

Hanoi, dated 20th June, 2024

No.: 711/2024/BC-HĐQT

**REPORT ON THE OPERATION
OF THE BOARD OF DIRECTORS OF BAOVIET HOLDINGS
AT THE 2024 ANNUAL GENERAL SHAREHOLDERS' MEETING**

Respectfully submitted to Honored shareholders!

The Board of Directors (BOD) of Baoviet Holdings would like to respectfully report to the Annual General Shareholders' Meeting (AGM) the operated results of the BOD in 2023, orientation in operation plan of the BOD in 2024 as follows:

PART I

REPORT ON THE OPERATION OF THE BOD IN 2023

I. Operated results of the BOD in 2023

1. General evaluation on the operation of the BOD in 2023

In 2023, as stipulated by the Law on Enterprise, the Charter of Baoviet Holdings and the regulations on the operation of the BOD, the BOD of Baoviet Holdings organised 01 Annual General Shareholders' Meeting (AGM), 05 (five) BOD's meetings and implemented the opinion collection from BOD's members in written forms focusing on solving the issues upon the competence of the BOD and the key issues related to the business activities of BVH i.e. to construct and implement the 2023 business plan as approved by the AGM; to direct the implementation of the capital strategy; to improve the financial capability of BVH and its Subsidiaries; to implement the key tasks throughout the system of Baoviet and to implement the resolutions of the 2023 AGM, simultaneously to direct, to manage and supervise the operation of the Board of Management in implementing the AGM's resolutions and the BOD's resolutions in 2023, etc. The resolutions, decisions of the BOD unified the vital orientation to assist the Board of Management to implement the business targets of BVH effectively.

(The summary chart of the resolutions and decisions of the BOD in 2023 is disclosed in the 2023 Report on Corporate Governance of BVH)

2. Evaluation on the operation performance of the BOD's members in 2023:

In 2023, the BOD's members participated fully to the BOD's meetings and to provided opinions in written forms regarding the issues upon the competence

of the BOD with high commitment, fostering the leadership of the BOD's members, for the benefits of the shareholders as well as the sustainability of BVH.

Aside from the implementation and completion of general responsibilities in the BOD's activities, the BOD's members completed the assigned tasks upon the delegation of tasks specifically as follows:

- The BOD's Chairman/ Person in Charge of the BOD completed the tasks of the BOD's Chairman as stipulated by the Enterprise law, the Charter of BVH and the regulations on the operation of the BOD in drafting, implementing the annual operation plan, delegation of tasks amongst BOD's members, organisation of meetings, opinion collection in written form, issuance of the resolutions, decisions and announcement of the BOD; direction, management and supervision of the Board of Management regarding its implementation of the BOD's resolutions; assignment of tasks to the Committees of the BOD regarding the issues within competence

- The BOD's members were assigned to manage each business sector of BVH and its Subsidiaries to direct the implementation of the 2023 business plan of the Subsidiaries; to contribute to the completion of the 2023 general business plan of BVH.

3. Remuneration, operating expenses and other benefits of the BOD and each member of the BOD of Baoviet Holdings in 2023

Regarding the remuneration of the BOD in 2023:

- For non-executive BOD's members, the remuneration includes personal income taxes is 20 million Dong/person/month.

- For executive or cum titles within the management system at Parent company/ Subsidiaries: remuneration rates are listed according to the salary regime of Baoviet Holdings/ Subsidiaries.

Regarding the operating expenses of the BOD in 2023:

To comply with the Regulations on operation of the BOD and the Regulations on the internal expenditure of Baoviet Holdings.

(Detailed summary chart on the remuneration in 2023 of the BOD's members is disclosed in the 2023 Annual Report and the financial reports of Baoviet Holdings)

4. Report on the transactions between BVH and the related Parties

In 2023, BVH proceeded the transactions with the related Parties including the Subsidiaries of BVH through the investment activities and providing/using the services of BVH and its Subsidiaries as stipulated. The information on these transactions is disclosed in the Report on Corporate Governance in 2023 of BVH.

5. Report on the operation of the Committees of the BOD and the Inspection – Internal Audit Block

The Committees of the BOD include: the Strategy & Investment Committee, the Remuneration & Appointment Committee, the Audit Committee, and the ALCO Committee; altogether with the Inspection – Internal Audit Block have functions and responsibilities to consult and propose, recommend to the BOD regarding various aspects, such as: strategy, investment, remuneration, appointment, audit, management of credit and assets, etc. of BVH.

In 2023, the Committees of the BOD and the Inspection – Internal Audit strictly implemented the professional activities, proactively consulted to the BOD regarding the essential issues.

(Detailed reports on the operation of the Committees and the Inspection – Internal Audit Block are disclosed in the Report on Corporate Governance of BVH and the Annual Report of BVH in 2023).

