial statement within 10 days, from the date on which the audit firm signs the audit report provided not exceeding 90 days, from the end date of the financial year (December 31).
- Although this rule, "Information Disclosure of Public Companies," is applicable only for the public companies, non-public enterprises are encouraged to comply the similar "timely" information disclosures.

Section 4: Responsibilities of the board of directors

4. Responsibilities of the board of directors

General Principle 4.

- (1) Board of directors should be responsible for monitoring management performance and achieving an adequate return for shareholders, while preventing conflicts of interest and balancing competing demands on the enterprise. In order to fulfil their responsibilities, board of directors should be able to exercise objective and independent judgement.
- (2) Board of directors should be responsible in overseeing the risk management system and systems designed to ensure that the enterprise is in compliance with applicable laws and regulations, while determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives.
- (3) Board of directors is not only accountable to the enterprise and its shareholders but also has a duty to act in their (i.e. the enterprise and its shareholders') best interests. In addition, board of directors is expected to take due regard of, and deal fairly with, other stakeholder interests including those of employees, creditors, customers, suppliers and local communities. Observance of environmental and social standards is relevant in this context.
- (4) In order to fulfil their responsibilities, board of directors should have access to accurate and relevant information on a timely basis.

Notes from OECD Principles 2015:

The corporate governance framework should ensure the strategic guidance of the enterprise, the effective monitoring of management by the Board, and the Board's accountability to the enterprise and the shareholders.

The Board should fulfil certain key functions, including:

- *Reviewing and guiding corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.*
- *Monitoring the effectiveness of the enterprise's governance practices and making changes as needed.*
- *Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.*
- *Aligning key executive and board remuneration with the longer term interests of the enterprise and its shareholders.*
- *Ensuring a formal and transparent board nomination and election process.*

- *Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related-party transactions.*
- *Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.*
- *Overseeing the process of disclosure and communications.*

Commentary:

Section 4 of the Code relates to the responsibilities of board of directors. Under the traditional two-tier board system, however, board of directors' responsibilities may be shared with other oversight function, such as supervisory board. Each enterprise may have a different supervisory function regardless of its selection of the structure. Thus, one enterprise's governance model may be different from others. That is the reason why each enterprise should disclose and explain how its board of directors and/or supervisory board works.

Requirements under the Vietnamese laws & regulations:

Article 134 of the LOE, "Organizational and management structure of shareholding companies" stipulates the following two models:

- a) General shareholders' meeting, a board of directors, supervisory board and director or general director (or CEO).
- b) General shareholders' meeting, a board of directors, director or general director (or CEO).

Articles 149 through 162 of the LOE stipulate various rights and duties of board of directors. Articles 163 through 169 of the LOE stipulate the various rights and duties of the Inspection Committee.

Relations with shareholders

Principle 4.1

- 4.1. There should be a dialogue with shareholders based on the mutual understanding of objectives. Board of directors as a whole have responsibility for ensuring that a satisfactory dialogue with shareholders takes place. Board of directors should use the general shareholders' meetings to communicate with investors and to encourage their participation.

Risk management and Internal control

Principle 4.2

- 4.2. Enterprises should robustly assess their principal risks and explain how they are being managed or mitigated, and monitor their risk management and internal control systems including internal audit function.

Principle 4.3

- 4.3. Board of directors and supervisory board should ensure that the internal audit function evaluates and contributes to the improvement of governance, risk management, and control processes using a systematic and disciplined approach.

Commentary:

To apply this code principle, an enterprise should not necessarily have the internal audit “department” within the entity; however, the enterprise should have certain internal audit “functions” within the enterprise - these could be outsourced or at least similar responsibilities should be operated effectively.

Corporate culture

Principle 4.4

- 4.4. One of the key roles for board of directors includes establishing the culture, values and ethics of the enterprise. It is important that board of directors sets the correct “tone at the top”. Board of directors should lead by example and ensure that good standards of behaviour permeate throughout all levels of the organisation. This will help prevent misconduct, unethical practices and support the delivery of long-term success.

Commentary:

- *Corporate culture* in this context means corporate values, attitudes, behaviours and all other enterprise’s conduct that the enterprise’s stakeholders are looking at. The corporate culture is a valuable intangible asset when it is healthy as it is creating and protecting the enterprise’s long-term value.
- Board of directors and supervisory board should demonstrate its leadership in developing a healthy corporate culture within an enterprise.

Independent non-executive director

Principle 4.5

- 4.5. Board of directors should be able to exercise objective independent judgement on corporate affairs by assigning a sufficient number of independent non-executive directors being capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related-party transactions, nomination of board of directors and key executives, and board of directors’ remuneration.

Notes from OECD Principles 2015:

Independent non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible. They are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing and, where necessary, removing executive directors, and in succession planning.

Requirements under the Vietnamese laws & regulations:

- Article 134 of the LOE, “Organizational and management structure of shareholding companies” stipulates the independence requirements for each of the two organizational structures.
- Article 151 of the LOE, “Structure, criteria and conditions for acting as a member of board of directors.”
- Article 164 of the LOE, “Criteria and conditions for inspectors”

Requirements under the Vietnamese laws & regulations:

Non-public companies are not required to have non-executive or independent directors under law, whereas at least one-third of the total directors of the board of a public company must be non-executive directors (article 11.2 of Circular 121/2012/TT-BTC). A non-executive director is defined as person who is not the general director (or CEO), deputy general director, chief accountant or any other executive person as appointed by the company (Article 2.2 of Circular 121/2012/TT-BTC). At least one-third of the total directors of the board of a large public company or listed company, however, must be independent directors (Article 30.2 of Circular 121/2012/TT-BTC). A director is considered independent if:

- he or she is a non-executive director and not a related-party of the general director (or CEO), deputy general director, chief accountant or other executive persons as appointed by the company;
- he or she does not hold the position of director of the board, general director (or CEO) or deputy general director of any subsidiary, affiliate or company controlled by such a company;
- he or she is not a major shareholder or a representative of a major shareholder or his or her related-party;
- he or she has not previously worked at a legal or auditing firm providing services to the company for the last two years; and
- he or she is not a partner or his or her related-party with whom the company has an annual transaction value accounting for 30 percent of the total revenue or total buying product or service value of the company for the previous two years (Article 2.3 of Circular 121/2012/TT-BTC).

Specialized committees

Recommendation 4.6

- 4.6. Board of directors should consider setting up specialised committees to support the full board of directors in performing its functions, particularly in respect to audit, nomination, and, depending upon the enterprise’s size and risk profile, in respect to

risk management and remuneration. When committees of board of directors are established, their mandate, composition and working procedures should be well defined and disclosed by board of directors.

Commentary:

- A single board system with three committees, being the audit committee, nomination committee and compensation committee is a common structure of the enterprise except for Germany and Japan where a two-tier system is the most popular structure. If an enterprise has a Supervisory Board (Inspection Committee) and a Board of Directors (Management Board), then the roles and responsibilities of the audit committee being prescribed in the global standard such as OECD Principles 2015 should be read as those of Supervisory Board (Inspection Committee) unless otherwise prescribed in the enterprise's charter.
- For smaller board of directors (i.e. the total number of board members is less than seven), setting up a specialised committee might not always promote efficiency and effectiveness of the function of the Board. However, for larger board of directors, it is beneficial to have such specialised committees by discussing fully the specific areas in smaller number of board members.
- Among various specialised committees, the **audit committee** plays a key role in most countries in the world. It is indispensable and different from the traditional Supervisory Board (Inspection Committee)'s roles and responsibilities. Refer to the *OECD Principles 2015* for detail description of audit committee's roles and responsibilities.

Requirements under the Vietnamese laws & regulations:

For remuneration, salaries and other benefits of members of board of directors, the director or the general director (or CEO), Article 158 of the LOE stipulates the procedures.

Chapter VII of the Circular 121, "Large-scale Public Companies and Listed Companies" deals with the sub-committees of board of directors.

Notes from OECD Principles 2015:

Nomination committee

There should be a nomination committee which should lead the process for board appointments and make recommendations to the board. A majority of members of the nomination committee should be independent non-executive directors.

Audit Committee

The board should establish an audit committee of at least three, or in the case of smaller enterprises two, independent non-executive directors. In smaller enterprises the enterprise chairman may be a member of, but not chair, the committee in addition to the independent non-executive directors, provided he or she was considered independent on appointment as chairman. The board should satisfy itself that at least one member of the audit committee has recent and relevant financial experience.

- *The main role and responsibilities of the audit committee should be set out in written terms of reference and should include:*
- *to monitor the integrity of the financial statements of the enterprise and any formal announcements relating to the enterprise's financial performance, reviewing significant financial reporting judgements contained in them;*

- *to review the enterprise's internal financial controls and, unless expressly addressed by a separate board risk committee composed of independent directors, or by the Board itself, to review the enterprise's internal control and risk management systems;*
- *to monitor and review the effectiveness of the enterprise's internal audit function;*
- *to make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;*
- *to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant jurisdiction's professional and regulatory requirements;*
- *to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm; and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; and*
- *to report to the Board on how it has discharged its responsibilities.*

The audit committee should monitor and review the effectiveness of the internal audit activities. Where there is no internal audit function, the audit committee should consider annually whether there is a need for an internal audit function and make a recommendation to the Board, and the reasons for the absence of such a function should be explained in the relevant section of the annual report.

Effective board of directors – diversity

Principle 4.7

- 4.7. Board of directors and its committees should have the appropriate balance of skills, experience, independence and knowledge of the enterprise to enable them to discharge their respective duties and responsibilities effectively.

Principle 4.8

- 4.8. Board of directors should include an appropriate combination of executive and non-executive directors (and, in particular, independent non-executive directors) such that no individual or small group of individuals can dominate board of directors' decision taking.

Transparent procedure for a new director appointment

Principle 4.9

- 4.9. Board of directors should ensure that there is a formal and transparent procedure for the appointment of new directors.

Commentary:

Principle 3.10 refers to the disclosure of the appointment of new directors; whereas this principle refers to the responsibility of board of directors (sometimes including supervisory board under the traditional two-tier system) in its oversight function.

"A formal and transparent procedure" of the enterprise may include those processes beyond the ones required by the law, such as how the enterprise finds candidates, and so on.

Requirements under the Vietnamese laws & regulations:

Article 156 of the LOE, "Dismissal, removal and addition of members of board of directors," and Article 169 of the LOE, "Dismissal and removal of inspectors," deal with the selection/appointment of each member.

Sufficient time allocation

Principle 4.10

4.10. All directors should be able to allocate sufficient time to the enterprise to discharge their responsibilities effectively.

Commentary:

Sometimes non-executive directors assume more than two enterprise's directorship. Generally, more than four directorship of large or public companies should be discouraged. Otherwise, the director would not be able to spend sufficient time for each enterprise.

Separation of the chairman and CEO

Principle 4.11

4.11. A chairman of board of directors and a General Director (or CEO) should be separated. No single person shall hold the two positions simultaneously because these two roles have different responsibilities.

Commentary:

Some countries require strict independence of the chairman of board of directors at the time of initial appointment because these countries focus more on the chairman's oversight function. In the case that a chairman of board of directors is also a CEO of the enterprise, the enterprise is expected to explain how board of directors' oversight function is maintained.

Requirements under the Vietnamese laws & regulations:

- The chairman of board of directors and the general director (or CEO) are two separate positions with different powers under the laws, although a single person can simultaneously hold the two positions (Article 152.1 of LOE and article 10.3 of Circular 121/2012/TT-BTC).
- Where a shareholding company in which the State owns more than fifty (50) per cent of the total number of votes, the chairman of board of directors shall not be allowed to concurrently act as the director or general director. (Article 152.2 of the LOE)

Effective operation of board of directors

Principle 4.12

4.12. An enterprise should consider establishing an effective supporting structure for board of directors. Under the direction of the chairman of the board of directors, the supporting structure ensures sufficient and effective information flows within board of directors including non-executive directors, its committees and senior management. The supporting function should facilitate induction training programs for the new members of board of directors and assist them with professional development programs as needed.

Commentary:

The supporting function could be an enterprise secretary or a corporate secretary of the enterprise. The size and functionality of the supporting structure may depend of the size of board of directors and supervisory board and range of its activities.

Requirements under the Vietnamese laws & regulations:

Article 33 of the Circular 121, “Company secretary” prescribes the supporting function for the Board (BOD).

Board of directors’ evaluation

Recommendation 4.13

4.13. The board of directors should undertake a formal and rigorous annual evaluation of its own performance. The objective of the annual performance evaluation is to assess the effectiveness and efficiency of board of directors. A summary of the assessment should be disclosed.

Commentary:

Generally, the board evaluation in the context of corporate governance is performed using the self-assessment questionnaire which covers, but is not limited to, the adequacy of board meeting agenda, frequency and duration of board meetings, quality, reliability and adequacy of information being provided to the board meeting, board composition including skills and expertise of board members, leadership, and other aspects of effective board as a whole. For the two-tier board system, Supervisory Board (Inspection Committee) members should also evaluate the effectiveness of board of directors by answering the self-assessment questionnaire.

Requirements under the Vietnamese laws & regulations:

Article 31(e) of the Circular 121 prescribes provisions on annual assessment of activities, reward and discipline of members of board of directors, members of the inspection committee, the executive director (general director (or CEO)) and other managers.

Succession planning

Recommendation 4.14

- 4.14. Based on the enterprise objectives, such as business principles, and specific business strategies, the board of directors should engage in the appropriate oversight of succession planning for the CEO and other key executives.

Commentary:

Key executives' succession planning has two aspects: (1) scheduled transition of key management personnel (e.g. retirement, expected termination of contract, scheduled rotation) and (2) unscheduled resignation in the middle of his/her term. An enterprise should have both plans to mitigate risks associated with unexpected interruption of business as a result of key management's change.

Remuneration

Principle 4.15

- 4.15. The board of directors should ensure that the enterprise has a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of *individual* directors. No director should be involved in deciding his or her own remuneration.

Principle 4.16

- 4.16. The board of directors should ensure that the enterprise's executive directors' remuneration is designed to promote the long-term success of the enterprise. Performance-related elements should be transparent, stretching and rigorously applied.

Requirements under the Vietnamese laws & regulations:

Remuneration for directors is determined in accordance with the basis and method as provided for under the company's charter (Article 158.2(a) of LOE and Article 16 of Circular 121/2012/TT-BTC).

Clawback provision

Recommendation 4.17

- 4.17. When part of the executive directors' remuneration (incentive-based compensation) is linked to the enterprise's financial performance (e.g. EBITDA) and when such financial performance measurement is revised or restated as a result of errors or misconducts found by external audit or any other regulatory proceedings, the enterprise should have the right to reclaim the excess amount of the incentive-based compensation that had been paid. The clawback provision may be included in the employment agreement or any other arrangements.

Remuneration disclosure

Recommendation 4.18

4.18. Remuneration for each member of the board of directors and key executives should be disclosed in sufficient detail.

Requirements under the Vietnamese laws & regulations:

HSX CG handbook IV 1.5 stipulates remuneration disclosure of individual board members (BOD) and key executives.

Pay ratio disclosure

Recommendation 4.19

4.19. The enterprise should consider disclosing the following information in addition to other remuneration related disclosures:

- The median of the annual total compensation of all employees other than the chief executive officer;
- The annual total compensation of the chief executive officer; and
- The ratio of these amounts.

Training

Principle 4.20

4.20. All directors and supervisory board members should receive induction training upon joining the boards and should regularly update and refresh their skills and knowledge.

Commentary:

Each board member should attend the training courses for corporate governance at competent institutions for a large scale public enterprise or listed enterprises as stipulated in Article 34 of Circular 121/2012/TT-BTC. Other companies should provide similar training courses either internally or externally to each director and supervisory board member.

Principle 4.21

4.21. The chairman of the board should ensure that the directors and supervisory board members continually update their skills and the knowledge and familiarity with the enterprise required to fulfil their roles as directors on board and board committees. The enterprise should provide the necessary resources for developing and updating its directors' and supervisory board members' knowledge and capabilities.

Requirements under the Vietnamese laws & regulations:

Article 34 of the Circular 121, "Training on corporate governance," stipulates that members of board of directors and the supervisory board, the executive director (general director (or CEO))

and the company secretary must participate in training courses regarding corporate governance at training establishments recognized by the State Securities Commission.

Directors' and officers' liability insurance (D&O insurance)

Recommendation 4.22

4.22. D&O insurance is a liability insurance to cover indemnification for losses or defence costs in the cases where directors and officers suffer losses from a legal action brought against any acts in their capacity as directors and officers. The enterprise should arrange appropriate insurance coverage in respect of such legal actions against its directors or officers if the general shareholders' meeting approves. However, D&O insurance coverage should not allow directors or officers to act without due care (moral hazard); the terms of the insurance policy should be examined carefully. Shareholders should be informed of the terms of the D&O insurance policy including deductible amount and reason of why such amount is set at an appropriate level.

Commentary:

- The UK Corporate Governance Code (September 2014) provision A.1.3 requires that "The enterprise should arrange appropriate insurance cover in respect of legal action against its directors."
- German Corporate Governance Code (Deutscher Corporate Governance Kodex) (2015) requires that "if the enterprise takes out a D&O (directors' and officers' liability insurance) policy for the Management Board, a deductible of at least 10 % of the loss up to at least the amount of one and a half times the fixed annual compensation of the Management Board member must be agreed upon. A similar deductible shall be agreed upon in any D&O insurance policy for the Supervisory Board. "Typically, D&O insurance policy will contain a wide range of exclusions and cover will not extend to criminal fines or regulatory penalties that can be imposed on a director or an officer for fraudulent, dishonest or illegal acts established by law or a court judgment.

Requirements under the Vietnamese laws & regulations:

Article 13.6 of Circular 121/2012/TT-BTC stipulates that "public companies may purchase responsibility insurance for members of board of directors after obtaining the approval from General assembly of shareholders. This insurance does not cover the responsibilities of members of board of directors related to the violations of laws and the company's charter."

Appendix A. Reference to legal documents

Note that the English translations below are not official translations; therefore, you should refer to the original laws & regulations in Vietnamese from the official source.

1.3 Reference to *Change of Rights*

Circular 121 Article 5 .2 - *the company's charter*- stipulates that public companies shall refer to the Charter Sample in the Appendix of this Circular to draw up their own charter. Article 16 – *Change of Rights* - of the Standard Charter in the Appendix to the Circular 121 stipulates as below:

The change or cancellation of the special rights attached to a class of preferred shares becomes effective when the shareholders holding at least 65% of the common shares attending the meeting have adopted simultaneously voted by the shareholders holding at least 75% of the voting rights of the said preferred shares. The organization of meeting of the shareholders holding one class of preferred shares to approve the change of the above rights is valid only when there are at least two (02) Shareholders (or their authorized representative) and holding at least one-third (1/3) the par value of the issued shares of that class. Where there is no sufficient number of deputies as mentioned above, the meeting shall be held within thirty (30) days later and the shareholders of that class (regardless of the number of people and number of shares) present personally or through authorized representatives are regarded as a sufficient number of delegates required. At the meeting of the shareholders holding the preferred shares mentioned above, the shareholders of that class present personally or through a representative may request a secret ballot. Each share of the same class have equal voting rights at the meetings mentioned above.

1.4 Definitions of 'related-party' in laws and accounting standard

(i) LOE (definition) - LOE Article 4

Clause 17. Related person means an organization or individual related directly or indirectly to an enterprise in the following cases:

- a) A parent enterprise, the manager of a parent enterprise and the person who has the power to appoint the manager of a subsidiary enterprise in the corporate group;
- b) A subsidiary enterprise of a parent enterprise in the corporate group;
- c) A person or a group of persons being able to control the decision-making process and operations of such enterprise through the management bodies of the enterprise;
- d) A manager of the enterprise;
- dd) Husband, wife, biological father, adoptive father, biological mother, adoptive mother, biological children, adopted children, siblings, brothers-in-law, sisters-in-law of any manager of an enterprise, any member, or any shareholder holding a share of capital contribution or controlling share;
- e) An individual who is authorized to act as the representative of the persons, companies as stipulated in paragraphs a), b), c), d) and dd) of this clause;
- g) An enterprise in which the persons, companies as stipulated in paragraphs a), b), c), d), dd), e) and h) of this clause holding shares to the level that they can

control the decision-making process of the management bodies of such enterprise;

- h) Any group of persons who agree to co-ordinate to take over shares of capital contribution, shares or interests in the enterprise or control the decision-making process of the enterprise.

(ii) LOE (approval of transaction) - Article 162 Contracts, transactions which must be approved by the general shareholders' meeting or Board of Directors

1. Contracts and transactions between the enterprise and the following entities must be approved by general shareholders' meeting or board of directors:

- a) Shareholders, authorized representative of shareholders holding more than ten (10) per cent of the total ordinary shares of the enterprise and their related persons;
- b) Member of board of directors; director or general director (or CEO) and their related persons;
- c) Enterprises stipulated in clause 2 of article 159 of this Law.

(iii) LOS Article 6

Clause 34. Affiliated person means an individual or organization with interactive relations in the following circumstances:

- a) Parents, adopted parents, spouses, children, adopted children and siblings of any such individual;
- b) Organizations in which there are individuals who are staff, the director or general director (or CEO), or the owner of more than fifteen (15) per cent of the voting shares in circulation;
- c) Members of board of directors or Inspection Committee, the director or general director (or CEO) and the deputy director or deputy general director and other managerial personnel of such organization;
- d) People who in a relationship with another person directly or indirectly control or are jointly controlled by such other person, or who jointly with another person are subject to the same control;
- dd) A parent company and its subsidiaries;
- e) A contractual relationship in which one person is the representative of the other.

Vietnamese Accounting Standard 26RELATES PARTY DISCLOSURES

03. This Standard deals only with those related-party relationships described below:

- a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise. (This includes holding companies, subsidiaries and fellow subsidiaries);
- b) Associates (see VAS 07 "Accounting for Investments in Associates");

- c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and close members of the family of any such individual. Close members of the family of an individual are those that may be expected to influence, or be influenced by, that person in their dealings with the enterprise, for examples: parent, spouse, progeny, siblings, etc.;
- d) Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise, including directors and officers of companies and close members of the families of such individuals; and
- e) Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise. In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

1.5 Reference for Minority Shareholders' Interest

LOE 140 stipulates exercising the right to attend general shareholders' meeting

1. Shareholders may directly attend the meeting, authorize another person in writing to do so or apply one of other methods as stipulated in clause 2 of this article.
2. A shareholder shall be considered to attend and vote at general shareholders' meeting in the following cases:
 - a) To attend and vote directly at the meeting;
 - b) To authorize another person to attend and vote at the meeting;
 - c) To attend and vote via an online conference, using electronic vote or other electronic media;
 - d) To send his or her vote to the meeting by mail, fax or email.

LOE 161 stipulates rights to take legal proceedings against members of board of directors, director or general director

1. A shareholder or a group of shareholders holding at least one (01) per cent of ordinary shares for a consecutive period of six (06) months shall have the right to, in their name or in the name of the enterprise, take legal proceedings against a member of board of directors, director or general director in relation to his or her civil liability in the following cases:
 - a) Breaching the obligations of the managers of the enterprise as stipulated in article 160 of this Law;
 - b) Not properly performing the delegated rights and obligations; not performing, performing insufficiently, or failing to perform in a timely resolutions of the Board of the Directors;

LOE 147 stipulates demand for cancellation of resolutions of General Meeting of Shareholders as below:

Within ninety (90) days from the date the minutes of general shareholders' meeting are received or the minutes on results of counting of votes being written opinions from general shareholders' meeting are received, a shareholder or a group of shareholders stipulated in clause 2, article 114 of this Law shall have the right to request a court or an arbitrator to consider and cancel a resolution or a part of the resolution of general shareholders' meeting in the following cases: (...omitted...)

Circular 121-4/2012/TT-BTC stipulates responsibility of major shareholders as below:

1. Major shareholders must not take advantage to cause damage to the rights and interests of the enterprise and other shareholders.
2. Shareholders are responsible for disclosing information as prescribed by law.

Section 4 Responsibility of board of directors and/or supervisory board

Rights and duties of the chairman of the Board

LOE 152.3 stipulates rights and duties of the chairman of the Board as below:

- a) To prepare working plans and programs of board of directors;
- b) To prepare agenda, content and documents for meetings of board of directors; to convene and preside over meetings of board of directors;
- c) To organize for resolutions of board of directors to be passed;
- d) To monitor the implementation of resolutions of board of directors;
- dd) To chair the General Meetings of Shareholders, meetings of board of directors, and
- f) Other rights and duties stipulated in this Law and the charter of the enterprise.

Rights and duties of the members of the Board

LOE 155 stipulates rights of members of board of directors to be provided with information and documents. Duty of members of board of directors is not specified

Rights and duties of the members of board of directors

LOE149.2 stipulates rights and duties of Board of directors:

- a) To make decisions on medium term development strategies and plans, and on annual business plans of the company;
- b) To recommend the types of shares and total number of shares of each type which may be offered;
- c) To make decisions on selling new shares within the number of shares of each type which may be offered for sale; to make decisions on raising additional fund in other forms;
- d) To make decisions on the selling price of shares and bonds of the company;
- dd) To make decisions on redemption of shares in accordance with the provisions in clause 1 of Article 130 of this Law;

- e) To make decisions on investment plans and investment projects within the authority and limits stipulated in law;
- g) To make decisions on solutions for market expansion, marketing and technology;
- h) To approve contracts for purchase, sale, borrowing, lending and other contracts valued at thirty five (35) or more per cent of the total value of assets recorded in the most recent financial statement of the company, if the charter of the company does not stipulate another percentage or value. This provision is not applied to contracts and transactions stipulated in clauses 2.d, Article 135, clause 1 and 3, Article 162 of this Law;
- i) To elect, remove or dismiss the chairman of board of directors; to appoint, dismiss or to sign contracts or to terminate contracts with the director or the general director (or CEO) and other key managers of the company as stipulated in the charter of the company; to make decisions on salaries and other rights of such managers; to appoint an authorized representative to participate in the Members' Council or General Meeting of the Shareholders in other companies and to make decisions on the level of remuneration and other benefits of such persons;
- k) To supervise and direct the director or general director (or CEO) and other management personnel in their work of conducting the daily business of the company;
- l) To make decisions on the organizational structure and internal management rules of the company, to make decisions on the establishment of subsidiary companies, the establishment of branches and representative offices and the capital contribution to or purchase of shares of other companies;
- m) To approve the agenda and contents of documents for general shareholders' meeting; to convene general shareholders' meeting or to obtain opinions in order for general shareholders' meeting to pass resolutions;
- n) To submit annual final financial reports to general shareholders' meeting;
- o) To recommend the dividend rates to be paid, to make decisions on the time-limit and procedures for payment of dividends or for dealing with losses incurred in the business operation;
- p) To recommend re-organization or dissolution of the company, or to request bankruptcy of the company, and
- q) Other rights and duties stipulated in this Law and the charter of the company.

Rights and duties of the members of Inspection Committee

LOE 165 stipulates rights and obligations of Inspection Committee

1. An Inspection Committee shall supervise board of directors, director or general director (or CEO) in the management and administration of the company.
2. To inspect the reasonableness, legality, truthfulness and prudence in management and administration of business activities; systematic arrangement, consistency and appropriateness of accounting and statistical work and preparation of financial statements.
3. To evaluate the adequacy, legality and truthfulness of reports on business status, semi-annual or annual financial statements, reports on evaluation of the

management of board of directors and shall submit the evaluation reports to general shareholders' meeting at the annual meetings.

4. To review, inspect and evaluate the effectiveness and efficiency of the internal control, internal audit, risk management and early warning system of the company.
5. To review accounting books, accounting records and other documents of the company, the management and administration of the activities of the company when it considers necessary or pursuant to a resolution of the general shareholders' meeting or as demanded by a shareholder or group of shareholders as stipulated in clause 2 of Article 114 of this Law;
6. Upon request by a shareholder or a group of shareholders as stipulated in clause 2 of Article 114 of this Law, the Inspection Committee shall carry out an inspection within a period of seven (7) working days for the date of receipt of the request. The Inspection Committee must submit a report on results of the inspection of the issues required to be inspected to board of directors and the requesting shareholder or the group of shareholders within a period of fifteen (15) days from the date of completion of the inspection.
The inspections stipulated in this clause may not disrupt the normal activities of board of directors and shall not interrupt the administration of the business operations of the company.
7. To recommend to board of directors or the general shareholders' meeting the changes and improvements of the organizational structure, management, supervision and administration of the business operations of the company;
8. Upon discovery of a member of board of directors, director or general director (or CEO) who is in breach of the provisions in Article 160 of this Law, to give immediate written notice to board of directors and request the person in breach to cease the breach and take measures to remedy any consequences.
9. To have the right to attend the meeting and participate in the discussion at general shareholders' meeting, board of directors and other meetings of the company.
10. To have the right to use an independent consultant and internal audit division of the company to perform delegated duties.
11. The Inspection Committee may consult board of directors prior to submission of reports, conclusions and recommendations to general shareholders' meeting.
12. To exercise other rights and perform other obligations as stipulated by this Law, charter of the company and resolutions of general shareholders' meeting.

Appendix B. Definitions and Terminologies

Certain terms within the Corporate Governance Code for SCIC's portfolio companies (the "Code" or "CGC") are used with specific meanings.

In the Code, the following key terms, unless the context requires otherwise, have the following meanings:

- The **"Board"** or **"HĐQT và/ hoặc Ban Kiểm Soát"** is a function or sometimes a person in an enterprise which/who is in charge of the governance of the enterprise and oversees its management and its operation of the enterprise. For the traditional two-tier board model in Vietnam, a combined structure of a board of directors and a supervisory board, could be considered as a Board in the context of the Code.
- **"Board of Directors (BOD)"** or **"Hội đồng Quản trị (HĐQT)"** is defined by the Law on Enterprise. It oversees the management and monitors the activities of board of management ("Ban Giám Đốc or Ban Điều Hành). Generally, the BOD consists of both executive directors and non-executive directors. Throughout the Code, the oversight function of the BOD is emphasized.
- **"Supervisory Board"** or **"Ban Kiểm Soát"** is defined by the Law on Enterprise.
- **"Director"** or **"thành viên HĐQT"** is a member of the BOD.
- **"Management"** or **"cán bộ quản lý"** are those who are engaged in the activities of the enterprise and have authority and responsibility for planning, directing and controlling the activities of the enterprise.
- **"Senior Management"** or **"cán bộ quản lý cấp cao"** indicates higher level of management personnel, such as Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO) and other C-suites. He or she could be an executive director but not always an enterprise's member of board of directors.
- **"Key Executive"** or **"cán bộ quản lý (điều hành) chủ chốt"** is a key management of an enterprise who is subject to a special scheme of remuneration or a succession planning due to his/her significant roles and responsibilities within the enterprise. Such roles and responsibilities (e.g. CEO) may be different by enterprise depending on its business model, size or structure.

Part III. Application Guidance

Application Guidance

This application guidance should be used in conjunction with the Corporate Governance Code (the “Code” or “CGC”) for SCIC’s Portfolio Companies in the preceding part of this document. The application guidance should be revised by SCIC from time to time when relating legal/regulatory environment changes and when enterprises’ business practice changes.

1 Application and Reporting

- 1.1 The Code principles and recommendations sometimes go beyond the minimum prescribed by regulations. Each enterprise is expected to voluntarily adopt the Code using “Apply or explain” approach. In the global corporate governance literature, the term, “comply or explain” is usually used, however in Vietnamese translation, the word “comply (in Vietnamese, tuân thủ)” suggests compliance with hard-laws without any exceptions. As such, the Code uses the word, “apply” instead of “comply”.
- 1.2 SCIC’s portfolio companies that are categorized as **Groups A1 and A2** (or listed or public companies in terms of the Vietnamese regulations, if adopted by companies other than the SCIC’s portfolio companies) are encouraged to adopt the entire Code voluntarily and should explain how they have applied the principles within the Code, taking into account the guidance (“commentary” part of the Code) provided under each principle. For recommendations within the Code, **Groups A1 and A2** portfolio companies should consider applying them voluntarily but not necessarily use the “apply or explain” method.
- 1.3 SCIC’s portfolio companies that are categorized as **Group B1** (or not public not large or not smaller, if adopted by enterprises other than the SCIC’s portfolio companies) are encouraged to adopt voluntarily the General Principles and Principles part of the Code. For recommendations within the Code, **Group B1** portfolio companies should make reference to them, so as to further enhance their corporate governance system.
- 1.4 For SCIC’s portfolio companies that are categorized as **Group B2** (or smaller portfolio companies, if adopted by enterprises other than the SCIC’s portfolio companies), all four general principles are encouraged to apply. However, other

parts of the Code (principles and recommendations) should only be referred to when they consider the effectiveness of their corporate governance system.

- 1.5 Each enterprise is allowed to determine the best approach in adopting the general principles, principles and/or recommendations because there is no “one-size-fits-all” approach to the corporate governance code.
- 1.6 Each portfolio company is encouraged to report at least annually on its application of the Code in various ways including (1) displaying on the enterprise’s website, (2) including within the annual report, (3) direct communication to the shareholders, or in other accessible forms to the SCIC and other shareholders.
- 1.7 The annual report is an effective channel for enterprises to communicate their corporate governance practices with their stakeholders and enhance transparency. However, because the annual report is issued only once a year, other means including separate corporate governance report is strongly recommended for timely information disclosure purposes, given that such separate corporate governance report is updated more frequently than annually.
- 1.8 A comprehensive corporate governance report (either as part of the annual/semi-annual report or as a separate report), together with the audited financial statements, provide shareholders with a clear appreciation of the performance of the enterprise. Meaningful disclosures foster constructive dialogue between the Board (board of directors and supervisory board) and shareholders. This is a crucial element of strong governance and enables more informed and active shareholder participation.
- 1.9 **Appendix C** of this document presents the sample reporting format.
- 1.10 The corporate governance report should include contact details of an individual who can be reached for further information. (Appendix C)
- 1.11 The portfolio companies are encouraged to review their corporate governance policy/framework annually, and update them where necessary to reflect changes in actual practice. The corporate governance policy should briefly explain the enterprise’s commitment and views towards good corporate governance. (Refer to Appendix C, I. *Overview of the Enterprise’s Corporate Governance Policy/Framework*)
- 1.12 The corporate governance report should clearly state whether the enterprise adopts the Code or not, and which components (general principles, principles, or recommendations) of the Code that the enterprise is voluntarily applying as of the specified date of the year. (Appendix C, II. *Corporate Governance Statement*)

- 1.13 The corporate governance report should clearly state that which principle(s) are not applied with by the enterprise and clearly state the reasons why. The explanation of non-application should be concise but contain enterprise specific reasons. (Appendix C, III. *Explanation of reason for non-compliance with CGC*)
- 1.14 Explanations for non-application should not be “boiler-plated”. Each enterprise should try to explain the reasons why it does not apply the particular Code principles so that readers of the corporate governance report could understand the *effect of non-application*.
- 1.15 The corporate governance report should describe how the enterprise is applying the certain Code principles that requires “disclosure” by the enterprise. Specifically, Principle 1.4 Related-party transactions, Principle 1.6 Dialogue with shareholders, Principle 3.1 Disclosure of material information, and Recommendation 4.19 Pay-ratio (if applicable). (Appendix C, IV. *Explanation of how the Enterprise applies the CGC*)
- 1.16 For example, the principle 3.5 requires enterprises to disclose the overall exposure of risks. Each enterprise has a choice to disclose the required information by the Code in this section IV of the corporate governance report or cross-reference to other documents such as annual report where same content is disclosed.

Effective date and early adoption

- 1.17 Enterprises are encouraged to early adopt the Code and guidance set out in the Code, although the Code is effective as of 1 January, 2017 (subject to change depending on the SCIC’s internal approval process).
- 2 Monitoring and Review – Post Implementation Review (PIR)
- 2.1 Board of directors or equivalent will be responsible for their own organization’s monitoring on how they have applied the general principles, principles and/or recommendations of the Code.
 - 2.2 In the initial year of adoption, SCIC’s Corporate Governance Task Force members will undertake the monitoring of the awareness of the CGC and voluntary adoption of the Code among SCIC’s portfolio companies.
 - 2.3 The Code will be reviewed from time to time to assess its adoption status and reflect changes in the capital markets’ needs, Vietnamese laws and regulations, as well as global corporate governance trends and practices.

(End)

Appendix C. A sample reporting format

Following sample shows the additional information to be required by the Corporate Governance Code in sections I through VI; sections V through IX are copied from Appendix 05 of the Circular No. 155/2015/TT-BTC (replacing the Circular No. 52/2012/TT-BTC)

Although Circular No. 155 prescribes the disclosure rules for public companies, it is beneficial for non-public, non-listing companies if they are aiming to be listed in near future or if they are willing to enhance their governance related disclosure and transparency.

Requirements under the Vietnamese laws & regulations:

Appendix 05 of the Circular No.155/2015/TT-BTC stipulates the format of the “Report on Situation of Corporate Governance” for public companies, organizations issuing bonds, securities companies, asset management companies, and other entities subject to the Circular 155.

