

No.: 435/QD-PVCFC

Ca Mau, March 01st, 2024

DECISION

**Promulgating Regulation on organization and operation
of Audit and Risk Management Committee (as amended, supplemented)**

**BOARD OF DIRECTORS
PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY**

Pursuant to the Charter of PetroVietnam Ca Mau Fertilizer Joint Stock Company (PVCFC) adopted by the General Meeting of Shareholders;

Pursuant to the Resolution no. 421/NQ-PVCFC dated February 29th, 2024 for the Board of Directors' (BOD) meeting held in February 2024.

DECIDED:

Article 1. Issuing under this Decision the Regulation on organization and operation of the Audit and Risk Management Committee (as amended, supplemented).

Article 2. This decision is effective from the date of signing.

Article 3. Members of Board of Directors, Board of General Directors, Heads of committees/units of the Company, and Representatives managing PVCFC's contributed capital in affiliated units shall carry out this Decision./.

C/c:

- As Article 3;
- Supervisory Board (in lieu of report);
- Filed: Archive, BOD.

Attachment:

- Regulation on organization and operation of Audit & Risk Management Committee (ARMC).

**ON BEHALF OF BOD
CHAIRMAN**

(Signed and sealed)
Tran Ngoc Nguyen

PETROVIETNAM
PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY



**REGULATION ON ORGANIZATION AND OPERATION OF
THE AUDIT AND RISK MANAGEMENT COMMITTEE**

No: 2024 – HDQT – QC – KTRR

*(Promulgated with Decision No:435/QĐ-PVCFC dated 01/3/2024
of the Board of Directors)*

02	HUMAN RESOURCES MANAGEMENT BOARD	LEGAL AND COMPLIANCE DEPARTMENT	THE BOARD OF DIRECTORS
Issue No	Compiled by	Checked by	Approved by

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Chapter I:
GENERAL PROVISIONS

Article 1. Scope of regulation and subjects of application

1. Scope:

This Regulation regulates the organizational structure, operating principles, powers and obligations of the Audit and Risk Management Committee and members of the Audit and Risk Management Committee of PetroVietnam Ca Mau Fertilizer Joint Stock Company to operate in accordance with the provisions of the Law on Enterprises, the Company’s Charter and other relevant laws.

2. Subjects

Audit and Risk Management Committee, members of the Audit & Risk Management Committee and relevant individuals and units of PetroVietnam Ca Mau Fertilizer Joint Stock Company.

Article 2. Definitions

The terms/words used in this Regulation are abbreviated and understood as follows:

No	Terms/ Words	Abbreviations	Explanation
1.	Company	PVCFC	PetroVietnam Ca Mau Fertilizer Joint Stock Company
2.	The Board of Directors	BOD	Board of Directors of PetroVietnam Ca Mau Fertilizer Joint Stock Company
3.	Executive Board		Are “Corporate executives” including: General Director, Deputy General Director, Chief Accountant
4.	General Director	GD	The General Director of PetroVietnam Ca Mau Fertilizer Joint Stock Company
5.	Supervisory Board		The Supervisory Board of PetroVietnam Ca Mau Fertilizer Joint Stock Company
6.		ARM	Audit and Risk Management

Words or terms defined in the Law on Enterprises and the Company’s Charter, if not contradictory with the subjects or contexts, shall have the same meanings in this Regulation.

Article 3. References:

1. Law on Securities 2019.
2. Law on Enterprises 2020.
3. Decree No. 155/2020/ND-CP dated December 31st, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities.
4. Circular No. 116/2020/TT-BTC dated December 31st, 2020 of the Ministry of Finance guiding a number of articles on corporate governance applicable to public companies in Decree No. 155/2020/NĐ-CP dated December 31st, 2020 of the

Government detailing the implementation of a number of articles of the Law on Securities.

5. Code of Best Practice of Corporate Governance.

Chapter II: PRINCIPLES OF ORGANIZATION AND OPERATION

Article 3. Position and functions of the Audit and Risk Management Committee

The Audit and Risk Management Committee is a specialized unit under the Board of Directors, with the function of consulting and advising the Board of Directors on the field of audit and risk management of the Company.

Article 4. Operation principles of the Audit and Risk Management Committee

1. The Risk Audit and Management Committee shall report directly in writing to the Board of Directors and shall not be interfered with in performing its tasks to ensure the Company to comply with all legal regulations.

