

**RESOLUTION OF THE BOARD OF DIRECTORS**  
**“Re: The promulgation of the Internal Audit Regulations”**

**THE CHAIRMAN OF THE BOARD OF DIRECTORS**  
**PHAT DAT REAL ESTATE DEVELOPMENT CORPORATION**

**Pursuant to:**

- *The Law on Securities No. 54/2019/QH14 dated 26<sup>th</sup> November 2019;*
- *The Law on Enterprises No. 59/2020/QH14 dated 17<sup>th</sup> June 2020;*
- *Decree No. 05/2019/NĐ-CP dated 22<sup>nd</sup> January 2020 of the Government on internal audit;*
- *Circular No. 66/2020/TT-BTC dated 10<sup>th</sup> July 2020 of the Ministry of Finance on introducing sample Regulations on internal audits for corporate use;*
- *The Charter of Phat Dat Real Estate Development Corporation (“the Company”);*
- *Decision No. 09D/2021/QĐ-HĐQT dated 31<sup>st</sup> March 2021;*

**RESOLVED**

**Article 1:** To promulgate the Internal Audit Regulations attached to this Resolution.

**Article 2:** Members of the Board of Directors, the Audit Committee, the Internal Audit Unit, and the Board of Management, and related parties of Phat Dat Real Estate Development Corporation and its subsidiaries are responsible for implementing this Resolution.

*This Resolution takes effect from the date of signing.*

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

Recipients:

- *As stated in Article 2*
- *Company’s Archives*

*(Signed and sealed)*

**NGUYEN VAN DAT**



**PHATDAT**  
CORPORATION  
Real Estate Development

**REGULATIONS ON INTERNAL AUDIT**  
**PHAT DAT REAL ESTATE DEVELOPMENT CORPORATION**

*(Issued under Decision No. 26/QĐ-HĐQT  
30th June 2021 of the Board of Directors)*

**Ho Chi Minh City, 30th June 2021**

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Pursuant to:

- The Law on Securities No. 54/2019/QH14 ratified by the National Assembly on 26<sup>th</sup> November 2019 (“**Securities Law**”);
- The Law on Enterprises No. 59/2020/QH14 ratified by the National Assembly on 17<sup>th</sup> June 2020 (“**Enterprises Law**”);
- Decree No. 155/2020/ND-CP dated 31st December 2020 of the Government on detailing and guiding the implementation of a number of articles of the Law on Securities (“**Decree 155**”);
- Decree No. 05/2019/NĐ-CP dated 22nd January 2019 of the Government on internal audit (“**Decree No. 05**”)
- Circular No. 66/2020/TT-BTC dated 10<sup>th</sup> July 2020 of the Ministry of Finance on introducing sample Regulations on internal audits for corporate use (“**Circular 66**”);
- Circular No. 08/2021/TT-BTC dated 25th January 2021 of the Minister of Finance on promulgation of Vietnamese Standards and the code of ethics for internal auditing (“**Circular 08**”)
- The Charter of Phat Dat Real Estate Development Corporation (“**the Charter**”);

## **CHAPTER I GENERAL PROVISIONS**

### **Article 1: Scope of governance**

This Regulation prescribes the purpose, scope of operations, positions, duties, authorities, and responsibilities of the internal audit of Phat Dat Real Estate Development Corporation (“the Company”) and its Subsidiaries and the relationship with other unit/departments including the scope and method of providing information serving the audit; which specifies the independency, objectivity, basic principles, and requirements on expertise and quality assurance of the internal audit and other related content.

### **Article 2: Subjects of application**

This Regulation is applicable to all members of the Internal Audit Committee of the Company and units/divisions and individuals involved in internal audit activities within the Company and its Subsidiaries.

### **Article 3: interpretation of terms**

1. “Audit Committee” means the specialized unit under the Board of Directors as prescribed in the Enterprise Law, the Company’s Charter and the Operational Regulation of the Board of Directors.
2. “Internal Audit” means the inspection, evaluation, and supervision of the adequacy, appropriateness and effectiveness of internal control.
3. “Internal Audit Unit” means the functional unit performing the internal audit of the Company.
4. Head/Person incharge of the Internal Audit Unit (collectively referred to as “Head of the Internal Audit Unit”) means the head of the Internal Audit appointed by the Board of Directors and shall be responsible for the effective management of the internal audit activities according to the provisions of this Regulation.
5. “Internal Auditor” means a person performing tasks of internal audit of the Internal Audit Unit and a person appointed by the Internal Audit Unit to perform tasks of internal audit (*depending on the scope of the audit*).