6. Results on the supervision of the CEO and other managers of Baoviet Holdings

In 2023, the CEO/ Acting CEO and other managers of BVH implemented the business activities of BVH, specifically as follows:

- Implement the 2023 business plan as approved by the AGM and the BOD;
- Draft the Strategy for the period of 2021-2030, visions towards 2035 of Baoviet Holdings;
- Restructure plan of Baoviet Holdings for the period of 2021-2025;
- Implement the BOD's decisions and key tasks as approved by the BOD;

Throughout management process, the BOD of BVH complied fully to the decentralization of management as stipulated by the Charter, regulation on corporate governance, and other internal regulations of BVH as well as by the resolutions and decisions of the BOD.

II. Implemented results of the 2023 AGM's resolutions in 2023

In 2023, the BOD directed to implement fully and in time the AGM's resolutions in 2023, specifically as follows:

1. The BOD directed to implement the 2023 business plan:

Upon the implementation of the 2023 AGM's approval, the BOD focused on implementing the key tasks on the business targets according to the resolutions of the 2023 AGM and of the BOD in 2023 with the results as follows:

- Total consolidated revenue of Baoviet Holdings reached 57,871 billion Dong, completed 102.7% planned, grew by 6.1% compared to 2021, in which the revenue from the insurance related activities reached 43,589 billion Dong, completed 101.7% planned,; revenue from the financial activities reached 13,543 billion Dong, completed 104.7% planned, grew by 36.5%; Profits before taxes

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and profits after taxes reached 2,236 billion Dong and 1,860 billion Dong; grew by 11.2% and 14.4% respectively.

-Total revenue from the Parent Company reached 1,574 billion Dong, completed 99.6% planned, increased by 0.6% compared to 2023; Profits before taxes reached 1,121 billion Dong, completed 100.5% planned, increased by 1.7%; profits after taxes reached 1,116 billion Dong, completed 101.4% planned, increased by 4.7%; ROE attained at 15.0%.

(Details as in the audited Separated and Consolidated financial reports in 2023 and other information disclosure)

Thanks to the above results, BVH completed the 2023 business plan, ensured the implementation of duties to the rights of customers, shareholders, employees and the State budget.

2. The BOD directed on the provision of funds as approved by the AGM and completed the dividend payouts for the year 2023 to shareholders (Started on 28th December 2023) at 9.54% rate over share prices, equivalent to the amount of 708,175,916,856 Vietnam Dong.

3. The BOD directed the completion of other resolutions of the 2023 AGM

Specifically as follows:

- Completed the organisation of the tendering regarding the selection of the audit agency for auditing the financial reports in the fiscal year 2024, 2025, 2026 of Baoviet Holdings as stipulated by related regulations. The winning tenderer is Ernst & Young Vietnam Ltd.


- Approved and organised the implementation of the Development Strategy for the period of 2021-2030, visions to 2035 of Baoviet Holdings.

- Approved and organised the implementation of the Restructure Project of Baoviet Holdings for the period of 2021-2025.

- Other contents related to the resolutions of the 2023 AGM as stipulated.

4. The BOD of Baoviet Holdings directed the use of the capital from the Private Placement Scheme in 2019:

- Total successfully mobilised capital: 4,011,741,161,610 Vietnam Dong

- The use of mobilised capital from the Private Placement Scheme in 2029 up to 31st May 2024 is as follows: 

Unit: Billion Dong

No	Purpose of mobilised capital	Approved plan	Implemented from 01/6/2023 to 31/5/2024	Implemented to 31/05/2024	Unused amount
1	Increase capital to Subsidiaries	3,800.00	-	1,850.00	1,950.00
2	Investment on IT infrastructure	200.00	18.66	160.73	39.27
3	Supplement of mobilised capital	11.74	-	11.74	-
	TOTAL	4,011.74	18.66	2,022.47	1,989.27

(Source: Report on the annual use of retrieved capital from the Private Placement Scheme in 2019 has been audited by Ersnt & Young Vietnam)

The remained capital, whilst being unused, shall be implemented by Baoviet Holdings into cash deposit related activities in order to increase business performance.

III. Report on the Corporate Governance of Baoviet Holdings in 2023

Upon the knowledge of such vital roles of corporate governance, the BOD emphasizes the target to improve the quality of corporate governance is an essential content in the strategic orientations of Baoviet Holdings in order to construct a solid corporate governance structure according to the best International practices, in coordination with the synergized strength of all resources throughout the system in order to revise, supervise the business activities in such responsible, transparent and effective manners.

The Corporate governance officers of Baoviet Holdings implemented the roles in consulting, recommending to the BOD regarding the issues related to the BOD upon the competence, responsibilities of the Corporate governance officers.

The corporate governance report of BVH in 2023 were fully, timely disclosed to The State Security Commission of Vietnam and Hochiminh Stock Exchange. The detailed content of the Report on Corporate Governance in 2023 has been disclosed in the 2023 Annual Report of Baoviet Holdings.