Corporate Governance Report <Example Only>

To: The shareholders

Name of the company

Head office address: Telephone: Fax: Email:

Charter capital:

Securities code (if available):

I. Overview of the Enterprise’s corporate governance policy/framework

Narrative explanation of the Enterprise’s corporate governance policy and framework.

<Example>

Corporate Governance and Objective of Establishing the Corporate Governance Policies

At the XYZ Corporation and its affiliated companies (hereinafter referred to as the “XYZ Group”), corporate governance is defined as the system of processes and practices based on the XYZ Principles and the XYZ Management Philosophy. The system is intended to ensure transparency and fairness in business and speed up management decisions and practices. This is done by connecting the entire process from oversight and supervision all the way to business execution in order to boost the XYZ Group’s competitive edge. XYZ’s corporate governance also involves building such a system and maintaining its proper function. The ultimate objective is to achieve sustainable enhancement of corporate value by earning the support of all stakeholders.

In accordance with this basic stance, the XYZ Group has set forth the following corporate governance policies (hereinafter referred to as the “Policies”) as the foundation for the Group's pursuit of continuous improvement of its corporate governance.

<XYZ Principles>

Our Mission

- To improve lives and contribute to a better society

Our Values

- Innovation Driven by Social Needs
Be a pioneer in creating inspired solutions for the future.
- Challenging Ourselves
Pursue new challenges with passion and courage.
- Respect for All
Act with integrity and encourage everyone's potential.

<Management Philosophy>

We believe a business should create value for society through its key practices.

We are committed to sustainably increasing our long-term value by putting Our Mission and Values into practice.

- We uphold a long-term vision in our business practices to create solutions to society's needs
- We operate as a truly global company through our fair and transparent management practices
- We cultivate strong relationships with all of our stakeholders through responsible engagement

(Note: This is one of the real example of multinational companies in Japan)

II. Corporate Governance Statement

Statement that the Enterprise adopts the Corporate Governance Code (CGC) and whether the Enterprise does not apply any specific Principle or Principles as of the specified date.

If an enterprise is categorized as B2 or a smaller enterprise subject to certain exemption (i.e. applies only General Principles) for the purpose of applying the CGC, the enterprise is expected to state so here.

If an enterprise is categorized as B2 or a smaller enterprise but decided to apply the entire CGC without exemption (i.e. applies both General Principles and Principles), the enterprise is expected to state so here.

<Example>

The Board of Directors of XYZ Corporation (the “Company”) declares the following:

- Pursuant to xxx (name of the SCIC’s internal regulation), as of April 30, 201x, the Company applies all the general principles, principles and recommendations of the corporate governance code for the SCIC’s portfolio companies (published and effective on January 1, 201x) (the “Code”), with the exceptions of the following principles and recommendation:
- Principle 4.5 – Independent non-executive director
- Principle 4.13 – Board evaluation
- Recommendation 4.19 – Pay ratio disclosure

The Company has been categorized by SCIC as Group A2 since January 1, 2013. As an A2 company, we are not required to report any exceptions to the Recommendations within the Code, we have decided to report all exceptions voluntarily to the stakeholders.

Hanoi, April 30, 201x

Board of Directors, XYZ Corporation

III. Explanation of reason for non-application of CGC

No.	Principle #/ CGC Requirement	Explanation of reasons/rationale why the Enterprise does not apply specific Principle of the CGC
		<i>If an enterprise applies all General Principles and Principles, then, the enterprise is expected to state so.</i>
<Example>		
Principle 4.5.	Independent non-executive director	<p>The board of directors of XYZ Corporation (the “Company”) consists of 12 members, of which 8 are executive and four are non-executive directors. However, there is no non-executive director who satisfies all requirements of independence prescribed by the LOE.</p> <p>We believe that two out of the four non-executive directors, namely, Mr. XX and Ms. YY could act like independent directors by expressing their objective independent opinions, given their characteristics and attitude toward other members of the board.</p> <p>In a meantime, the Company is eagerly seeking candidates to be our independent board members so that we could appoint at least</p>

		three independent directors at the next general shareholders meeting.
Principle 4.13	Board evaluation	Because of the unexpected turn-over of the Board of Directors during the year, the Company did not perform the annual board evaluation for the year ended December 31, 201x. However, we plan to perform the board evaluation in the coming year by using the self-assessment questionnaire.
Recommendation 4.19	Pay-ratio disclosure	Because of the significant reorganization of the Company during the year that lead to a spin-off of our major business line, we have decided not to disclose the pay ratio information in our 201x annual report. As the spin-off significantly affected the calculation of average annual salary of employees, the pay-ratio information during the transition period might be misleading the user of such information.

IV. Explanation of how the Enterprise applies CGC

No.	Principle #/ CGC Requirement	Explanation of how the Enterprise complies with a specific Principle of the CGC (If the Enterprise disclose the same information in other report such as Annual Report, cross-reference to the other report)
<p><Example 1> Making reference to other document available at the enterprise's website:</p> <p>The Company upholds the aim and spirit of the Corporate Governance Code (hereinafter referred to as the "Code"), and these Policies articulate that the Company implements all of the principles set forth in the Code, including those principles that call for disclosure of specific items, in the Company's corporate governance system and practices.</p> <p>These Policies are available at the XYZ Group Website:</p> <p><Insert the URL here></p> <p>For details regarding the Company's implementation of the principles stated in the Code, please refer to "Corporate Governance Code Implementation Status" on p.X.</p> <p>For result of the evaluation of effectiveness of the board (stated as Recommendation 4.13 of the Code), please refer to "Overview of the Results of the Evaluation of the Board of Directors' Effectiveness" on p.X.</p> <p>(... omitted ...)</p>		

(Note: This is one of the real example of multinational companies in Japan)		
<Example 2> No reference to other document		
Principle	Description of disclosure requirement	Description of application
Principle 4.13	Board evaluation	<p>The Board have conducted annual self-evaluation to determine whether the Board was functioning effectively. The chairman of the Board received comments from all directors and report to the Board on January 25, 201x with an assessment of the Board's performance, as well as the performance of each director. The assessment focused on the Board's and each member's contribution to the Company and specifically focused on areas in which the Board believe improvement could occur.</p> <p>These were discussed with the full board and concluded that our Board was operating effectively as of and for the year ended December 31, 201x.</p>

V. Activities of the Board of Directors (BOD):

1. Meetings of the Board of Directors;

No.	Member of the BOD	Position	Number of meetings attended	Ratio	Reason for not attending
	Mr./Ms. ...				

2. Supervision of Director (General Director) by the BOD;

3. Activities of sub-committees of the Board of Directors.

VI. Resolutions/Decisions of the Board of Directors

No.	Resolution/Decision No.	Date	Content

VII. Change in list of related persons of the public company in accordance with Article 6.34 of the Law on Securities (6-month/annual report):

No.	Name of organizati	Securities trading	Position at the	NSH No., date of	Address	Time of becoming	Time of no longer	Reason
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	on/ individual	account (if available)	company (if available)	issue, place of issue		a related person	being a related person	

VIII. Transactions of internal shareholders and related persons (6-month/annual report):

4. List of internal shareholders and related persons

No.	Name of organization/ individual	Securities trading account (if available)	Position at the company (if available)	ID card/Pass port No., date of issue, place of issue	Address	Number of shares owned at the end of period	Shares ownership ratio at the end of period	Note

5. Trading in shares:

No.	Person conducting trading	Relationship with internal shareholders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increases, decreases (purchase, sale, conversion, bonus, etc.)
			Number of shares	Ratio	Number of shares	Ratio	

6. Other transactions: (transactions of internal shareholders/major shareholders and related persons of the Company).

IX. Other matters to be noted (6-month/annual report)

Chairman of the Board of Directors
(Sign and seal)

JICA/SCIC Project 2 Corporate Governance Code

Pilot Testing - Introduction

June 2016

<Version 1.5x>



Agenda

Introduction

Background

Project Overview

How we have developed the draft corporate governance code (CGC)

Contents of the draft CGC and Application Guidance (AG)

Q & A

Introduction

- Introduction
- Project team

3

Introduction (1)

- State Capital Investment Corporation (SCIC) is engaged with the Japan International Cooperation Agency (JICA) and its consultant, PricewaterhouseCoopers Aarata Japan (PwC), to develop the corporate governance code (CGC) and its application guidance (AG) for SCIC's portfolio companies.
- As part of the project, two sample portfolio companies are selected and expected to participate to the *pilot testing* of the draft CGC and AG.
- The objective of the *pilot testing* is to assess the feasibility of the draft CGC and AG before implementation.
- Any findings and comments during the course of performing the *pilot testing* will be discussed among SCIC's TF members and reflected in the finalizing process of the CGC and its AG.
- Contributions to the *pilot testing* by the two portfolio companies should be highly appreciated.

4

Introduction (2)

Corporate governance failures

Some of the recent incidents include:

- Olympus (2011) – financial reporting issue
- Toshiba (2015) – financial reporting issue
- Mitsubishi Motor (2016) – non-financial, compliance issue

5

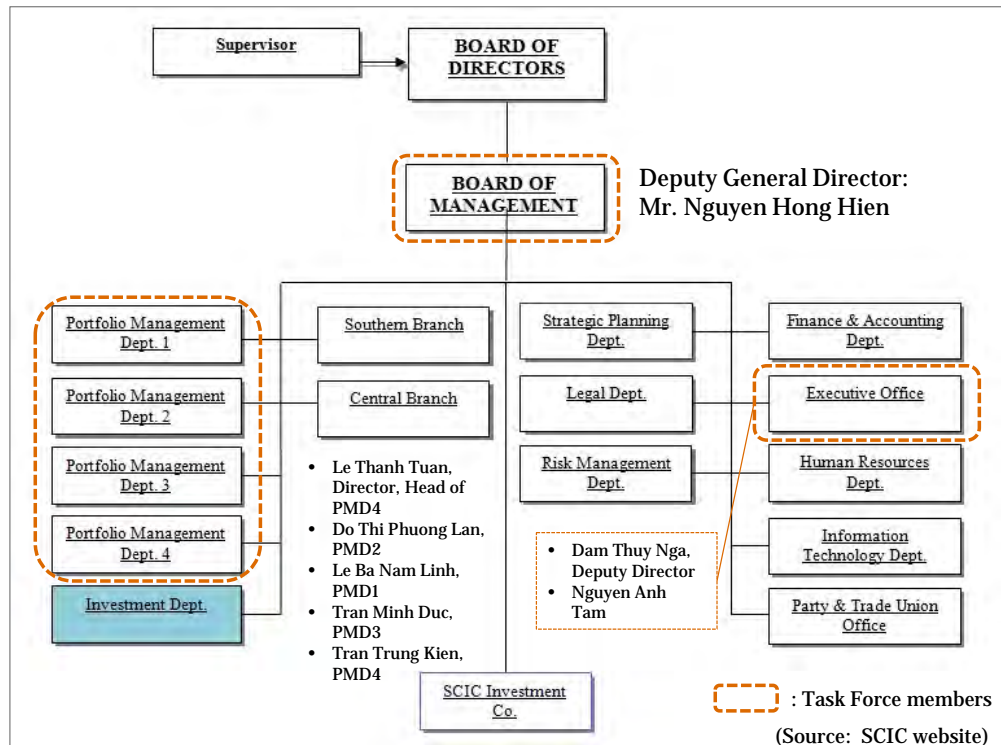
Introduction

Project Team Overview



6

Project Team - SCIC CGC Task Force



7

Background

- What is “corporate governance”?
- Why corporate governance is so important?
- What is our goal?

8

What is “corporate governance”?

- Corporate governance (CG) is the system by which enterprises are directed and controlled.
- Corporate governance provides the structure through which the objectives of the enterprises are set, and the means of attaining those objectives and monitoring performance are determined.
- The purpose of corporate governance is to facilitate effective management that can deliver **the long-term success and performance of the enterprise**.
- **Board of directors or equivalent are responsible for the governance of their enterprises.**

CG is not just “managing the company” or “internal controls.”

CG is focusing on the “Long-term sustainability” (not a “short-term” profit).

“Board of directors” plays an important role in the good CG.

9

Why corporate governance is so important?

Good corporate governance is a “*must*” to obtain full benefits from global capital market. Why?

- ✓ A level of corporate governance is a measure to predict an enterprise’s **long-term sustainability** (= how successful in a long-term)
- ✓ Investors make their decisions based on the investee’s business strategy, financial information and non-financial information which derived from transparent corporate governance.

Therefore, corporate governance must be:

- Credible,
- Well-understood, and
- Internationally accepted principles.

10

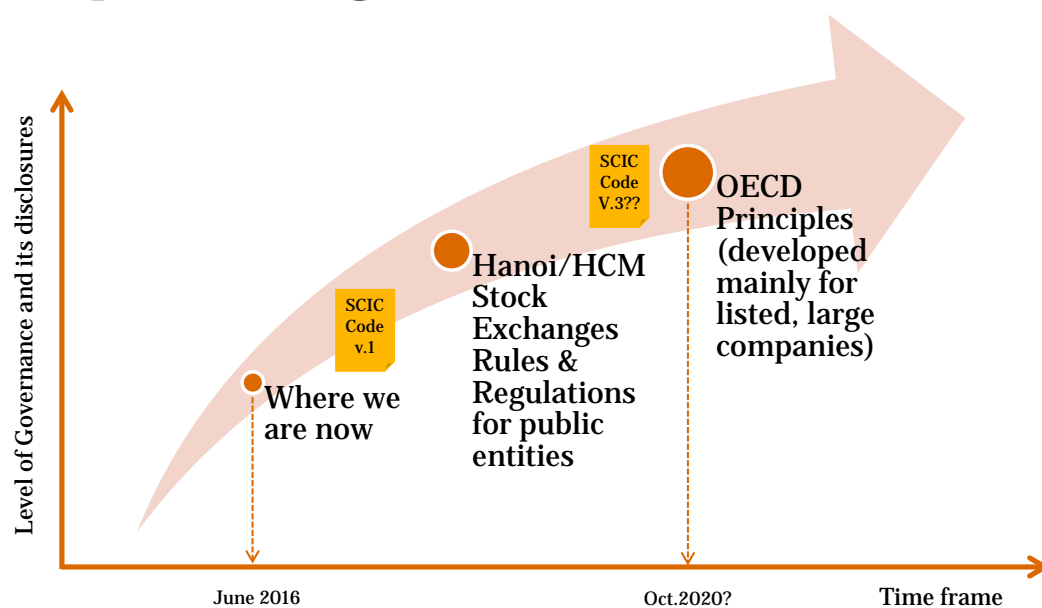
What is our goal?

To enhance the corporate governance among SCIC's portfolio companies by:

- Developing the corporate governance code (CGC) that is **comparable to the internationally recognized standards**, such as *G20/OECD Principles of Corporate Governance* (“OECD Principles 2015”);
- Voluntary application of the CGC by SCIC's portfolio companies by preparing the “**corporate governance report**” in a prescribed format; and
- Establishing the mechanisms through which SCIC could continuously monitor and assess the level of corporate governance of its portfolio companies.

11

Corporate Governance Code for SCIC's portfolio companies - Target level



12

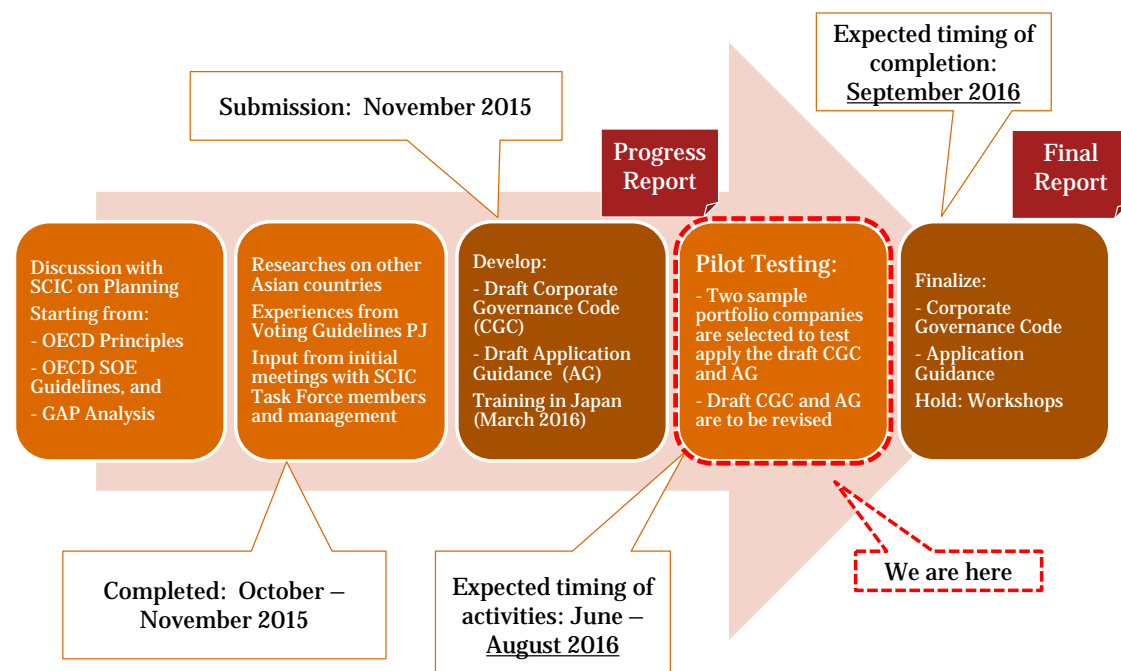
Project Overview

- Project overview
- Pilot testing

13

Project overview (1)

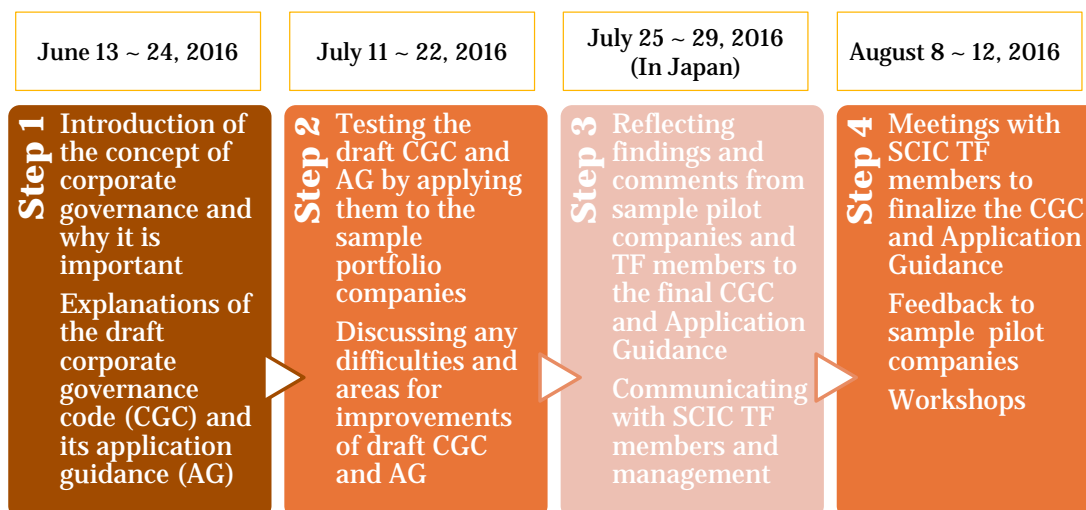
Developing the Corporate Governance Code



14

Project overview (2)

Pilot Testing - Timeline



The above schedule is a preliminary one; however, flexibility is limited due to the final deadline for project completion is set as the end of September 2016.

15

Pilot Testing (1)

Step 1: June 13 ~ 24, 2016 (In Vietnam)

- ❑ Meetings with the sample pilot companies (Kick-Off)
- ❑ Introduction of the concept of corporate governance and why it is important
- ❑ Discussing overview of the draft corporate governance code (CGC) and its application guidance (AG)
- ❑ Explanations of the pilot procedures in July including requests for preparation.

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Pilot Testing (2)

Step 2: July 11 ~ 22, 2016 (In Vietnam)

- Testing the draft CGC and AG by applying them to the sample pilot companies. It requires *several extensive interviews* with the sample pilot company personnel.
 - “Testing” means sample pilot companies are expected to prepare the “corporate governance report” in a format included in the Appendix C to the AG of the draft CGC.
 - SCIC TF members and PwC consultants are working closely with the sample pilot company personnel in charge of the project in preparing the corporate governance report.
- Discussing any difficulties and areas for improvements of the draft CGC and AG
 - Some comments from one sample pilot company (“Company A”) may contradict from comments from another sample pilot company (“Company B”). TF members and PwC consultants work together to resolve such areas to develop the best CGC for the SCIC’s portfolio companies in general.

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Pilot Testing (3)

Step 3: July 25 ~ 29, 2016 (In Japan)

- Reflecting findings and comments from pilot companies and SCIC TF members to the final CGC and AG
 - Based on the comments received during the course of the pilot program, PwC consultants are going to modify the draft CGC and AG in Japan.
 - The revised draft CGC and AG (in English and in Vietnamese) will be reviewed by the SCIC TF members for further comments.
 - If necessary, teleconference is arranged between SCIC TF members, JICA experts and PwC consultants toward the finalization.
- Communicating with SCIC TF members and management
 - A revised draft CGC and AG will be circulated among SCIC department heads and other relevant parties for their comments.

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Pilot Testing (4)

Step 4: August 8 ~ 12, 2016 (In Vietnam)

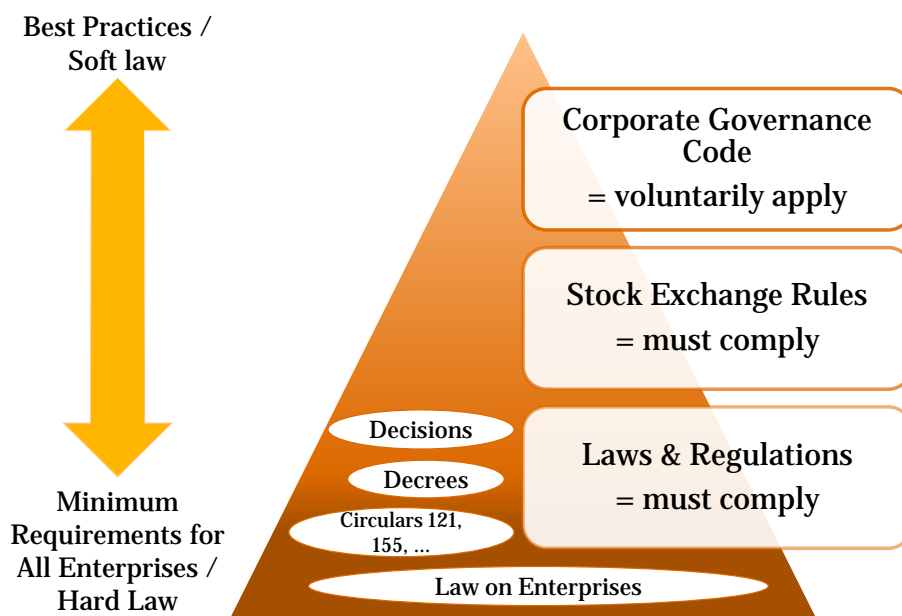
- ▣ Meetings with SCIC TF members to finalize the CGC and AG
 - After circulating the revised draft CGC and AG among relevant SCIC management, TF members and PwC consultants will discuss toward finalization (“near-final CGC draft”)
 - If necessary, we will reach-out other stakeholders for their comments on the near-final CGC draft and AG.
- ▣ Feedback to sample companies
 - A near-final CGC draft and AG will be shared with the sample pilot companies together with the thought process through the pilot testing.
- ▣ Workshops
 - The potential audience might include SCIC’s department heads, representatives, and portfolio companies who are interested in the adoption of the corporate governance code in future.
 - Date and place should be fixed as soon as possible

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How we have developed the draft corporate governance code (CGC)?

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How we have developed the draft CGC? (1) Corporate Governance Code and other rules



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How we have developed the draft CGC? (2) Based on OECD Principles 2015 – Six principles

I. Ensuring the basis for an effective corporate governance framework

- The corporate governance framework should promote transparent and fair markets, and the efficient allocation of resources. It should be consistent with the rule of law and support effective supervision and enforcement.

II. The rights and equitable treatment of shareholders and key ownership functions

- The corporate governance framework should protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights.

III. Institutional investors, stock markets, and other intermediaries

- The corporate governance framework should provide sound incentives throughout the investment chain and provide for stock markets to function in a way that contributes to good corporate governance.

IV. The role of stakeholders in corporate governance

- The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.

V. Disclosure and transparency

- The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company.

VI. The responsibilities of the board

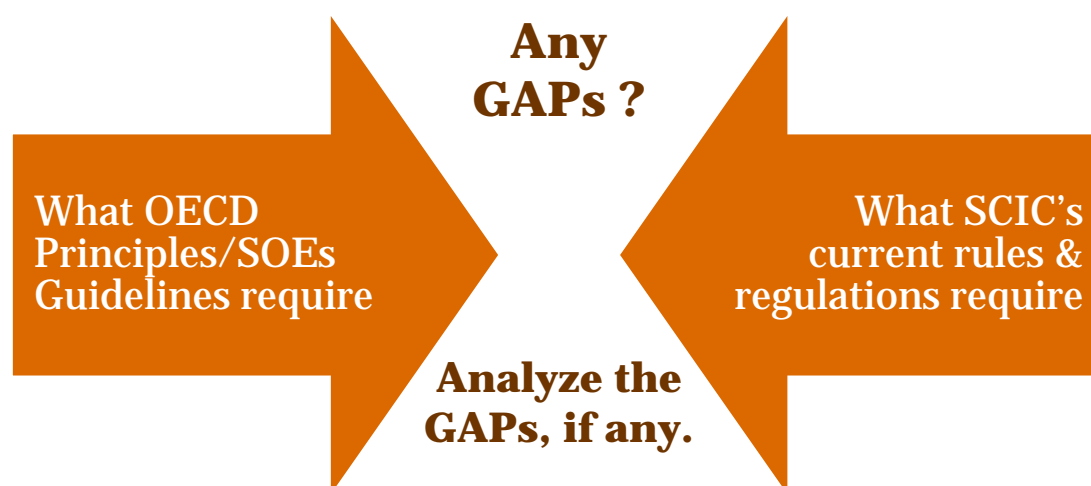
- The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of management by the board, and the board's accountability to the company and the shareholders.

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How we have developed the draft CGC? (3)

GAP Analysis

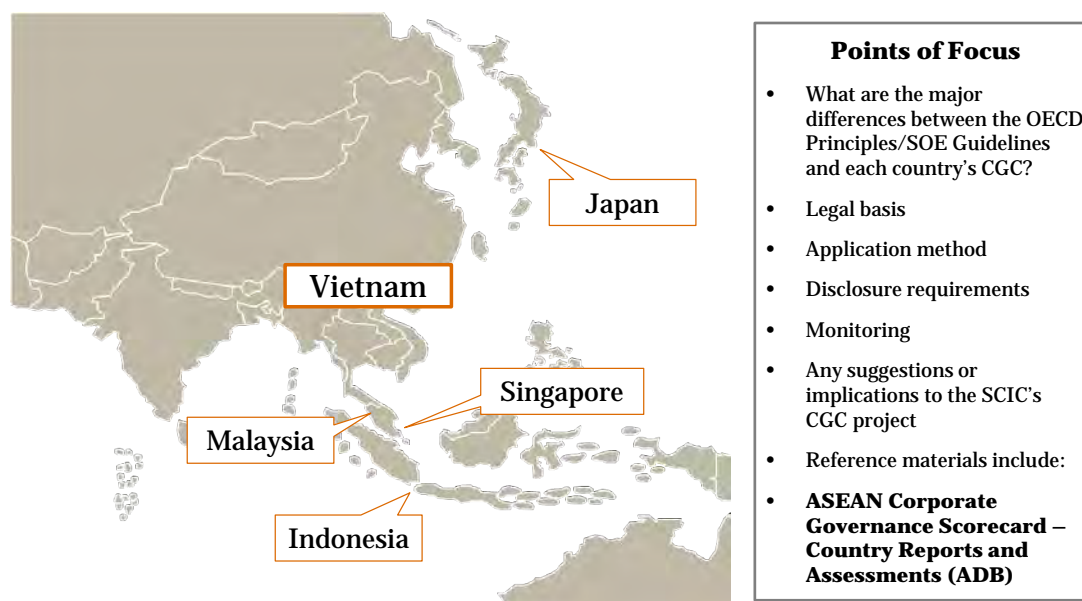
To understand the current status and potential areas of difficulties in application of the CGC



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How we have developed the draft CGC? (4)

Researches on other Asian countries



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How we have developed the draft CGC? (5)

Several choices - Application

One code for every enterprise	Exemptions for smaller companies
<ul style="list-style-type: none"> • <u>Thought Process</u> - • Separate code for different group of portfolio companies? <ul style="list-style-type: none"> • Listed or non-listed • SCIC's investment strategy • Financial institutions vs. non-financial, Industry specific consideration • Large vs. small (what is a "large" enterprise?) 	<ul style="list-style-type: none"> • <u>Thought Process</u> - • One size doesn't fit all • Exemptions would include: <ul style="list-style-type: none"> • Ways of application (e.g. some part of the CGC are exempted from application) • Timing (e.g. grace period for application) • Disclosure requirements (e.g. less disclosures for certain companies)

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How we have developed the draft CGC? (6)

Several choices – Disclosures

Basis of disclosure	Who's responsible	Where to disclose	How often
<ul style="list-style-type: none"> • Application Guidance of the CGC specifies what should be disclosed (Not mandatory) • CGC and AG will be incorporated into the SCIC's internal rules & regulations 	<ul style="list-style-type: none"> • Chairman of the Board of Directors? • Board of Directors as a whole? • Senior management (e.g. CEO)? • Any others? 	<ul style="list-style-type: none"> • Part of annual financial reporting (non-financial information)? • A separate requirement (e.g. corporate governance report)? 	<ul style="list-style-type: none"> • At least annually • Whenever material event occurs (e.g. change of ownership, corporate structure change, changes in senior management)

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Contents of the draft corporate governance code

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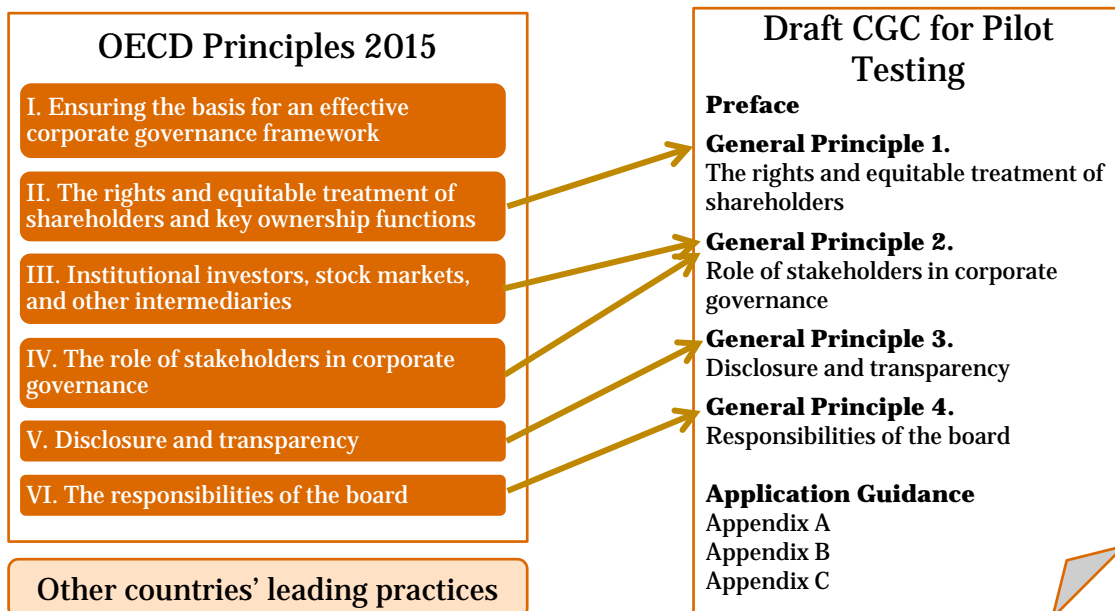
Content of the draft corporate governance code (Revised as of June 13, 2016)

- Preface
- Section 1: The rights and equitable treatment of shareholders
- Section 2: Role of stakeholders in corporate governance
- Section 3: Disclosure and transparency
- Section 4: Responsibilities of the board
- Application Guidance (as of June 13, 2016)
- Appendix A: Reference to legal documents
- Appendix B: Terminologies
- Appendix C: A sample reporting format

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Content of the draft corporate governance code

Content mapping with OECD Principles 2015



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Contents of the draft corporate governance code

Principles-based approach

Not a rule-based approach

SCIC's portfolio companies vary in –

- Size (charter capital, revenue, total assets, net assets, the number of employees, etc.)
- Organizational structure (e.g. single-tier, two-tier board system) and management style
- Industry sector, business model and complexity of operation
- Risk profile and other attributions
- SCIC's ownership %
- SCIC's investment categories (A1, A2, B1, B2)



No single set of rules can be applied to **all** portfolio companies (“one size doesn’t fit all”); certain **flexibility** should be allowed.

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Contents of the draft corporate governance code

Terms

- Clarification of the terms

Comply / tuân thủ

- Follow the “hard-laws” without exception

Apply / áp dụng

- Follow a principle within the corporate governance code or any other “soft-laws”

Adopt / Sử dụng

- Follow/Implement the entire corporate governance code as an internal policy

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Comply (Apply) or explain approach

It provides **flexibility** in applying the CGC.

<Example>

Principle 2.1. requires implementation of a code of conduct.

If an enterprise has already implemented the code of conduct, then, the enterprise is applying the Principle 2.1.

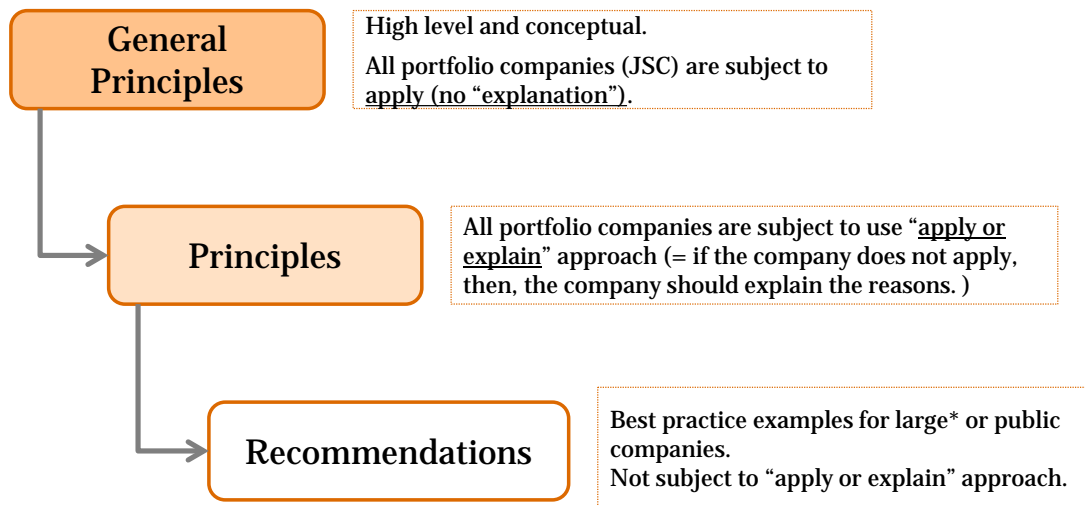
If an enterprise does not have a code of conduct in place, the enterprise should **explain** the reasons why. It could be either -

- The enterprise believes that the code of conduct is not necessary because it has other measures (need to explain further) to achieve the same outcome; or
- The enterprise believes that the code of conduct is beneficial so it is going to implement in near future (by specifying the timeline).

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Contents of the draft corporate governance code

Three-tier structure – voluntary adoption



* “Large” companies are defined in the CGC.