6. Relevant persons of internal auditor mean natural father, natural mother, adoptive father, adoptive mother, father-in-law, mother-in-law, spouse, natural children, adoptive children, daughters-in-law, sons-in-law, biological brothers, biological sisters, brothers-in-law, sisters-in-law.

#### **Article 4: Purpose of internal**

By means of carrying out inspection, assessment and consulting activities, the internal audit shall come up with assurances of independence and objectivity and recommendations about the followings:

1. The established internal audit system of the Company must be operated in an appropriate manner in order to prevent, detect and handle risks to which the Company may be exposed;
2. Management and risk management processes of the Company must ensure efficiency and high performance;
3. Operational and strategic objectives, plans and missions that have been fulfilled by the Company.

#### **Article 5: Scope of internal audit**

1. Internal audit includes the provision of independent, objective consultancy and assurance designed to add value to and improve the Company's operations. Internal audit helps the Company achieve its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, management process and control process.
2. The scope of the internal audit includes, but not limits to, examining and evaluating the adequacy and effectiveness of governance, risk management and internal control, as well as the efficient attribute in the discharge of assigned responsibilities and recommendations for improvement to achieve the Company's goals and objectives.
3. Scope of the internal audit includes:
  - a) Providing assurance by ways of examining and evaluating the adequacy and effectiveness of governance, risk management and internal controls to help the Company achieve strategic, operational, compliance and financial objectives:
    - To monitor and evaluate management processes.
    - To monitor and evaluate the effectiveness of risk management and legal compliance of the Company and Subsidiaries.
    - To assess risks related to the fulfilment of the Company's strategic objectives.
    - To evaluate systems in place to ensure the compliance with policies, plans, procedures, laws, financial and accounting regimes, and regulations that may have a significant impact on the Company.
    - To check and confirm the quality and accountability of economic and financial information included in the financial statements and management accounting reports before submission.
    - To evaluate means of safeguarding assets and verify their presence as needed.
  - b) Reporting significant risks and control issues including risks of fraud, management issues and other matters as needed or as required by the Board of Directors, Audit Committee and the Chief Executive Officer.
  - c) Providing in-depth analysis and recommendations based on the assessment of the Company's data and processes:

- To assess the accountability and integrity of information management systems and the means used to identify, measure, classify and report such information.
  - To analyze activities or programs to determine whether results are consistent with established goals and objectives.
  - To evaluate whether activities or programs are carried out as planned.
  - To evaluate the efficiency and effectiveness of the use of resources.
- d) Providing consultations and recommendations independently and objectively: Carry out consulting activities related to management, risk management, and internal control processes suitable to the Company.
- e) Conducting audits, including pre-audit, concurrent audit and post-audit. Depending on the audit subjects, the planning for internal audits may combine pre-audit, concurrent audit and post-audit.
- Pre-audits shall be carried out before the implementation of projects, programs, and operational plans of the audited units/departments in order to assess the reliability of information, documents, economic factors, feasibility, and effectiveness of projects, programs, and operational plans, providing managers with reliable information in the course of making decisions.
  - Concurrent audits shall be carried out during the implementation of projects, programs, and operational plans of the audited unit/department in order to assess the progress and quality of the implementation process; concurrent audits promptly detect and recommend measures to correct deviations, shortcomings and weaknesses during the implementation of projects, programs, and operational plans in order to ensure the best achievement of objectives set in the project and plan of the audited unit/department.
  - Post-audits shall be carried out upon completion of the project, program, operation plan of the audited unit/department in order to fulfill the contents and objectives of the audit of financial statements, audit of compliance, and audit of the performance of the audited unit/department.
- f) Advising the Board of Directors in selecting and supervising the use of independent audit services to ensure cost-effectiveness and work efficiency.
- g) Periodically reporting the purposes, powers, responsibilities, and performance of the Internal Audit Unit in relation to its operational plan.
- h) Inspecting and evaluating specific activities at the request of the Board of Directors, the Audit Committee, and the Chief Executive Officer.