2. Members of the Audit and Risk Management Committee perform work in compliance with the law and relevant regulations and shall not participate in activities that affect professional reputation.

3. Members of the Audit and Risk Management Committee shall not disclose the information provided unless the disclosure of information is required by Law.

4. Members of the Audit and Risk Management Committee shall be honest and not be influenced by anyone in drawing their conclusions.

Article 5. Composition of the Audit and Risk Management Committee

1. The Audit and Risk Management Committee has 03 (three) members or more and the Chairman of the Audit & Risk Management Committee shall be an independent BOD member. Other members of the Audit and Risk Management Committee shall be non-executive members of the Board of Directors.

2. Members of the Audit and Risk Management Committee shall have knowledge of accounting, auditing, economics, law, business administration or other majors suitable to the Company's operation, and have a general understanding of laws and operations of the Company and shall not fall into the following cases:

a. Working in the accounting and finance department of the Company.

b. Being a member or employee of an audit firm that audited the financial statements of the Company for the previous 03 (three) years.

3. The Chairman of the Audit Committee have a university degree or higher in one of the majors in economics, finance, accounting, auditing, law, business administration.

4. The appointment of the Audit and Risk Management Committee and other members of the Audit and Risk Management Committee shall be approved by the Board of Directors at the Board of Directors meeting.

5. Salaries, remunerations and operating expenses of the Risk Audit & Management Committee and members of the Risk Audit & Management Committee are implemented according to the decision of the Board of Directors.

Article 6. Meetings of the Audit and Risk Management Committee

1. The Risk Audit and Management Committee meets at least 04 (four) times in 01 (one) year. Meeting minutes are prepared in detail and clearly and shall be fully kept and copied to the Board of Directors for information and reporting to the Board of Directors if there are any difficulties or problems. The minutes maker and members of the Audit and Risk Management Committee attending the meetings shall sign the minutes of the meetings.

2. The Risk Audit and Management Committee passes decisions by voting at meetings in the conventional form, online form or the form of collecting written opinions. Each member of the Audit and Risk Management Committee shall cast a vote. A decision of the Audit and Risk Management Committee shall be ratified if it is approved by a majority of attending members; in the event of equal votes, the vote of the Chairman of the Audit and Risk Management Committee is the decisive vote.

3. The decisions of the Risk Audit and Management Committee are only of advisory value for the Board of Directors to consider and decide issues under the authority of the Board of Directors.

4. The Company Secretary is responsible for preparing meetings, drafting minutes and advising on procedures for issuing documents of the Risk Audit and Management Committee according to the provisions of Law and the Company.

Article 7. Report on activities of the Audit and Risk Management Committee

1. The Chairman of the Audit and Risk Management Committee is responsible for reporting the Committee's activities at the annual General Meeting of Shareholders. This report may be integrated into the Board of Directors' report on governance and performance of the Board of Directors and each member of the Board of Directors.

2. The report on activities of the Audit and Risk Management Committee shall ensure the following contents:

a. Remuneration, operating expenses and other benefits of the Audit & Risk Management Committee and each member of the Audit & Risk Management Committee according to the provisions of the Law on Enterprises and the Company's Charter

b. Summary of meetings of the Audit and Risk Management Committee and conclusions and recommendations of the Audit and Risk Management Committee.

c. Results of supervision of financial statements, operational and financial situation of the Company.

d. Report on evaluation of transactions between the Company, its subsidiaries or other companies with over 50% or more of the charter capital controlled by the Company and members of the Board of Directors, General Director, other executives and their related persons; transactions between the Company and a company of which BOD members, General Director, other executives are founding members or managers within the last three 03 years prior to the transaction date.

dd. Evaluation results of the Company's internal control and risk management system.

e. Results of supervision of the Board of Directors, General Director and other executives of the Company.

g. Results of evaluation of the coordination of activities between the Audit and Risk Management Committee with the Board of Directors, General Director and shareholders.

h. Other contents falling under the rights and obligations of the Risk Audit and Management Committee.

Chapter III: REPONSIBILITIES AND RIGHTS

Article 8. Responsibilities and rights of the Board of Directors

1. Approve the appointment of the Chairman of the Audit and Risk Management Committee and other members of the Audit and Risk Management Committee.
2. Approve the Regulation on organization and operation of the Risk Audit and Management Committee.
3. Decide salaries and remunerations of members of the Risk Audit and Management Committee and operating costs of the Risk Audit and Management Committee.

