



Hanoi, day 01<sup>st</sup> April 2022



No.: 0216/HDQT-TCB

## BOD REPORT

### AT AGSM 2022

*(Re: BOD performance and BOD members' performance)*

- 1. Business performance in 2021 and high-level business plan 2022** have been provided in the Report on Business Performance 2021 and High-level Business Plan 2022.
- 2. Composition and operations of the BOD:**

The BOD is now composed of 9 members in compliance with legal regulations and the Bank's charter, specifically:

Stt	Full name	Title
1	Mr. Hồ Hùng Anh	Chairman
2	Mr. Nguyễn Đăng Quang	First Vice Chairman
3	Mr. Nguyễn Cảnh Sơn	Vice Chairman
4	Mr. Nguyễn Thiệu Quang	Vice Chairman
5	Mr. Đỗ Tuấn Anh	Vice Chairman
6	Mr. Hồ Anh Ngọc	Vice Chairman
7	Mr. Lee Boon Huat	Member
8	Mr. Saurabh Narayan Agarwal	Member
9	Mr. Nguyễn Nhân Nghĩa	Independent member

Summary of BOD meetings and decisions made by the BOD:

The BOD has strictly complied with legal regulations and the Bank's charter on organizing meetings and approving resolutions/decisions of the AGSM and BOD meetings. During 2021, the BOD has passed 127 resolutions by means of in-person meetings and/or seeking written inputs.

### 3. Implementation of AGSM Resolution 2021:

During 2021, the BOD has proactively and timely issued resolutions and decisions in order to effectively implement the AGSM Resolution, with the following results:

- 3.1. Delivered the business plan for 2021;

- 3.2. Completed the share issuance through the ESOP Program and increase of charter capital of 2021 to VND 35,109,147,980,000;
- 3.3. Reflect the information on such increased charter capital in the Bank’s Business License and Enterprise Registration Certificate;
- 3.4. Adjusted the percentage of foreign ownership at Techcombank from 22.4908% of charter capital to 22.4724% of charter capital as approved by AGSM Resolution 2021.

**4. Performance of BOD members:**

- 4.1. BOD members have been assigned with specific tasks, and each member has worked hard to perform those tasks and duties, contributing to the successful delivery of the Bank’s business results in 2021 as approved by the AGSM;
- 4.2. Each BOD member has fully performed his responsibilities as assigned under the Bank’s charter and internal regulations as well as legal regulations to ensure the overall effective performance of the BOD;
- 4.3. The BOD has made reports on the transactions between Techcombank and its subsidiaries; transactions between Techcombank and BOD members and their related persons.

**5. Remuneration and other benefits, operational costs of the BOD and Supervisory Board in 2021:**

*Unit: VND billion*

<b>Item</b>	<b>Actual 2021</b>	<b>Budget 2022</b>
Fixed remuneration	VND 35 billion	VND 38.9 billion
Performance bonus	Not applicable	Not applicable
Operational costs, other costs <sup>(1)</sup>	VND 7.9 billion	VND 9.2 billion

<sup>(1)</sup>*budget includes healthcare allowance, voluntary social insurance allowance, and insurance coverage for professional responsibilities*

Operational costs include office facilities, mobile phones, business travels, transportation (car rental, gasoline and taxis) and guest reception and entertainment in order to perform the assigned duties under Techcombank’s regulations.

The BOD and Supervisory Board agreed not to get performance bonus for 2021 as per the previous AGSM resolution.

**6. Assessment by the independent BOD member on the performance of the BOD and independent BOD member**

### **6.1. Assessment by independent BOD member on the performance of the BOD:**

In 2021, the BOD has worked hard and effectively, proactively issuing resolutions and decisions to effectively implement AGSM resolution in 2021, specifically:

- (i) BOD members have performed their respective responsibilities with diligence and integrity, contributing to the successful delivery of the Bank's business results in 2021;
- (ii) Fully participated in meetings of the BOD, Board Risk Committee (BRC) and Nomination Committee (NORCO); approving issues raised at the meetings and other issues by means of providing written inputs;
- (iii) Performed the respective duties and responsibilities as assigned by the BOD at Decision 0420/2019/QĐ-HĐQT dated 13/4/2019 and Decision 0300/2021/QĐ-HĐQT dated 24/4/2021 on the assignment of roles and responsibilities of the BOD members;
- (iv) Performed fully all the reporting and information disclosure responsibilities as required by current laws and regulations when conducting Techcombank share trading transactions with related persons;
- (v) Reported to the BOD on transactions between Techcombank and its subsidiaries, BOD members and their related persons;
- (vi) Reviewed Techcombank's financial statements prepared by the external audit firm, provided inputs on such statements, requested the CEO, external auditor and internal auditor to provide explanations, and received feedback from relevant units;
- (vii) Fully and timely reported to the BOD on the remunerations received from other companies (if any).

### **6.2. Performance of independent BOD member:**

- (i) Worked with other BOD members to direct, monitor and supervise the Chief Executive Officer and Chief Officer of Divisions to achieve 2021 business plan approved at General Meeting of Shareholders 2021;
- (ii) Performed the roles, duties and mandates of independent BOD member in supervising mandates of the Chief Executive Officer assigned by the Board of Directors;
- (iii) Considered and approved the release from duty, appointment of titles within approval authority of the BOD;

- (iv) Considered and approved the issuance of internal regulations on governance, organizational structure and Techcombank operations within the authority of the Board of Directors;
- (v) Supervised the Chief Executive Officer in organizing the implementation of control activities, operating and maintaining the information management system, information exchange mechanism, sustaining the control culture and Techcombank code of conducts, supervise the handling of internal violations and ethics standard;
- (vi) Provided inputs and discussed the implementation of Techcombank annual strategy and general development plan;
- (vii) Made decisions on relevant matters of market development solution, marketing and technology;
- (viii) Made decisions on risk management policy and supervise the implementation of risk mitigation measures at Techcombank;
- (ix) Performed other duties upon the assignment of the Chairman of the Board of Directors and guideline of the State Bank of Vietnam.

## **7. Performance of Councils/ Committees:**

- 7.1. Two committees established in accordance with applicable laws, including the Board Risk Committee (BRC) and Nomination Committee (NORCO) (formerly Nomination and Remuneration Committee - NORCO), shall provide inputs and advise the Board of Directors of relevant matters.
- 7.2. The Board Risk Committee (BRC) fully exercised its function in assessing and advising the Board of Directors of decisions regarding risk appetite, risk policy, completed and implemented 03 governance pillars under Basel 2 in accordance with the State Bank of Vietnam's requirements;
- 7.3. The BOD members actively participated in discussions and decision-making on important issues regarding senior personnel, N-1 management positions, senior experts in finance, risk management, technology, data, digitization etc., finalized the operating mechanism of the Management Board, revised income policy, salary and bonus, competitive ESOP in association with the Bank's business performance as well as the Bank's long-term development goals and improved the welfare of the Bank's staff;
- 7.4. In addition, in 2021, the Board of Directors continuously refined the operating model of other Councils/ Committees, revised the roles and responsibilities of related Divisions and units to for timely implementation of strategic initiatives and corporate governance.

## **8. Supervision of the Chief Executive Officer's performance**

The Board of Directors directed, urged and supervised the Chief Executive Officer, Chief Officer of Divisions and Techcombank's units to focus on the effective implementation of resolutions of the General Meeting of Shareholders and the Board of Directors to achieve business plan in 2021. At the same time, the BOD timely directed to handle the recommendations of state agencies, Supervisory Board and Internal Audit in order to sustain development, manage and control risks in order to comply with the risk regulations and capital adequacy ratio (CAR) as prescribed by the State Bank in order to effectively implement the approved business strategy and continue to enhance the system, risk management framework according to international practices

**9. Action plan of the Board of Directors in 2022**

In addition to the plan as mentioned in Section 1 above. In 2022, the Board of Directors and its members shall continue to make more efforts in working with the Chief Executive Officer to achieve the business plan in 2022 and continue to implement the 5-year strategy approved by the General Meeting of Shareholders for the utmost interests of Techcombank and value to shareholders

Sincerely!

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

(Signed)

**Ho Hung Anh**