## **Article 6: Fundamental principles of Internal Audit**

### 1. Independence:

- a) An internal auditor shall not concurrently undertake tasks subject to the internal audit. Internal audit is not subject to any interference while performing reporting and evaluation tasks.
- b) An internal auditor shall not participate in the audit of the activities and units/divisions for which such auditor is responsible for performing the activities or managing the units/departments within the last 3 years.
- c) An internal auditor shall not participate in the audit of the activities and the units/divisions where a related person of such auditor is responsible for performing the activities or managing the units/departments.

2. Objectivity: An internal auditor must ensure objectivity, accuracy, accountability, and equality during the process of performing internal audit tasks.
3. Compliance: An internal auditor must ensure the compliance with the laws and be legally liable for internal audit activities.

#### **Article 7: Professional standards**

1. An internal auditor must comply with internal audit standards and professional ethics as prescribed in Circular 08 and legal regulations on internal audit promulgated by competent State agencies.
2. An internal auditor must comply with relevant policies and procedures on internal audit of the Company, including the internal audit methods and procedures that have been promulgated.

#### **Article 8: Ethical principles of internal audit**

1. Integrity: Internal auditors must perform their professional tasks in an honest and discreet manner and a high sense of responsibility; comply with provisions of laws and declare required information according to requirements of laws and professional requirements of internal audit. Internal auditors shall be prohibited from participating in illegal acts or other acts causing harm to the prestige of the Company.
2. Objectivity:
  - a) Internal auditors must express their professional objectivity in the highest degree with respect to the collection, assessment and exchange of information about audited activities and processes.
  - b) Internal auditors may give unbiased comments on all of related circumstances and must not be affected or controlled by personal interests or any individual while making their judgement and conclusion;
3. Professional competence and discretion: Internal auditors must apply their internal audit knowledge, skills and professional experience to the internal audit activities. They must also act in a discreet manner and in conformity with professional and technical standards in force;
4. Confidentiality: Internal auditors must respect values and ownership of provided information and shall be banned from revealing such information without permission from competent authorities, except for the disclosure of such information falls into their professional duties or conforms to requirements laid down by laws;
5. Professional conduct: Internal auditors must comply with laws and relevant regulations and must not perform any act that may reduce their professional prestige.
6. The Audit Committee and the Internal Audit Unit shall be responsible for monitoring, evaluation, and supervision to ensure the Internal Auditors conform to the ethical principles of internal audit.

## **CHAPTER II ORGANIZATION, RESPONSIBILITIES, AND AUTHORITIES OF THE INTERNAL AUDIT UNIT**

#### **Article 9: Organization of the Internal Audit Unit**

1. The Internal Audit Unit established by the Board of Directors shall operate under the direct supervision of the Audit Committee and under the administrative management of the Chief Executive Officer.