Article 9. Rights and obligations of the Audit and Risk Management Committee

1. Review and approve the Company's quarterly/six-month/annual financial statements to ensure the integrity of financial statements and official announcements related to the Company's financial results.
2. Review the Company's internal control and risk management system.
3. Review related party transactions under the approval authority of the Board of Directors or the General Meeting of Shareholders and make recommendations on transactions that require approval of the Board of Directors or the General Meeting of Shareholders.
4. Supervise the Company's internal audit department.
5. Supervise to ensure that the Company complies with the provisions of the Law, the requirements of regulatory authorities and other internal regulations of the Company.
6. Supervise the Company's risk identification and management processes and policies.
7. Supervise and evaluate the performance of the Executive Board related to the Company's risk management policy.
8. Review aspects of the strategies and recommendations of the Executive Board.
9. Supervise the performance of the risk management department and ensure adequate resources and systems are in place to meet the desired level of capability and exceed minimum compliance requirements.
10. Establish regular training programs to improve the Committee members' knowledge of auditing and risk management.
11. Prepare a written report to send to the Board of Directors when detecting that members of the Board of Directors, the General Director and other managers have not fully performed their responsibilities as prescribed in the Law on Enterprises and the Company's Charter.
12. Have opinions about the Regulation on organization and operation of the Risk Audit and Management Committee before submitting to the Board of Directors for approval.

Approve the report of each audit conducted by the Internal audit committee at departments/units within the Company. Issue directives on implementing internal audit recommendations; Direct the Board of General Directors to organize the implementation of internal audit recommendations; Timely take measures upon receipt of recommendations and proposals from the internal audit committee.
13. Approve the Company's internal audit process.

14. Be entitled to access documents related to the operation of the Company, discuss with other BOD members, General Director, Chief Accountant to collect information for the activities of the Audit and Risk Management Committee.

15. Be entitled to request representatives of the approved Audit firm to attend and solve issues related to audited financial statements at meetings of the Audit and Risk Management Committee.

16. Be entitled to propose the use of legal, administrative or other external consulting services when necessary.

17. Other rights and obligations as assigned by the Board of Directors.

Chapter IV: IMPLEMENTATION PROVISIONS

Article 10. Implementation

1. Individuals and units under Clause 2, Article 1 are responsible for implementing this Regulation.

2. If there is inappropriate content during the implementation process, the Audit and Risk Management Committee shall propose to the Board of Directors for consideration and adjustment.

Article 11. Article of transition

This Regulation shall take effect from the date the Board of Directors promulgates and supersedes the Regulation on Organization and Operation of the Risk Audit and Management Committee issued together with Decision No. 1732/QĐ-PVCFC dated August 4th, 2021 of the Board of Directors.

Article 12. Reward and discipline

1. Units and individuals who well implement this Regulation shall be rewarded according to PVCFC's regulations.

2. Units and individuals who violate the contents of this Regulation shall, depending on the nature and severity of the violation, be disciplined according to PVCFC's regulations or subject to other handling measures in accordance with laws./.

No.: 436/QD-PVCFC

Ca Mau, March 01st, 2024

DECISION

Refining the composition of Audit and Risk Management Committee

BOARD OF DIRECTORS

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Pursuant to the Charter of PetroVietnam Ca Mau Fertilizer Joint Stock Company (PVCFC) adopted by the General Meeting of Shareholders;

Pursuant to the Resolution no. 248/NQ-PVCFC dated January 31st, 2024 for the Board of Directors' (BOD) meeting held in January 2024.

DECIDED:

Article 1. Refining the composition of the Audit and Risk Management Committee as follows:

1. Mrs. Do Thi Hoa - Independent member of BOD : Chairperson;
2. Mr. Truong Hong - Independent member of BOD : Member;
3. Mr. Nguyen Duc Thuan - Member of BOD : Member.

Article 2. This decision is effective from the date of signing and supersedes the Board Decision no. 1736/QD-PVCFC dated August 04th, 2021 appointing members to the Audit and Risk Management Committee.

Article 3. Members of Board of Directors, Board of General Directors, Heads of committees/units of the Company, Representatives managing PVCFC's contributed capital in affiliated units, and the personnel mentioned in Article 1 shall carry out this Decision./.

C/c:

- As Article 3;
- Supervisory Board (in lieu of report);
- Filed: Archive, BOD.

**ON BEHALF OF BOD
CHAIRMAN**

(Signed and sealed)
Tran Ngoc Nguyen