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Application of the CGC

Who applies which part of the CGC

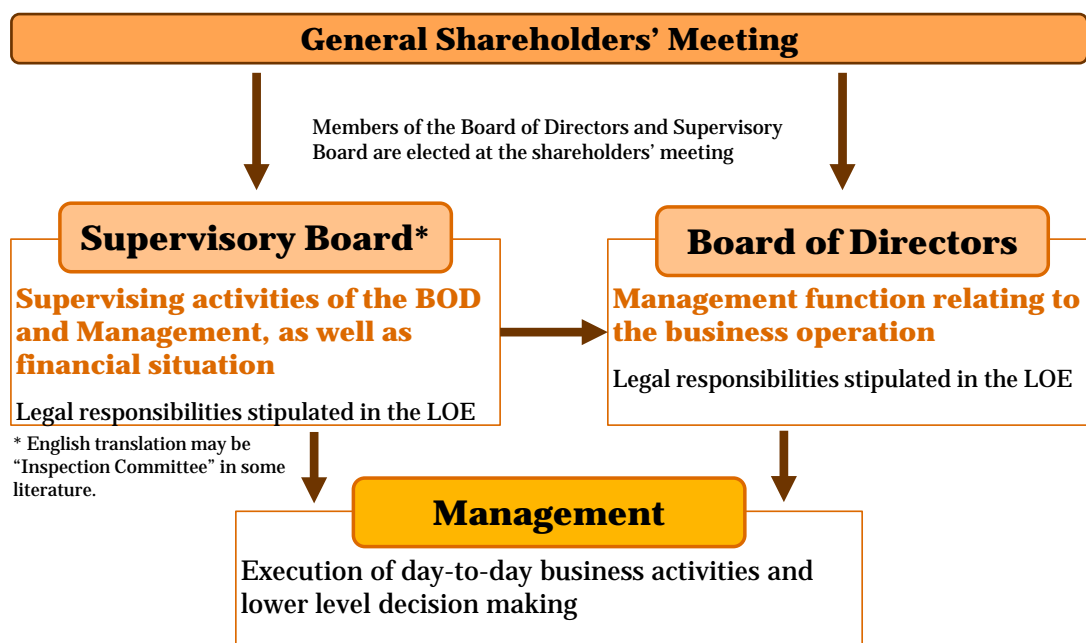
Code Component	SCIC’s portfolio companies (Note)		
	Large or public companies	Not large, non-public companies	Smaller companies
General Principles	Apply	Apply	Apply
Principles	Apply or Explain	Apply or Explain	Reference only
Recommendations	Recommended to apply	Reference only	Reference only

Note: The above SCIC’s portfolio companies could be categorized in a different way, such as SCIC’s investment classification category (A1, A2, B1, B2). We will discuss during the pilot testing for better application of the CGC.

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The Board (Two-tier system)

Traditional in Vietnam

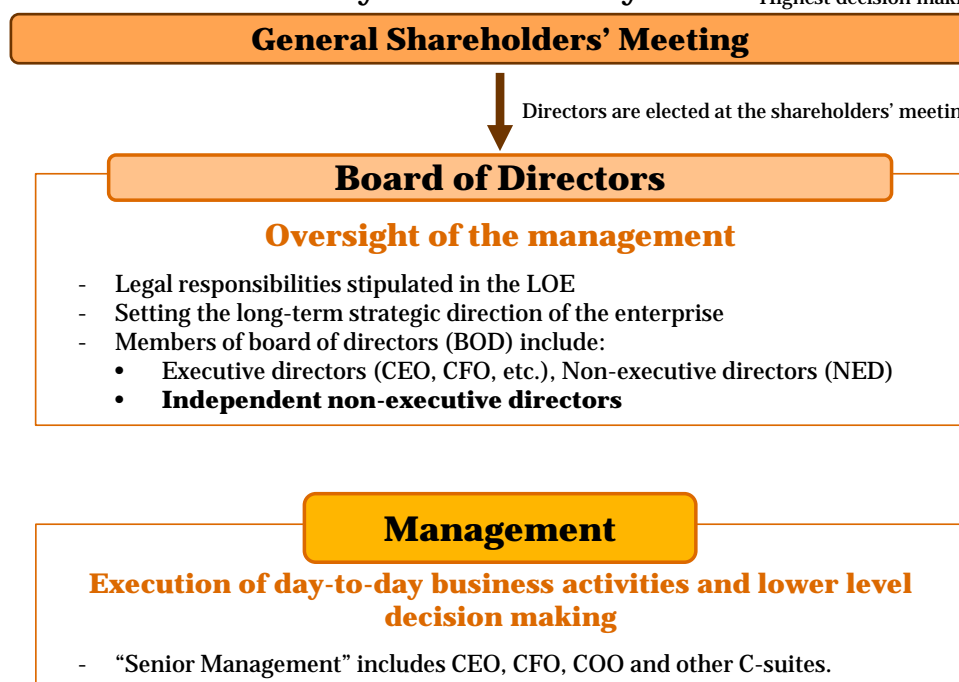


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The Board (Single-tier system) – New

Global standard/Newly introduced by LOE

Highest decision making body

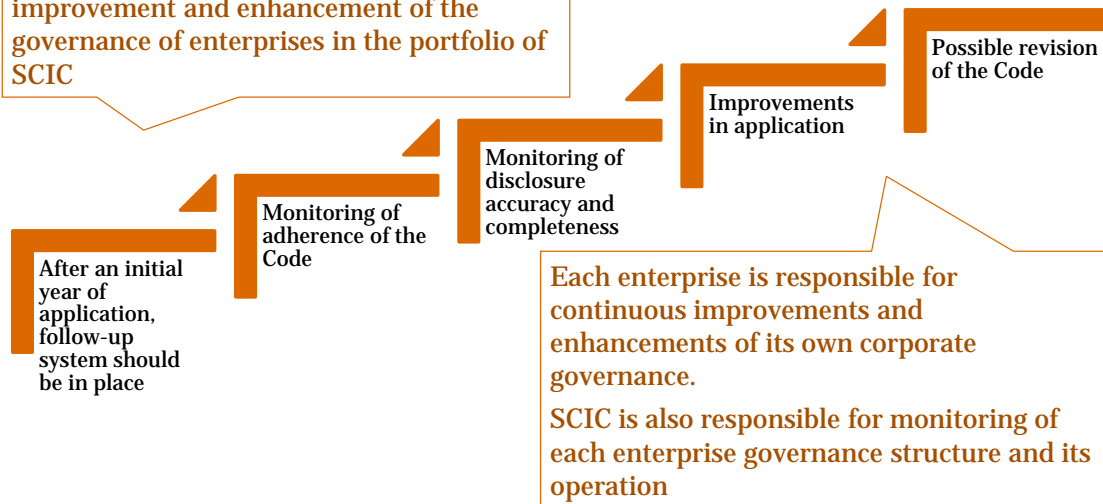


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Post implementation review (PIR) and continuous updates

Developing the Corporate Governance Code is not a goal but a starting point of further improvement and enhancement of the governance of enterprises in the portfolio of SCIC

Note that this PIR process is NOT included in the current Project.



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Draft Corporate Governance Code

Section 1

Section 2

Section 3

Section 4

Application Guidance

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Draft corporate governance code (June 13, 2016)

Preface	General Principle 1	General Principle 2	General Principle 3	General Principle 4
Background	1.1. Sufficient information	2.1. Code of conduct	3.1. Disclosure examples	4.1. Relations with Shareholders
Principles-based approach	1.2. Participation to GSM – say on pay	2.2. – 2.3. Whistleblowing	3.2. Fair disclosures	4.2.- 4.3. Risk management and internal control
Comply (Apply) or explain	1.3. Equality	2.4. ESG matters	3.3. Strategic investors	4.4. Corporate culture
The Board	1.4. Related-party transactions		3.4. Avoid boiler-plate	4.5. Independent NEP
The Structure of the Code	1.5. Minority shareholders		3.5. Disclosure of risks	R4.6. Specialized committee 4.7.-4.10. Effective board
Post implementation review	1.6. Constructive dialogue		3.6. Disclosure of internal controls	R4.11. Separation of chairman/CEO R4.12. Effective operation
	R1.7. Anti-take-over devices		3.7. Disclosure of External auditor	R4.13. Board evaluation
	1.8. Relations with shareholders		R3.8. Disclosure in English	R.4.14. Succession planning
			R3.9. -R3.10. Audit of financial statements	4.15.-4.18. Remuneration R4.19. Pay ratio
				4.20.-4.22. Training R4.23. D&O Insurance

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Section 1: The right and equitable treatment of shareholders

General Principle 1.

Enterprises should take necessary measure to protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective remediation for violation of their rights.

1.1 Shareholders should be sufficiently and timely informed and have the right to approve relevant decisions

1.2 Shareholders should have the opportunity to vote in GSM

1.3 All shareholders of the series of a class should be treated equally

1.4 Related-party transactions

1.5 Minority shareholders should be protected

1.6 Enterprise's policy on constructive dialogue with shareholders

1.7R Anti-take-over devices

1.8 Relations with shareholders

The OECD Principles 2015 says, "The corporate governance framework should protect and facilitate the exercise of shareholders' rights and ensure the equitable treatment of all shareholders, **including minority and foreign shareholders**. All shareholders should have the opportunity to obtain effective redress for violation of their rights."

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Related Party – scope

Should we expand the scope of “related party”?

Objective:
Prevention of conflicts of Interest



Several definitions of the “related parties” in Vietnamese laws

- LOE 4.17 - *Related person*
- LOE 162 - *Contracts, transactions which must be approved by the General Meeting of Shareholders or Board of Management*
- LOS 6.34 - *Affiliated persons*
- Circular 121, Chapter V
- Vietnam Accounting Standard 26

Consider if an enterprise should set the wider, more strict scope to request either approval or disclosure for the purpose of Corporate Governance Code compliance?

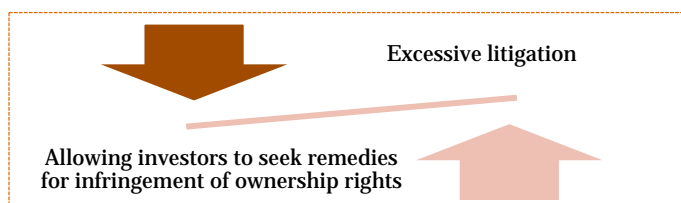
e.g. an employment of the relatives of management of the company

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Minority shareholder protection

Why it is important

- One of the many factors that foreign investors would consider in their investment decision making – their rights are protected or not.
- *Investor’s confidence that the capital they provide will be protected from misuse or misappropriation by corporate managers, board members or controlling shareholders is an important factor in the development and proper functioning of capital markets. (OECD Principles 2015)*
- LOE and other regulations require certain protections for minority shareholders to ensure equitable treatment, such as pre-emptive rights when a company increases its capital.
- Beyond these legal requirements, an enterprise should have **means of redress** (=remedy).



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Section 2: Role of stakeholders in corporate governance

General Principle 2.

Enterprises should fully recognize that appropriate cooperation with the stakeholders other than shareholders, is indispensable in achieving sustainable growth and increasing corporate value over the mid- to long-term.

2.1 Code of conduct

2.2 Whistleblowing - framework

2.3 Whistleblowing - point of contact

2.4 ESG matters - Environmental, social and governance matters/Sustainability issues

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Principle 2.1. Code of conduct

Code of conduct

- Many companies have already implemented its own Code of Conduct for all employees/management. Some companies have different contents of the code of conduct for different group of people (e.g. finance/accounting department, executive directors)
- Continuous monitoring of its effectiveness and adherence by all employees is important.
- **Does your company:**
 - **Provide training sessions for code of conduct?**
 - **Perform annual compliance confirmation?**
 - **Has mechanism through which any violation is timely reported?**
 - **Has internal policy for disciplinary actions?**

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Whistleblower - Example Rio Tinto (UK)

“Whistleblowing” programme

The board has adopted a confidential and independently operated whistleblowing programme called Speak-OUT. This offers an avenue where employees, contractors, suppliers and customers of Rio Tinto managed sites can report concerns anonymously if they so choose, subject to local law. This can include any significant concerns about the business, or behaviour of individuals, including suspicion of violations of financial reporting, safety or environmental procedures or business integrity issues generally. The programme features web submission, a case management tool to better manage cases, and a reporting tool to allow for improved analysis of case statistics and reporting. Rio Tinto is also looking at ways to increase the positive awareness of Speak-OUT. The Audit Committee receives a report twice annually on Speak-OUT activity as does the Sustainability Committee with regard to calls to Speak-OUT impacting sustainable development issues.

(Source: Rio Tinto, Annual Report 2014)

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Environment, social and governance (ESG) Why it is important?

Financial Information

- Financial statements
- Note disclosures
- Audit Report

Provide historical results of an enterprise's financial performance

Non-financial information

- **Strategy**
- **Corporate governance**
 - Board of Directors
 - Committees
 - Senior Management
- Environmental matters
- Social responsibilities
-

Provide more information as to long-term sustainability and growth potential of an enterprise
Also provide potential risk profile of an enterprise

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Section 3: *Disclosure and transparency*

General Principle 3.

Enterprises should make appropriate information disclosure in compliance with the relevant laws and regulations. Enterprises should also try to actively provide information beyond those required by laws, which includes both financial and non-financial information such as business strategies, business issues, risks and governance matters.

The board should recognize that disclosed information should be accurate, clear and concise so that it will serve as the basis for constructive dialogue with shareholders.

3.1 Material information disclosures

3.2 Fair disclosure

3.3 Strategic investors

3.4 Not a boiler-plate disclosure

3.5 Disclosure of risks

3.6 Internal control system

3.7 External auditor

3.8R Disclosure in English

3.9R Audit of annual financial statements

3.10R Disclosure of individual nomination and appointment of directors

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Section 4: *Responsibilities of the board*

General Principle 4.

(1) The board should be responsible for monitoring management performance and achieving an adequate return for shareholders, while preventing **conflicts of interest** and balancing competing demands on the enterprise.

In order to fulfil their responsibilities, the board should be able to exercise **objective and independent judgment**.

(2) The board should be responsible to oversee the **risk management** system and systems designed to ensure that the enterprise is in compliance with applicable laws and regulations, while determining the nature and extent of the **principal risks it is willing to take** in achieving its strategic objectives.

(3) The board is not only **accountable** to the company and its shareholders but also has a duty to act in their (=the enterprise and its shareholders') best interests. In addition, the board is expected to take due regard of, and deal fairly with, other **stakeholder interests** including those of employees, creditors, customers, suppliers and local communities. Observance of environmental and social standards is relevant in this context.

In order to fulfil their responsibilities, board members should have **access to accurate, relevant and timely information**.

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General Principle 4.(1)

Responsibilities, Objective and independent judgment

4.1 Dialogue with shareholders

4.5 Independent non-executive director

4.6R Specialized committee

4.7 Board diversity – skills, experiences

4.8 Board composition – executive vs. non-executive, independent directors

4.9 Formal and transparent procedures in appointment of new directors

4.10 Sufficient time allocation and commitment by each director

4.11R Separation of the chairman and CEO

4.12 Effective operation of the board

4.13 Board evaluation

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Principle 4.6. Specialized committee

Specialized committee

Audit committee

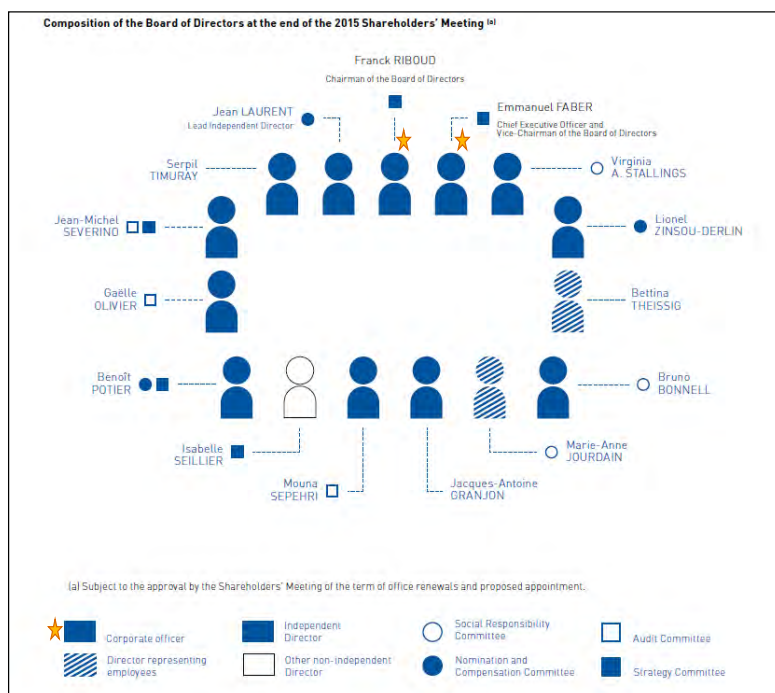
- Audit committee is not same as “supervisory board” in Vietnam
- Audit committee members are **all board of directors** and usually all members have certain level of accounting/auditing experiences or knowledge (e.g. Sometimes described as “*financial literacy*”, “*financial sophistication*”, “*financial expert*” in English)
- Many jurisdictions in the world requires Audit Committee within the Board
- Some of the responsibilities include:

Assist the Board of Directors in its oversight of:

- The integrity and audit of the company’s financial statements,
- The company’s accounting, financial reporting and disclosure processes and the adequacy of the systems of disclosure and internal control established by management,
- Processes established by management to provide compliance with legal and regulatory requirements,
- The independent auditor’s qualifications, performance and independence,
- The performance of the company’s internal audit function.

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Sample board of directors – DANONE (France)



Single-Tier Model with specialized committees:

- audit committee,
- nomination and compensation committee,
- special responsibility committee,
- strategy committee, and
- executive committee.

Total 15 BOD members (Single Board)

- 2 corporate officers,
- 10 independent directors,
- 2 employee representatives,
- 1 other non-independent director

(Source: DANONE Registration Document 2014)

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Board diversity – Example Microsoft (US)

The table below summarizes key qualifications, skills, and attributes most relevant to the decision to nominate candidates to serve on the Board of Directors. A mark indicates a specific area of focus or expertise on which the Board relies most. The lack of a mark does not mean the director does not possess that qualification or skill. Each director biography below describes each director's qualifications and relevant experience in more detail.

Experience, expertise or attribute	Gates	List-Stoll	Moritz	Nadella	Nozki	Panke	Peterson	Scharf	Stanton	Thompson	Warrior
Technology	■			■	■		■	■	■	■	■
Leadership	■			■	■	■	■	■	■	■	
Global business	■	■		■	■	■	■	■	■	■	■
Financial	■	■	■		■	■		■	■	■	
Mergers and acquisitions		■	■		■			■	■	■	■
Public company board service and governance	■	■	■	■	■	■	■	■	■	■	■
Sales and marketing		■				■	■	■		■	
Ethnic, gender, national or other diversity		■		■		■	■			■	■

(Source: Microsoft Proxy Statement 2015)

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Board evaluation - Example Vodafone Group (UK)

Performance evaluation

Each year the performance of the Board, its committees and directors is evaluated. Every third year the evaluation is conducted by an external advisor. This year the performance evaluation was conducted by Ffion Hague of Independent Board Evaluation. Mrs Hague is an independent advisor and has no other connection with the Company.

The evaluation process took place in the spring of 2013 and involved interviews with the Chairman, each Board member, the Company Secretary, senior management, senior executives who frequently interact with the Board or its committees, and the auditor, Deloitte LLP. Reports on the effectiveness of the Board and its committees were prepared by Mrs Hague. She discussed these with the Chairman and with the chairmen of the committees. Mrs Hague also discussed individual directors' performance with the Chairman and the Chairman's performance with Luc Vandeveld, the senior independent director. The Board and the Board committees considered the reports of their effectiveness at their meetings in May 2013. Mr Vandeveld gave feedback to the Chairman on his performance.

Mrs Hague's reports were positive about the performance of the Board and each of its committees. In particular, she highlighted the Board's strengths with respect to the seriousness with which it takes its accountability to shareholders, its focus on governance and the smooth operation of the Board and its committees. In light of Mrs Hague's review, the Board considers the performance of each director to be effective and has concluded that the Board and its committees provide the effective leadership and control required.

As a result of recommendations made in this year's Board performance evaluation, the Board has agreed:

- to develop further its approach to strategic planning and involve all the directors earlier in the process of strategy development;
- to provide more opportunities for the directors to meet with executives to assist in succession planning; and
- to ensure that induction of new directors enables them rapidly to contribute fully to the Board.

The Board will continue to review its procedures, its effectiveness and development in the financial year ahead.

Board effectiveness

Board effectiveness is reviewed every year. After last year's external performance evaluation the Board agreed:

- to develop further its approach to strategic planning and involve the directors earlier in the process of strategy development;
- to provide more opportunities for the directors to meet with executives to assist in succession planning; and
- to ensure the induction of new directors enables them rapidly to contribute fully to the Board.

Since then, the Chairman has introduced a number of improvements including: informing the Board regularly about possible Board appointments, trying to speed up the director appointment process, organising for senior executives to brief directors on various aspects of our business and increasing the number of opportunities available for senior executives to meet with the Board, e.g. through informal meetings or mentoring, and improving the induction programme for new directors.

Performance evaluation

Board effectiveness is reviewed by an external performance evaluation every three years. As an external evaluation was conducted last year, this year the Board performed an internal performance evaluation.

Disclosures in 2013

Disclosures in 2014

(Source: Vodafone Group Annual report 2013/2014)

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General Principle 4.(2) Risk management and risk taking

4.2 Risk management and internal control

4.3 Internal audit function

4.4 Corporate culture

4.14 Succession planning for key executives

4.15 Executive directors' remuneration – design

4.16 Claw-back provision

4.17 Formal and transparent procedures for developing executive directors remuneration policy

4.18 Remuneration disclosures

4.19R Pay Ratio disclosure

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Risk management and internal control

What mechanism in place?

<Sample Risk Assessment Matrix>

	Risk Rating					Overall Rating	Responsibility	Frequency of Review
	Bribery	Revenue recognition	Cyber security	Environmental	Other			
Internal location/business	X	X	X	X	X	Low	Internal audit/ Business unit	Annually
External/Supplier	X	X	X	X	X	Moderate	CFO	Annually
External/Distributor	X	X	X	X	X	Moderate	CFO	Quarterly
External/Agent	X	X	X	X	X	High	CFO	Quarterly
.....						
.....						

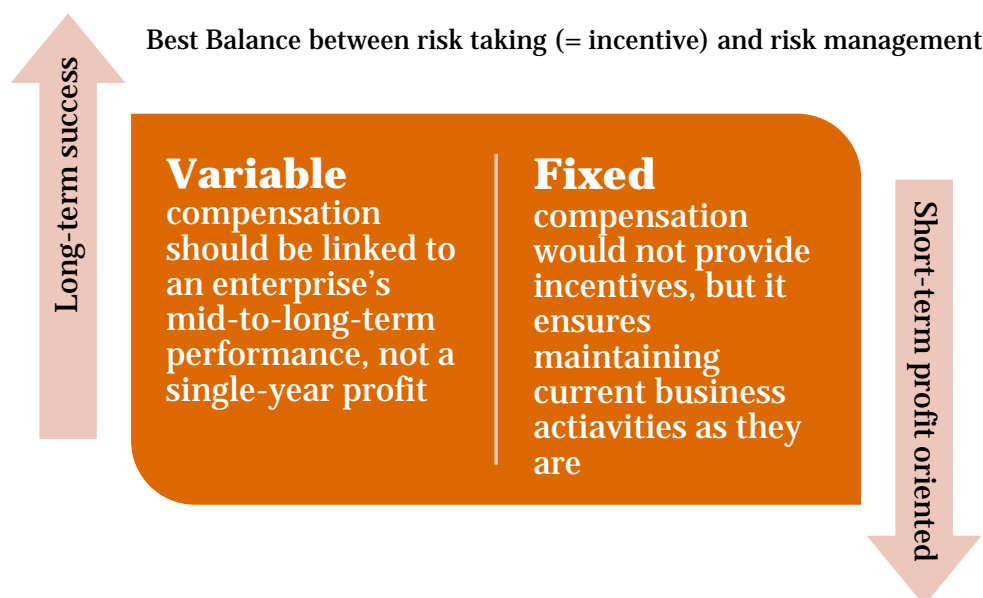
55

Internal audit function

- Internal audit function could be outsourced.
- Generally, internal audit function **directly reports to the audit committee**, supervisory board, or board of directors as well as it reports to CEO and relevant senior management (= one level above what internal audit function is auditing).
- If an internal audit function reviews financial reporting process, it should not directly report CFO who is responsible for it.
- Internal audit function should maintain **objectivity and independence** from what it is auditing.

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Executive directors' remuneration



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General Principle 4.(3) **Accountability**

4.20 Director training

4.21 Director training – chairman's duty

4.22 Director training – corporate governance

4.23 D&O insurance

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D&O Insurance

Adequate coverage

- D&O insurance is a liability insurance to cover indemnification for losses or defense costs in the cases where directors and officers suffer losses from a legal action brought against any acts in their capacity as directors and officers. The enterprise should arrange appropriate insurance coverage in respect of such legal actions against its directors or officers if General Shareholder Meeting approves.
- However, D&O insurance coverage should not allow directors or officers to act without due care (moral hazard); the terms of the insurance policy should be examined carefully.
- **Shareholders should be informed of the terms of the D&O insurance policy including deductible amount and reason of why such amount is set at an appropriate level.**

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Application Guidance

Corporate governance report – Appendix C

Corporate Governance Report <Sample Only>

To: The shareholders

Name of the company
Head office address: Telephone: Fax: Email:
Charter capital:
Securities code (if available):

I. Overview of the Enterprise's corporate governance policy/framework*

Narrative explanation of the Enterprise's corporate governance policy and framework.

II. Corporate Governance Statement*

Statement that the Enterprise applies the Corporate Governance Code (CGC) and whether the Enterprise does not apply any specific Principle or Principles as of the specified date.

If an enterprise is categorized as a "smaller enterprise" subject to certain exemption (i.e. applies only General Principles) for the purpose of applying the CGC, the enterprise is expected to state so here.

If an enterprise is categorized as a "smaller enterprise" but decided to apply the entire CGC without exemption (i.e. applies both General Principles and Principles), the enterprise is expected to state so here.

III. Explanation of reason for non-application of CGC*

No.	Principle #/ CGC Requirement	Explanation of reasons/rationale why the Enterprise does not apply specific Principle of the CGC

At minimum, an enterprise is expected to describe the structure (single tier or two tier model), and general policy of the corporate governance here.

An enterprise is expected to state that it has been applying which part(s) of the CGC and whether there is any unapplied principle(s).

An enterprise is expected to explain why particular principle(s) cannot be applied by the enterprise.

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Q & A

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Thank you.

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Draft Section 5 of the Corporate Governance Code for SCIC's Portfolio Companies (as of June 2016)

Section 5: SCIC's roles as a shareholder

5. SCIC's roles as a shareholder

General Principle 5.

SCIC should enhance the medium- to long-term investment returns for its portfolio companies and beneficiaries (including ultimate beneficiaries) by improving and fostering the portfolio companies' corporate value and sustainable growth through constructive engagement based on in-depth knowledge of the companies and their business environment.

Requirements under the Vietnamese laws & regulations:

Chapter IV (article 88 – 109) of the LOE stipulates the state owned enterprises.

Notes from OECD SOE Guidelines:

- I. Rationales for state ownership - The state exercises the ownership of SOEs in the interest of the general public. It should carefully evaluate and disclose the objectives that justify state ownership and subject these to a recurrent review.*
- II. The state's role as an owner - state should act as an informed and active owner, ensuring that the governance of SOEs is carried out in a transparent and accountable manner, with a high degree of professionalism and effectiveness.*
- III. State-owned enterprises in the marketplace - Consistent with the rationale for state ownership, the legal and regulatory framework for SOEs should ensure a level playing field and fair competition in the marketplace when SOEs undertake economic activities.*
- IV. Equitable treatment of shareholders and other investors –Where SOEs are listed or otherwise include non-state investors among their owners, the state and the enterprises should recognise the rights of all shareholders and ensure shareholders' equitable treatment and equal access to corporate information.*
- V. Stakeholder relations and responsible business - The state ownership policy should fully recognise SOEs' responsibilities towards stakeholders and request that SOEs report on their relations with stakeholders. It should make clear any expectations the state has in respect of responsible business conduct by SOEs.*
- VI. Disclosure and transparency - State-owned enterprises should observe high standards of transparency and be subject to the same high quality accounting, disclosure, compliance and auditing standards as listed companies.*

VII. Stakeholder relations and responsible business – The boards of SOEs should have the necessary authority, competencies and objectivity to carry out their functions of strategic guidance and monitoring of management. They should act with integrity and be held accountable for their actions.

Principles:

5.1. Ownership policy

- The ultimate purpose of SCIC's ownership of portfolio companies should be to maximize value for society, through an efficient allocation of resources.
- SCIC's ownership policy including the exercise of shareholder's right should be accessible to the general public and widely circulated amongst the relevant ministries, agencies, SOE boards, management, and the legislature.

5.2. The SCIC's role as a shareholder

- SCIC should allow portfolio companies' full operational autonomy and should respect their independence.
- SCIC should enhance the transparency of the nomination and election of portfolio company boards and such nomination and election should be based on an appraisal of the variety of skills, competencies, knowledge and experiences required to protect from political interfere. SCIC should refrain board members from SCIC or other state organizations from attaining large proportions of BOD especially when SCIC is a dominant shareholder.
- However, it should be accepted that SCIC exercises shareholders rights effectively and appropriately with unique competencies such as legal, financial, economic and management skills that are experienced in carrying out fiduciary responsibilities.
- SCIC shall not make a shareholder proposal which SCIC would vote against under the VG. SCIC shall also refrain from exercising shareholders rights in a manner inconsistent with the Principles included in this Code.

5.3. Successive growth of the enterprises in market place

- SCIC should encourage portfolio companies to face market consistent conditions (without undue advantages or disadvantages relative to private enterprises) to strengthen its competitiveness for a long term development.
- SCIC should focus on the state ownership function and should prevent conflicts of interest between ownership function and other state's functions.

5.4. Equitable Treatment of Shareholders

- SCIC should closely monitor that all shareholders are treated equitably and encourage portfolio companies to develop an active policy of communication and consultation with all shareholders.
- SCIC should enhance the strategic shareholders' rights as fair compensation for the obligations imposed on, or the commitment made by, the strategic shareholder.
- SCIC should avoid abusive action as a dominant shareholder especially for the nomination and election of BOD members. Abuse can occur through inappropriate related party transactions, biased business decisions or changes in the capital structure favouring controlling shareholders.
- In cases of partial privatization of SOEs, SCIC and portfolio companies should take specific care to ensure the protection of minority shareholders including introducing efficient means of redress¹.

5.5. Stakeholder Relations and Responsible Business

- SCIC and SOEs should recognize and respect stakeholders' rights established by law or through mutual agreements in order to make portfolio companies sustainable and financially sound.
- SCIC should act and make decisions so that portfolio companies could make decisions for stakeholders, not for political interest

5.6. Disclosure and Transparency

- SCIC should encourage portfolio companies' disclosure of the following items;
- Remuneration policy of board members and key executives.
- Board member qualifications, selection process, including board diversity policies, roles on other company boards and whether they are considered as independent by the SOE board.
- Any material transactions with the state and other related entities.
- SCIC should encourage listed companies and large scale equitized SOEs to develop

¹ Refer to the commentary to Principle 1.5 of the draft Corporate Governance Code for SCIC's portfolio companies that says: One of the possible abusive actions may include the multiple voting shares that do not follow "one share, one vote" model AND unevenly preferable to the controlling shareholders. However, if minority shareholders have a right to vote on or approve the creation of such multiple voting shares, as well as any material changes to the attributes of such shares, it could be an effective means of redress. Other possible abusive actions may include but not limited to pre-emptive rights, golden shares, and any other forms of restrictions on issuance of shares. To prevent potential abuse, minority shareholder approval on these actions should be considered.

disclosure policy based on international standard in addition to the requirements of Vietnamese law.

5.7. The responsibilities of the boards of portfolio companies

- SCIC should encourage portfolio companies' board and their committees to be structured to act independently from the management such as the separation of the functions of the chair and CEO.

<Recommendations>

5.8. SCIC's role as an owner (New – for discussion only)

- SCIC should allow its portfolio companies full operational autonomy to achieve their defined objectives and refrain from intervening in their management. SCIC as a shareholder should avoid redefining its portfolio companies' objectives in a non-transparent manner.

(End)

JICA/SCIC2 Corporate Governance Code

Section 5 discussion <DRAFT v3.1>

July 2016

PwC Aarata LLC



Agenda

Background

Discussion Point:

- What is the appropriate name for Section 5 ("*new document*")
- How to use the *new document* by SCIC
- How to disclose the content of *new document*
- SCIC's current disclosure on the website

Next steps

Reference materials

- Other organizations' disclosure examples
- UK Stewardship Code
- Santiago Principles

Background

- Section 5 of the draft corporate governance code (CGC) for SCIC's portfolio companies was originally included in the Principles part of the draft Voting Guidelines (VG) FY2015, which had been discussed among SCIC VG task force (TF) members, JICA experts, and JERI consultants. It describes the SCIC's roles as a shareholder and developed based on *the OECD Guidelines on Corporate Governance of State-Owned Enterprises 2015 Edition* ("OECD SOE Guidelines 2015").
- At the meeting on October 15, 2015, SCIC (Mr. Hien and VG TF members), JICA chief advisor and experts, JERI consultants and PwC consultants agreed that the Principles part of the draft VG should be removed from the draft VG but should be discussed further as part of the CGC discussions. In response to this meeting, the Principles part of the draft VG has been tentatively moved to the draft CGC as Section 5, although it is not a "CGC for portfolio companies" in its nature.
- The wording of the Section 5 should be revised in line with the new Decree that defines the SCIC's roles and responsibilities. The new Decree has been approved by MOF and expected to be enacted shortly.
- ***SCIC had an internal discussion and has decided to separate Section 5 from CGC (Sections 1 through 4) on 14th of July.***
- ***How to present/disclose the content of Section 5 is to be discussed further among relevant parties.***

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What is the appropriate name for Section 5, if separated from the CGC?

SCIC's

- Corporate Governance Statement/Declaration?
- Stewardship Statement?
- Mission Statement?
- Visions?
- Code of conduct?

Any other ideas?

- Wording should be revised in accordance with the name of document
(e.g. SCIC ***should do*** something... >>> SCIC ***does*** something...)

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How to use the new document (ex-Section 5)

- ✓ A formal declaration or statement that should be followed by SCIC **voluntarily** beyond legal requirements.
- ✓ It shows SCIC's **strong commitment/accountability** as a shareholder of each portfolio company.
- ✓ It **encourages SCIC's portfolio companies** to voluntarily adopt the corporate governance code (mutual, reciprocal commitment).
- ✓ It provides transparency to stakeholders.

Who is responsible for the new document?

Not all principles might not necessarily be followed by SCIC

Initial adoption/disclosure on the website

All principles should be followed (adhered) by SCIC

Continuous improvements and monitoring

Improve the level of adherence and disclose it

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How to disclose the new document (1)

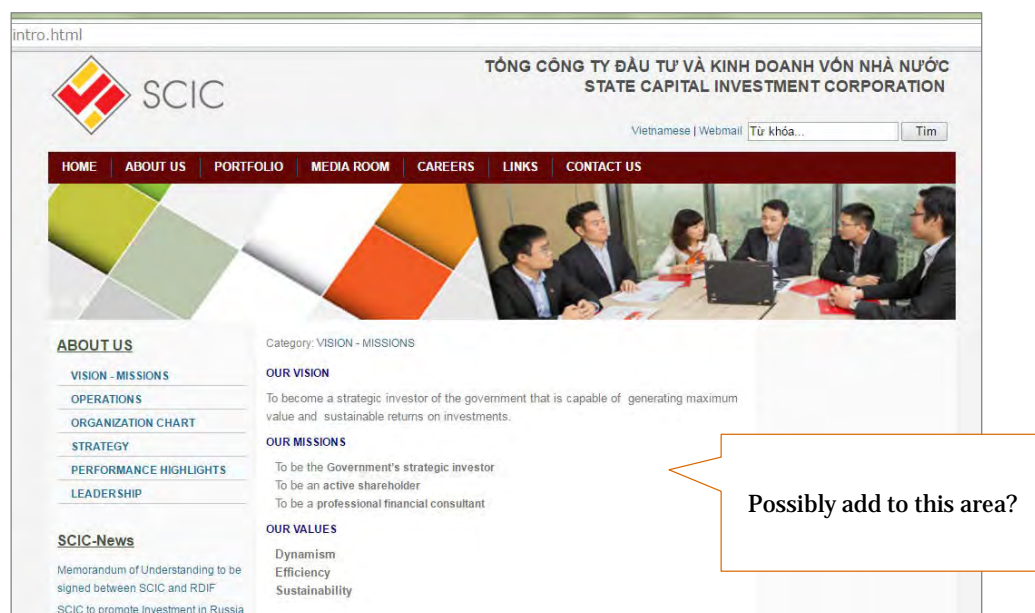
- Disclosures in English on SCIC's website
- Reliability of the disclosed information
 - Generally, Supervisory Board (Inspection Committee) is responsible for the accuracy & completeness of an entity's information disclosure
 - In addition, an external independent auditor could provide certain assurance over disclosed information (negative assurance only)
- How often is the disclosed information updated?
 - From time to time but at least annually
- **Refer to the other organizations' current disclosures**

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How to disclose the new document (2)

Current disclosure on the website



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Next steps

1. To determine the suitable name of the document of Section 5 and agree among relevant parties including SCIC, JICA and JICA consultants (JERI, PwC)
2. Modify the wording in accordance with the new Decree and new name of the document.
3. Determine how to use the document and who is responsible within SCIC.
4. Perform preliminary self-assessment of adherence of each principle by SCIC
5. Determine how to disclose it
6. Consider accuracy and completeness of disclosed information – any needs for the 3rd party assurance (audit)?
7. Obtain necessary approval within SCIC.
8. Implement the new document (= disclosure on the website)
9. Continuous reviews, updates and monitoring after initial adoption

Future milestone will be included in the PwC consultant's final report to JICA/SCIC.