2. Depending on the scope of work of the Internal Audit Unit, the Head of the Internal Audit Unit is responsible for proposing to the Audit Committee to consider and approve the number of specialized internal auditors.
3. Trưởng Ban Kiểm toán nội bộ chịu trách nhiệm xây dựng mô tả công việc, yêu cầu năng lực, lộ trình đào tạo và phát triển người làm công tác kiểm toán nội bộ theo yêu cầu của hoạt động kiểm toán nội bộ và các quy định quản lý nội bộ của Công ty.
4. The Head of the Internal Audit Unit is responsible for developing job descriptions, qualification requirements, and training and development roadmaps for internal auditors as required in the course of internal audit operations and by regulations on internal management of the Company.
5. The operating budget of the Internal Audit Unit (including salaries, bonuses, operating expenses, etc.) shall be built based on the scope of work and scale of the Internal Audit Unit. The annual operating budget plan of the Internal Audit Unit shall be prepared by the Head of the Internal Audit Unit and submitted to the Audit Committee and the Board of Directors for consideration and approval.
6. The Head of the Internal Audit Unit reports professional matters to the Audit Committee.
7. The Head of the Internal Audit Unit shall periodically report to the Audit Committee on the purposes, powers, responsibilities, as well as the performance of the Internal Audit Unit in relation to its activities; reports shall specify controlling mechanism of significant risks and risks of fraud, management issues, and other matters as necessary or as required by the Audit Committee.
8. The Head of the Internal Audit Unit shall report on administrative aspects (for example, notifying the audit schedule, travel issues, business trip expenses, etc.) to the Chief Executive Officer or the person authorized by the Chief Executive Officer.
9. The Head of the Internal Audit Unit shall have the right to report directly to the members of the Board of Directors when necessary.
10. The Audit Committee shall manage and supervise internal audit activities in terms of functions by means of:
  - a) Approving, promulgating and amending contents of Internal Audit Process; approving and amending annual internal audit plans.
  - b) Deciding on the standards and number of personnel; appointing and dismissing members of the Internal Audit Unit (*except for the Head and Deputy Head, which are decided by the Board of Directors*).
  - c) Submitting to the Chief Executive Officer for approval of the salary, bonus and other regimes for the members of the Internal Audit Unit according to the budget plan approved by the Board of Directors and in accordance with the provisions of law and the Company's internal regulations.
  - d) Revising the Internal Audit Regulation and propose to the Board of Directors for approval of amendments and supplements;
  - e) Monitoring internal audit methodology;
  - f) Effective monitoring and evaluation of audit content and qua
  - g) Soát xét Quy chế kiểm toán nội bộ và đề xuất trình Hội đồng quản trị phê duyệt sửa đổi, bổ sung;
  - h) Giám sát phương pháp kiểm toán nội bộ;
  - i) Monitoring and evaluating the quality and effectiveness of internal audit.



11. The Chief Executive Officer shall manage the internal audit activities in terms of administration by means of:
  - a) Ensuring the working conditions of the Internal Audit Unit;
  - b) Managing personnel of the Internal Audit Unit (including signing labor contracts and policies related to employees, etc.)

#### **Article 10: Professional competence of internal audit**

1. The Head of the Internal Audit Unit shall consider the scale and complexity of the audit activities as well as the audit work to submit to the Audit Committee for decision on the necessary resources for the Internal Audit Unit.
2. The Head of the Internal Audit Unit shall establish appropriate standards for recruiting internal auditors.
3. The Head of the Internal Audit Unit should have relevant education/professional qualifications, adequate audit experience, knowledge of business operations, and other related skills.
4. The Head of the Internal Audit Unit shall evaluate the skills and knowledge of the internal auditors for an effective audit of the management process, and where necessary, may require the use of external experts/consultants. The Head of the Internal Audit Unit must make a plan to use external experts/consultants and report it to the Audit Committee for comments before submitting it to the Board of Directors for approval. The Head of the Internal Audit Unit shall be responsible for internal audit activities related to the results of the expert/consultant.
5. The Head of the Internal Audit Unit shall be responsible for the audit activities of internal auditors. The Head of the Internal Audit Unit should ensure that the audit objectives outlined in the approved audit plan are achieved. The Head of Internal Audit Unit must establish a reasonable detailed plan to complete each audit (from the inception to the issuance of the audit report) after considering the nature and complexity of the audit.
6. An internal auditors shall participate in trainings on necessary knowledge to perform audit work. Training should be maintained on a regular basis so that all internal auditors can keep up with industry developments and improve their professional skills. The Head of Internal Audit Unit should ensure that the internal auditors is properly trained through the job.

#### **Article 11: Responsibilities of internal audit departments**

1. To keep confidential documents and information in accordance with current laws, the Charter and internal management regulations of the Company.
2. To be responsible to the Audit Committee and the Board of Directors for the internal audit results and the evaluations, conclusions, recommendations, and suggestions in the internal audit reports.
3. To promptly monitor, expedite, and inspect the implementation results of the post-audit recommendations of the units/divisions of the Company and Subsidiaries.
4. To organize continuous training to improve and ensure professional competence of internal auditors.
5. Other responsibilities in accordance with the laws, the Charter and the Internal Audit Regulation of the Company.