PART II

REPORT ON THE OPERATION PLAN OF THE BOD IN 2024

In 2024, the BOD continue to maintain the regular meeting routine quarterly and to organise the meetings in direct and online methods; collect opinions of BOD's members in written form in order to implement the 2024 AGM's resolutions, to implement the issues related to corporate governance, as well as implementing the key tasks in 2024 throughout the Group, specifically as follows:



- Implement the 2024 AGM's resolutions, focusing on completing the 2024 business plan and closely align, yielding to complete the Strategy for the period of 2021-2030, visions to 2035 of Baoviet Holdings.

- Continue to foster the developed values, fiercely implement the business solutions in 2024, focusing on issues i.e. (i) modernise the customer service system based in the digital transformation in corporate governance and management; (ii) continue to implement the HR planning for senior positions; implement the internal rotation, utilise the current resources; implement the evaluation on the work performance via clear KPIs; (iii) diversify the products and distribution channels, expand networks, provide professional services, creating differences.

- Improve the corporate governance based on the best International practice on corporate governance in order to ensure the utilised exploitation of resources, create long term sustainable values and to attract investment from other enterprises;

- Coordinate with the State management agencies to construct the legal framework to develop the market, new products; continue to focus on implementing the social welfare related programmes to support the community upon the directions of the Communist Party and the Government, being the pioneer enterprise in the act of environmental protection, yielding to implement the sustainable development strategy of Baoviet Holdings.

The Board of Directors unify some key targets in the 2024 Business plan of the Parent Company – Baoviet Holdings submit to the AGM as follows:

- Attentive total revenue: **1,646 billion Dong.**
- Attentive PAT: **1,150 billion Dong.**

In 2024, Baoviet Holdings shall continue to foster the business activities in the directions towards effective and sustainable development, review and closely align with the Development strategy for the period of 2021-2030, visions towards 2035 of Baoviet Holdings. In order to meet those objectives, the Board of Directors direct, supervise the CEO of Baoviet Holdings to implement the solutions as follows:

First, direct to implement the objectives and strategic solutions in the Development Strategy of Baoviet Holdings for the period of 2021-2030 and the Restructure Project of Baoviet Holdings for the period of 2021 -2025 approved by the Misnistry of Finance, the Bloc Party Committee and the 2023 AGM, fiercely implement, synchronise the solutions from Subsidiaries in order to complete and exceed the planned objectives assigned by BVH.

Second, continue to coordinate with the Misnistry of Finance and specialised agencies in order to consults on the construction, completion of policies, legal framework for the most utilised operation of the Subsidiaries, improving the position of Baoviet in the market. Simultaneously, continue to

complete the system of internal regulations, procedures to align with the law, focusing on the clear decentraliation in the corporate govenrnance model.

Third, Focus on strengthening, stabilising the organisational structure, fiercely complete the business model in the direction of central management in professional management, fee settlement, specificicalisation of Subsidiaries focusing on sales, improving customer services upon modern IT foundation.

Fourth, improve the HR management, coordinate with Parent company to review, evaluate, construct the plan on HR planning for sernior positions align with tranining in roder to meet the current demand and long term needs of Subsidiaries.

Fifth, continue to focus on strengthening the Synergy Project of Baoviet Holdings, in which foster cross-selling between the Baoviet General Insurance Corporation and Baoviet Life Insurance Corporation in order to maximise the strength, competitive advantages of Subsidiaries. Besides, foster the cross-selling in sale, IT, investment, construction and management of headquarters, marketing, etc. in order to utililise the resourves, general strength in order to ensure the sustainable growth.

Sixth, review and implement effectively the social welfare activities, community related activities as well as sustainable growth and support of the business activities of Baoviet Hodings and the branding expansion of Baoviet.

Seventh, propagate and educate every staff, employees throughout the Group to comply fully to the directions and undertakings of the Communist Party and the law; organize to visit retirees, former cadres with difficulties and family households with great contribution during the war in annual special holiday celebrations.

On behalf of the BOD of Baoviet Holdings, I would like to express my sincere thanks to the Honoured Shareholders for your trust and loyalty to Baoviet Holdings throughout the past years. The BOD would like show significant gratefullness to the valuable assistance of the leaders of the Communist Party, the Government and the leaders of the MOF and the related State agencies, who have created opportunities for the success of Baoviet Holdings today.

I wish the Honoured Shareholders and delegators the best of health, happiness. Wishing the General Meeting the great success./.

ON BEHALF OF THE BOARD OF DIRECTORS

MEMBER

(Signed and sealed)

Achieves:

- As above;
- BOD, SB;
- CEO;
- For filing: Admin, General Affairs Office.

Tran Thi Dieu Hang