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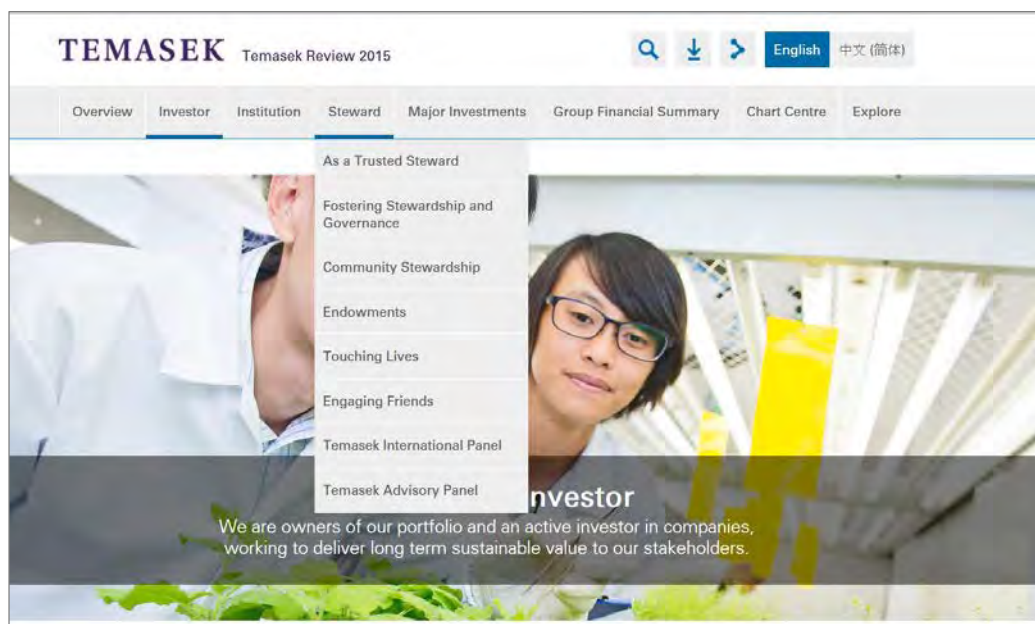
Reference materials

Examples of other organizations
UK Stewardship code
Santiago Principles

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Disclosure example – TEMASEK (1) **“Steward”**



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Disclosure example – TEMASEK (2)

Corporate governance

Corporate Governance

Temasek is a commercial investment company governed by the provisions of the Singapore Company Act.

Our governance framework emphasises substance over form, and long term over short term, and put institution over self. It provides for accountability and a robust balance between empowerment and compliance.

We espouse the principles of commercial discipline, built on our set of MERITT values, namely: meritocracy, excellence, respect, integrity, teamwork and trust.

As an investment company, Temasek owns and manages its assets, investing and divesting with full commercial discretion and flexibility under the guidance of our Board, including investment, divestment and business decisions.

Our commitment to deliver long term value is supported by a philosophy and culture of ownership.

Under Singapore's Constitution and laws, neither the President of the Republic of Singapore nor the Singapore Minister for Finance¹, our shareholder, is involved in our investment, divestment or other business decisions, except in relation to the protection of Temasek's own past reserves.

For further information on corporate governance, please see Institution in the Temasek Review 2015.

Footnotes:

¹Under the Singapore Minister for Finance (Incorporation) Act (Chapter 183), the Minister for Finance is a body corporate.

(Source: TEMASEK website <http://www.temasek.com.sg/abouttemasek/corporategovernance>)

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Disclosure example – TEMASEK (3)

Fostering stewardship and governance

Does SCIC
comply with
Santiago
Principles?



(Source: TEMASEK Review 2016) <http://www.temasekreview.com.sg/steward/fostering-stewardship-and-governance.html>)

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Disclosure example – TEMASEK (4)

Statement by auditors – No material inconsistencies

We are the auditors of Temasek Holdings (Private) Limited ("Temasek"). We have audited the statutory consolidated financial statements of Temasek and its subsidiaries (the "Group") for the financial years ended 31 March 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016 and have issued [unqualified audit reports](#). The audited statutory consolidated financial statements of the Group for the financial year ended 31 March 2007 were audited by [PricewaterhouseCoopers LLP](#) whose [auditors' report](#) were also unqualified.

Under the Singapore Companies Act, Chapter 50, Temasek is an exempt private company and is not required to publish its audited statutory consolidated financial statements.

Management is responsible for the preparation and presentation of the Group Financial Summary for the financial years ended 31 March 2007 to 2016. The Group Financial Summary consists of the Group Income Statements, Group Balance Sheets and Group Cash Flow Statements as at and for the financial years ended 31 March 2007 to 2016 and Group Statements of Changes in Equity for the financial years ended 31 March 2015 and 2016, which is prepared and presented based on the audited statutory consolidated financial statements. The Group Financial Summary does not contain all the disclosures required by Singapore Financial Reporting Standards applied in the preparation of the audited statutory consolidated financial statements of the Group. Reading the Group Financial Summary, therefore, is not a substitute for reading the audited statutory consolidated financial statements of the Group.

Our responsibility is to express an opinion on the Group Financial Summary based on our procedures, which were conducted in accordance with Singapore Standard on Auditing (SSA) 810 – *Engagements to Report on Summary Financial Statements*.

In our opinion, the Group Financial Summary is summarised and presented consistently, in all material respects, with the audited statutory consolidated financial statements of the Group.

KPMG LLP

KPMG LLP
Public Accountants and Chartered Accountants
Singapore

27 June 2016

Other Information in Documents Containing Summary Financial Statements

24. The auditor shall read other information included in a document containing the summary financial statements and related auditor's report to identify material inconsistencies, if any, with the summary financial statements. If, on reading the other information, the auditor identifies a material inconsistency, the auditor shall determine whether the summary financial statements or the other information needs to be revised. If, on reading the other information, the auditor becomes aware of an apparent material misstatement of fact, the auditor shall discuss the matter with management. (Ref: Para. A19)

(Source: SSA 810)

(Source: TEMASEK Review 2016)

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Disclosure Example – Malaysia Khazanah (1)

OUR GOVERNANCE AND ACCOUNTABILITY FRAMEWORK

Khazanah is guided by a governance and accountability framework that establishes a clear structure of responsibility, authority and governance in how we operate. This is strengthened by internal systems and controls in the form of policies, procedures and guidelines on matters ranging from risk management and investment approvals to corporate values and ethical standards.

We make appropriate disclosures of our performance and operations, be they required by law and the relevant authorities or voluntary dissemination of information to our stakeholders, including the public, across various platforms and forums.

Our accounts are audited by an independent external auditor as well as the Auditor-General's Office, and the audited financial statements are submitted to the Companies Commission of Malaysia. We have also shared key information to the Public Accounts Committee (PAC).

We also make known to the public key information on our official website and annual publications including The Khazanah Report and Khazanah Corporate Responsibility Report.

Stakeholder engagement remains a priority for us. We organise various outreach programmes for the media, analysts and fund managers, government agencies, parliamentarians and civil society organisations. We hope these engagements will enhance their understanding about Khazanah.

Our mandate is closely tied to the Government's development aspirations. It guides our investment and operational approach. While it ensures consistency to our overall operation, it fulfils the objectives set out by our shareholders.

Like other strategic investment funds, Khazanah taps into international capital markets when the need arises. But we are mindful of any endeavour into the capital markets. Our security and investments are rated accordingly. We provide adequate and frequent disclosure of our financial position through rating agencies and market participants.

(continued to the next slide)

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Disclosure Example – Malaysia Khazanah (2)

OUR GOVERNANCE AND ACCOUNTABILITY FRAMEWORK

(continued from previous page)

We comply with statutory public disclosure requirements concerning our investments, divestments, and capital raising exercises. We also disclose financial data to our shareholder (Minister of Finance, Inc), Bank Negara Malaysia, and the Department of Statistics on a regular basis.

The Board of Directors governs our operations. The board members consist of representatives from the Government and the corporate sector with diverse professional backgrounds and expertise. Dato' Sri Mohd Najib Tun Abdul Razak, the Prime Minister of Malaysia and Minister of Finance, is the Chairman of our Board.

The Board meets regularly and is ultimately accountable and responsible for Khazanah's overall governance and performance.

A Board Charter sets out the roles and responsibilities of the Board in overseeing the management of Khazanah.

The Board is assisted by two subcommittees – the Executive Committee (EXCO) and the Audit and Risk Committee (ARC). The four-member EXCO comprises three Non-Executive Directors and an Executive Director, while the ARC consists of three Independent Directors.

Our Governance and Risk Management Framework serves as a guide for the effective management of risks, and to inculcate a culture of good corporate governance and risk management throughout the institution.

The framework comprises a Risk Management Policy, Schedule of Matters for the Board, Limits of Authority applicable to the Management, Code of Conduct as well as Policies and Procedures, which guide our employees in their actions and behaviours.

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The UK Stewardship Code (September 2012) (1)

Seven principles

Principle 1 – Policy on stewardship

- Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

Principle 2 – Conflicts of interest

- Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

Principle 3 – Monitoring of investees

- Institutional investors should monitor their investee companies.
- ***See Guidance for detail***

Principle 4 – Guidelines on intervention

- Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities.

Principle 5 – Collaboration with other investors

- Institutional investors should be willing to act collectively with other investors where appropriate.

Principle 6 – Voting policy and activity

- Institutional investors should have a clear policy on voting and disclosure of voting activity.

Principle 7 – Recording of activities

- Institutional investors should report periodically on their stewardship and voting activities.

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The UK Stewardship Code (September 2012) (2)

Principle 3 – Monitoring of investee companies

Effective monitoring is an essential component of stewardship. It should take place regularly and be checked periodically for effectiveness.

When monitoring companies, institutional investors should seek to:

- Keep abreast of the investee company's performance;
- Keep abreast of developments, both internal and external to the company, the drive the company's value and risks;
- **Satisfy themselves that the company's leadership is effective;**
- **Satisfy themselves that the company's board and committees adhere to the spirit of the UK Corporate Governance Code, including through meetings with the chairman and other board members;**
- **Consider the quality of the company's reporting;** and
- Attend the General Meetings of companies in which they have a major holding, where appropriate and practicable.

Institutional investors should consider carefully explanations given for departure from the UK Corporate Governance Code and make reasonable judgments in each case. They should give a timely explanation to the company, in writing where appropriate, and be prepared to enter a dialogue if they do not accept the company's position. (...omitted...)

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Santiago Principles (1)

Sovereign Wealth Funds Generally Accepted Principles and Practices (October 2008)

GAPP 1	The legal framework for the SWF should be sound and support its effective operation and the achievement of its stated objective(s).
GAPP 2	The policy purpose of SWF should be clearly defined and publicly disclosed.
GAPP 3	Where the SWF's activities have significant direct domestic macroeconomic implications, those activities should be closely coordinated with the domestic fiscal and monetary authorities, so as to ensure consistency with the overall macroeconomic policies.
GAPP 4	There should be clear and publicly disclosed policies, rules, procedures, or arrangements in relation to the SWF's general approach to funding, withdrawal, and spending operations.
GAPP 5	The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets.
GAPP 6	The governance framework for the SWF should be sound and establish a clear and effective division of roles and responsibilities in order to facilitate accountability and operational independence in the management of the SWF to pursue its objectives.

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Santiago Principles (2)

Sovereign Wealth Funds Generally Accepted Principles and Practices (October 2008)

GAPP 7	The owner should set the objectives of the SWF, appoint the members of its governing body(ies) in accordance with clearly defined procedures, and exercise oversight over the SWF's operations.
GAPP 8	The governing body(ies) should act in the best interests of the SWF, and have a clear mandate and adequate authority and competency to carry out its functions.
GAPP 9	The operational management of the SWF should implement the SWF's strategies in an independent manner and in accordance with clearly defined responsibilities.
GAPP 10	The accountability framework for the SWF's operations should be clearly defined in the relevant legislation, charter, other constitutive documents, or management agreement.
GAPP 11	An annual report and accompanying financial statements on the SWF's operations and performance should be prepared in a timely fashion and in accordance with recognized international or national accounting standards in a consistent manner.
GAPP 12	The SWF's operations and financial statements should be audited annually in accordance with recognized international or national auditing standards in a consistent manner.

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Santiago Principles (3)

Sovereign Wealth Funds Generally Accepted Principles and Practices (October 2008)

GAPP 13	Professional and ethical standards should be clearly defined and made known to the members of the SWF's governing body(ies), management, and staff.
GAPP 14	Dealing with third parties for the purpose of the SWF's operational management should be based on economic and financial grounds, and follow clear rules and procedures.
GAPP 15	SWF operations and activities in host countries should be conducted in compliance with all applicable regulatory and disclosure requirements of the countries in which they operate.
GAPP 16	The governance framework and objectives, as well as the manner in which the SWF's management is operationally independent from the owner, should be publicly disclosed.
GAPP 17	Relevant financial information regarding the SWF should be publicly disclosed to demonstrate its economic and financial orientation, so as to contribute to stability in international financial markets and enhance trust in recipient countries.
GAPP 18	The SWF's investment policy should be clear and consistent with its defined objectives, risk tolerance, and investment strategy, as set by the owner or the governing body(ies), and be based on sound portfolio management principles.

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Santiago Principles (4)

Sovereign Wealth Funds Generally Accepted Principles and Practices (October 2008)

-
- | | |
|----------------|---|
| GAPP 19 | The SWF's investment decisions should aim to maximize risk-adjusted financial returns in a manner consistent with its investment policy, and based on economic and financial grounds. |
| GAPP 20 | The SWF should not seek or take advantage of privileged information or inappropriate influence by the broader government in competing with private entities. |
| GAPP 21 | SWFs view shareholder ownership rights as a fundamental element of their equity investments' value. If an SWF chooses to exercise its ownership rights, it should do so in a manner that is consistent with its investment policy and protects the financial value of its investments. The SWF should publicly disclose its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights. |
| GAPP 22 | The SWF should have a framework that identifies, assesses, and manages the risks of its operations. |
| GAPP 23 | The assets and investment performance (absolute and relative to benchmarks, if any) of the SWF should be measured and reported to the owner according to clearly defined principles or standards. |
| GAPP 24 | A process of regular review of the implementation of the GAPP should be engaged in by or on behalf of the SWF. |
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Q & A

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Voting Guideline - current situation of investee company

Notes for answering this sheet: numbers printed in are inputted based on the list of the portfolio companies
* if the given information in the column of is incorrect or changed, please write correct or new information in the column in blank..
Your sheet No. if necessary ()

Code	Item	2015 Old	2015 New (Correct or revise the data printed in the left column if the data is not right or out of dated)	2016		
I	About the portfolio company					
1.10	Company Code (given by SCIC)	BGT20				
1.20	Company name	Bac Giang Cement JSC				
1.30	Allocated group (check in the ☑)	B2		A-1 (invested strategically core group) ☐; A-2 (guided strategically core group) ☐; B-1 (flexible group) ☐; B-2 (divesture group) ☐		
1.40	Industrial Section (by main products/activities)	601010 - Other sector		Please chose and write the number of the industry classification shown in the right column: In case of '99. Others', please also specify the industry/sector;		1. Telecommunication; 2. Healthcare; 3. Financial Services (banking-insurance); 4. Information Technology; 5. Construction; 6. Water-Electricity-Gasoline; 7. Production of basic consumer goods (foods, beverages & drinks...); 8. Energy-Mining; 9. Transportation; 10. Agriculture; 11. Commerce/wholesale & services; 99. Others
1.50	Type of the company	Joint Stock Company		1.Single-member limited liability company ☐; 2.Multiple-member limited liability company ☐; 3.Joint stock ☐; 4.Partnership ☐; 5.Private ☐; 6.Corporate group ☐; 7.Share holding company ☐; 8.Joint venture ☐; 9.Foreign owned ☐;		
				11. Listed ☐; at Hanoi EX ☐; at HCMX ☐; 12. un listed ☐;		
1.60	Province/address of the company registration	Thị trấn Tân Uyên, huyện Tân Uyên, tỉnh Lai Châu				
1.70	Chartered Capital amount (million VND or million	58,173,000,000		1. VND ☐, 2. USD ☐ amount:		
1.80	of which, amount held by SCIC	2,703,250,000		1. VND ☐, 2. USD ☐ amount:		
1.90	Year that SCIC acquired the share of the enterpr	Tiếp nhận năm 2013		(19XX):		
1.10	Department/branch in charge	Portfolio Department Management 1		1. PMD 1 ☐; 2. PFD 2 ☐; 3. PMD 3 ☐;4. PMD 4 ☐; 5. New Investment Dept. ☐; 6. North Branch ☐; 7. Central Branch ☐; 8. Southern Branch ☐; 9. Other Dept. ☐ (Please specify the name of the Dept.:)		
II	About General Meeting of Shareholders (or Members' council) of the company					
2.10	Closing date of the annual accounting	December		1, 2, etc. (please write the number of the month):		
2.20	Month when Shareholders' meeting was held	April		1, 2, etc. (please write the number of the month):		

Survey sheet 2

Voting Guideline - Research on the use of the VG; for limited liability company

Your sheet No. if necessary ()

Item		Write or check in the blank of the appropriate one								
I About the portfolio company										
1.10	Company name									
1.20	Company Code (given by SCIC)									
1.30	Chartered Capital amount (million VND or million USD)	1. VND <input type="checkbox"/> , 2. USD <input type="checkbox"/>	amount:							
1.40	Number of shareholders									
1.50	Amount of shares held by SCIC	1. VND <input type="checkbox"/> , 2. USD <input type="checkbox"/>	amount:							
1.60	Top 10 shareholders/controlling shareholders if any (with number of shares or percentage of shares)	Name of shareholders	number or percentage of shares held by the shareholder	Address or Province						
		1	%							
		2	%							
		3	%							
		4	%							
		5	%							
		6	%							
		7	%							
		8	%							
		9	%							
		10	%							
1.70	Department/branch in charge	(please write below the number or the name of the Department/branch listed in the right):		1. Portfolio Department (PD) 1; 2. PD 2; 3. PD 3; 4. PD 4; 5. Investment Department; 6. Southern Branch; 7. Central Branch; 99. Others (in case selecting others, please write the name of the department in the left column)						
II About General Meeting of Shareholders (or Members' council) of the company										
2.10	Date of the Shareholders' meeting (or Members' council)	Date: / / (dd/mm/yyyy) 1. Annual general meeting <input type="checkbox"/> ; 2. Extraordinary meeting <input type="checkbox"/> ;								
2.20	Number of shareholders presented in the meeting									
III	Issues voted (write all the issues item by item)	Instruction given by SCIC to the state representatives for voting	Date of report to SCIC prior to the shareholders' meeting	Date of instruction for vote form SCIC	Result of the votes	If the instruction was rejected, what was the adopted proposition and what are the reasons why the result was different from SCIC's instruction	Responses from external represetative. (Please write what			
		(A. Agree; B. Not Agree; C. Abstention)	/ / (dd/mm/yyyy)	/ / (dd/mm/yyyy)	1. accepted <input type="checkbox"/> ; 2. not accepted <input type="checkbox"/>		Did you refer to the VG? Please write <input type="radio"/> if yes, X if not	Were rational and instructions by VG helpful? Please write <input type="radio"/> if yes, X if not	Any comments or suggestions about the item for making the VG instruction more applicable?	
		1.10	Approval of the Financial Statements and related documents							
		1.20	Approval of annual business plan							
		1.30	Approval of the long-term development strategy							
		1.40	Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)							
		1.50	Approval of investment							
		1.60	Approval of sales of assets, including approval of divestment of shares in other companies							
		1.70	Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member							
		1.80	Election of member of the BOD, taking the director's attendance into consideration and the inclusion of at least one outsider or independent director in the BOD							
		1.90	Dismissal or replacement of the BOD member or Supervisory Board member							
		1.10	Appointment of Supervisory Board members							
		1.11	Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements							
		1.12	Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company							
		1.13	Other shareholders' proposals							
		2.10	Approval of remuneration and remuneration cap for BOD members and Supervisory Board members							
		2.20	Equity compensation plan							
		2.30	Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)							
		3.10	Amendment of statute (Charter), including expansion of business activities							
		3.20	Reduction of BOD members' term in office							
		3.30	Board structure and decrease in the maximum board size							
		3.40	Disclosure of information							
		4.10	Increase of the charter capital							
		4.20	Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares							
		4.30	Approval to repurchase shares							
		4.40	Creation or modification of preferred shares							
		5.10	Vote 'Against' if the item does not satisfy the requirements in the Charter, Law on Enterprise and other regulations							
		5.20	Approval of establishing branches & representative offices, SCIC shall decide on a case-by-case basis							

IV	Issues discussed and voted in the Board of Directors meeting (write all the issues item by item)	Instruction given by SCIC to the state representatives for voting	Date of report to SCIC prior to the member's council (dd/mm/yyyy)	Date of instruction for vote from SCIC (dd/mm/yyyy)	Result of the votes	If the instruction was rejected, what was the adopted proposition and what are the reasons why the result was different from SCIC's instruction	Did you refer to the VG? Please write ○ if yes, X if not	Were the rational and instructions of VG helpful? Please write ○ if yes, X if not	Any comments or suggestions about the item: your comments for making the VG instruction more applicable?
		(A. Agree; B. Not Agree; C. Abstention)	/ /	/ /	1. accepted <input type="checkbox"/> ; 2. not accepted <input type="checkbox"/>				
1.10	Approval of the Financial Statements and related documents								
1.20	Approval of annual business plan								
1.30	Approval of the long-term development strategy								
1.40	Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)								
1.50	Approval of investment								
1.60	Approval of sales of assets, including approval of divestment of shares in other companies								
1.70	Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member								
1.80	Election of member of the BOD, taking the director's attendance into consideration and the inclusion of at least one outsider or independent director in the BOD								
1.90	Dismissal or replacement of the BOD member or Supervisory Board member								
1.10	Appointment of Supervisory Board members								
1.11	Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements								
1.12	Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company								
1.13	Other shareholders' proposals								
2.10	Approval of remuneration and remuneration cap for BOD members and Supervisory Board members								
2.20	Equity compensation plan								
2.30	Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)								
3.10	Amendment of statute (Charter), including expansion of business activities								
3.20	Reduction of BOD members' term in office								
3.30	Board structure and decrease in the maximum board size								
3.40	Disclosure of information								
4.10	Increase of the charter capital								
4.20	Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares								
4.30	Approval to repurchase shares								
4.40	Creation or modification of preferred shares								
5.10	Vote 'Against' if the item does not satisfy the requirements in the Charter, Law on Enterprise and other regulations								
5.20	Approval of establishing branches & representative offices, SCIC shall decide on a case-by-case basis								
5.00	Please write what kind of responses did you receive from external representative(*1): whether the use of VG contributes to the smoother decision making in AGM?		(Please give us your comments/evaluation, if any, about the effectiveness of VG as a whole.)						
5.01	Does the external representative give a positive response to the usefulness of using VG?		(Please give us your comments/evaluation, if any, about the effectiveness of VG as a whole.)						

(*1) External representative means a representative who is not a SCIC officer.(ex; BoD members assigned as state representative from the portfolio company or the line ministry including local government.)

Survey sheet 3: Reference:

Chose appropriate number of issues for vote indicated in the reference below (if there are no suitable items, please write the issue and number X.99 as indicated below)

No.	Items for vote
1.00	Operational Items
1.10	Approval of the Financial Statements and related documents
1.20	Approval of annual business plan
1.30	Approval of the long-term development strategy
1.40	Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)
1.50	Approval of investment
1.60	Approval of sales of assets, including approval of divestment of shares in other companies
1.70	Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member
1.80	Election of member of the BOD, taking the director's attendance into consideration and the inclusion of at least one outsider or independent director in the BOD
1.90	Dismissal or replacement of the BOD member or Supervisory Board member
1.10	Appointment of Supervisory Board members
1.11	Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements
1.12	Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company
1.13	Other shareholders' proposals
2.00	Remuneration
2.10	Approval of remuneration and remuneration cap for BOD members and Supervisory Board members
2.20	Equity compensation plan
2.30	Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)
3.00	Article amendments
3.10	Amendment of statute (Charter), including expansion of business activities
3.20	Reduction of BOD members' term in office
3.30	Board structure and decrease in the maximum board size
3.40	Disclosure of information
4.00	Share Issuance Request
4.10	Increase of the charter capital
4.20	Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares
4.30	Approval to repurchase shares
4.40	Creation or modification of preferred shares
5.00	Miscellaneous items related to the AGM
5.1	Vote 'Against' if the item does not satisfy the requirements in the Charter, Law on Enterprise and other regulations
5.2	Approval of establishing branches & representative offices, SCIC shall decide on a case-by-case basis

Survey sheet 4 - To be asked to the State Representatives (in case of interview survey)

Voting Guideline (VG) - Comments or suggestions on the use of VG

Please give us your comments on the usefulness of the Voting Guideline 2015 or any suggestions to make it more helpful for your company management.

5.10 Date when you answered to this survey sheet:		Date: / / (dd/mm/yyyy)	
5.20 Name of your company:			
Questions:		Please <input checked="" type="checkbox"/> in the appropriate column:	
		1.yes	2. no
5.30. About the use of VG:	1-1) Did you refer to the VG before AGM of this year? (If no, please answer 1-2)	<input type="checkbox"/>	<input type="checkbox"/>
	1-2) Could you share the reason ?		
	2-1) Is the VG useful for smoother voting procedure? (If no, please answer 2-2)	<input type="checkbox"/>	<input type="checkbox"/>
	2-2) Could you share the reason ?		
	3-1) Do you think each voting policy appropriate and benefitable for your portfolio company? (If no, please answer 3-2)	<input type="checkbox"/>	<input type="checkbox"/>
	3-2) Could you share the reason? If there is a specific item to be reconsidered, please share with us.		
	4-1) Do you think VG enables to understand SCIC's policy as a shareholder clearly? (If no, please answer 4-2)	<input type="checkbox"/>	<input type="checkbox"/>
	4-2) Could you share the reason?		
5) Please judge the effectiveness of VG. (put ○ to the appropriate number)	not agree (not effective) <div style="display: flex; align-items: center; margin: 0 auto;"> <div style="flex: 1; border-bottom: 1px solid black; position: relative;"> <div style="position: absolute; left: 0; top: -5px;">1</div> <div style="position: absolute; left: 50%; top: -5px;">2</div> <div style="position: absolute; left: 66%; top: -5px;">3</div> <div style="position: absolute; left: 83%; top: -5px;">4</div> <div style="position: absolute; left: 100%; top: -5px;">5</div> </div> <div style="margin-left: 10px;">agree (effective)</div> </div>		
5.40. Please write any comments, suggestions or requests for making the use of VG more helpful to you. (Additional items to be included or items to be amended in current items)	1)		
	2)		
	3)		
	4)		
	5)		
	...		
	...		
	...		
	...		
	...		
(filled by Mr./Ms. _____)		/ SCIC Department _____, entrusted by the State Rep. of the company)	



VOTING GUIDELINE SURVEY

OUTPUTS & FINDINGS

August 15, 2016



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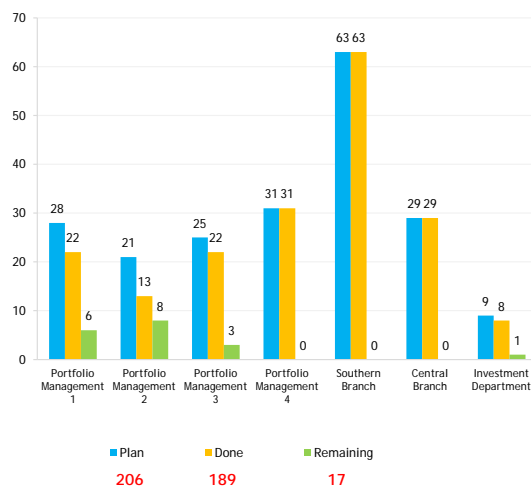
Table of contents

1. Status of survey collection
2. Analysis of issues voted in AGMs
3. Overall assessment of VG effectiveness

1. Status of survey collection

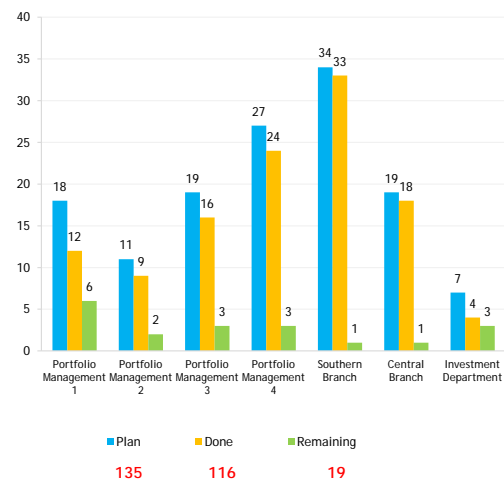
Status of survey submission by SCIC officers

2015



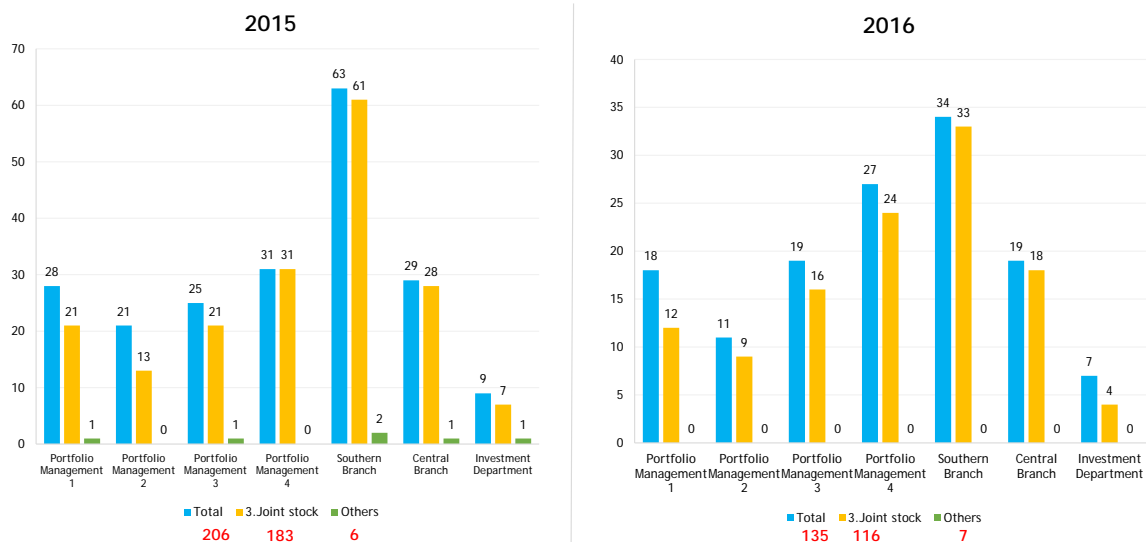
- 91% submitted (189/206)

2016



- 86% submitted (116/135)
- Not yet submitted due to the lateness of some Portfolio Officers.
- Note: All the companies which have not held the AGM, companies which SCIC already divested capital or newly received (in total 35) are already excluded from the planned total number.

Types of portfolio companies

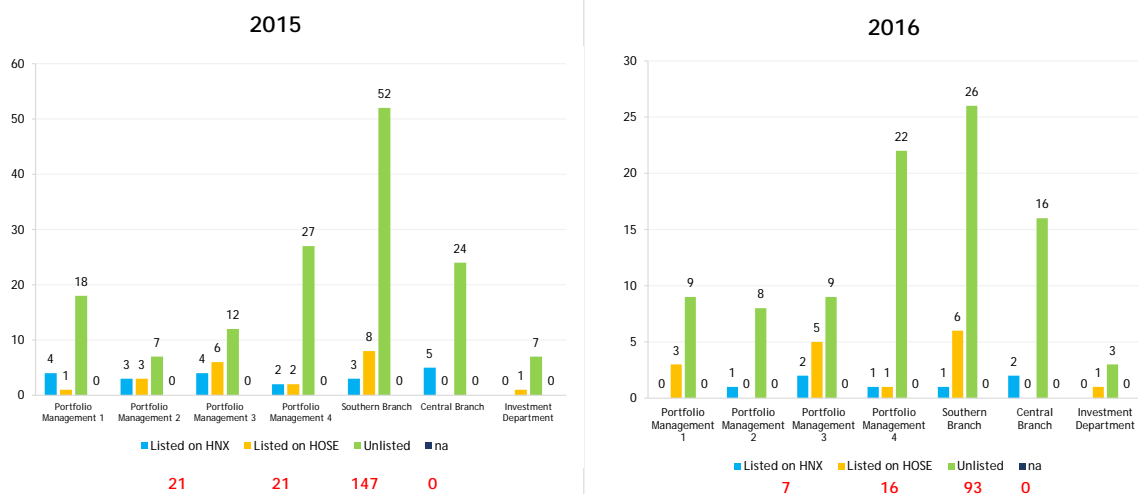


- Most of the portfolio companies are Joint-stock companies: 2015=89%, 2016=86%
- Others are Shareholding companies and One Member LLC

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Listing status of portfolio companies - mostly unlisted companies



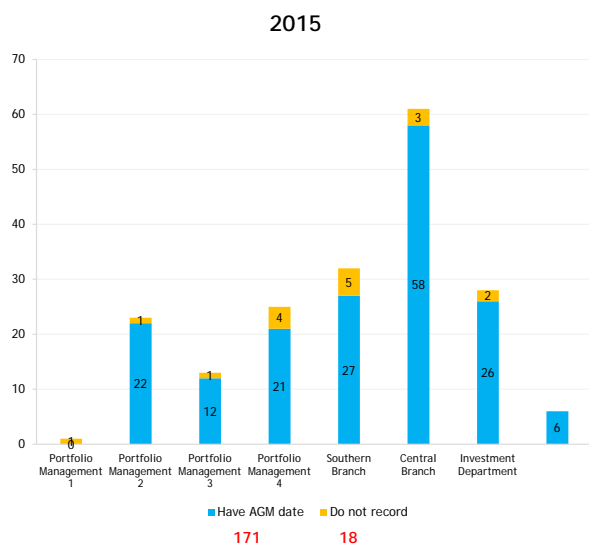
- Total number of listed companies are small: 42
- Total unlisted companies: 140
- Na:20

- Total number of listed companies are small: 23 (37 including OTC)
- Total unlisted companies: 93
- Only 20% (32% including OTC) of the portfolio companies are listed

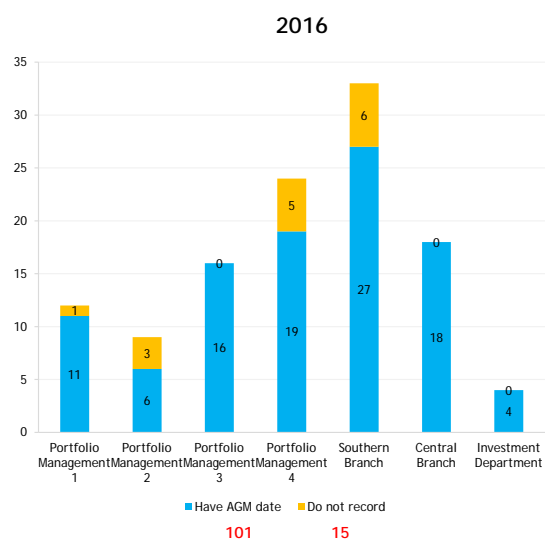
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Records of AGM date (Y1 is most recent)



- 91% (171/189) officers has recorded AGM date of portfolio companies, only 9% of officers does not.

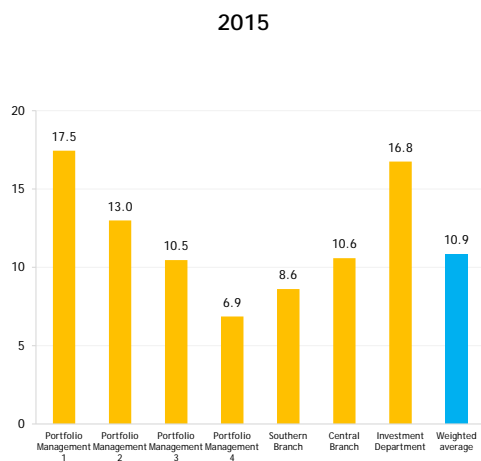


- 87% (101/116) officers has recorded AGM date of portfolio companies.