#### **Article 12: Authorities of the Internal Audit Unit**

1. To actively perform tasks under the approved audit plan.

2. To be equipped with necessary resources to carry out the work according to the approved plan.
3. To be fully and promptly provided with necessary information, document, and records for internal audit activities.
4. To have unlimited access to relevant units/departments, personnel, documents/records/books and assets that are necessary to perform the duties; and to be responsible for the confidentiality and protection of such documents/information.
5. To have the right to approach and interview all managers and employees of the Company and Subsidiaries on issues related to audit content.
6. To be entitled to receive documents, records, and minutes of Board meetings; financial statements, general reports on periodical activities of the Company and Subsidiaries; reports on risk management and compliance activities of the Company and Subsidiaries; reports on the inspection results related to compliance control activities; reports on frauds, incidents and risks arising during the year; reports on results of periodic inspection, evaluation and analysis of the units in charge of security, legal, financial control, cost control and management system control.
7. To have the right to attend internal meetings in accordance with the laws, the Charter, and internal regulations of the Company (including briefings, review meetings of the Executive Board, meetings of key project meetings, etc.)
8. Have the right to supervise, evaluate and monitor the repair, remedial and improvement activities of the leaders of the units and divisions for the problems that the internal audit has identified and recommended.
9. To be safeguarded against uncooperative actions of audited units/departments.
10. To participate in trainings to enhance competency of an internal auditors in the Internal Audit Unit.
11. To exercise other authorities according to provisions of laws and decisions on delegation/authorization approved by the Board of Directors and the Audit Committee.

### **Article 13: Responsibilities and authorities of internal auditors**

1. Responsibilities:
  - a) To implement the approved audit plan and take responsibilities for the results of the assigned audit;
  - b) To identify information that is complete, reliable, relevant and useful for the achievement of the audit objectives; to maintain information related to audit conclusions and results;
  - c) According to appropriate analysis and assessment, to draw conclusions and audit results independently and objectively;
  - d) To keep information confidential according to provisions of laws and other internal management regulations of the Company;
  - e) To constantly improve professional competence and follow the code of ethics;
  - f) Other responsibilities as prescribed by laws, Internal Audit Regulation and other internal management regulations of the Company.
2. Authorities:
  - a) While performing the audit, to have the right to be independent in making comments, evaluations, conclusions and recommendations on the audited contents;

- b) To have the right to request the audited units/departments to provide in timely manner sufficient documents and information related to the audited contents;
- c) To reserve in written opinions on audit results within the scope of assignment;
- d) Other authorities according to provisions of laws, Internal Audit Regulation, and other internal management regulations of the Company.

#### **Article 14: Responsibilities and authorities of the Head of the Internal Audit Unit**

##### 1. Responsibilities:

- a) To manage and administer the Internal Audit Unit in performing its duties as prescribed;
- b) To ensure that the personnel of the Internal Audit Unit are regularly trained and possess sufficient qualifications and professional competence to perform their tasks;
- c) To take measures to ensure the independence, objectivity, and honesty of the internal audit;
- d) To report to the Board of Directors/Audit Committee when detecting weaknesses and shortcomings of the internal control system;
- e) To be responsible for the audit results performed by the Internal Audit Unit;
- f) To keep information confidential in accordance with laws and other internal management regulations of the Company;
- g) Other responsibilities as prescribed by laws, Internal Audit Regulation, and other internal management regulations of the Company.

##### 2. Authorities:

- a) To propose to the Board of Directors/Audit Committee for consideration and promulgation of the Internal Audit Regulations, Internal Audit Procedures, and internal audit methodology;
- b) To request to summon people from other units/divisions in the Company and Subsidiaries; to propose to hire experts and consultants to participate in internal audits when necessary, provided that the independence of internal audit is ensured;
- c) To access documents, records, and reports related to the management of the Company and Subsidiaries;
- d) To attend meetings in accordance with the Company's regulation and laws;
- e) While performing the audit, to have the right to be independent in making comments, evaluations, conclusions, and recommendations on the audited contents;
- f) To have the right to request the audited units/departments to provide timely sufficient documents and information related to the audited contents;
- g) To receive management letters from independent auditors and inspection reports of external agencies.
- h) To reserve in written opinions on audit results;
- i) Other authorities according to provisions of laws, the Charter, the Internal Audit Regulation, and other internal management regulations of the Company and decision on delegation/authorization approved by the Board of Directors.

## **Article 15: The independence and objectivity of internal audit**

1. The Internal Audit Unit shall not be interfered with by any factors within the organization, including matters of audit selection, scope, procedures, frequency, timing or reporting content to allow the necessary attitude and spirit of independence and objectivity to be maintained.
2. An internal auditor shall have no direct responsibility or authority for any audited activities. Accordingly, an internal auditor shall not exercise internal control, develop processes, install systems, prepare records, or engage in any other activity that may impair the judgment of such internal auditor.
3. Internal auditors shall exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgements.
4. Hàng năm, Trưởng Ban Kiểm toán nội bộ sẽ cam kết, xác nhận với Hội đồng quản trị về tính độc lập của tổ chức đối với Ban Kiểm toán nội bộ.
5. Annually, the Head of the Internal Audit Unit shall commit to and confirm with the Board of Directors the independence of the organization from the Internal Audit Unit.

## **CHAPRER III INTERNAL AUDIT ACTIVITIES**

### **Article 16: Internal audit approach**

The method for carrying out the internal audit means the risk-oriented auditing approach that prioritizes the concentration of resources on auditing of units/departments and/or processes assessed at a high level of risk.

### **Article 17: Internal audit plan**

1. Annually, prior to 30th November, the Internal Audit Unit shall submit the annual internal audit plan of the following year to the Audit Committee before submitting it to the Board of Directors for approval.
2. The internal audit plan includes an overview of the audit scope, audited subjects, objectives, audit content, audit period, audit timing, work schedule, and requirements on budget and resources for the next fiscal/calendar year.
3. The internal audit plan will be developed based on the priority of the “risk-oriented” audit approach, taking into consideration the comments of the Chief Executive Officers, the Audit Committee, and the Board of Directors. The Head of the Internal Audit Unit must base on the results of a comprehensive risk assessment of operations, business processes, and units/divisions to make an internal audit plan. The Head of Internal Audit will review and recommend adjustments to the plan, if necessary, in response to changes in the Company's business, risks, operations, programs, systems, and controls. Any significant adjustments from the approved internal audit plan will be notified to the Chief Executive Officer, Audit Committee, Board of Directors through periodic performance reports.
4. The internal audit plan reserves enough time for the implementation of unexpected audits upon receiving the audit request or after detecting signs of violations, signs of high risk from the audited subjects.

5. The annual internal audit plan must be approved within 20 days from the date the Head of the Internal Audit Unit submits it to the Audit Committee and the Board of Directors.
6. The internal audit plan must be sent to the Chief Executive Officer, the Board of Directors, and the Audit Committee within 07 days from the date of approval.

### **Article 18: Internal audit process**

The Head of the Internal Audit Unit shall develop a detailed internal audit process suitable to the characteristics of the Company's operations and consult the Chief Executive Officer before submitting it to the Audit Committee and the Board of Directors for approval and promulgation.

### **Article 19: Audit report and inspection of the implementation of audit recommendations**

#### 1. Report on each internal audit:

- a) Report on each internal audit shall be prepared by the Team Leader/Person in charge of the audit, approved by the Head of the Audit Unit, and submitted to the Audit Committee within a maximum of 10 days after the completion of the audit. The audit report must be signed by the Team Leader/person in charge of the audit and approved by the Head of the Internal Audit Unit;
- b) An internal audit report must clarify: audited contents and audit extent; assessments and conclusions on the audited content and the basis for such opinions; weaknesses, shortcomings, defaults, violations, recommendations for measures to correct and overcome errors and handle violations; proposed measures to rationalize and improve business processes; measures for refining the risk management policy and organizational structure of the Company (if any).
- c) Internal audit reports must include opinions of the heads of the audited units/departments. In case where audited units/departments have contentious opinions on audit results, such internal audit reports need to clarify contentious opinions of the audited unit/department and reasons;
- d) Upon completion, internal audit reports shall be sent to the Audit Committee, the Board of Directors, and simultaneously to the Chief Executive Officer and/or CEO/Directors of Subsidiaries, audited units/departments, and related parties.