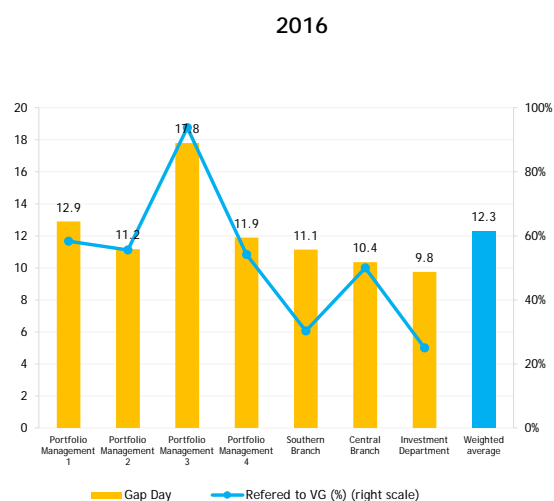
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Duration between Reporting date to SCIC and Date of AGM



- Average duration: 10.9 working days
- Complying with New Enterprise Law on minimum duration of informing shareholders before AGM: 10 working days

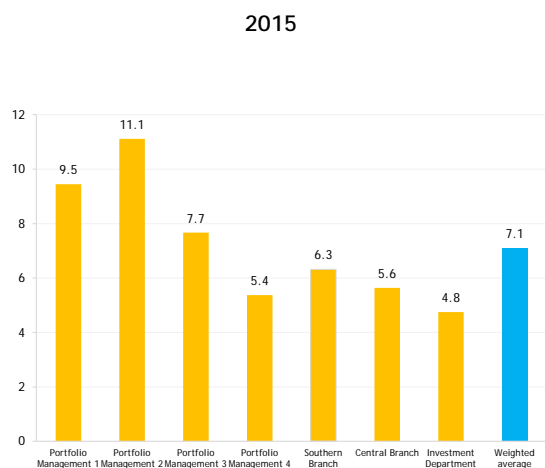


- Average duration: 12.3 working days
- The duration shows an increase at PMD3, PMD4, Southern branch while decreasing at other departments compared to the last year.
- Overall, the duration is increased than last year: this may give an advantage to SCIC as SCIC could have longer time for preparation thanks to the related amendment of the Law on Enterprise, that allows longer date for reporting.

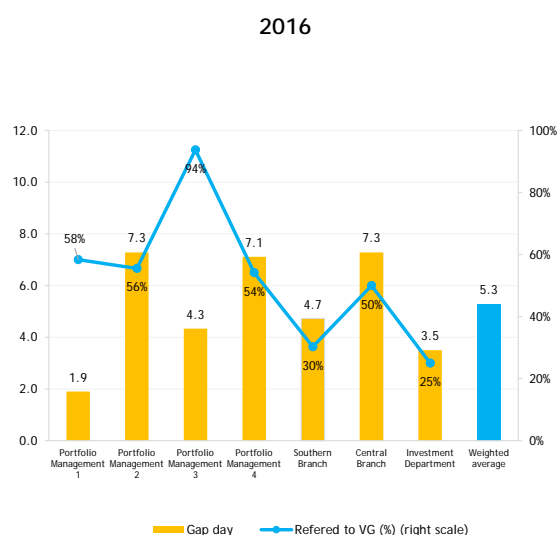
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Gap of Reporting date to SCIC and Date SCIC gave advice



- Average duration: 7.1 working days
- Duration stated in SCIC's internal regulation for Representative: 5 working days
- ➔ SCIC should shorten the duration of decision making.

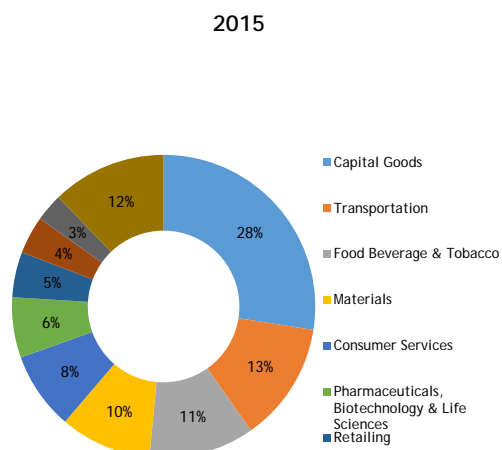


- Overall, the average duration is 5.3 working days, which was well reduced compared to the last year.
- PMD3 has the highest reference rate to VG, and significantly reduced the duration of giving advice to representatives. PMD 1 and Investment Dept. also reduced very much the duration.

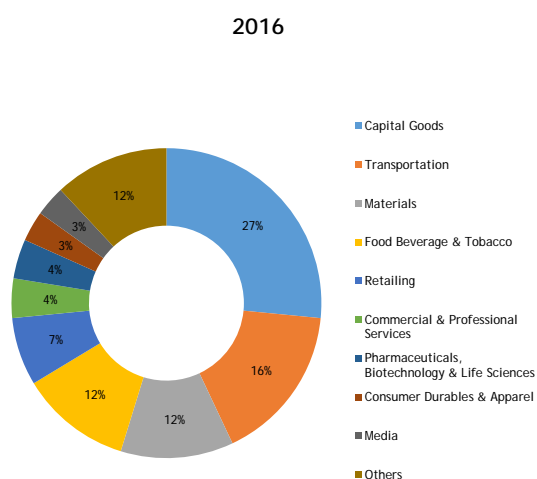
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Frequency of each issue by sector



- Capital Goods, Transportation, Food Beverage & Tobacco and Consumer Services are sectors with highest frequency of issues



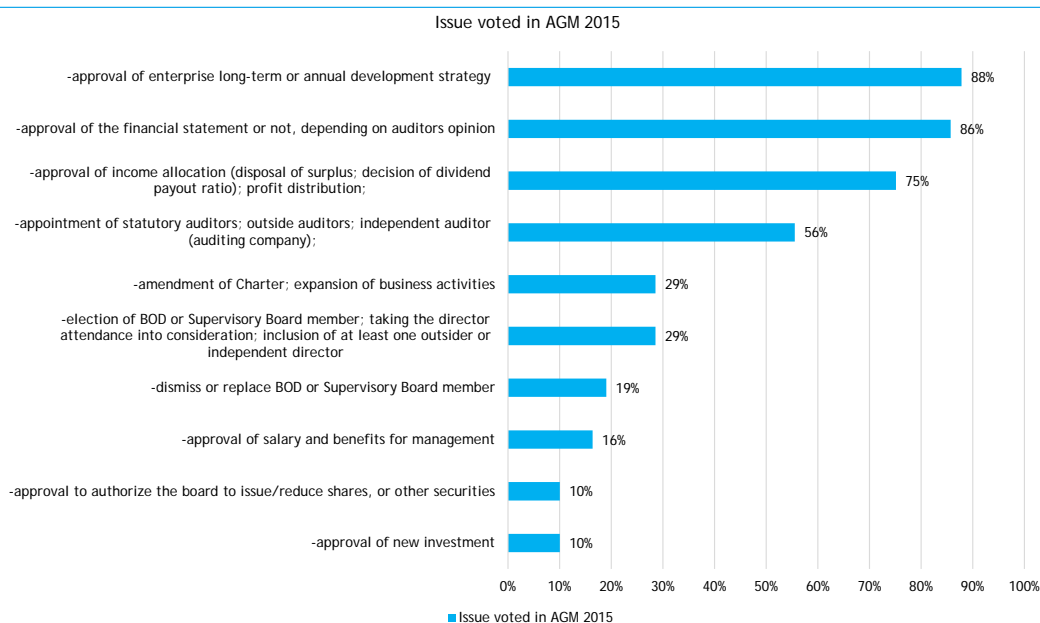
- Capital Goods, Transportation, Food Beverage & Tobacco and Consumer Services are sectors with highest frequency, the same as 2015.

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2. Analysis of issues voted in AGMs

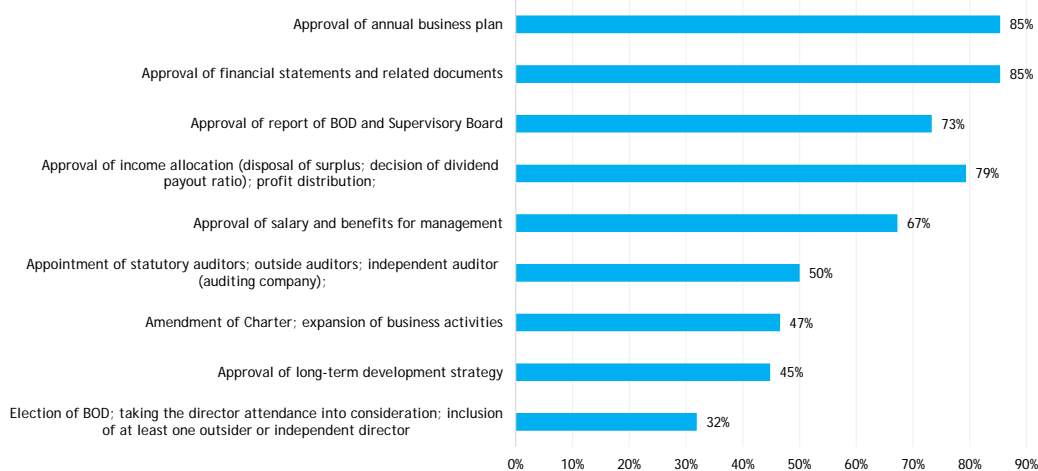
Analysis of issues voted in AGMs



- Most issues raised are typical ones with Joint-Stock Companies

Analysis of issues voted in AGMs

Top issues voted at AGM 2016



- The amendment of Charter or expansion of business activities becomes more frequently discussed issue, it has been discussed at 47% of AGMs this year compared to 29% last year.
- The approval of salary & benefit for management issues also increase significantly, from 16% to 67% in 2016.
- Whereas approval of long term development strategy seems to be decreased from 88% to 45% (though the classification of issues are slightly different in 2016 from that in 2015 survey).

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Guidance of SCIC and Voting result of AGMs

Guidance of SCIC and Voting result of AGM

SCIC guidance	Result of AGM	Year 2015	Year 2016
Yes	Accepted	699	693
No	Not accepted	13	12
Yes	Not accepted	14	4
No	Accepted	52	39
Total		778	748

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Guidance of SCIC and Voting result of AGMs

Voted Issues in AGM		2016	
Issue	Yes- Not accepted	No- Accepted	
Approval of financial statements and related documents	1.1	0	10
Approval of annual business plan	1.2	0	3
Approval of long-term development strategy	1.3	0	3
Approval of income allocation (disposal of surplus; decision of dividend payout ratio); profit distribution;	1.4	2	8
Approval of new investment	1.5	0	1
Approval of divestment of shares at other enterprises	1.6	0	0
Approval of report of BOD and Supervisory Board	1.7	0	6
Election of BOD; taking the director attendance into consideration; inclusion of at least one outsider or independent director	1.8	0	1
Dismiss or replace BOD or Supervisory Board member	1.9	0	0
Election of Supervisory Board member	1.11	0	0
Appointment of statutory auditors; outside auditors; independent auditor (auditing company);	1.12	0	0
Approval of M&A or restructuring, liquidation plan	1.13	0	0
Shareholder proposals	1.14	0	0
Amendment of foreign investors' ownership	1.15	0	0
Approval of salary and benefits for management	2.1	0	1
Approval of equity dividends	2.2	0	0
Approval of ESOP	2.3	0	0
Amendment of Charter; expansion of business activities	3.1	0	2
Terms of BOD	3.2	0	0
Amendment of BOD, numbers of BOD member	3.3	0	0
Information announcement	3.4	0	0
Increase charter capital	4.1	0	1
Approval delegacy for BOD to issue or repurchase shares	4.2	0	0
Approval to repurchase shares	4.3	0	0
Issuance or modification of the preferred shares	4.4	0	0
Approval of establishing branches & representative offices	5.2	0	0
Others	6	2	3
Total		4	39

- Approval of Financial statements, income allocation and the report of BOD and Supervisory Board are top 3 issues which SCIC's guidance was not accepted by AGM. The main reason are the minority ownership of SCIC in these companies.

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Approval of Financial Statements by audit opinions 2016

Financial statement qualification by number_Audit opinion

Responsible department	Y1 #	Unqualified (clean)	Qualified	AGM not accept	AGM accept
Portfolio Management 1	1	11	10	1	0
Portfolio Management 2	2	8	7	0	0
Portfolio Management 3	3	16	16	0	0
Portfolio Management 4	4	18	13	4	3
Southern Branch	5	24	22	0	0
Central Branch	6	18	14	2	2
Investment Department	7	4	4	0	0

- SCIC has been practicing to vote for FS in line with audit opinions.
- However, when SCIC has the minority ownership, it could not persuade AGM to accept such opinion (Refer to PMD4).

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3. Overall assessment on VG effectiveness

Application of Voting guideline at SCIC

	Did you (SCIC Officer and Representative) refer to the VG?	Were rationale and instructions by VG helpful?	Any comment/ suggestion about the items to make the VG instruction more applicable?
Yes	60	62	24
No	4	0	92
na	52	54	0

- Over half of officers and representatives admit that they refer to the VG and it is helpful to them. 4 companies did not refer to VG. For example: SCIC representative at Ben Tre construction material JSC did not refer to VG before voting. The rest is unknown (no answer yet).
- Some Comments supplied:
 - VG should be added to CPMS (a corporate governance software applied at SCIC) and upload to SCIC's website.
 - VG should be designed as a software application

Application of Voting guideline at SCIC

Rating for VG Efficiency	Rate	No. of Responses
1-Not effective		1
2-Somewhat effective		2
3-Effective		3
4-Highly Effective		4
5-Excellent		5
na		na
Total		116

- 65% (75/116) of officers/representatives reported to this survey admitted the effectiveness of application of Voting Guideline

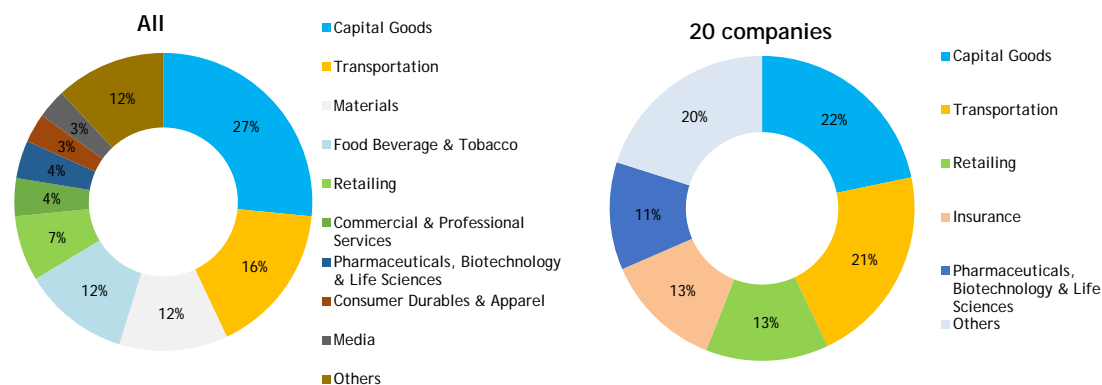
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All vs. top 20 major companies (1): composition by industry sector

20 companies by sector

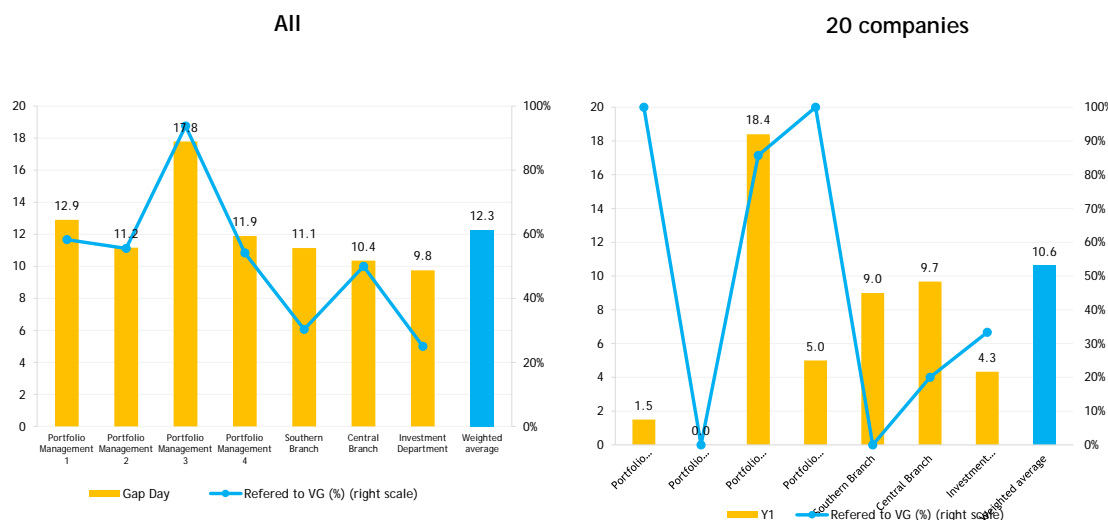
Sector	No. of company
Capital Goods	5
Transportation	5
Insurance	2
Pharmaceuticals, Biotechnology & Life Sciences	2
Materials	2
Retailing	2
Banks	1
Food Beverage & Tobacco	1



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All vs. top 20 major companies (2): Duration between Reporting date to SCIC and Date of AGM

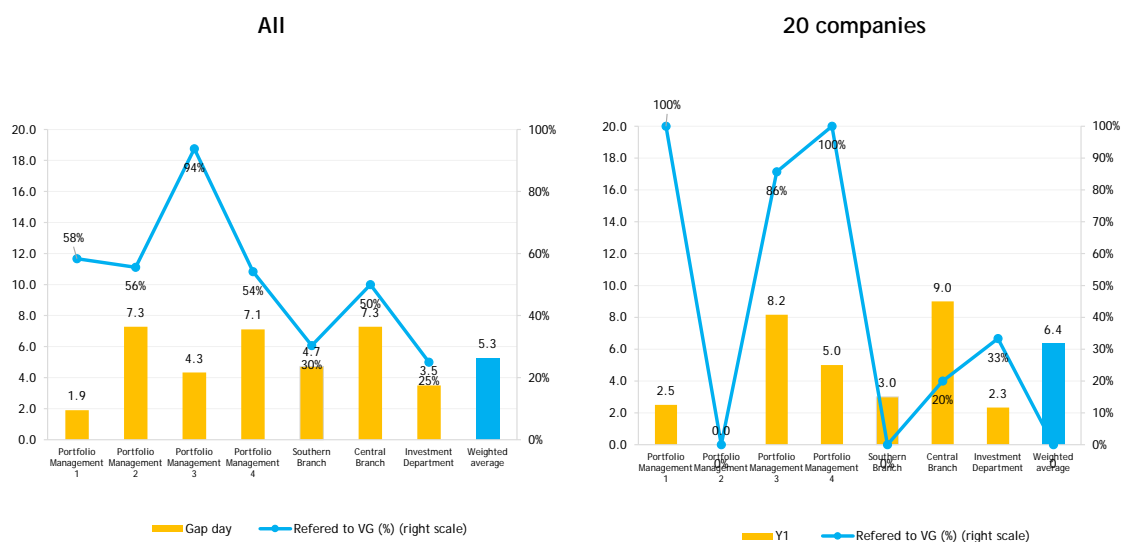


Note: number of companies by department are
PMD1= 2, PMD2= 0, PMD3= 7, PMD4= 2, Inv. Dept.= 3,
Central B.= 5, Southern B.= 1

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All vs. top 20 major companies (3): Gap of Reporting date to SCIC and Date SCIC gave instructions



Note: same as slide 20

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Thank you

Outcomes and Findings of the Survey
On the Application of the Voting Guideline

August 31, 2016

Task Force Team of SCIC
In Cooperation with JICA/JERI team

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1: Presentation material (slide)	
2: Survey forms	

Note: Task force members

Ms. Dam Thuy Nga (TF leader, Executive Office)
Mr. Tran Cong Hoa (ex-TF leader, Executive Office)
Ms. Nguyen Anh Tam (Executive office: logistics)
Ms. Pham Thanh Hoa (PMD 1)
Ms. Do Thi Phuong Lan (PMD 2)
Mr. Nguyen Dinh An (PMD 3)
Mr. Hoang Anh Trung (PMD4)
Ms. Tran Linh Trang (Legal Department)

1. Process of the survey

1.1 Survey method

- The survey was implemented with the approval of the BOM following the preceding example of last year.
- The main objectives of the survey were to review the actual situation of the application of the Voting Guideline (VG) 2015 which were put into the trial application from February this year and to seek feedback comments on the effectiveness of its application and contents and modify the contents if necessary to make the VG most applicable for year 2016.
- Targeted addressees of the survey were the officers and staffs of SCIC (including some state representatives) who were in charge of the companies in the portfolio of SCIC (hereafter portfolio companies) as of end of June 2016 and using the survey sheet (the Form is attached as Annex 1). The survey sheet were sent to and collected from addresses via internet (e-mail). SCIC Task Force members (TF) for preparation and revision of the Voting Guideline 2015 worked closely to monitor the progress of collection of the survey answers.

1.2 Collection of answers

- Answers were collected from 57 officers/staffs of SCIC who were in charge of monitoring and leading the companies in the portfolio of SCIC and working in the Departments and branches stated below (number of officers/staffs cooperated to answer the survey):

Portfolio Management Department 1 (6)

Portfolio Management Department 2 (6)

Portfolio Management Department 3 (9)

Portfolio Management Department 4 (10)

Investment Department (4)

Central Branch (8)

Southern Branch (14)

- Total number of companies to be covered by the survey was 170. Of which actually eligible number of companies to implement the survey was 135 after excluding such companies that those who did not yet hold the Annual Shareholders Meeting (25), or SCIC already sold the shares (total 2), newly received (5), nearly bankrupt (2) or receiving no invitation to the shareholders meeting (1).

2. Survey results and findings

2.1 Results of the Survey

- (1) Among 135 companies surveyed, 116 gave answers by August 13. They were all Joint stock companies. The collection rate was 89% nearly the same level as last year (91%). Number of replies by departments were as follows:
PMD 1: 12 (out of 18), PMD 2: 9 (11), PMD 3: 16 (19),
PMD 4: 24(27), Investment Dept.: 4 (7),
Southern Branch: 33 (34), Central Branch: 18 (19)
[slide 3, 4]
- (2) Among 116, listed companies were only 23 (20% of all) and 37 (32%) including those who were listed in the OTC. [slide 5]
- (3) SCIC collected the information on AGM dates of about 87% of the portfolio companies (101 out of 116). [slide 6]
- (4) AGM information was reported to SCIC in average 12.3 working days before the AGM, which was earlier than last year (10.9 working days), reflecting the revision of related article of the Law on Enterprises (Law No. 68/2014/QH13, Article 139-1). The earliest case was reported by PMD 3 (in average 17.8 days, which was 10.5 days in last year). [slide 7]
- (5) Looking at the duration of receiving the report/notice of holding AGM from the portfolio company till sending back the voting

instructions from SCIC, it was in average 5.3 working days, which was clearly shorter than last year (7.1 days). All the departments and branches except for PMD 4 and Central Branch reduced very much the duration time.

By department, PMD1 reported the shortest duration of only 1.9 days and Investment Dept. was the 2nd with 3.5 days. The 3rd was PMD 3 with 4.3 days and with the highest percentage of reference to the VG (94%).

[slide 8]

- (6) Looking at the composition of the portfolio companies by industry sector, capital goods had the largest share with 27% and followed by transportation (17%). The composition was not so much changed from last year. [slide 9]

- (7) Importance of issues voted in AGM this year was changed from last year.

Issues most frequently discussed at the AGM of this year were 'Approval of annual business plan' (85% of discussed issues) whereas it was 'Approval of long-term or annual development plan' (88%) last year. 'Amendment of Charter or expansion of business activities' increased its percentage of issues discussed from 29% last year to 47% this year. 'Approval of salary & benefit for management issues' also increased significantly, from 16% in 2015 to 67% in 2016. Whereas, 'Approval of long term development strategy' decreased from 88% to 45% this year. [slide 11, 12]

- (8) Whether the guidance/instructions by SCIC for voting at AGM were accepted by the portfolio company or not, only 43 out of 748 issues were not accepted in 2016 much smaller number than last year (66 out of 778).

Among the issues that SCIC experienced oppositions from other shareholders, 'Approval of Financial Statements (FS) and related documents' were the most frequent issues (10 cases), followed by 'Approval of income allocation and profit distribution' (8 cases) and 'Approval of report of BOD and Supervisory Board' (6 cases). All

these three issues might have close relations with the accounting, especially income allocation or profit distribution of the company. [slide 13, 14]

One of the reasons suggested by the reporters was that SCIC has minority percentage of shares and that SCIC could not give any influence to the decision making of the company. It shall be noted that SCIC had been paying due attention to the audit opinions attached to the FS of the company and vote against for approving FS with qualified opinion but there were other shareholders who did not follow SCIC's opinion. It seems necessary for SCIC to raise more awareness of shareholders to the importance of audit opinions attached to the FS. [slide 15]

2.2 Evaluation of efficiency on application of the VG

- (1) Although about half (60 out of 116) of the companies referred to the VG 2015 this year, almost all (115 out of 116) admitted that the application of the VG was and would be effective. [slide 17, 18]
- (2) Not so many additional comments were supplied to the inquiry but three companies requested SCIC to consider uploading the VG on the web-site or include VG in its IT system such as CPMS to facilitate the reference action by the representatives. [slide 17]

3. Outcomes of interview survey

- 1) To get further confirmation about the reasons why there were such cases that SCIC's instructions for voting at the AGM were not agreed by the management or other shareholders, TF and JERI team implemented additional interview surveys with 6 companies asking the prior approval of the BOM of SCIC. The interview surveys were held during August 19 and September 1.
- 2) The issues newly pointed out through the interviews were as follows:

- a) SCIC has a minority share and majority of other shareholders were with the company's management decision. Thus even SCIC pointed out the inappropriateness to approve the financial statement (FS) attached with a qualified audit opinion and voted 'against' its approval in AGM, other shareholders did not pay due attention to the audit opinion nor SCIC's judgment.
- b) In relation to the amendment of Decree 58/2012/ND-CP stipulated the foreign ownership in Vietnamese enterprises, a request was made to include a new item related to the "Ownership change" in the VG based on the articles stipulated in the Decree 60/2015/ND-CP.
- c) In relation to the item 1.11 of VG 2015, a request was made to give more specification for the criteria to be applied when judging the appropriateness of the M&A cases.
- d) In relations to the item 2.3 of VG2015, there were some cases that SCIC voted 'For' the implementation of ESOP (Employee Stock Ownership Plan). Taking such cases into consideration, requests were made to state specifically the cases that SCIC would vote 'For' to ESOP proposal.

4. Implications for preparation of the VG 2016

- Application of VG by SCIC is considered as an encouraging tool for both SCIC and portfolio companies as it was agreed that the application of VG contributed to increasing transparency in decision making at the AGM and enhancing the communication between SCIC and the management people of the company.
- Portfolio companies welcomed the involvement of SCIC if it could supply constructive advices to them and wished that SCIC might take the lead among shareholders to establish the constructive dialogue between major shareholders and the management of the company.
- The revised version of VG 2016 is drafted taking the points stated above in 3. 2) into consideration. The revised draft shall be finalized after the

discussion for confirmation with TF, submitted to Mr. Hien and to the Board of SCIC for approval.

- By implementing periodical survey like this year, SCIC could have clearer understanding about the relationship between SCIC and portfolio companies. Looking at the outcomes of the survey, SCIC could get objective information and bird view about changes of interest/concerns of portfolio companies by industrial sector and by issues raised at the AGM. Thus SCIC could deepen discussions when reviewing its annual and mid-term strategy by analyzing the survey results and feedback comments/opinions supplied from the portfolio companies.
- SCIC shall continue to emphasize the importance of applying the international governance rule (Corporate Governance Code) and the VG to comply with the requirements of the expected TPP agreement.
To invite higher attention from Vietnamese enterprises for the improvement of their corporate governance, SCIC may consider, in the near future, to publicly announce the annual voting results of SCIC, for example: how many cases there were that SCIC voted against the AGM agenda but majority of shareholders voted differently from SCIC's votes with the reasons why SCIC voted differently from other shareholders.

(End)

Annexes

1. Presentation material (slide)
2. Survey forms (not included here)



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Draft VG 2016

Preface

The Government has been promoting equitization of SOEs and strengthening the competitiveness of Vietnamese enterprises. Under the rapid economic globalization, including economic unification in the ASEAN countries, Vietnamese enterprises are facing urgent needs to improve and modernize its corporate governance and increase the corporate value by improving its profitability. Alliance with strategic investors will be an efficient means to modernize corporate governance and increase the corporate value of Vietnamese enterprises.

SCIC, as the leading organization managing the state capital invested in SOEs and strongly supported the improvement of performance and profitability of investee enterprises before privatization. SCIC decided to prepare and publish the Voting Guideline used by SCIC's state representatives. The Voting Guideline is prepared under the component "Strengthen capacity for SCIC" of a JICA's project named "The project for enhancing corporate finance management capacity to implement SOE restructuring" by Japan Economic Research Institute (JERI).

(1) Objective

SCIC decided to prepare and publish this Voting Guideline (hereafter VG) applicable to investee companies to assist them in improving their corporate value as well as the shareholder value with medium and long-term perspective. This is the first clear announcement of introducing a modernized corporate governance system and improving the corporate value in Vietnam based on the international corporate governance code requested by the OECD. SCIC aims to improve the transparency of decision-making within enterprises by clarifying the relationship between the management and the shareholders. These guidelines shall be revised yearly taking into consideration the economic situation and corporate governance practices of Vietnamese enterprises.

By using VG, SCIC believes that SCIC's representatives will:

- Enhance representatives' capacity in studying enterprise's documents supported for voting decision making. Increasing representatives' professional manner.*
- Make the decision (or proposing to SCIC in case of matters must consult with SCIC) in accordance with SCIC's benefit based on the principle of securing and increasing capital efficiency, and increasing enterprise's value.*



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(2) Requirements on the use of VG

VG is a reference document that the State Representatives shall refer to before the General Meeting of Shareholders (AGM) and consultation with SCIC. In addition to SCIC's regulation for representatives, it is mandatory that State Representatives have to make reference to matters specified in these guidelines as part of procedures that State Representatives have to follow before and during the AGM. For other issues not specified in these guidelines, State Representatives must request SCIC's opinion before voting in cases defined in the regulation for representatives. VG helps representatives as: (i) a reference for representatives before requesting SCIC's opinion; and (ii) a reference for representatives before voting in case of issues not needing SCIC's opinion.

The State Representatives will be requested to report the contents of the vote that they made and the result of the AGM to SCIC/HQ after the meeting, complying with the procedure for making related reports to SCIC/HQ.

(3) SCIC's orientation

With regard to the application of VG, SCIC considers this as a meaningful tool to enhance representative capacity and strengthen SCIC's operation efficiency through SCIC's state representatives at enterprises. VG shall be revised yearly taking into consideration the economic situation, corporate governance practices of Vietnamese enterprises and feedbacks from the State Representatives of SCIC. During the application of VG, SCIC expects to receive comments from the State representatives to improve it.



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Voting Guidelines

(1) Interpretation of Terms

-*Audit opinion* refers to the published outcome of an auditor's review of a company's financial statements. The audit opinion assesses the truthfulness and reasonableness of the financial statements and their compliance with Vietnamese Accounting Principles.

-*Auditors* mean the persons who are granted certificates of auditors in accordance with laws and regulations, or those who have certificates granted from foreign countries recognized by the Ministry of Finance and passed the examination on Vietnamese laws.

-*BOD or Board* is the body managing the company and which has full authority to make decisions in the name of the company and to exercise the rights and perform the obligations of the company which do not fall within the authority of the General Meeting of Shareholders (AGM) which means “Hội đồng quản trị” in Vietnamese (Law No. 68/2014/QH13, Law on Enterprises, hereafter LOE, Art.149.1).

-*Dividend* means “a net profit paid to each share in cash or other assets from the residual profit of the joint stock company after all financial obligations are fulfilled” (LOE, Arts.4, 3).

-*Financial Statements and related documents* include (i) balance sheet, (ii) income statement, (iii) cash statement, (iv) note to financial statements, (v) reports to be discussed and approved at the AGM (LOE, Art.136), and (vi) annual business plan.

-*Independent audit* means an auditor practicing a profession, auditing firms, branches of foreign auditing firms in Vietnam, inspecting and giving their independent opinions on financial statements and other audit works under the audit contract (Law on Independent Audit 67/2011/QH12).

-*Investment* refers to all the investments stated in Article 144 of the Law on Enterprise and Article 3.5 of Law on Investment, including the purchase of new assets with significant amount, the value of which is 35% or more of total assets recorded in the most recent financial statements of the company or at other percentage or value as stipulated by the charter of the company (LOE, Art.135.2.d)

-*Long-term* means 5 years or longer.

-*Related parties* are the parties defined by Articles 4 and 17 of the LOE.



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-*Shareholder value* refers to the concept that the primary goal for a company is to increase the wealth of its shareholders (owners) by paying dividends and/or causing the stock price to increase. More specifically, it means planned actions by management and the returns to shareholders should outperform certain benchmarks, such as the cost of capital. The benchmarks shall be decided by SCIC.

-*State Representative* is an individual authorized by SCIC to exercise the rights and perform the responsibilities and obligations of the shareholder according to the provisions of the law, regulations, and SCIC's internal regulations.

-*Stock option (bonus share) or stock purchase option* means giving the right to purchase their own company's shares to the Director/General Director (CEO), BOD members, and employees with certain conditions. This is generally used as an incentive for them (Refer to Circular 162/2015/TT-BTC and Employee Share Ownership Plan).

-*Supervisory Board* refers to the board the function of which is to supervise the BOD ("Hội đồng quản trị" in Vietnamese) and the General Director with respect to management and administration of the company; also named as the Control Board or Inspection Committee. This board is not the managing body in charge of the daily operations and decision-making in the company (LOE, Art.165).

-*WACC (weighted average cost of capital)* is the calculation of a company's cost of capital in which each category of capital is proportionately weighted. The cost of capital invested in a company is composed of the cost of debt and capital stock, and the weighted average of both is calculated. The details of calculation formula shall be decided by SCIC's internal regulations.

-*Investee company* is a company under SCIC's portfolio list.



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(2) Specific items

1. Operational Issues

In principle, SCIC shall respect the independence in the operation of the companies under SCIC's portfolio list. In appropriate scope consistent with laws and SCIC's regulations, SCIC shall assist companies in increasing efficiency of management by enhancing transparent and timely decision-making; promoting efficient and productive use of resources in the best interests of shareholders, including foreign investors, to realize the sustainable growth of the enterprise by ensuring that all shareholders are treated equitably; and avoiding or reducing the conflicts of interest among shareholders and related parties.

1.1 Approval of the annual Financial Statements and related documents

Vote 'For' when the Auditor approves the Financial Statements with "Unqualified opinion or clean opinion".

Vote in principle 'For' if the Auditor approves the Financial Statements with "Emphasis of Matters" or insignificant "Qualified opinion".

Vote 'Against' in principle in the following cases:

- 1) The Auditor chooses the non-expression of opinion about the Financial Statements or expresses some reserved opinion (significant Qualified opinion, Disclaimer of opinion, and Adverse opinion), or**
- 2) Unclearness is identified related to the contents of Financial Statements or the audit procedure.**

In case of companies without any audit opinion, SCIC shall evaluate the Financial Statements in accordance with SCIC's internal regulations and decide on a case-by-case basis whether to vote 'For' or 'Against' the approval of the Financial Statements based on the result of the internal evaluation.



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Rational to the vote:

Companies with 20% or more of the voting rights held by state groups or public companies, securities listing organizations, securities issuing organizations and securities trading organizations, and other companies including public companies when they are required to be audited by relevant provisions of law and regulations shall be subject to compulsory audit of its annual financial statements. (Decree 17/2012/ND-CP, Art 15, 3(c), (d), Circular155/2015/TT-BTC, Art. 8, 1)

Audit opinions duly made to the annual account shall be respected.

However, SCIC may consider whether the issues raised by the auditors do not comply with the law on accounting standard or negatively influence the shareholder value, and against the approval if the result of the internal evaluation by SCIC will be negative. Such evaluation will be made based on the SCIC's criteria defined by SCIC/HQ.

Instruction to the State Representative:

The State Representative shall review the financial statement prior to the AGM and consult with the auditors if it is necessary to clarify the details of audit opinion and evaluate the importance of the issues to the shareholder value or sound management of the enterprises. The State Representative shall also review the comments of the Supervisory Board, if any.

When the State Representative considers the audit opinion as the case to vote against, the representative must report to SCIC/HQ 5 working days before the AGM and/or BODM his/her intention to vote against the request for approval in the AGM/BODM. Even if the auditor chooses the non-expression of opinion about the Financial Statements or expresses some reserved opinion (significant Qualified opinion, Disclaimer of opinion, or Adverse opinion), and SR considers it is appropriate to vote "against" even with such audit opinion, the SR shall report his/her judgment to SCIC/HQ before the vote.

As for non-listed companies with Supervisory Boards but without any audit opinion, the State Representative shall consult with SCIC/HQ for the result of internal evaluation and vote for or against based on the result of the internal evaluation of SCIC.



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As for small non-listed companies without Supervisory Boards, SCIC will encourage them to require auditors' opinion within 3-year term from the implementation of VG2015, taking into consideration the cost and benefit of requiring an independent auditor's opinion.

(Note) "Small non-listed companies" mean companies of which SCIC has a minority share and are not companies "with 20% or more of the voting rights held by securities listing, issuing and trading organizations at the end of the fiscal year. (Decree 17/2012/ND-CP, Art. 15 d)

1.2 Approval of annual business plan

Vote 'For' the approval of annual business plan if it is in line with the mid or long-term development strategy and is appropriately prepared

Rational to the vote:

The annual business plan of the company must be discussed and approved at the AGM (LOE, Art. 136.2). In principle, the State Representative votes for the annual business plan if it is prepared in line with the long-term development plan and includes all the factors defined by the charter of the company (LOE, Art.56, for Multi-member limited liability companies, and LOE, Art.136 for Joint Stock Companies).

Instruction to the State Representative:

Before voting on the plan, the State Representative shall at least consider the appropriateness of the proposed annual plan: whether the plan is made in line with the mid or long-term development strategy of the company, and includes an appropriate annual financial plan.

As guidance, the State Representative should ensure that the annual plan has been satisfactorily prepared by considering the following factors:

- (i) Whether the annual plan is prepared in line with the mid or long term development strategy of the company, taking into consideration the industry*

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situation, the performance of that company, and benchmark indicators or performance indicators of the company, if any.

- (ii) The State Representative should pay attention to big changes in the ratios or business activities compared to prior years, such as green-field investments or expansion to non-core business of the Company.*
- (iii) Whether the annual plan discusses important information input for discussions at shareholder level, such as market competition, the company's position, and a feasible implementation plan.*

1.3 Approval of the long-term development strategy

Vote 'For' if the contents of the long-term development strategy will contribute to increasing shareholder value. SCIC recommends that the BOD invites active and constructive discussions with major shareholders, including strategic shareholders, during preparations for the long-term development strategy.

Rational to the vote:

Long-term development strategy is the top issue to be voted in the AGM and one of the major issues that SCIC voted against during the recent years, although it has not always succeeded in persuading the management of the company.

Instruction to the State Representative:

SCIC's contact with portfolio companies is made via the State Representative. The State Representative shall pay attention to the preparation process of the long-term development strategy in the company and consider the following issues when making the decision whether to vote 'For' or 'Against' the strategy:

- Whether the discussion is about the core-business and core expertise of the management; this is to check cases wherein the companies may propose to shareholders to expand into risky greenfield areas or businesses that they don't have the expertise*
- Industry prospect and current market situation*
- Well forecasted long-term and annual financial plan*



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- *Availability of personnel resources, including participation of experienced directors or shareholders, to avoid cases wherein the company proposes an aggressive long-term strategy without recruiting qualified and skillful personnel in the management body*

To consider the issues mentioned above, the State Representative shall have prior discussions with the management in the BOD and/or BOD meeting as well as with major shareholders, including strategic shareholders, and try to acquire full understanding of SCIC's evaluation for the plan, thus inviting some revisions of the plan by the management when it is deemed necessary. This approach to implement constructive dialogues between the management and shareholders will contribute to elevating the feasibility of the plan and improving the business performance of the enterprise.

1.4 Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)

Generally vote 'For' for the approval of income allocation, unless the case is as follows:

- (i) if dividend ratio is going to be lowered without any reasonable explanation, although the own capital ratio is high enough, and there is no need to increase funds, or**
- (ii) when dividend ratio has been continuously low for more than 3 years without any reasonable justification, or**
- (iii) when management will increase the allocation to the management fees (remunerations and bonuses) and increase welfare fund but will not increase the shareholder value without any reasonable explanation, or**
- (iv) if the proposed allocation is deemed not to be compliant with the requirements of law.**

Generally vote 'For' most share dividend proposals if management demonstrates that the cash option is harmful to shareholder value.



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Rational to the vote:

Having too much cash or reserve in the enterprise shall be avoided. In such case, the excess surplus shall be distributed to the shareholders. Own capital ratio and dividend ratio will serve as the indicators to decide the appropriateness of the dividend policy of the enterprise. The details of the calculation formula of the ratio may be implemented by the company.

Instruction to the State Representative:

The State Representative shall monitor the decision-making by the management for realizing the appropriate income allocation policy. The State Representative shall lead them to increase the rate of return through efficient management of the resources mobilized by the company, paying due attention to the appropriateness of income allocation policy of the company. If the situation may be one of (i) to (iv) stated above, the State Representative shall vote against the proposed income allocation plan. The State Representative shall vote against the allocation of income if the Financial Statement itself shall not be approved.

For share dividend, vote shall be made on a 'case-by-case' basis, taking into account the following considerations:

- (i) Investment plan of the Company: in case the Company prefers to withhold cash available to finance its investment plan, the State Representatives will consider its financing options in general for the investment plan in order to decide whether to vote 'For' or 'Against' the proposal to pay dividend by shares instead of by cash to shareholders.*
- (ii) Cash position and the cost of operation of paying dividend by shares: If the company plans to pay dividend by shares, the State Representatives shall review the cash position of the company such as Cash Ratio (Cash and cash equivalents/Current Liabilities) and the cost that the company shall bear for paying dividend by shares.*
- (iii) Price and liquidity of its stocks: in technical aspects, share dividends will increase the number of outstanding shares and share price will be adjusted accordingly. As such, the State Representatives shall consider the impact of share dividends to the liquidity of its stocks. In this consideration, it is worthwhile for the State Representatives to evaluate the perception from the*



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market and other institutional shareholders with regard to the company's share price.

As for making interim dividend in cash, companies may pay (i) interim dividend or dividend advance based on the interim results for the first 6 months of the year, (LOE, Art.132, 2), or (ii) extra-dividends if the company exceptionally exceeds its earnings target.

The State Representatives shall consider following factors when voting 'For' the interim payment of dividends:

- (i) The interim dividend should be made based on the financial statements for the first 6 months which have been reviewed by an auditing firm.*
- (ii) It is anticipated that the company will make profit for the whole financial year and there are no extraordinary activities or events that could deteriorate the profit target of the company for the year.*

(Note) Details of the percentage and formula used for the calculation of the ratios mentioned above shall be decided by the company. However, SCIC will calculate on an annual basis the dividend ratio as 'paid dividend in cash / net income' and the owner capital ratio as 'owner's equity / total assets'.

1.5 Approval of investment

Vote 'For' if the amount of investment is considered appropriate compared with the capacity of the company and contents of the investment finance plan, and the supervision procedure of the plan are acceptable, and reasonable explanations are made by the management.

Vote 'Against' if the investment does not comply with the requirements of law, regulations, and the charter of the company.

Vote 'Against' if the investment plan will not increase the shareholder value.



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Rational to the vote:

Approval of new investment plan is one of the major issues often included in the agenda of the AGM and it is increasing in importance for the development of companies. According to the New Enterprise Law (LOE Art.135.2.d, and 149.2.h), the AGM “decides investment or sale of assets of which the values are equal to or higher than 35% of the total asset value written in the latest financial statement of the company, unless another rate is prescribed by the company’s charter”.

When evaluating the outcomes of the investment, SCIC shall consider the increase of shareholder value from a longer-term point of view. For this purpose SCIC will invite a constructive and forward-looking discussion on making the appropriate investment plan, and recommend that the management at least invite dominant shareholders to join the discussion in order to seek their advice during the preparation of the investment plan, especially if the size of investment is very large compared with the cash flow of the company.

Instruction to the State Representative:

Before voting on the plan, the State Representative shall at least consider the following factors:

- *Appropriateness of the proposed business strategy and long-term development plan: whether they include new greenfield investments or projects that are not within the core expertise of the company*
- *Expected return from the new investment, such as IRR and NPV*
- *Whether the plan is made based on the reliable feasibility studies and financial plans prepared by a credible person/organization*
- *Hurdle rate such as WACC for the project*
- *Impact on capital structure, as excessive leverage from the borrowed fund for new projects may increase financial risks*

(Note) WACC:

To calculate WACC, multiply the cost of each capital component by its proportional weight and take the sum of the results. The method for calculating WACC can be expressed in the following formula:

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$$WACC = \frac{E}{V} * Re + \frac{D}{V} * Rd * (1 - Tc)$$

Where:

Re = cost of equity (expected return)

Rd = cost of debt (interest rate)

E = market value of the company's equity

D = market value (or book value) of the firm's debt

V = E + D = total market value of the firm's financing (equity and debt)(=company value)

E/V = percentage of financing that is equity

D/V = percentage of financing that is debt

Tc = corporate tax rate

The State Representative shall request an explanation about the investment plan in the BOD well in advance to the AGM, to understand whether the plan has been appropriately prepared, and the expected rate of return. In many companies in Vietnam the return on equity (ROE) is lower than the capital cost. In this case, the State Representatives shall discuss with the management how to increase the expected rate of return or reduce the necessary capital amount for the investment with the assistance of the Headquarter of SCIC.

The State Representative shall pay attention to the expected rate of return of the company and if it will not be higher than the capital cost or improved, or the annual net profit of the company will not be increased, such plan shall not be accepted in principle.

1.6 Approval of sales of assets, including approval of divestment of shares in other companies

Vote in principle 'Against' if the decision will not comply with the law, not increase shareholder value, or SCIC has already decided to divest from the company.



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Rational to the vote:

Sale of assets directly affects the value of the company's share in the market and thus, the shareholder value is also affected. The contents and purpose of the plan shall be evaluated well before the vote. If it is considered that the sale will decrease the shareholder value, it shall not be accepted.

The LOE (Art.135.2.d) states that the AGM shall “decide investment or sale of assets of which the values are equal to or higher than 35% of the total asset value written in the latest financial statement of the company, unless another rate is prescribed by the company's charter”. The cap of percentage of assets/shares to be sold should be decided in the charter of the company based on the articles of the LOE referred to above.

Instructions to the State Representative:

Before the vote, the State Representative shall review the following issues:

- *The negotiation process of the sales of assets, including whether it is made in compliance with the existing regulation and charter*
- *Valuation procedures of the asset to be sold*
- *Conflicts of interest, whether the sale is going to be made to related parties*
- *Impact on the balance sheet and the value of share*

Thus, the State Representative shall consider whether such sales might damage the competitiveness of its core business activities or hamper the growth momentum.

When SCIC has already entered into a share purchase agreement with other investor and the selling price is fixed, the State Representatives shall monitor the company to prevent such conduct that damage the value of the company and report to SCIC/HQ when necessary.

1.7 Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member

Vote ‘For’ if the submitted reports are transparent and objective with enough information.

Vote “Against” if the financial statement has significant qualified opinion but

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the submitted report from Supervisory board does not have detailed evaluation and plan to monitor financial situation in order to reduce significant qualified opinions of auditors.

Rational to the vote:

The LOE (Art.136.2, c, d, and dd) states that the AGM shall discuss and ratify the following reports submitted to the AGM:

- a) Report of the BOD on business administration and performance of the Board of Directors and each member thereof;*
- b) Report of the Supervisory Board on the company's business outcome, performance of the Board, Director/General Director;*
- c) Self-assessment report of the Supervisory Board and of each Supervisor.*

Circular 121/2012/TT-BTC specifies the contents of the reports to be submitted to the AGM in case of public companies (Art.7 and 8).

Instructions to the State Representative:

If the contents of the reports are transparent and objectively prepared with enough information, the State Representative shall vote for the approval of the documents. However, as implementing regulations are not yet published, we shall wait for the detailed requirements to be published and the actions to be taken if the reports were not approved by the AGM.

1.8 Election and appointment of BOD member and Supervisory Board member**1.8.1 BOD member**

The BOD shall be structured to have a practical separation of functions between the management and supervision, and shall be organized to allow supervision of the management to be implemented in an effective manner.

SCIC will recommend companies where it owns capital to include independent BOD members. In case there is no Supervisory Board, at least in listed companies, they must invite independent directors to constitute 20% of the Board members.



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If the situation falls into one or some of the cases mentioned below, vote 'Against' for electing the member(s):

- if the BOD member/candidate does not have enough experience or ability in managing a company, or
- if unfavorable social activities or lawsuits were reported to be related to the member/candidate, or
- if the independent member does not meet the criteria for independence*₁ provided by law, or
- if the person attended less than 75% of the BOD meetings without any reasonable explanation*₂, or
- if the number of BOD members is not considered appropriate compared with the size of the company, or
- if it is a plan to increase or decrease largely the number of BOD members without any reasonable explanation.

Vote on a case-by-case basis if BOD members//candidate are older than 80 years of age.

In making these recommendations, SCIC will not in general vote against the election of a CEO, managing director, executive chairman, or founder whose removal from the Board would be expected to have a material negative impact on shareholder value.

*(Note)

1) Criteria for Independence

SCIC will follow the requirements of the LOE (Art.151.2) and apply the following criteria to evaluate the independence of the BOD member or candidate for BOD member:

- (a) Not being a person currently working for the company or any subsidiary company of the company; or not being a person having worked for the company or any subsidiary company of the company for at least three preceding years;
- (b) Not being a person who is currently entitled to salary or remuneration from the company, except for allowances which members of the BOD are entitled to

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in accordance with regulations;

(c) Not being a person whose spouse, natural father, adoptive father, natural mother, adoptive mother, child, adopted child or sibling is a major shareholder of the company, or a manager of the company or its subsidiary company;

(d) Not being a person directly or indirectly** owning at least one per cent of the total voting shares in the company;

(e) Not being a person having been a member of the BOD or the Supervisory Board of such company for at least the preceding five years

(Foot note)** “Indirect” means the owners of the shares are the persons who are defined in (c) above or having shareholding via some related companies where the person has its dominant share.

2) Acceptable reasons for a BOD member’s absence are generally limited to the following:

- › Medical issues/illness;
- › Family emergencies;
- › The member has served on the board for less than a year; and
- › Missed only one meeting (when the total of all meetings is three or fewer).

Rational to the vote:

The BOD is the body managing the company and has full authority to make decisions in the name of the company and to exercise the rights and perform the obligations of the company which do not fall within the authority of the AGM (LOE, Art.149). The BOD also has the obligation to supervise and direct the director or general director and other managers in their work of conducting the day-to-day business of the company (LOE, Art.149.2.k, 152.2, Law 14/2003/QH11, Art.33). In principle, SCIC will recommend that the responsibility of managing the company and that of supervision shall be separate. The CEO of a company bears the responsibility of daily operations of the company, while the Chairman shall supervise the operational decision-making by the CEO. If this separation of the two functions is not implemented, it will be difficult for BOD to supervise the decision-making by the CEO from an objective point of view. International investors will recognize that such company where the separation of the two functions is not yet observed may have higher risk for making investment in the company, as the separation of the



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management and supervision is an internationally shared principle to mitigate the risk of failure of the corporate management.

In addition to this, the independence of the BOD member shall be respected to avoid conflicts of interest from occurring at least in the listed companies in HNX and HoSE. In case of Joint Stock Companies without a Supervisory Board, at least 20% of members of the BOD must be independent members and there shall be an Internal Auditing Committee affiliated to the BOD (LOE, Art.134).

As for the appropriate number of BOD members, the LOE requires it to be between 3 and 11 (Art.150). The appropriate size shall be considered within this limitation and taking the actual business size of the company or average size of the same section of industry into consideration.

In connection with the attendance rate of members in the BOD, all types of attendance, including proxy, online attendance, sending the votes, are allowed based on Article 153.9.c of the LOE.

Instruction to the State Representative:

The State Representative shall check the statutory criteria and independence criteria of the BOD members, referring to the information collected by the Headquarter of SCIC for confirmation when necessary.

The number of the BOD members shall be balanced with the size of the company. A large increase or decrease in the number of BOD members compared with the size of the company shall be rejected if any reasonable explanation is not made by the BOD.

As the charter of the company specifies the number of BOD members, the change of number of BOD members must follow the procedure for change of the charter and must be submitted to the AGM (LOE, Art.135.2),

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1.8.2 Supervisory Board member

Vote 'Against'

if a nominee fails to meet the criteria defined by LOE, Art. 164

Rational to the vote:

The LOE requires the following criteria for being a Supervisory Board member (Art.164):

- a) be legally competent and not be banned from business administration and enterprise establishment as prescribed by the LOE;*
- b) not be a spouse, birth parent, adoptive parent, birth child, adopted child, or sibling of any member of the Board, Director/General Director, or any other manager;*
- c) not hold managerial positions in the company;*
- d) satisfy other standards and conditions of relevant regulations of law and the company's charter;*

In addition, in case of Joint Stock Companies without a Supervisory Board, at least 20% of members of the BOD must be independent members and there shall be an Internal Auditing Committee affiliated to the BOD (LOE, Art.134.1.b). SCIC will recommend that the Supervisory Board have at least one professional auditor (LOE, Art.163.2). Also in case of listed joint-stock companies and companies of which over 50% of charter capital is held by the State, Supervisory Board members must be auditors or accountants (LOE, Art.164.2).

Instruction to the State Representative:

Before the appointment of the Supervisory Board members, it is necessary to check compliance with the criteria provided by the LOE, Article 164.

Before the vote, the State Representative shall collect information about the candidate and evaluate his/her conduct in the past.

The State Representative who is a Supervisory Board member shall pay due attention to the functional requirements as a member of the Supervisory Board and review other members' compliance with the functions.



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1.9 Discharge or removal of BOD member and Supervisory Board member

1.9.1 BOD member

Decide on a case-by-case basis but vote ‘For’ to discharge or remove the BOD member, if the BOD member is not contributing to increasing shareholder value for years, or if the BOD member has failed in managing a company or is under investigation for company mismanagement.

Vote ‘For’ in principle to discharge or remove the member,

If the member of the investee company of SCIC, at least the listed company or large public company, has not been paying due attention to the requirements of the Corporate Governance Code (CGC) and not complying for years with the CGC requested by SCIC, or

if the member has not been complying for years with the disclosure of significant information required by law and regulations without any reasonable explanation.

Rational to the vote:

To maintain the sound activity of the company with reasonable performance is the primary responsibility of the BOD members. The Supervisory Board shall monitor the soundness of activities by the BOD members and the CEO in compliance with the law and regulations and respecting shareholder value. If the performance of the BOD members is not acceptable, if the BOD members failed to manage the company effectively for several years, or if some of the BOD members are under investigation for other company mismanagement, they shall not be re-elected even as a BOD member. If the CEO was dismissed from the role as CEO but continues to stay as a member of the BOD, it shall not be accepted if the charter of the company does not allow the resigned CEO to keep the BOD member position.

Information disclosure to the shareholders is a crucial issue for shareholders to evaluate the company’s situation. SCIC shall recommend the company to comply with the information disclosure required by law and regulations. If the company has not been complying with the requirements on information according to the law and



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regulation without any reasonable explanation, SCIC may require the responsibility of the CEO or consider the discharge or removal of the responsible BOD and Supervisory Board member(s), if any, or the CEO. SCIC is now preparing the Corporate Governance Code. In this connection, if the member at least of the listed company or large public company of the investee company of SCIC has not been paying due attention to the requirements of the Corporate Governance Code (CGC) and not complying for years with the CGC requested by SCIC, SCIC shall vote 'For' in principle to discharge or remove the member. If it is obvious that the member will not be able to fulfill the attendance requirement, he/she shall not be appointed.*

(Note) "large company" here means the company whose charter capital is equal or more than 120 billion VND (the same criteria of the largeness applied by the Ho Chi Minh Stock exchange).*

Instruction to the State Representative:

The State Representative shall closely monitor the performance of the BOD members and their compliance with the law and regulations, including the CGC of SCIC, requesting and checking the contents of reports submitted to the BOD in timely manner. If the State Representative finds any misconduct by any of the BOD members, he/she shall report it immediately to SCIC/HQ and discuss the proposal to discharge or remove the member in the coming AGM or in the extraordinary general meeting to be held to discuss the issue.

1.9.2 Supervisory Board member

Vote 'For' to discharge or remove the supervisory board member if the member meets the cases prescribed by LOE Art.169

Rational to the Vote:

The LOE requires the following criteria for accepting the discharge or removal of a Supervisory Board member (Art.169):

a) no longer satisfies the standards and conditions for the appointed (LOE. Art.164);

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- b) fails to perform his/her rights and obligations for 6 consecutive months, except for force majeure events;*
- c) tenders a resignation which is accepted;*
- d) fails to fulfill his or her assigned duties or work;*
- e) commits a material breach or committing a number of breaches of the obligations of a Supervisory Board member as stipulated in the Law on Enterprises and the charter of the company;*
- f) Pursuant to a decision of the GMS.*
- g) other cases prescribed by the company's charter;*

Instruction to the State Representative:

Before the vote, the State Representative shall collect information about the Supervisory Board member and evaluate his/her conduct in the past and review whether the reason(s) of discharge or removal of the member complies with the conditions prescribed in Article 164 or b) or d) stated above.

1.10 Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements**Vote 'Against'**

- (i) if the Auditors, auditing firms, branches of foreign auditing firms in Vietnam are not qualified for independent audit according to the Law on Independent Auditing, or**
- (ii) when appointing Auditors who are involved in antisocial conduct in another company, or**
- (iii) if employing the same Auditor over 3 consecutive years (three times in succession)**

Rational to the vote:

The Securities Law defines that the listed companies and public companies must be audited by the approved auditing company (independent auditing company) (Art. 16. 3, 6. 15 and 101). The Law on Independent Auditors (Law 67/2011/QH12) and

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Decree 17/2012/ND-CP also request the annual financial statements of companies, such as companies with 20% or more of the voting rights held by state groups or corporations and companies with foreign invested capital, must be audited an authorized auditing companies (Art.37.1 and 2).The purpose of inclusion of independent Auditors is to have an evaluation of the account from a third party having objective stance with no related interest with the company, therefore, the independence criteria shall be respected when appointing Auditors, together with the appropriateness of the nominee as an auditor taking his/her conduct in the past into consideration.

The Law on Independent Auditors (Law 67/2011/QH12) provides the definition of independent auditors.

Selection of Auditors shall be proposed by SCIC or independent directors in case there is no Supervisory Board.

Instruction to the State Representative:

Before the appointment of the Auditor, it is necessary to check compliance with the independence criteria.

Before the vote, the State Representative shall collect information about the candidate as Auditors, auditing companies or branch of a foreign auditing company in Vietnam referring to the list of the Vietnam Association of Certified Public Accountants (VACPA), and evaluate his/her career and conduct in the past.

1.11 Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company

Decide on a case-by-case basis but in principle vote 'For' if the plan is endorsed by the independent third party evaluation organization. Vote 'Against' if it is considered to produce negative influence on the profitability of the company.

Rational to the vote:

If the independent third party evaluation organization endorses the plan, it may be considered feasible and bring positive outcome to the company and the shareholder



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value. However, if the impact of applying such organizational reform is considered to be negative to the shareholder value, SCIC shall vote against the plan.

Instruction to the State Representative:

The State Representative shall review the neutrality of the third party evaluation organization and require detailed explanation of the evaluation of the plan given by such third party organization. If there are some ambiguities in the explanation, the State Representative shall raise questions and discuss with the management of the company to clarify the details of the plan and its expected outcome. If the State Representative is not sure for the possible outcomes of the proposed M&A, he/she should contact SCIC/HQ for consultation.

1.12 Ownership change

In case that the public company is going to request the AGM for approval of the increase of ownership of shares by the foreign investors, the vote shall be made as follows:

Vote 'For' if

- (i) the request complies with the articles stipulated by law and regulations including international agreements that Vietnam is the member, or**
- (ii) the company is doing business in the conditional business sector for foreign investors but no specific limits are stipulated by law and regulations, then foreign ownership in the company is maximum 49%, or**
- (iii) the company belongs to the unrestricted foreign ownership limit and the maximum percentage of the foreign ownership is within the limit stipulated by the charter of the company, or**
- (iv) the company operates in multi-business lines with different provisions on foreign ownership ratio, then the foreign ownership ratio shall not exceed the lowest level of the line (in which such company operates) with provisions on foreign ownership ratio, unless an international treaty contains some other provision, and**

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(v) if it will be the case of private offering, in addition to the conditions specified in item (i) to (iv) above, the conditions of the offering of the company share shall satisfy the conditions stipulated by law and regulations.

Rational to the vote:

The Government enacted the Decree 60/2015/ND-CP in 2015 which amended the Decree 58/2012/ND-CP and allowed several cases that the foreign ownership might be higher than 49% of the charter capital of the company. Thus if the company falls within one of the cases stated above (i)-(iv) (Decree 60/2015/ND-CP, Art. 2 a), SCIC shall vote 'For' when it is requested at the AGM to approve the increase of ownership of foreign investors. As the Decree also amended the article related to the private offering process, SCIC should also pay attention to the private offering process to secure the fairness and compliance of the process to the law and regulations (Decree 60/2015/ND-CP, Art.4).

Instruction to the State Representative:

The State Representative shall review the Decree 58/2012/ND-CP and its amendment Decree 60/2015/ND-CP, and whether the company is requested to follow other international treaties that Vietnam is the member which specifies the percentage of foreign ownership. If the requested case is the case stated above ((i), (ii), (iii) and (iv)) the representative may vote 'For'.

The State representative shall also monitor the private offering process to secure the fairness of the offering, especially if it is the case of private offering (Art.4, Decree 58/2012/ND-CP and Decree 60/2015/ND-CP).

If the representative could not judge for some reason that the case would comply with the stipulations mentioned above ((i) to (v)), the representative shall consult with SCIC/HO.

1.13 Other shareholders' proposals

Other shareholders' proposal shall be decided on a case-by-case basis:

Vote 'For' if the proposal is considered to contribute to enhancing the



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shareholder value and corporate governance of the company with reasonable cost,

Vote 'For' in principle if the proposal is to enhance the protection of shareholders, including strategic shareholders.

Rational to the vote:

A variety of issues might be raised in the shareholder proposal. If such proposal is a constructive one and will be implemented with reasonable cost, SCIC will support such proposal. In case it will produce any negative impact on the company, including a huge cost which will be neither covered nor justify the expected return for the implementation, the proposal shall be declined.

Instruction to the State Representative:

The State Representative shall review the contents of the proposal and discuss its acceptability and feasibility among shareholders prior to the AGM. If the representative is not sure whether the expected outcome is positive or not, he/she shall vote against the proposal. As for the cost of implementation of the proposal, if the estimated cost is far larger than the calculated cash flow, such implementation shall be reconsidered. The indicative criteria shall be defined by the internal regulation of SCIC.

The LOE allows only a shareholder or a group of shareholders holding at least 10% of total shares of the company within 6 months consecutively (or smaller percentage if allowed by the Company Charter) to make a proposal in the AGM. The proposal will be sent by document at least 3 working days before the AGM, according to Article 138.2 of the LOE.

2 Remuneration

2.1 Approval of remuneration and remuneration cap for BOD members and Supervisory Board members



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Vote 'Against' if the remuneration plan (cap) includes BOD members and Supervisory Board members who are responsible for any of the following situation:

- obvious business failure of the company, for example business performance, capital efficiency, or share price of the company have been depressed for years, share price is declining sharply, or business performance has apparently worsen,
- conducted acts against shareholder value, or
- the company committed antisocial conduct

Vote 'Against' when the payment of remuneration and bonus based on the performance for the year will be implemented before the termination of the accounting for the year.

Rational to the vote:

It is the responsibility of the management of the company to elevate the value of the company by generating profit and increasing the shareholder value. The AGM decides the total remuneration of the Board. However, if the performance of the company has been negative for several years, or if the management acts against the shareholders' benefit, any remuneration and bonus plan based on the performance of BOD members shall not be approved.

The remuneration, including bonus, and allocation of dividend shall be paid based on the result of the annual account and mid-term performance and after the approval of the accounting result. The payment of remuneration and bonus for BOD members and Supervisory Board members based on the performance of the company shall not be implemented before the termination and approval of the annual account for the year.

Instruction to the State Representative:

There are cases where the State Representatives are selected from the BOD members of the company who have their own shares at the company. This is often the reason why bonus plans are approved although SCIC voted against such proposal. The State Representative shall pay attention to the discussion of



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performance-based remuneration plan related to the BOD members and whether there are any of the cases mentioned above involving such BOD members.

2.2 Equity compensation plan

Vote in principle ‘For’ to allowing stock options, except for cases wherein

- (i) such proposal includes giving stock options to independent directors or auditors or persons who have no involvement with the improvement of the business performance of the company, or**
- (ii) the option is exercised by lower price than the market price, or book value except for cases that law or regulation permit, or**
- (iii) total amount of the proposed stock option will lead to the dilution of existing shares more than the level specified by SCIC**

Rational to the vote:

Equity compensation such as stock option is often introduced as a reward for the improvement of business performance of the company.

The equity compensation plan may increase active management of the company and increase shareholder value as the result of efficient management in the future. However, as it may often cause the dilution of existing stocks as the immediate outcome of the decision of such plan, the impact on the existing share price shall be calculated together with the appropriate level of the exercise price.

SCIC shall calculate the expected level of dilution of existing shares and set the limit of acceptable percentage of dilution.

SCIC recommends that if the total amount of issued shares under the proposed stock option to employees within 12 months will exceed 5% of the number of currently circulating shares of the company, such equity compensation plan shall not be approved (Circular 162/2015/TT-BTC applicable to public companies, Art.35)

Instruction to the State Representative:

The State Representative shall pay attention to the pricing of shares of the company (in case of companies listed in the stock exchange, unlisted public companies (UPCoM) or over-the-counter (OTC) market) and the contents of the compensation

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plan. As for the possibility of dilution, the State Representatives shall report in a timely manner to, and closely communicate with, the Headquarter of SCIC to evaluate the impact of the equity compensation plan.

2.3 Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)

Vote 'Against' the creation or expansion of the Employee Stock Ownership Plan (ESOP) if:

- (i) the total amount will exceed a percentage of paid-up capital of the company specified by SCIC, or**
- (ii) the criteria of the allocation scheme or the calculation formula is not disclosed, or**
- (iii) the company has insufficient capital sources for implementation on the basis of audited financial statements for the most recent period from the following sources: (a) surplus capital, (b) investment and development fund, (c) undistributed after-tax profit, and (d) other funds (if any) used to supplement the charter capital in accordance with law**

Vote 'For' if

- (iv) the issue plan fulfils the requirements of regulations, and***
- (v) no accumulated loss is recorded in the latest financial statements of the company, and***
- (vi) the issue plan is approved by SCIC***

Rational to the vote and Instruction to the State Representative:

ESOP is a share issuance plan to employees as a grant without any purchase price consideration, or as an option to purchase the share of the company at a price to be determined, and linked to the performance of the employees as an incentive scheme. But ESOP will produce a dilution of existing shareholder's value especially when it is implemented with lower price than the market price of the share. Thus the law allows ESOP to be admitted only when the company could ensure that sufficient



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financial resources based on the most recent audited financial statement of the company (Circular 162/2015/TT-BTC, Art.35).

The company should set a vesting period for exercising ESOP and ensure that these benefits shall be removed from employees who resigned from the company. The staggered period shall be decided by the company. By law, in case of public companies, the issued shares under the proposed stock option to employees within 12 months shall be in maximum 5% of the number of currently circulating shares of the company (Circular 162/2015/TT-BTC, Art.35). SCIC shall specify the maximum percentage stated in (i) company by company, taking into consideration the company's type or legal status, but it shall be lower than 5%. In Vietnam it is often the case that ESOP issuance is vested in maximum within 3 months after approval by the State Security Commission, but there are companies that require a staggered period of over 3 years. The latter case is in line with international practice. SCIC shall recommend that companies follow the international practice to contribute to maintaining the shareholder value.

3 Article amendments

3.1 Amendment of statute (Charter), including expansion of business activities

Decisions shall be made on a case-by-case basis but:

Vote 'For' if the amendments include a clause that will enhance and modernize the corporate governance of the company, including the appointment of independent BOD members.

Vote 'For' if the amendments will protect the rights of shareholders and will contribute to the increase of shareholder value.

Vote 'For' if the amendments include a clause that provides rights for a strategic shareholders such as preferred price, controlling ownership percentage, or veto rights, which are considered as fair compensation for the obligations imposed on, or the commitment made by them, except for the case that might affect SCIC's interest or restrain SCIC from the divestment.



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Vote 'Against' if the amendments are related to the continuous low business performance of the company or aim to let the company enter into a risky business that is not related with the core business of the company.

Vote 'Against' if the amendments include a clause that will increase the remunerations of BOD members but not include any increase of shareholder value.

Vote 'Against' if the amendments include issues that do not comply with law and regulations.

Rational to the vote:

An amendment of the charter or the expansion of business activities might hamper the quick and sound decision-making by the companies, reduce the optimal allocation of resources of the companies if the amendments are deemed not to contribute to improving current performance of the company, or lower the growth potential of the company, and in such cases, the amendment shall be declined.

Instruction to the State Representative:

The State Representative shall discuss in detail the proposed amendment of charter or the plan, including expansion of its business area to non-core sectors, question the purpose and expected outcomes prior to the AGM, and evaluate the appropriateness of such proposition. In case the company shall include a clause that will provide its strategic partners rights which will not violate the principle of equal treatment of all shareholders, SCIC will support such amendment if it is made to improve the business performance of the companies.

If it seems to be a case that might affect SCIC's interest or restrain SCIC from the divestment, the State Representative shall report the case to SCIC/HQ for consultation before making the vote.

As for the evaluation of the increase of shareholder value, the State Representative shall consult with SCIC/HQ.



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3.2 Reduction of BOD members' term in office

The term of BOD members shall not exceed 5 years and they may be reappointed for an unlimited number of terms.

The shortening of the term of a BOD member shall be decided taking the impact on the shareholder value into consideration.

Rational to the vote:

The term of BOD members shall be in compliance with regulations unless otherwise defined by the company charter (LOE, Art. 150.2).

However, if he/she is an independent BOD member and engaged in the same company for long-term (5 years and longer), he/she shall no longer be considered an independent director. On the contrary, if the assignment period as an independent director is short, the director may not have had enough time and opportunity to fulfill his/her expected role in the company.

Instruction to the State Representative:

The State Representative shall vote appropriately without prior instruction of SCIC/HQ based on the provisions of the LOE (Art.150) but considering the requirements stipulated in Article 151.

3.3 Board structure and decrease in the maximum board size

Vote on a case-by-case basis deciding on the appropriateness of the amendments about the Board structure, including the addition of more conditions to discharge or remove a BOD member or there is a significant change in the number of BOD members.

Rational to the vote:

Having too many BOD members is a waste of resources and often hampers smooth and efficient decision-making. A company shall seek the optimal size of BOD members taking the size of the company into consideration.

According to the LOE, in case of a Joint Stock Company, the Board shall consist of 3 to 11 members (Art.150.1). In addition to this, the company may have 3 to 5



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controllers (Art.163.1). Within these allowances, SCIC will lead the BOD to rationalize the number of members taking cost efficiency into consideration.

Instruction to the State Representative:

In case of the change in the BOD structure and decrease in the maximum BOD size, the State Representative shall collect detailed information prior to the AGM and consult with SCIC/HQ on how to vote, and whether to vote for or against shall be on a case-by- case basis.

3.4 Disclosure of information

Vote ‘For’, if the BOD proposed to the AGM an amendment of charter that includes a clause to develop the contents of annual report, financial statement, etc., which will level up the disclosure of activities of the company and contribute to enhancing dialogue with shareholders.

Rational to the vote:

Disclosure is a key in developing the transparency of the companies and is a prerequisite condition for establishing a constructive dialogue between the management and the shareholders. SCIC shall be the leading agency to introduce the constructive dialogue between the management of the company and the shareholders for the improvement of the business performance of the company. In this connection, SCIC will support any proposal to level up the contents and methodology of information disclosure presented by the management or other shareholders, if any.

Instruction to the State Representative:

The State Representative shall continuously pay attention to the contents and methodology of disclosure of the company, discuss with SCIC/HQ about the disclosure practices by other companies in the portfolio of SCIC, and exchange opinions with other shareholders of the company about the supply of information to external investors.



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4 Share Issuance Request

4.1 Increase of the charter capital

Decide on a case-by-case basis when voting on the increase of the charter capital with reasonable explanations.

Vote 'Against' the increase of charter capital if it is obvious that such issuance will damage the shareholder value.

Vote 'Against' if the case is as follows, without any reasonable explanation:

- (i) when the dilution of the shares is large and damages the shareholder value, or**
- (ii) when the order of SCIC among shareholders will be changed as the result of the share issuance and SCIC will be placed into a more disadvantageous position than before as a result of the issuance.**

Vote on a case-by-case basis but in principle vote 'Against':

- (i) when the purpose of the increase is proposed as an anti-takeover defense measure, or**
- (ii) when a company that is listed by SCIC as a company to be divested in a year requests share issuance, or**
- (iii) when the implementation time of issuance of share is not specified.**

Rational to the vote:

Issuance of new shares directly gives influence on the price of the existing shares in the market. Issuance amount shall be controlled and limited so as not to have much negative impact on the value of shares held by the shareholders. Thus, it is required to set a certain limit for the issuance of new shares together with the purpose of issuing new shares.

Share issuance includes the case of share offering for strategic shareholders, share offering for existing shareholders, and issuing additional shares for stock swap at M&A.



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SCIC shall calculate the expected level of limit of share issuance for the purpose of avoiding the dilution of the value of shares and protecting the rights of SCIC as a shareholder. The level of dilution shall be decided by the internal regulations of SCIC.