#### 2. Annual internal audit reports:

- a) Within the duration of 60 days from the closing of a fiscal year, the Internal Audit Unit must send an internal audit report to the Audit Committee, the Board of Directors, and simultaneously to the Chief Executive Officer and/or CEO/Directors of Subsidiaries.
- b) An annual internal audit report shall have the following contents:
  - Predetermined audit plan and audit tasks that have been performed
  - Shortcomings and serious violations that have been detected; recommended measures;
  - Assessment of the internal control system relating to activities to be audited and recommendations for refining the internal control system;
  - Status of the implementation of measures, recommendations, and proposals from the Internal Audit Unit.
  - Self-assessment of the Internal Audit Unit on the achieved results and performance of the internal audit and future development directions;

#### 3. Unscheduled reports:

In case of detecting serious violations or high risk of possible adverse impacts on the Company, the Internal Audit Unit must report immediately to the Audit Committee, the Board of Directors, and

simultaneously to the Chief Executive Officer and/or CEO/Directors of Subsidiaries. Unscheduled reports in case of problems arising in the fiscal year shall include the following contents:

- a) Risk issues that are of internal auditors' concern and attention;
  - b) Disclosure or arising of weaknesses in the internal control system at units/divisions of the Company/Subsidiaries;
  - c) Serious findings that require the direction and settlement from the Audit Committee, the Board of Directors, the Chief Executive Officer of the Company and/or the CEO/Director of the Subsidiaries.
  - d) Unscheduled report presents problems arising or discovered along with recommendations for settlement.
3. Inspection of the implementation of the Internal Audit Unit's recommendations:
- a) To inspect and evaluate the timing and results of the tasks that audited Unit/Departments have implement at the recommenations of the internal audit.
  - b) Báo cáo kết quả kiểm tra thực hiện kiến nghị của Ban Kiểm toán nội bộ đối với đơn vị/bộ phận được kiểm toán cho Ủy ban kiểm toán, Hội đồng quản trị, Tổng Giám đốc Công ty và/hoặc Tổng Giám đốc/ Giám đốc Công ty Con.
  - c) To report the results of inspection of the implementation of the Internal Audit Unit's recommendations for the audited units/departments to the Audit Committee, the Board of Directors, the Chief Executive Officer of the Company and/or the CEO/Director of Subsidiaries.

#### **Article 20: Archieves of internal audit reports, documents, and records**

1. Records and documents in each audit must be recorded in writing (hard copy or electronic forms), kept in order so that competent individuals and organizations can explore and understand the work and results in the audit report.
2. Internal audit reports, records and documents must be kept in accordance with current regulations of the State and the Company.

#### **Article 21: Assuring and improving the quality of internal audit**

1. The Internal Audit Department will maintain a quality improvement and assurance program that covers all aspects of internal audit.
2. The program shall include an assessment of the compliance of the Internal Audit Unit with internal audit standards and regulations; assessment of the compliance with the code of professional ethics of the internal auditors; assessment of the effectiveness and performance of the Internal Audit Unit and identification of opportunities for improvement.
3. Re-evaluation of internal audit activities shall be carried out at the end of the audit, and an annual self-evaluation of the overall internal audit activities shall be performed by the Internal Audit Unit in order to ensure the quality of internal audit activities. In case of necessity, it is possible to hire a qualified external audit firm to conduct independent audits at least once every five (05) years.
4. The Head of the Internal Audit Unit shall report to the Audit Committee and the Board of Directors on the quality assurance and improvement program of the Internal Audit Unit, including the results of the annual internal audit and evaluation of external audit firm (if any).

**CHAPTER IV**  
**RESPONSIBILITIES OF STAKEHOLDERS INVOLVED IN INTERNAL AUDIT**

**Article 22: Responsibilities of the Board of Directors**

1. To approving and promulgate the Internal Audit Regulations of the Company.
2. To approve risk-based internal audit plans and annual internal audit reports.
3. To approve internal audit budget and resource plan.
4. To receive reports from the Head of the Internal Audit Unit on the performance of the Internal Audit Unit related to the Unit's plans and other issues.
5. To decide to comply with appropriate requests of the Chief Executive Officer and Head of Internal Audit Unit to determine whether there are resource limitations or inappropriate scope.
6. To provide favorable conditions to ensure that the Internal Audit Unit fully implements its powers and duties as prescribed (including ensuring that the Head of the Internal Audit Unit is fully informed about changes, important arising issues, related reports, etc. to ensure the appropriate internal audit plan).
7. To decide and approve the implementation of recommendations of the Internal Audit Unit; to direct units/departments to implement recommendations and take timely handling measures upon recommendations and proposals of the Internal Audit Unit.
8. The Chairman of the Board of Directors shall exercise all responsibilities and authorities related to risk management, internal control, and internal audit according to the decentralization and authorization of the Board of Directors and shall directly oversee the Audit Committee in the process of performing internal audits for the Company.