Instruction to the State Representative:

In the cases stated above, the issuance of new shares may damage existing shareholder value. In such cases the State Representative shall vote against it. If the impact seems unclear, the State Representative shall consult with SCIC/HQ and request for its voting instruction before the vote.

4.2 Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares

In principle vote 'Against' the proposition to entrust such decisions to the BOD.

Rational to the vote:

The LOE (Article.135) provides that the AGM shall decide the repurchase of more than 10% of total number of shares of each class of the company already sold. In case of a public company, it is necessary to ask for the approval of the AGM for redeeming its own shares to use as treasury shares of more than 10% but not more than 30% of the total number of issued ordinary shares, or to ask for the approval of the BOD for redeeming 10% or less of the total number of issued ordinary shares in each 12-month period (Decree 58, Art.37, and LOE, Art.130). Referring to this regulation, SCIC shall in principle not grant a general mandate to the BOD.

Instruction to the State Representative:

The State Representatives shall monitor discussions in the BOD and try to understand the objective of such decisions together with its appropriateness. If the State Representatives evaluate that the impact might be negative for SCIC (Ref. 4. (ii) Above), he/she shall consult with SCIC/HQ.



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4.3 Approval to repurchase shares

Vote 'For' in principle, if the repurchase of shares of the company complies with the requirements of the law and regulations and will increase shareholder value of the company and comply with law and the charter of the company.

Rational to the vote:

LOE (Art.130), Decree 58/2012/ND-CP (Art.37) and Decree 60/2015/ND-CP (Art.11) define the requirements for repurchase shares by public companies.

As the result of repurchase of existing shares, it is expected that the value of remaining shares will increase. Thus, it may be considered as a favorable operation to shareholders. However, repurchase of shares is an easy way to increase nominal return on equity (ROE). If the increase of ROE is not the result of increase of profit as the result of strengthened competitiveness of its core business, it will not help strengthen the real profitability of the company. As the repurchase of shares will also decrease the cash at hand of the company and may cause negative impact on the valuation of the shares in the market, such operation shall not be admitted.

Instruction to the State Representative:

The State Representative shall check whether the proposed plan to repurchase shares complies with the regulations, then evaluate whether the repurchase of shares will produce negative impact on the evaluation of the share in the market and decide whether to vote for or against it.

In addition to the case mentioned above, there are also cases wherein the company redeems shares upon demand by the shareholder who votes against a resolution on re-organization of the company or against a change to the rights and obligations of shareholders stipulated in the charter of the company according to the LOE, Article 129.



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4.4 Creation or modification of preferred shares

Vote 'Against' the request to create or modify shares of different classes without any reasonable explanation about the purpose of the creation or modification

Rational to the vote:

In addition to ordinary shares, the LOE (Art.113) provides for the following types of shares: (a) Voting preference shares; (b) Shares with preferred dividends; (c) Redeemable preferred shares; and (d) Other preferred shares defined by the company's charter. However, holding the voting preference shares is limited only to organizations authorized by the government and founding shareholders. The persons entitled to buy shares with preferred dividends, redeemable preferred shares, and other preferred shares shall be prescribed by the company's charter or the AGM. Shares with preferred dividends allow shareholders the priority order to receive dividends in return to the absence of the right to vote (LOE, Art.117.3). However, as the result of the creation or modification of shares to be issued, the percentage of ordinary share's voting right may be lowered or modified. Therefore, the creation or modification of shares of different classes shall be decided with clear objectives. If such objectives will not favor the existing shareholders, it shall not be approved.

Instruction to the State Representative:

The State Representative shall require an explanation from the BOD about the purpose of the creation or modification of shares of different classes and evaluate the effect that it will cause to the existing shareholder value. If the State Representative does not receive a reasonable explanation from the management, he/she shall vote against the plan.

5 Miscellaneous items related to the AGM (related to the items considered to be AGM approval matters by the Charter of the company)

5.1 Vote 'Against' if the item does not satisfy the requirements in the Charter, Law



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on Enterprise and other regulations.

Instruction to the State Representative:

The State Representative shall convince the company not to include anything that does not meet the legal requirements in the AGM items.

5.2 Approval of establishing branches & representative offices, SCIC shall decide on a case-by-case basis

Rational and Instructions to the State Representative:

Refer to 1.4

It is provided that the decision to establish branches and representative offices is made by the Member's Council (in case of an LLC) (LOE Art.56.2.i) or the BOD (Art.149.2.I). However, if the size of related investments is considered too large compared to the financial or business capability of the company, it may be brought as an item for approval to the AGM.

(End)



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Appendix:

Case study: some special cases related to the application of VG

Case 1: Voting procedure at Annual General Meeting (item 1.13 etc.)

[Case] The BOD of a public company planned to propose AGM amendments of the company's charter related to the voting rule to lower the minimum attendance ratio to 51% of the total voting shares, which has been 65% so far, and lower the majority vote for resolution at the AGM to 51% of the total number of voting slips of all attending shareholders, which was also 65% or 75% except for some special cases defined in LOE Art.144.

As the proposed rules were not consistent with LOE, Circular 121/2012/TT-BTC, the SSC's guideline on the organization of AGM 2016 (Official Letter No. 1183/UBCK- LCB dated 15 March 2016 and Official Letter No.2463/UBCK-QLCB dated 11 May 2016), SCIC decided to propose the BOD not to include the amendment in the agenda of the AGM 2016, However, as SCIC owned only minority share of 7.1% and could not veto the proposal, AGM approved the amendments of the charter proposed by the company's BOD.

[Possible alternative actions for State Representative]

- 1) Contact with other shareholders to veto the proposal together with SCIC.
- 2) Or divest the share of the company as soon as possible, using the procedure defined by the Decree 151/2013/ND-CP, Art 14.



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Case 2: Approval of Financial Statement with Qualified Audit Opinions (item 1.1)

[Case] Company A presented a financial statement (FS) with qualified audit opinion for approval of AGM. SCIS reviewed the opinion and voted “Against” the approval, but AGM approved it. SCIC has only a minority share of the company and could not get the majority support for denying the financial statement.

[Actions]

- At the AGM SCIC vote against the approval of the FS and related documents even it might not be obtain majority support. But if this issue was discussed in the BOD before the AGM, State representative should pointed out the inappropriateness of approving such FS in BOD.

State representatives should refer to the audit opinion, and if necessary calculate Key Risk Indicators (KRI) defined by SCIC/HQ to evaluate the appropriateness of the FS or performance of the company during the year, or consult with SCIC/HQ for such calculation. Based on the result of the calculation, the representative shall invite understanding of other shareholders about the inappropriateness of approving such documents.

- In fact there are such cases that although SCIC proposed not to approve the qualified FS in 2015, but could not have the majority's support. Considering such a case might be happened, SCIC proposed at the same time to amend the charter of the company including the lowering of necessary majority vote (from 65% to 51%). This proposal was in line with the government recent amendment of the regulations by the government. Thus the second proposal was approved in AGM. SCIC also proposed to adjust three year FS including 2015. As the result of the approval of the amendment of the charter related to the percentage of shares to approve the vote, SCIC succeeded to reject the qualified FS for 2015. But if SCIC has only a minority share this strategy might not work. To seek out solutions under such unfavorable circumstances, SCIC shall explain and persuade other shareholders. To improve such circumstances SCIC could take following options:

- (i) inform the case to the Tax Department for investigation,
- (ii) include the case in its monthly report to state representatives, stating how many cases and what kind of issues that SCIC's votes were not accepted during the year,
- (iii) include such information in SCIC's annual report to raising public awareness, especially that of foreign investors.

Thus SCIC may contribute to and gradually improving the Corporate Governance of Vietnamese company.



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Case 3: Approval to repurchase shares (item 4.3)

[Case] An unlisted company B in the divesture list of SCIC plans to repurchase shares from employees using the retained profits or investment & development fund, SCIC should recommend the cash dividend or share dividend instead of repurchase shares from employees, as there's no basis to calculate the increase of share price on the market in case of share repurchase.

[Recommended actions]

- If it is a public company, vote “For” if the repurchase is going to be made in comply with the requirements stated in Section 2, Chapter III of Decree 58/2012/ND-CP and Art.11 and 12 of Decree 60/2015/ND-CP.

Generally the company will use undistributed earnings or development fund to finance the repurchase, State Representative should evaluate the outcomes of the repurchase operation whether it would increase the shareholders value or not. If the repurchase will be considered to affect the shareholder value negatively, State Representative had better to recommend the company to pay dividend by cash to the employees.

- Even if it is an unlisted company, it is possible to calculate the theoretical value of a share (or liquidation value of the company per share). SCIC should calculate the theoretical value per share of the company and judge whether the repurchase operation will lower the SCIC's book value of the company share.

Generally speaking, what is important for SCIC is to increase the company's value (and the shareholders value) as much as possible. So even if the company is included in the divesture list of SCIC, SCIC had better cooperate with the management to find out the opportunity of business matching or M&A with other companies to value up the company before divesting the company.



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Case 4: Actual example of M&A

[Case] Company C with core business in plastic packaging in Hanoi area proposed to acquire a company D operating in the same industry but with main market in HCMC. As preparation for the AGM, the Company C's management already prepared an analysis of the target company and included in a proposal report to shareholders with the rationale for the acquisition. SCIC is a minority shareholder in Company C.

[Recommended Actions]

- Since SCIC is a minority shareholder and has no “veto right” in the vote. But as M&A is an important decision making issue, the state representative shall consider the following issues and judge to vote for or against for the approval of this M&A transaction:

[1] Normally in M&A transactions, management of Company C must explain how it is well fit into the development strategy that shareholders have approved in prior BOD meetings. It might be the case that the company is pursuing a business growth by M&A and intending to pursue a new growth opportunity different from its current business activities. If it was the case, State representative should review and appraise the plan carefully whether it is feasible for Company C's business including legal compliance since this is a new area for the Company D.

[2] As part of the procedure, State representative should ask for detailed analysis of the transaction of the M&A plan, including:

- Legal considerations including anti-competition rules when the consolidated Company C will gain a significant market share as the result of the planned M&A.
- Synergies effects to the Company C expected to be produced from the M&A including projection of value increase (revenue and net earnings) during the projected period
- Source of funding for the M&A. SCIC should calculate the rate of return in details in case if the Company C proposed to use borrowings such as from banks to finance the transaction
- Post M&A integration plan including the corporate value creation and cultural integration to convert the target company into the Company C.

[3] Before the final approval of AGM it is idealistic for SCIC to advise Company C to engage professional service providers in the following aspects if such consultation was not yet implemented. But as following procedures are costly it will be feasible only for a large company. With small size companies SCIC may be



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required to conduct some of the following procedure by itself in this connection it is necessary for SCIC to develop its own capacity for industrial sector analysis. :

- Financial due diligence, preferably by some of the experienced accounting firms
- Tax due diligence, also preferably by some of the experienced firms
- Market or industry due diligence, preferably by a well-known research firm to ensure that the projection of market share and forecasted growth and values from M&A are feasible.
- Legal due diligence by a reputable lawyer firm to ensure the legal risks are identified and mitigated by the Company C
- Lastly, the most important is to make sure that the Company C has been applied an independent valuation process for the case, and explained shareholders with sufficient documents including the calculation of the expected profit of the deal. If the total cost of the M&A is smaller than the calculated value, vote "For".

Case 5: Proposal to pay bonus to directors and/or dividend to shareholders without having sufficient resources (item 1.4)**[Case]**

- 1) Pay bonus to directors:
 - If the company has not sufficient resources, it should not pay any bonus to directors.
- 2) Pay dividend to shareholders:
 - Vote case by case. In principle the impact is neutral for shareholders because (i) shareholders receive cash as the dividend, but instead (ii) the market price of shares decrease at the same time because of the outflow of cash (decrease of the asset) from the company. So SCIC shall evaluate the impact of the payment of cash dividend and the degree of decrease of the company's share price in the market.

[Actions]

- In general, whether the company has sufficient resources or not shall be judged as follows (Refer to the Law No. 68/2014/QH13 Art.132 and Circular No. 162/2015/TT-BTC Art.35):
 - Undistributed net profit in the most recent financial statements ,
 - No accumulated loss and capital surplus is recorded in the Balance Sheet of the company,
 - Outstanding amount of reserves and funds (investment and development fund and other funds), booked in the balance sheet,
 - If aggregated amount of above items are more than the dividend amount to be paid to the shareholders, it is considered that the company has sufficient resources for paying bonus to directors.
- If State representative of the company is not sure whether the company has sufficient resources or not, he (she) shall consult with SCIC/HQ.



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Case 6: Equity Compensation Plan (item 2.2)

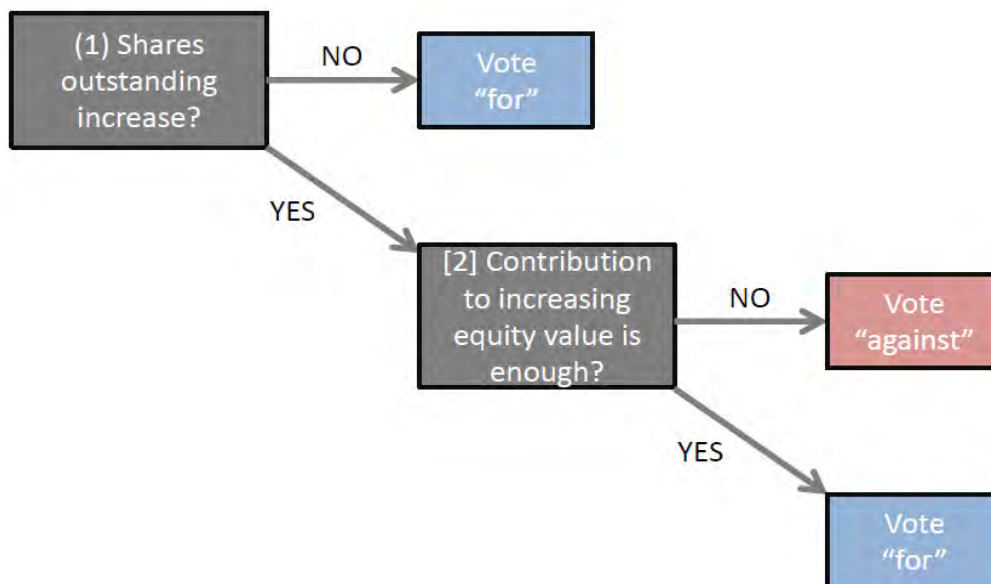
[Case] Company E proposed to implement an equity compensation plan based on the profit of the previous year (such as stock option to directors) although the company still has an accumulated loss.

[Action] As long as the company E has accumulated loss, no equity compensation plan shall be accepted. Because when a company has an accumulated loss, the stakeholders of the company (such as buyers, commercial banks, etc.) consider that the company's business performance has been in negative situation. In particular, the banks may be reluctant to extend further credit to the company.

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[For reference]

Conceptual clarification for judging the possible dilution of shareholder value



[1] Shareholders generally welcome the reduction of the number of stocks (ex. stock buy-back).

[2] Shareholders should pay due attention to any operation that might cause dilution to their own portion of stake and evaluate carefully the outcomes that will be produced by the operation. The purpose of new issuance of shares is to contribute to increase the shareholder value per share (Earning per Share).

[3] State representatives shall consider whether the proposed plan will increase shareholder value and the dilution of the value per share is smaller than the increase of the value.

[4] In practice, state representatives shall vote “case by case” basis by asking advice from SCIC/HQ to evaluate the outcomes of the plan.

[5] In case of M&A, the objective of the issuance of new shares and its terms and conditions shall be strictly examined to evaluate its outcomes before voting.

Generally Vote “For”	<ul style="list-style-type: none"> ● Stock buy-back ● Increasing dividend
on a case-by-case basis	<ul style="list-style-type: none"> ● M&A ● New share issue for asset purchase (ex. for new investment)
Vote “Against”	<ul style="list-style-type: none"> ● New issuance without reasonable explanation of the purpose ● Creation or expansion of new equity compensation plan within a limited time (ex. stock option)

(End of the Appendix)

**Material for Reference
for applying the Voting Guidelines 2016**

A. Preface: Core concept of the Voting Guidelines (VG) of SCIC

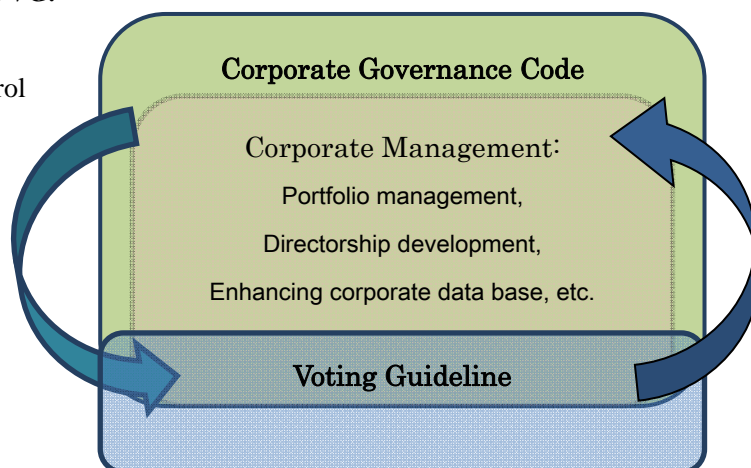
(1) Objectives of publishing VG

- (i) VG shall be applied to investee companies by SCIC to assist them in improving
 - (a) their corporate value and
 - (b) shareholder value, with medium and long-term perspective
- (ii) SCIC aims to improve the transparency of decision-making within enterprises by
 - (a) clarifying the relationship between the management and the shareholders and
 - (b) establishing the efficient constructive dialogues between the investee companies and SCIC.
- (iii) By referring VG, SCIC's representatives will
 - (a) enhance their capacity in studying enterprise's documents for voting decision making in accordance with SCIC's benefit based on the principle of securing and increasing capital efficiency of investee companies, or
 - (b) report and ask instructions from SCIC/HQ about matters that shall be consulted with SCIC

[Relationship with the Corporate Governance Code]

(i) Co-function of CGC and VG:

Structure and process for the managerial direction and control of a company



For Reference & Introductory Purpose of the Voting Guidelines

(ii) Purposes and expected outcomes of applying VG:

- 1) Increase operational efficiency: competitiveness & profitability
- 2) Ensure the inflow of external capital: access to capital
- 3) Long-term wealth: grow & expand business frontier
- 4) Enhance social status: better reputation

(iii) Governance scheme of a company:



Source: IFC, March 2004

(iv) Target people for the use of CGC/VG:

- 1) Executives and shareholders
- 2) Government officials, lawyers, judges
- 3) Investors
- 4) Educational institutions

(v) Key requirements of VG:

- 1) Transparency
- 2) Accountability
- 3) Constructive dialogue among stakeholders

(2) Use of VG

- (i) VG is a reference document that the State Representatives shall mandatory refer to, in addition to SCIC's regulations for representatives.

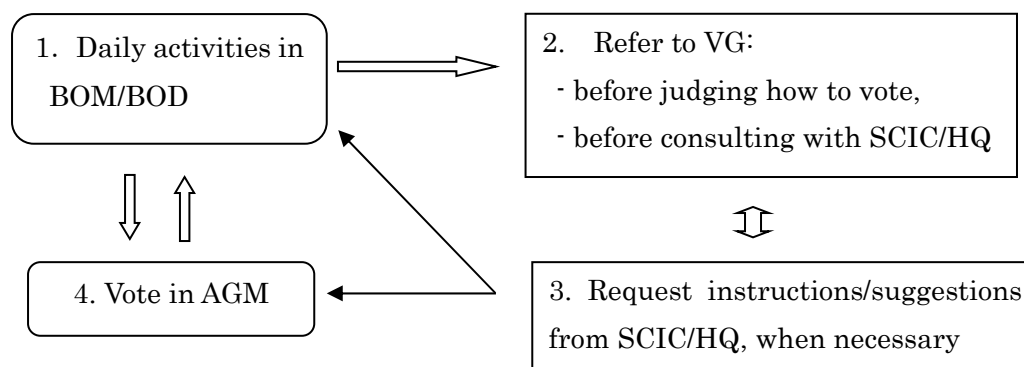
State Representatives shall refer to matters specified in these guidelines as part of procedures that State Representatives have to follow before and during the AGM: State Representatives shall refer VG before requesting SCIC's opinion and vote not requesting SCIC's prior opinion in case of issues that are clearly given instructions

For Reference & Introductory Purpose of the Voting Guidelines

how to vote in VG.

- (ii) For other issues not specified in VG and regulations for representatives, State Representatives must request SCIC's opinion in due course before voting.

Image of the working procedure in line with VG:



(3) Orientation for operation of VG

- (i) SCIC considers VG as a meaningful tool to enhance representative capacity and strengthen SCIC's operation efficiency through SCIC's state representatives at enterprises.
- (ii) VG shall be revised yearly by SCIC/HQ taking into consideration the economic situation, corporate governance practices of Vietnamese enterprises, and feedbacks from the State Representatives during the guidelines' application.
- In this connection, State Representatives shall feedback SCIC/HQ issues that were considered to be reflected in VG or necessary to have special consideration of SCIC each time when they noticed such issues.
- (iii) SCIC/HQ will review the application of VG annually and announce the actual results of VG application including issues that the investee companies did not accept SCIC's voting policy (or instructions given to the State Representatives).

(4) Laws and regulations to be referred to in applying VG

- Law No.14/2003/QH11 (Law on SE)
- Law No.67/2011/QH12 (Law on Independent Audit)
- Law No.68/2014/QH13 (Law on Enterprises)
- Law No.69/2014/QH13
- Law No.70/2006/QH11 (Securities Law)

For Reference & Introductory Purpose of the Voting Guidelines

- Decree No. 60/2015/ND-CP
- Decree No.61/2013/ND-CP (supervision & disclosure of SOE)
- Decree No.81/2015/ND-CP
- Decree No.87/2015/ND-CP
- Decree No.91/2015/ND-CP
- Circular No.52/2012/TT-BTC (guiding disclosure)
- Circular No.121/2012/TT-BTC
- Circular No.155/2015/TT-BTC
- Circular No.162/2015/TT-BTC
- Circular No.200/2015/TT-BTC
- Circular No.219/2015/TT-BTC

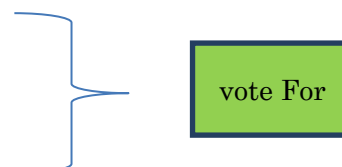
B. Check points and work flow

1.1 Approval of the Financial Statements and related documents

If

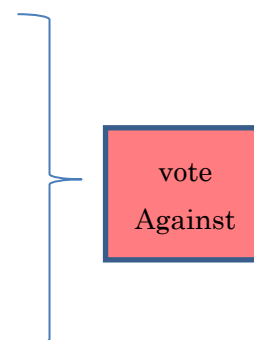
1. Auditor approves with

- 1) unqualified opinion or
clean opinion
- 2) emphasis of matters or
insignificant qualified opinion, in principle



but auditor chooses

- 3) non-expression of opinion or
some reserved opinion (significant qualified opinion,
disclaimer of opinion, and adverse opinion), or
- 4) contents unclear, or
- 5) *SCIC considers that the issues raised by the auditors
will not comply with the law on accounting standard or
negatively influence the shareholder value*



If

2. No audit opinion added



consult HQ how to vote

(Work steps)

- 1) *Check the auditor's opinion attached to the financial statement (Ref. KRI Chapter 4-II), including whether the opinion is comply with the law on accounting standard*
- 2) *Review related documents, agenda and discussion minute of BOD meetings, for verification/confirmation the points raised by the auditor*
- 3) *Decide the vote taking the internal evaluation of the influence to the shareholder value by SCIC, if any, into consideration, and report to the SCIC/HQ*

(Law & regulations to be referred)

Compulsory audit: Decree 17, Art 15

Supervision methods & responsibility of SCIC: Decree 87, Art.11-12, Decree 61, Art.3, 6, 9, 21-23;

Supervision of subsidiaries: Decree 87, Art.13-17;

For Reference & Introductory Purpose of the Voting Guidelines

Supervision of capital invested overseas: Decree 87, Art.18-23;

Special financial supervisions: Decree 87, Art.24, 27, Decree 61, Art. 10, 12;

Assess of operation performance: Decree 87, Art 32-36, Decree 61, Art. 15-17, 24;

1.2 Approval of annual business plan

- Compare the annual business plan with the (mid- or long-term development) strategy of the company, then

If

1) it is in line with the development strategy
and is appropriately prepared (well discussed
beforehand in BOM or by related stakeholders)



vote For

If

2) core issues are different from the development strategy
or major changes were included without discussions in BOM
or among major stakeholders



vote Against

(Work steps)

- 1) Review and compare the annual business plan with the development strategy of the company whether the plan is consistent with the strategy (Ref. KRI Chapter 4-II)*
- 2) Refer to the mid- and long-term development plan of the government, whether it is in line with the government policy*
- 3) Collect and study information about market situation/competition*
- 4) Check strategies of other companies active in the same industrial sector or leading the sector*
- 5) Judge whether the plan is agreeable or not, decide the vote and report it to SCIC/HQ*

(Law & regulations to be referred)

Approval of business plan: LOE, Art. 56, 136.

Criteria for assessment of FS: Decree 87, Art.28 -31; Circular 200, Art.12

Development plan & annual plan: Decree 81, Art.12-14,

Profit distribution & fund allotment: Decree 91, Art 31

1.3 Approval of the long-term development strategy

- 1) Pay attention whether the internal discussions were made including issues stated below during preparations for the development strategy:
 - (i) whether the discussion is about the core-business and core expertise of the management,
 - (ii) industry prospect and current market situation
 - (iii) well forecasted long-term and annual financial plan
 - (iv) availability of personnel resources, including participation of experienced directors or shareholders,and
- 2) Propose, if necessary, to invite major shareholders, including strategic shareholders, for active and constructive discussions, together with requesting efficient contribution to the discussion by SCIC/HQ



As the result of such discussions, if

- 3) it is considered that the contents of the long-term development strategy will contribute to increasing shareholder value



vote For

(Work steps)

- 1) *Review the BOD minutes on related discussions and discussion process including participants to such discussion meetings, issues discussed, advices or references requested from outside the company, etc.*
- 2) *Study information about market situation, in and outside Vietnam, including financial condition, labor market condition, and possible business alliance/cooperation with other companies, etc. (Ref. KRI Chapter 4-II)*
- 3) *Refer to the government policy*
- 4) *Discuss if necessary with SCIC/HQ before voting, decide the vote and report it to SCIC/HQ*

(Note) Detail procedures for publishing 5 year business and investment plan

⇒ Refer to the Decree No.81/2015/ND-CP, Articles 12-19.

(Law & regulations to be referred)

For Reference & Introductory Purpose of the Voting Guidelines

Publishing business, investment plan, report & financial statements: Decree 81, Art.12-19, Law 70. Art.9, 16, Decree 61, Art.25-28;

1.4 Approval of income allocation (including disposal of surplus and decision on dividend considering dividend ratio)

Check the income allocation policy by the management and if

- 1) the management demonstrates that the cash option is not harmful to shareholder value



vote For

but if

- 2) the Financial statement itself shall not be approved because of reasons stated in item 1.1 of this VG, or
- 3) **dividend ratio** is going to be lowered, although the **own capital ratio** is high enough and there is no need to increase internal reserves, without any reasonable explanation, or
- 4) **dividend ratio** has been continuously low for more than 3 years without any reasonable justification, or
- 5) management will increase the allocation to the management fees (remunerations and bonuses) and increase provision for welfare fund but will not increase the shareholder value without any reasonable explanation, or
- 6) the proposed allocation is deemed not to be compliant with the requirements of law (on this final point, better to consult with SCIC/HQ before making the vote in AGM)



vote Against

- 7) As for **share dividend**, consider following issues and consult with SCIC/HQ before making the vote:
- (i) in case the Company prefers to withhold cash available to finance its investment plan, consider its financing options in general for the investment plan
 - (ii) if the company plans to pay dividend by shares, review the cash position of the company such as Cash Ratio (Cash and cash equivalents/Current Liabilities) and the cost that the company shall bear for paying dividend by shares

For Reference & Introductory Purpose of the Voting Guidelines

- (iii) consider the impact of share dividends to the liquidity of its stocks and evaluate the perception from the market and other institutional shareholders with regard to the company's share price, as from technical point of view share dividends will increase the number of outstanding shares and share price will be adjusted accordingly.



- 8) As for the plan to **make interim dividend in cash**, if
 - (i) the interim dividend is made based on the financial statements for the first 6 months which have been reviewed by an auditing firm, or
 - (ii) it is anticipated that the company will make profit for the whole financial year and there are no extraordinary activities or events that could deteriorate the profit target of the Company for the year



(Work steps)

- 1) *Review the income allocation policy and actual performance of the company during recent year, check the dividend ratio, consider the necessity for the company to reserve cash at hand and liquidity ratio of the company (ex. Investment plan, or other needs to spend cash in the near future) (Ref. KRI Chapter 4-II)*
- 2) *Consider the performance of rivalry companies in the same sector*
- 3) *Judge the appropriateness of the proposed income allocation plan and decide the vote, consulting with SCIC/HQ when necessary; the vote shall be reported to SCIC/HQ with the reason(s) of the judgment*
- 4) *SCIC/HQ will calculate such ratios as dividend ratio or capital ratio on annual basis and share the result with the state representatives*

(Law & regulations to be referred)

Criteria to assess operational performance of companies: Decree 87, Art.28, Decree 61, Art.15-17, 24

Performance assessment: Circular 200, Art.12, 14; Circular 219, Art.8; Decree 91, Art 31

Payment of interim dividend or dividend advance: LOE, Article 132, Law 14, Art.17

1.5 Approval of investment (plan)

- 1) Review the proposed investment plan and request explanations about the plan in BOD well in advance to the AGM,
- 2) Compare the amount of investment with
 - the financial capacity of the company,
 - check the contents of the investment finance plan
 - and the supervision procedure of the plan

and,

consulting with SCIC/HQ if necessary, consider whether

- (i) the proposed business strategy and long-term development plan include new greenfield investments or projects that are not within the core expertise of the company
- (ii) expected return from the new investment, such as IRR and NPV
- (iii) the plan is made based on reliable feasibility studies and financial plans prepared by credible person/organization
- (iv) hurdle rate such as WACC for the project is acceptable
- (v) impact on capital structure cause excessive leverage from the borrowed fund for new projects which may increase financial risks

then,

- 3) discuss with the management how to increase the expected rate of return or how to reduce the necessary capital amount for the investment with the assistance of SCIC/HQ, if necessary

and if

- 4) points mentioned above are acceptable, and reasonable explanations are made by the management



vote For

but if

- 5) the investment does not comply with the requirements of law, regulations, the charter of the company, or
- 6) points mentioned above are not acceptable and the investment plan will not increase shareholder value



vote Against

(Work steps)

For Reference & Introductory Purpose of the Voting Guidelines

- 1) Follow the process from 1) to 6) mentioned above (Ref. KRI Chapter 4-II)
- 2) Report the voting decision to SCIC/HQ before the vote

(Reference 1) Calculation of WACC
(the same as the main body of the VG)

(Reference 2) Analytical composition of ROE
=> refer to Appendix of this document

(Law & regulations to be referred)

Approval of investment plan or sale of assets: LOE Art.135, 149;

Criteria to assess operational performance of companies: Decree 87, Art.28-31;

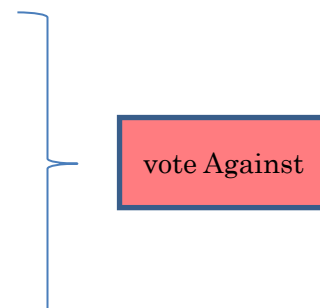
Performance assessment: Circular 200, Art.12, 14; Circular 219, Art.8; Decree 91, Art 31

1.6 Approval of sales of assets, including approval of divestment of shares in other companies

- 1) Review following issues before the vote
 - (i) The negotiation process of the sales of assets, including whether it is made in compliance with the existing regulation and charter
 - (ii) Valuation procedures of the asset to be sold
 - (iii) Conflicts of interest, whether the sale is going to be made to related parties
 - (iv) Impact on the balance sheet and the value of share

and,

- 2) if such proposal or decision will
 - (i) not comply with the law, or
 - (ii) not increase shareholder value, or
 - (iii) When SCIC has already decided to divest from the company, such sales might not damage the competitiveness of its core business activities or hamper the growth momentum



(Work steps)

- 1) Review issues stated 1) above (Ref. KRI Chapter 5)

For Reference & Introductory Purpose of the Voting Guidelines

- 2) *Decide the vote consulting with SCIC/HQ if necessary (especially 1) (ii) and 3) above) and report the vote to SCIC/HQ before making the vote*
- 3) *When SCIC has already entered into a share purchase agreement with other investor and the selling price is fixed, the State Representative shall monitor the company not to allow such conduct that damage the value of the company. The State Representative shall report to SCIC/HQ when necessary as soon as possible if he/she will notice such conduct by the company.*

(Law & regulations to be referred)

Transfer of capital investments: Circular 200, Art. 3, 6,

Sale of assets: LOE, Art.135

1.7 Ratification of the BOD report, report of the Supervisory Board, and performance report of each BOD member

If

- 1) the submitted reports are transparent and objective with enough information



vote For

but if

- 2) although the financial statement has significant qualified opinion, the submitted report from Supervisory board does not have detailed evaluations and plan to monitor financial situation in order to reduce significant qualified opinions of auditors



vote Against

(Work steps)

- 1) *Check the contents of the report and collect additional information where necessary*
- 2) *If you are not satisfied with the contents or way of submission of such reports, consult with SCIC/HQ and vote against it*

(Law & regulations to be referred)

Approval of reports by AGM: LOE Art.136;, Circular 121, Art.7-8;

Performance assessment: Circular 200, Art.11, 13;

For Reference & Introductory Purpose of the Voting Guidelines

Disclosure; Decree 81, Art.10, 13-19, Decree 87, Art. 24-26, 28-36, 39-41; Decree 61, Art.25-28;

1.8 Election and appointment of BOD members and Supervisory board member

1.8.1 BOD member

In general, SCIC will

- 1) not vote against the election of a CEO, managing director, executive chairman, or founder whose removal from the Board would be expected to have a material negative impact on shareholder value

but

- 2) In case of **companies with the Supervisory Board**, if
 - (i) BOD member does not have enough experience or ability in managing a company and fail to meet the, criteria defined by LOE Art 65, or if a nominee as a supervisor fails to meet the criteria defined by LOE, Art 164, or
 - (ii) unfavorable social activities or lawsuits were reported to be related to the member, or
 - (iii) the independent member does not meet the criteria for independence provided by law, or
 - (iv) the person attended less than 75% of the BOD meetings without any reasonable explanation, or
 - (v) the number of BOD members is not considered appropriate (3~11) compared with the size of the company, or
 - (vi) it is a plan to increase or decrease largely the number of BOD members without any reasonable explanation.

vote Against

- 3) if directors are older than 80 years of age

vote case-by-case

(Work steps)

For Reference & Introductory Purpose of the Voting Guidelines

- 1) *Check first the statutory criteria and independence criteria of the BOD members, referring to the information collected by SCIC/HQ for confirmation when necessary*
- 2) *Review whether the BOD has a practical separation of functions between the management and supervision, and the supervision of the management is implemented effectively or not.*
- 3) *SCIC shall recommend companies in the portfolio of SCIC to include independent BOD members. In case there is no Supervisory Board, at least in listed companies, they shall invite independent directors to constitute 20% of the Board members.*

(Note) Criteria for Independence defined by law are as follows:

- (a) Not being a person currently working for the company or any subsidiary company of the company; or not being a person having worked for the company or any subsidiary company of the company for at least three preceding years;*
- (b) Not being a person who is currently entitled to salary or remuneration from the company, except for allowances which members of the BOD are entitled to in accordance with regulations;*
- (c) Not being a person whose spouse, natural father, adoptive father, natural mother, adoptive mother, child, adopted child or sibling is a major shareholder of the company, or a manager of the company or its subsidiary company;*
- (d) Not being a person directly or indirectly* owning at least one per cent of the total voting shares in the company;*
- (e) Not being a person having been a member of the BOD or the Supervisory Board of the company for at least the preceding five years*

**《foot note》 “Indirect” means the owners of the shares are the persons who are defined in (c) above or having shareholding via some related companies where the person has its dominant share.*

- 4) *Check also the reasons for a BOD member’s absence are acceptable or not. Generally acceptable reasons are limited to followings:*
 - › Medical issues/illness;*
 - › Family emergencies;*
 - › The member has served on the board for less than a year; and*
 - › Missed only one meeting (when the total of all meetings is three or fewer).*

(Law & regulations to be referred)

Right and obligation of BOD members: LOE Art.149

Structure of BOD: LOE Art.134, 135, 150

Criteria for independence: LOE Art.151

Acceptable reasons for BOD member’s absence: LOE Art.153

1.8.2 Supervisory Board member

If a nominee fails to meet the criteria defined by law



vote Against

- 1) *Criteria for being the Supervisory Board member are as follows:*
 - a) *be legally competent and not be banned from business administration and enterprise establishment as prescribed by the LOE;*
 - b) *not be a spouse, birth parent, adoptive parent, birth child, adopted child, or sibling of any member of the Board, Director/General Director, or any other manager;*
 - c) *not hold managerial positions in the company;*
 - d) *satisfy other standards and conditions of relevant regulations of law and the company's charter;*
- 2) *In case of Joint Stock Company with a Supervisory Board,*
 - a) *at least 20% independent members shall be included in BOD*
 - b) *there shall be an Internal Auditing Committee affiliated to the BOD*

(Work steps)

- 1) *Check compliance of the candidates of BOD members with the criteria defined by law, and*
- 2) *Collect information about the candidate and evaluate the person's conduct in the past and compliance with the functional requirements before the vote*
- 3) *Report the vote to SCIC/HQ*

(Law & regulations to be referred)

Criteria for being a Supervisory Board member: LOE Art.164

In case of Joint Stock Company: LOE Art.134, 163

1.9 Discharge or removal of BOD member and Supervisory Board member

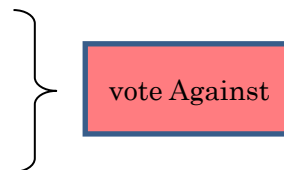
1.9.1 BOD member

In principle decide on a case-by-case basis

But if

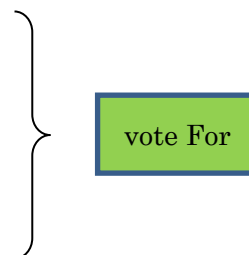
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- the BOD member is not contributing to increasing shareholder value for years, or
- the BOD member has failed in managing a company, or
- is under investigation for company mismanagement



If in case that the company is an investee company of SCIC and if it is the listed company or large public company, and
if the BOD member has

- not been paying due attention to the requirements of the Corporate Governance Code (CGC), and
- not complying for years with the CGC requested by SCIC, or
- not been complying for years with the disclosure of significant information required by law and regulations without any reasonable explanation.