**Article 23: Responsibilities of the Audit Committee**

The Audit Committee shall be responsible for directly overseeing, managing, and supervising the operations of the Internal Audit Unit.

- To review, inspect and evaluate to ensure the effectiveness of internal audit activities; to take primary responsibility for ensuring the quality of internal audit activities.
- To ensure that the internal audit is in an appropriate location and that there are no unreasonable obstacles to the internal audit activities.
- To develop, amend, supplement, and regularly refine internal audit methodology and policies and submit such changes to the Board of Directors for decision.
- To ensure effective coordination with independent audits.
- To perform other responsibilities as prescribed by the Law on Enterprises, the Company's Charter, Operational Regulations of the Audit Committee and the Company's Internal Audit Regulations.

**Article 24: Responsibilities of the Chief Executive Officer and/or the CEO/Diretor of Subsidiaries.**

1. To provide favorable conditions for the Internal Audit Unit to perform assigned tasks; to direct relevant units/departments to coordinate with the Internal Audit Unit in accordance with the provisions of the Internal Audit Regulation.

2. To expedite units/departments to implement recommendations agreed with the Internal Audit Unit or approved by the Board of Directors; to notify the Internal Audit Unit of the implementation status of such recommendations.
3. To ensure that the Internal Audit Unit is fully informed about changes and new problems arising in the operation of the units/departments in order to identify relevant risks early.
4. To take prompt measures upon recommendations and proposals of the Internal Audit Unit.

**Article 25: Responsibilities of the Heads of Divisions and units/departments in the Company/Susidiaries**

1. To provide favorable conditions for the Internal Audit Unit to perform the assigned tasks; to direct the coordination of units/departments during the internal audit in accordance with the provisions of the Internal Audit Regulations.
2. To organize the implementation of recommendations agreed with the Internal Audit Committee or recommendations approved by the Board of Directors; to notify the Internal Audit Unit of the implementation status of these recommendations.
3. To ensure that the Internal Audit Unit is fully informed about changes and new problems arising in the operation of the units/departments in order to identify relevant risks early.
4. To take prompt measures upon recommendations and proposals of the Internal Audit Unit.
- 5.

**Article 26: Responsibilities of audited units/departments**

1. To provide all necessary information, documents and records for the internal audit activities at the request of the Internal Audit Unit in an honest, accurate, and unconcealed manner;
2. To immediately notify the Internal Audit Unit when detecting weaknesses, shortcomings, errors, risks, or great losses of assets or risks of loss of assets;
3. To implement the recommendations agreed with the Internal Audit Unit or recommendations approved by the Board of Directors/the Audit Committee/the Chief Executive Officer;
4. To create the most favorable conditions for the Internal Audit Unit to work most effectively

**CHAPTER V  
EXECUTION PROVISIONS**

**Article 27: Effectiveness**

This Regulation shall come into effect from 30<sup>th</sup> June 2021.

**Article 28: Amendments, supplements, and replacement to the Regulation**

1. The Head of the Internal Audit Unit shall be responsible for periodically reviewing this Regulation and propose necessary amendments, supplements and replacements;
2. Amendments, supplements and replacements to this Regulation shall be decided by the Board of Directors;
3. In case of any provisions of law relating to the operations of the internal audit of the Company that are not stipulated in this Regulation or any new provisions of law that are different from those in this



Regulation, such provisions shall be automatically applied and govern the operations of the internal audit of the Company.

**Article 29: Implementation**

Members of the Board of Directors, the Audit Committee, the Chief Executive Officer of the Company, the CEOs/Directors of Subsidiaries, the Head of the Internal Audit Unit, units/divisions, and individuals in the Company and Subsidiaries are responsible for implementing this Regulation.

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

*(signed and sealed)*

**NGUYEN VAN DAT**