(Note) “large company” here means the company whose charter capital is equal or more than 120 billion VND and having more than 300 shareholders (the same criteria of the largeness applied by the Ho Chi Minh Stock exchange).

(Work steps)

- 1) Confirm the companies’ status
- 2) Review and evaluate the conduct of the BOD member
- 3) Consider the possibility of nominating some other person to replace the director, consult with SCIC/HQ if you are not sure for finding some alternative candidate for the director and decide the vote
- 4) Report your vote to SCIC/HQ

(Law & regulations to be referred)

Independence of board members: LOE, Art.151, Law 14, Art.14, 31, 39;

Responsibility & obligations of BOD & control board: LOE, Art. 149, Decree 87, Art.27, Circular 121, Art.21; Law 14, Art.41-43, 45;

Membership composition: LOE. Art.150, Circular 121, Art.9, 10, 11, 29, 32, Law 14, Art.22-23, 28;

Membership nomination: LOE Art.135, Circular 121, Art.18;

Attendance rate: LOE, Art.149, 153;

Ranking of managerial person: Circular 200, Art 14;

1.9.2 Supervisory Board member

If the member is

- 1) no longer satisfies the standards and conditions for the appointment;*
- 2) fails to perform his/her rights and obligations for 6 consecutive months, except for force majeure events;*
- 3) tenders a resignation which is accepted;*
- 4) fails to fulfill his or her assigned duties or work;*
- 5) commits a material breach or committing a number of breaches of the obligations of a Supervisory Board member as stipulated in the law and the charter of the company;*
- 6) pursuant to a decision of the AGM*
- 7) other cases prescribed by the company's charter;*



(Work steps)

- 1) Collect information about his/her performance, note facts that clearly shows inappropriate management by the BOD member.*
- 2) If the company is an investee company of SCIC and is a listed company or large* public company, check whether he/she did not comply with the law or regulations as well as CGC of SCIC*
(Note) Large company” here means the company whose charter capital is equal or more than 120 billion VND and with more than 300 shareholders (the same criteria of the largeness applied by the Ho Chi Minh Stock Exchange)
- 3) Decide vote and, in case of making negative vote to the reappointment of the member, consult with SCIC/HQ before making the vote or before making a counter proposal to dismiss or replace the member*

(Law & regulations to be referred)

Selection & dismissal: Law 14, Art.25-27, 32-33, 36, 40;

Information disclosure: Circular 155, Art.3-6, Decree 87, Art.38-39, Law 70, Art.28;

Penalty for violation: Circular 155, Art.7;

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Responsibility of parent company: Circular 122, Art.8

Responsibility of directors: Decree 87, Art 27;

1.10 Appointment of Auditors, auditing companies or branch of a foreign auditing company in Vietnam to audit financial statements

- 1) First, collect information about the candidate as Auditors, auditing companies or branch of a foreign auditing company in Vietnam referring to the list of the Vietnam Association of Certified Public Accountants (VACPA), and evaluate his/her career and conduct in the past

and if

- 2) the Auditors, auditing firms, branches of foreign auditing firms in Vietnam are not qualified for independent audit according to the Law on Independent Auditing, or
- 3) the Auditors are involved in antisocial conduct in another company, or
- 4) employing the same Auditor over 3 consecutive years (three times in succession)



(Work steps)

- 1) Implement 1) above, ask his/her reputations to reliable sources of information including SCIC/HQ or other branches
- 2) Decide vote checking 2)-4) above and report to SCIC/HQ before making the vote

(Law & regulations to be referred)

Compulsory audit: Law 70, Art. 6, 13;

Independent auditors: Law 67, Art.9 etc;

1.11 Approval of M&A plan or approval of transforming, restructuring, dividing or dissolving the company

- 1) Decide on a case-by-case basis, raising questions to and discuss with the management of the company to clarify the details of the plan and its expected outcome

but In principle, if

- 2) the plan is endorsed by the independent (neutral) third party evaluation organization



and if

- 3) it is considered to produce negative influence on the profitability of the company and shareholder value



(Work steps)

- 1) *Check whether the plan is endorsed by independent (neutral) third party evaluation organization including an established consulting company or a main bank of the company*
- 2) *Study related prior discussions in the BOD meeting and consult or discuss if necessary with other major shareholders about the feasibility of the plan*
- 3) *Consult with SCIC/HQ and decide the vote*

(Law & regulations to be referred)

Restructuring of administration & organization: Decree 81, Art.16-17;

1.12 Ownership change

If the company requests AGM to approve the increase of ownership of shares by the foreign investors and

- 1) the request complies with the articles stipulated by law and regulations including international agreements that Vietnam is the member, or
- 2) is doing business in the conditional business sector for foreign investors but no specific limits are stipulated by law and regulations and foreign ownership in the company is maximum 49%, or

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- 3) belongs to the unrestricted foreign ownership limit and the maximum percentage of the foreign ownership is within the limit stipulated by the charter of the company, or
- 4) operates in multi-business lines with different provisions on foreign ownership ratio, then the foreign ownership ratio shall not exceed the lowest level of the line with provisions on foreign ownership ratio, unless an international treaty contains some other provision, and
- 5) in case of private offering, in addition to the conditions above the conditions of the offering of the company share satisfies the conditions stipulated by law and regulations



(Work steps)

- 1) *Review whether the request is comply with the law and regulations, and international agreements if any the Vietnam is the member*
- 2) *In case of the private offering, monitor the process to secure the fairness of the offering*
- 3) *If the state representative is not clear the compliance with law and regulations especially the international agreement, he/she shall consult SCIC/HQ*

(Law & regulations to be referred)

Decree 58/2012/ND-CP, Art.4

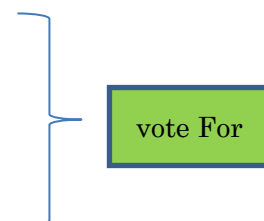
Decree 60/2015/ND-CP, Art 2, 4

1.13 Other shareholders' proposals

- 1) First, review the contents of the proposal and discuss its acceptability and feasibility among shareholders prior to the AGM
Vote shall be on a case-by-case basis,

If

- 2) the proposal is considered to contribute to enhancing the shareholder value and corporate governance of the company with reasonable cost, or
- 3) the proposal is to enhance the protection of shareholders, including strategic shareholders



but if

- 4) it is not sure whether the expected outcome is positive or not, or
- 5) It is proposed by a shareholder or a group of shareholders holding less than 10% of total shares of the company or holding 10% or more of total shares of the company but shorter than 6 consecutive months (or smaller percentage in comply with the Company Charter), or
- 6) the proposal is not sent by document at least 3 working days before the AGM

vote Against

(Work steps)

- 1) *Implement 1) above and consult with SCIC/HQ for the vote*
- 2) *Contact and discuss with the management if necessary informing the opinion of or instruction from SCIC/HQ*
- 3) *Vote and report the outcome to SCIC/HQ*

(Law & regulations to be referred)

Shareholders' proposal: LOE, Art.138;

2 Remuneration

2.1 Approval of remuneration and remuneration cap for BOD members and Supervisory Board members

If

- 1) the remuneration plan (cap) includes BOD members and Supervisory Board members who are responsible for any of the following situation:
 - (i) obvious business failure of the company, or
 - (ii) share price of the company have been depressed for years, share price is declining sharply, or
 - (iii) business performance has apparently worsen, or
 - (iv) conducted acts against shareholder value, or the percentage of increase in remuneration is higher than that of the increase of enterprise value, or
 - (v) the company committed antisocial conduct, or

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- 2) the payment of remuneration and bonus based on the performance for the year will be implemented before the termination of the accounting for the year



(Work steps)

1) If it is the case of 1) and 2) above report to SCIC/HQ in due course that you will vote against before AGM

2) Make the vote and report it to SCIC/HQ

(Law & regulations to be referred)

Wage of BOD & SB: Circular 121, Art. 13, 16, 22

2.2 Equity compensation plan

- 1) Pay attention to the contents of the compensation plan and report in a timely manner to, and closely communicate with SCIC/HQ to evaluate the impact of the equity compensation plan and possible dilution of existing stocks
- 2) and if the proposal to allow stock options
- (i) includes giving stock options to independent directors or auditors or persons who have no involvement with the improvement of the business performance of the company, or
 - (ii) is exercised by lower price than the market price, or book value except for cases that law or regulation permit, or
 - (iii) total amount of the proposed stock option will lead to the dilution of existing shares more than the level specified by SCIC, or
 - (iv) the total amount of issued shares under the proposed stock option to employees within 12 months will exceed 5% of the number of currently circulating shares of the company



(Work steps)

1) Review the compensation plan and send it to SCIC/HQ in a timely manner

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- 2) *Study the contents and contact with other major shareholders to ask their opinion about the plan (Ref. KRI Chapter 4-II)*
- 3) *Consult with SCIC/HQ for the vote informing the opinions of other major shareholders; if cases are 2)-5) above vote shall be against*
- 4) *Make vote and report the result to SCIC/HQ*

(Law & regulations to be referred)

Equity compensation by public companies: Circular 162, Art.35;

2.3 Setting or revising the maximum dilution level for the Employee Stock Ownership Plan (ESOP)

If

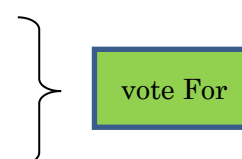
- 1) the total amount will exceed a percentage (maximum of 5% of the number of currently circulating shares of the company within 12 months by law or a percentage specified by SCIC lower than 5%) of paid-up capital of the company, or
- 2) the criteria of the allocation scheme or the calculation formula is not disclosed, or
- 3) the company has insufficient capital sources for implementation on the basis of audited financial statements for the most recent period from the following sources: (a) surplus capital, (b) investment and development fund, (c) undistributed after-tax profit, and (d) other funds (if any) used to supplement the charter capital in accordance with law, or
- 4) a vesting period for exercising ESOP is not set, or longer than 3 months* without getting approval by the State Security Commission and condition that these benefits shall be removed from resigned employees, or the staggered period is not decided by the company

(*Note that SCIC will recommend a company to allow a staggered period of over 3 years, in line with the international practice.)



But if

- (i) *the issue plan fulfils the requirements of regulations, and*
- (ii) *no accumulated loss is recorded in the latest financial statements of the company, and*
- (iii) *the issue plan is approved by SCIC*



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(Work steps)

- 1) *Collect information about the plan and study whether the case is 1)-4) and (i)-(iii) above (Ref. KRI Chapter 5)*
- 2) *Report the plan and your vote to be made to SCIC/HQ before voting*
- 3) *SCIC/HQ shall set the percentage limit and calculation formula, and/or criteria for allocation scheme that SCIC will agree and inform them to State Representatives well before the AGM (better to include in this VG)*

(Law & regulations to be referred)

Stock option by public companies: Circular 162, Art.35;

3 Article amendments

3.1 Amendment of statute (Charter), including expansion of business activities

- 1) Decisions shall be made on a case-by-case basis.
- 2) To evaluate the appropriateness of such proposition
 - ⇒ discuss in detail the proposed amendment of charter or the plan and question the purpose and expected outcomes prior to the AGM, and
- 3) decide how to vote consulting with SCIC/HQ when necessary

When the amendment includes

- 1) a clause that will enhance and modernize the corporate governance of the company, including the appointment of independent BOD members, or
- 2) protection of the rights of shareholders and contribution to the increase of shareholder value, or
- 3) a clause that provides rights for a strategic shareholders such as preferred price, controlling ownership percentage, or veto rights, which are considered as fair compensation for the obligations imposed on, or the commitment made by, strategic shareholders



but if the amendment

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- 1) is related to the continuous low business performance of the company or
- 2) aims to let the company enter into a risky business that is not related with the core business of the company, or
- 3) includes a clause that will increase the remunerations of BOD members but not include any increase of shareholder value, or
- 4) includes issues that do not comply with law and regulations



(Work steps)

- 1) *Collect information about the amendments; contents, purpose, reasons, and expected outcomes from the company*
- 2) *Consult with SCIC/HQ about the appropriateness of the amendments to be proposed*
- 3) *Discuss with major shareholders if necessary*
- 4) *Decide the vote and report the result to SCIC/HQ*

(Law & regulations to be referred)

Charter amendments: LOE Art.135

3.2 Reduction of BOD members' term in office

- 1) Term of BOD members exceeds 5 years and not *in comply with regulations unless otherwise defined by the company charter* }

```
graph LR; A[ ] --> B[vote Against];
```

but as for shortening of the term of a BOD member

- 2) if the impact on the shareholder value is not negative

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graph LR; A[ ] --> B[vote For];
```

furthermore,

- 3) an independent BOD member has been engaging in the same company for long-term (5 years and longer)

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graph LR; A[ ] --> B[vote Against];
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and

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- 4) the assignment period as an independent director **had better not be too short**, so that make the director have had enough time and opportunity to fulfill his/her expected role in the company

(Work steps)

- 1) *Study the need of the amendment; whether the case is 1)-4)*
- 2) *If case is 1)-3), report SCIC/HQ that you will vote against to such proposal before making vote*
- 3) *SCIC/HQ will decide the appropriate assignment period for independent directors and inform it to State Representatives in advance to the AGM (better to clearly state it in this VG)*

(Law & regulations to be referred)

Term of BOD members: LOE, Art.150, 151;

3.3 Board structure and decrease in the maximum board size

- 1) Collect detailed information prior to the AGM and consult with SCIC/HQ on how to vote, and whether to vote for or against
and
- 2) judging the appropriateness of the amendments about the Board structure, including the addition of more conditions to remove a BOD member or a significant change in the number of BOD members



vote case-by-case

(Work steps)

- 1) *Collect information about the needs and discussions related to the revision of the BOD structure and consider the appropriateness of the restructuring*
- 2) *Discuss with BOD members about the needs, if necessary, and consult with SCIC/HQ about your decision to vote for or against the proposal*

(Law & regulations to be referred)

Board structure: LOE, Art.150, 163; Decree 81, Art. 17-18, Circular 121, Art.11, 19, 30;

Sub-department: Circular 121, Art.32

3.4 Disclosure of information

- 1) Pay attention to the contents and methodology of disclosure of the company,
- 2) Discuss with SCIC/HQ about the disclosure practices by other companies in the portfolio of SCIC,
- 3) Exchange opinions with other shareholders about the contents and methodology of supplying information to external investors

and when

- 4) BOD proposes to the AGM an amendment of charter that includes a clause to improve the contents of annual report, financial statement, etc., which will level up the disclosure of activities of the company and contribute to enhancing dialogue with shareholders



(Work steps)

- 1) *Study about the disclosure requirements by law and those of the Stock Exchange in case of listed companies, review the contents of disclosure of the company and check the procedure of deciding the contents as well as the compliance with the required procedures for disclosure (refer to the Circular No.155/2015/TT-BTC, Articles 3-11, and the Decree No. 81/2015/ND-CP, Articles 12-19.*
- 2) *Discuss with SCIC/HQ and exchange opinions about the contents and procedure of disclosure of the company with other major shareholders if necessary before the vote*
- 3) *In case that you will disagree the contents and/or procedure of deciding the contents of disclosure of the company, inform SCIC/HQ about your decision to vote against the agenda of the AGM before the vote*

(Law & regulations to be referred)

Rules & methods of disclosure: Circular 155, Art.3-11, Law 70, Art.100-104, Decree 61, Art. 25-28, Circular 52, Art.3-13, 15-17, 33 etc;

Publishing method: Decree 81, Art.12-19

4 Share Issuance Request

4.1 Increase of the charter capital

- 1) Collect detail information and reasonable explanation about the plan of the increase of charter capital from the management
- 2) consult with SCIC/HQ to calculate the expected level of the limit of share issuance (to avoid the dilution of the value of shares and for protecting the rights of SCIC as a shareholder)

and if

- 3) it is obvious that the issuance will damage the shareholder value, or
- 4) the case is as follows, without any reasonable explanation:
 - (i) the dilution of the shares is large and damages the shareholder value, or
 - (ii) the order of SCIC among shareholders will be changed as the result of the share issuance and SCIC will be placed into a more disadvantageous position than before as a result of the issuance



vote Against

- 5) Case-by-case but if
 - (i) the purpose of the increase is proposed as an anti-takeover defense measure, or
 - (ii) the company is listed as a company to be divested in a year by SCIC, or
 - (iii) the implementation time of issuance of share is not specified



in principle vote Against

(Work steps)

- 1) *Check the explanation/reasons about the plan to increase the charter capital, consult with SCIC/HQ whether to accept the plan or not*
- 2) *Decide the vote based on the cases 3) - 5) indicated above and inform your decision of the vote to SCIC/HQ before AGM*

(Law & regulations to be referred)

Issuance of shares: LOE, Art.113, 117

4.2 Approval to authorize the Board to issue or repurchase shares or grant a general mandate to the BOD to issue shares

- 1) Monitor related discussions in the BOD and understand the objective of such decisions to consider the appropriateness

If it is proposed

- 2) to entrust such decisions to the BOD



in principle vote Against

but if it is proposed

- 3) to redeem its own share to use as treasury shares of more than 10% but not more than 30% of the total number of issued ordinary shares, or to ask for the approval of the BOD for redeeming 10% or less of the total number of issued ordinary shares in each 12-month period, and if the impact of such redemption might not be negative for SCIC



vote For

(Work steps

- 1) *Review the reasons of the proposal and judge whether they are appropriate or not*
- 2) *If the case is as 3) stated above vote for but it is not such a case, vote against*
- 3) *Inform your judgment to vote for or against to SCIC/HQ before making the vote in AGM*

(Law & regulations to be referred)

Repurchase of shares: LOE, Art.130, 135; Decree 58, Art.37; Decree 60

4.3 Approval to repurchase shares

If

- 1) the repurchase of shares of the company will increase shareholder value of the company and comply with law and the charter of the company



in principle vote For

But as repurchase of shares is an easy way to increase nominal return on equity (ROE)

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if

- 2) *the increase of ROE is not the result of increase of profit as the result of strengthened competitiveness of its core business it will not help strengthen the real profitability of the company*



(Work steps)

- 1) *Review the plan of repurchasing shares, consult with SCIC/HQ about the expected outcome, whether it will increase the value of shareholders or not*
- 2) *If it is obvious that the plan will increase the value, vote for and inform SCIC/HQ about the vote*
- 3) *But if it is not clear whether the repurchase will increase shareholder value, consult with SCIC/HQ before making the vote to decide for or against*

(Law & regulations to be referred)

Repurchase of shares: LOE, Art.130, 135; Decree 58, Art.37;

4.4 Creation or modification of preferred shares

- 1) *Require an explanation from the BOD about the purpose of the creation or modification of shares of different classes*
- 2) *evaluate the effect that it will cause to the existing shareholder value, consulting with SCIC/HQ if necessary*

If it is requested

- 3) *to create or modify shares of different classes without any reasonable explanation about the purpose of the creation or modification*
- 4) *the expected holding entities/person of the voting preference shares are not the organizations authorized by the government and founding shareholders, or*
- 5) *the persons to buy shares with preferred dividends, redeemable preferred shares, and other preferred shares are not prescribed by the company's charter or the AGM*



(Work steps)

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- 1) *Review the explanation/reasons of the purpose of creating preferred shares or modifying them*
- 2) *Evaluate the effects to the existing shares as the result of such plan, if the cases are such as stated 1)-3) above vote against*
- 3) *Inform the vote to SCIC/HQ before making the vote at the AGM*

(Law & regulations to be referred)

Creation of shares: LOE, Art.113, 117

5 Miscellaneous items related to the AGM (related to the items considered to be AGM approval matters by the Charter of the company)

5.1 if the item does not satisfy the requirements in the Charter, Law on Enterprise and other regulations



5.2 Approval of establishing branches & representative offices, when if the size of related investments is considered too large compared to the financial or business capability of the company



(Work steps)

- 1) *In case of 5.1, your vote shall be against*
- 2) *In case of 5.2, collect data of other companies in the same industrial sector, consulting with SCIC/HQ if you do not have enough information, and compare the size of the investment and business capacity of the company, such as availability of human resource, financial capability, support from its parent or related company, etc.*
- 3) *When you decide the vote for case-by-case issues, report SCIC/HQ before making the vote at AGM*

(Law & regulations to be referred)

Establishing branches & representative offices: LOE, Art.56, 149;

(End)

Annex: Analytical breakdown of ROE

ROE = net profit / own capital = EPS (earnings per share) / BPS (book-value per share)
= PBR (price to book-value ratio) / PER (price earnings ratio)

ROE = (net profit / sales) x (sales / total assets) x (total assets / own capital)

Factors that affect ROE are:

- (1) Net profit rate ----- (1-1) profit rate before tax
 - (1.1.1) gross profit margin
 - (1.1.2) ratio of cost to sales
 - (1.1.3) ratio of administrative and selling expense to sales
 - (1.1.4) operating income to sales
 - (1.1.5) EBIT margin
 - (1.1.6) EBITDA margin
- (1-2) effective income tax rate
- (2) Turnover ratio of sales--- (2-1) current asset turnover ratio
 - (2.1.1) stock (inventory) turnover period (days)
 - (2.1.2) collection period of cash
- (2-2) fixed asset turnover ratio
 - (2.2.1) operating ratio (percent of capacity use)
 - (2.2.2) yield rate
 - (2.2.3) investment
 - (2.2.4) sales per unit space
- (3) Financial leverage---- (3-1) interest bearing liability ratio
- (3-2) interest bearing liability / EBITDA
- (3-3) interest coverage ratio
- (3-4) core-Tier 1 ratio
- (3-5) foreign currency funding

Risk management framework for new investment of SCIC

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The information described in this document shall be adopted under your own responsibility.

Chapter1 Purpose

This document describes the risk management framework with focusing on the Key Risk Indicator for new investment of SCIC (hereinafter “the KRI”).

- KRI: Measure used in management to indicate the quantitative or qualitative check point to complied with when doing new investment.

Chapter2 Assets subject to this framework, Control method and Organizational risk management framework

I. Subject assets

The subject assets of this risk management framework with focusing on the KRI is as follows;

- Project investment
(The main investments until 2020)
- Investments in financial assets such as bond and stock
(The main investments after 2020)

* Target investments exclude the transaction relating to the followings.

- Funds for support of arrangement and development of enterprises
(SOE Restructuring fund).
- Loss is not posted in SCIC.

II. Control method

The following controls are applied to the KRI for each subject assets.

Soft Limit	<ul style="list-style-type: none">• To monitor the compliance• In cases violation occurs, the reason of the violation shall be confirmed; and what needs to be done thereafter shall be determine.
Hard Limit	<ul style="list-style-type: none">• The limit that must be complied• If violation is occurred, subject assets must be sold.

III. Organizational framework

Investment Department shall apply the KRI to investment decisions. After the investment execution, Investment Department shall monitor the KRI in order to consider whether to continue that investment.

If Investment Department makes investment decision, Risk Management shall monitor the KRI independently in order to oversee the Investment Department's decision. After the investment execution, Risk Management shall monitor the KRI independently for the confirmation of Investment Department's observance of the KRI.

Then Risk Management shall give the warning in case of the judgment between Investment Department and Risk Management is different.

Internal Audit shall review the status described above.

Chapter3 Investment limit

Based on the investment policy and investment strategy of SCIC, SCIC shall set the investment limit of the following items, and ensure that each KRI shall be complied.

*Management of the balance evaluation by the most recent market value

I. Investment limit by industry type and Subject assets, etc.

SCIC shall set the investment ceiling by the following items. Specifically, "Key industries and fields", "Projects, Industries and Fields with economic efficiency", "Subject assets", "Industry type" and by soft limit/hard limit

Control	Item		KRI						Monitoring frequency
			2016	2017	2018	2019	2020	2030	
Hard Limit	Key industries and fields		70%						Whenever transaction is executed / Annually
	Projects, industries, and fields with economic efficiency		30%						
Soft Limit	Subject assets	Stoks· Project investment	74.0%	75.7%	78.3%	79.2%	81.2%	82.0%	
			13.0%	15.2%	16.9%	16.0%	14.0%	15.0%	
		Bond	* The investment ratio of fixed-rate bonds and floating-rate bonds will not be KRI for the time being. SCIC should consider to make KRI to regulate the investment ratio of fixed-rate bonds and floating-rate bonds if the investment to fixed rate bond will be increased.						
			Maturity	Fixed rate bond :Equally held to 1-5 years					
		Liquid assets	13.0%	9.1%	4.8%	4.8%	4.8%	3.0%	
		Industry type	Financial Services	8%					
	Industry - Construction		11%						
	Healthcare		15%						
	Telecommunications/Electric		14%						
	Consumer products		13%						
	Information technology		15%						
	Water - Electric - Gas		13%						
	Other efficient industries and fields		11%						

(Source)

- ✓ "Key industries and fields "and "Projects, industries, and fields with economic efficiency"
Phần 2 / I / 3. / 3.3. Định hướng đầu tư.
- ✓ "Subject assets"
Bảng: Tỷ trọng tài sản giai đoạn 2016–2020 và định hướng 2030
- ✓ "Industry type"
Bảng: Tỷ trọng tài sản giai đoạn 2016–2020 và định hướng 2030

II. Investment Concentration Limit by single name

From the point of view of the suppression of the downside risk, SCIC shall set the investment limit for concentrated investment to the single name.

Control	Item	KRI	Detail	Monitoring frequency
Soft Limit	Securities	<p>① The assets to the same issuer shall not exceed 10%.</p> <p>However,</p> <p>② The total value of the assets held by SCIC in the issuer in each of which it invests more than 5% shall not exceed 40%. In other cases, the assets to the same counterparty shall not exceed 5%.</p> <p>* Item/Stock taken over from government is exempt from this Investment Concentration Limit.</p>	All investment ratio shows the percentage of net assets.	Daily
	Deposits and government bonds	20%		

(Source)

✓ DIRECTIVE 2001/108/EC / 10.Article 22.

Chapter4 Risk management for project investment, stock investment and bond (hereinafter excluding government bonds) investment

SCIC shall set KRI based on "regulations on investment decisions of SCIC," and "SCIC ERM Policy".

Regarding the insufficient points in the above regulations, SCIC add supplements KRI from different points of view that are not prescribed in the said regulations.

I. Project Investment

○ Quantitative criteria

Control	KRI	Detail	Monitoring frequency
Soft Limit	IRR	Vietnamese '5 Government bond yields +2% * SCIC shall implement the interest rates depending on the investment period as IRR in the future.	By half-year
	Delay period	Period required for legal proceedings: 6 months or more	Monthly
		Enforcement period : 12 months or more since the investment decision is made.	
	Excess of cost	Excess of cost is 30% or more comparing to the initial budget	Quarterly
	Profit after tax	<ul style="list-style-type: none"> Profit after tax is less than 95% of the initial budget. Loss of risk (such as delay, excess of cost and so on) is more than 0.2% of previous profit after tax. 	
	Revenue	<ul style="list-style-type: none"> Revenue is less than 95 % of the initial budget Loss of risk (such as delays, excess of cost and so on) is more than 1% of previous revenue. 	
Hard Limit	Scale of investment	<ul style="list-style-type: none"> In compliance with the existing law on the equity ratio. 	As soon as an event occurs

○ Qualitative criteria

Control	KRI	Detail	Monitoring frequency
Soft Limit	「regulations on investment decisions of SCIC」 Chapter 2, Article 5	Qualitative items that are prescribed in the section of “the project investment activities”	Quarterly
	Project analysis	<ul style="list-style-type: none"> • SCIC can involve the management of the investee (i.e. “hands on”).For example. The directors are dispatched. • There was not any delay of construction in the past. The contractor has the ability to complete the construction. • The project is carried out in accordance with the governmental policies. • There is not any significant fact that may affect the progress of the projects such as expropriation of land 	
	Compliance check	There is not any disrepute information of companies and executives.	

II. Stock and bond investment

○ Quantitative criteria

• Stock investment

Control	KRI	Detail	Monitoring Frequency
Soft Limit	ROE	ROE is more than industry average and economic grows rate.	Quarterly
	ROI	ROI is more than industry average.	
	Credit rating	Above BBB (if any)	

• Bond investment

Control	KRI	Detail	Monitoring Frequency
Soft Limit	Credit rating	BBB or higher (if any)	Quarterly
	Interest level	Vietnamese '5 government bond yields + 2%	Daily
	Maturity	<ul style="list-style-type: none"> Only within five years to redemption Portfolio of the fixed-rate bond Equally held of each maturity (from 1 year to 5 years). 	

○ Qualitative criteria

- Stock and bond investment

Control	KRI	Detail	Monitoring Frequency
	Investment grade / Non-investment grade	Invest only in investment grade stock and bond. (if any) * If SCIC will implement investment grade system in the future, SCIC should consider to alter Soft Limit to Hard Limit.	Quarterly
Soft Limit	「regulations on investment decisions of SCIC」 Chapter 2, Article 6・7・8	Qualitative items that are prescribed in the section of “the stock and bond investment activities”.	
	Corporate analysis	<ul style="list-style-type: none"> • Is financial information disclosed periodically? (half-year or quarter) • Is there any negative audit opinion? • Is business plan disclosed? • The sales and profitability trends are not less than industry average. • Is loss in 2-year succession recorded? Is this loss temporary? • The capital adequacy ratio is more than industry average. • Other additional analysis is required (e.g. in real estate, determine whether the project is behind the schedule) 	
	Compliance check	There is not any disrepute information of companies and executives.	

Chapter5 Loss-cut rule

SCIC shall set the loss cut point. Then the policy for "judgment of sale" shall be considered.

- Listed stock (*)(**)

Control	KRI	Detail	Monitoring Frequency
Soft Limit	Listed stock's rate of decline of the price since the acquisition	5% or more and less than 10% (Reporting to : Relevant department Middle management)	Daily
		10% or more and less than 21% (Reporting to: Senior management)	
Hard Limit		21% or more. (Reporting to: Board meeting /CEO)	

(*) Loss-Cut Rule will not be applicable to the medium/long term stock owned by the strategic reason. It shall be regulated by other quantitative and qualitative criteria. In this case, the investment purpose must be specifically defined as "medium/long term stocks" and segregated management is required.

(**) Loss-Cut Rule will not be applicable to unlisted stock. Unlisted stock shall be regulated by other quantitative and qualitative criteria.

- Listed Bond(excluding government bonds)

Control	KRI	Detail	Monitoring Frequency
Soft Limit	Bonds rate of decline of the price since the acquisition	5% or more and less than 10% (Reporting to: Relevant department Middle management)	By half-year (Regardless of the above, SCIC shall monitor as soon as an event occurs.)
		10% or more and less than 21% (Reporting to: Senior management)	
Hard Limit		21% or more. (Reporting to: Board meeting /CEO)	

- (*) Loss-Cut Rule will not be applicable to unlisted Bond. Unlisted bond shall be regulated by other quantitative and qualitative criteria.

Chapter6 Staff turnover and Enrollment period

For preventing the growth of fraud risk by prolonged enrollment period, SCIC shall set the KRI for the enrollment period.

According to Vietnamese law and regulations, in order to prevent civil servants from any fraudulent conduct and to allow them to gain sufficient experience of different roles, the enrollment period is set at 03 years for management position.

SCIC shall refer to Vietnamese law for the enrollment period of management.

Staff in charge of investment takes roughly about 7 years to become proficient.

Control	KRI	Detail	Monitoring Frequency
Soft Limit	Enrollment period	Management: 3 years	By year
		Staff in charge of investment: 10years	

Chapter7 Organizational Risk Management Frameworks

I. Segregation of Duties

- In order to prevent fraudulent conduct and failed transaction processing, it is necessary for relevant departments and individuals to check/monitor one another.

II. Separation of the organization and the authority

- To ensure the separation of the organization between front office (dealers) and back office (administrative functions) for preventing fraud.
- Placement of the prohibition on executing order of the transaction by decision maker of the investment.

III. Mutual confirmation of the transaction statements

- Back office shall gain the transaction statement directly from counterparty and check with the statement of the front office for preventing dealer's fraudulent transaction,

IV. Access Control to the front office

- Carrying out the entrance and exit control for front office (e.g. fingerprint authentication)

V. Preventing the insider trading

Regarding the insider trading on individual account, all SCIC executives and employees (not only the executives and employees relating to the investment) shall be regulated and managed.

Main things to be regulated and managed are as follows.

- Placement of the prohibition on the execution of buy and sell of the stocks and bonds by SCIC executives and employees who gained the information on the material fact.
(*) Material fact: The fact before the publication that includes the information of the SCIC's investment plan to any issuers.

- Transaction is prohibited even if there is no relation between the transaction and the material fact. For example, even the transaction for conversion into cash and the transaction by self-determination are prohibited.
- To obligate the reporting of the all owned securities and each transaction to SCIC by all executive and employees.
- Reporting shall be done whenever buying and selling the securities is executed.
- In cases the transaction value is worth VND 50,000,000 and above (at which the reporting must be made at year end), the transaction must be reported.

VI. General provisions

- Management framework described in this document and the status of implementation shall be subject to annual review by internal auditors.
- Management framework described in this document shall be revised whenever the investment strategy of SCIC has been changed.

Chapter8 Future risk management and operational framework

SCIC will be required to consider to further sophisticate the risk management relating to the subject assets, from the perspective of market risk, liquidity risk and credit risk and so on.

The matters required for consideration are as follows.

I. Future risk management framework

A. Market Risk

- If the types of assets to be invested will be extended, SCIC shall be required to consider to develop the quantitative risk analysis framework for example utilizing VaR.

B. Liquidity Risk

○ Financing structure

- SCIC will be required to grasp the status of financing needs depending on financing structure.
By grasping the status of financing needs, SCIC will be able to consider whether to make investments in liquid assets or illiquid assets.
For example all financing is procured from stock, all subject assets can be illiquid assets.
- For the time being, all procurement of SCIC is from stock, therefore subject assets can be illiquid assets. However if SCIC will expand the financing method to non-equity finance, SCIC will be required to manage liquidity risk relating to financing structure.

○ Replacement of stocks

- If SCIC will perform replacement of assets in a relatively short period of time, it is assumed that SCIC will hold highly liquid assets of a certain percentage.

- In this case, from the viewpoint of market and liquidity, the percentage of the SCIC's holding amount against issue amount will be required to be monitored.
- Although SCIC has the investment policy that assumes a long-term investment (bonds are held-to-maturity), if SCIC will perform replacement of assets in a relatively short period of time, it will be required to manage it from the viewpoint of liquidity buffer.

C. Credit risk

- In order to determine the credit risk of subject assets, SCIC will be required to consider the risk management framework for development of the scoring model.
- For the development of the scoring model, the accumulation of data relating to default events will be required.
- By applying the above-mentioned risk management framework, the management of counterparty risk (stock brokerage) can be conducted.

D. Operational Risk

- Dealer' telephone conversations will be required to be recorded and stored.
- It will be prohibited to bring in of personal handy phone and other personal belongings.
(Personal belongings will be required to be put in a transparent bag, if it will be necessary to bring in.)
- Information passing using the storage medium will be prohibited.
- For preventing the failed transaction processing, preparation of the procedure manual and thorough double check will be required.

II. Future operational framework

A. Investment in the fund

- For preventing substantial losses when the event risk occurs, investment in the fund will be required to be considered.