

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom – Happiness**

**REGULATION ON OPERATION  
OF THE BOARD OF DIRECTORS  
OF BINH DINH PHARMACEUTICAL AND  
MEDICAL EQUIPMENT JOINT STOCK  
COMPANY**

Binh Dinh, April 26, 2025

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## **CHAPTER I. GENERAL REGULATIONS**

### **Article 1. Governing scope and applicable entities**

1. Governing scope: This Regulation prescribes the operations of the Board of Directors of Binh Dinh Pharmaceutical and Medical Equipment Joint Stock Company.
2. Applicable entities: This Regulation applies to members of the Board of Directors, Committees, Subcommittees, and other related individuals or organizations as stipulated in the Company's Charter and the Internal Regulation on Corporate Governance.

### **Article 2. Definitions**

Unless the context otherwise requires, terms defined in Company's Charter and Internal Regulations on Corporate Governance shall have the same meaning in this Regulation.

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## **CHAPTER II. ORGANIZATIONAL STRUCTURE, RIGHTS AND OBLIGATIONS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF DIRECTORS, AND COMMITTEES/SUBCOMMITTEES UNDER THE BOARD**

### **Article 3. Structure of the Board of Directors**

1. The Board of Directors is a managerial body of the Company and has the full authority to make decisions, exercise rights and obligations of the Company in the name of the Company, except for the rights and obligations of the General Meeting of Shareholders.
2. The quantity, terms, and criteria of members of the Board of Directors are stipulated in Article 26 of the Company's Charter.

### **Article 4. Rights and obligations of Board of Directors**

1. The Board of Directors has rights and obligations as stipulated in resolutions of the General Meeting of Shareholders, the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation.
2. The Board of Directors organizes the execution of rights and obligations according to the sequence, procedures, and deadlines stipulated in resolutions of the General Meeting of Shareholders, the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation.
3. The Board of Directors can authorize the General Director or the Business Executives to handle tasks within the authority of the Board of Directors.
4. The Board of Directors is empowered to employ the Company's seal and other operational resources when executing duties falling under the purview of the Board of Directors' rights and obligations.

### **Article 5. Chairman of the Board of Directors**

1. The Chairman of the Board of Directors have the rights and duties as prescribed in the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation, and the resolutions/decisions of the Board of Directors.
2. Following the conclusion of decisions falling under its authority, the Chairman of the Board of Directors is obligated to inform or request Company Secretary to inform the Board of Directors and the General Director.
3. The Chairperson of the Board of Directors may authorize, in writing, for a term not exceeding three (03) months, a Board member to execute one or some of their rights and obligations. The



authorization by the Chairperson of the Board of Directors must be notified to all members of the Board of Directors, the General Director, and the Business Executives.

#### **Article 6. Members of the Board of Directors**

1. Members of the Board of Directors possess both rights and responsibilities outlined in the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation. A member of the Board of Directors is prohibited from authorizing, decentralizing, or delegating rights to a non-Board member to exercise the rights and obligations of a member of the Board of Directors, unless specified otherwise in resolutions/decisions of the Board of Directors, the Company's Charter, the Corporate Governance Regulation and this Regulation.
2. Members of the Board of Directors are responsible for overseeing the Committees, Subcommittees, fields, projects and are tasked with planning activities; reviewing and evaluating documents pertaining to such Committees, Subcommittees, or delegated fields and projects before presenting them to the Board of Directors.
3. Members of the Board of Directors are required to allocate sufficient time for engaging with the General Director and the Business Executives to discuss the Company's operational status; review documents and collaborate with one another. During discussions and decision-making processes on matters within their authority, members of the Board of Directors must articulate clear and well-informed opinions based on awareness and understanding of the issue, prioritizing the Company's best interests.

#### **Article 7. Dismissal and Discharge of members of the Board of Directors**

1. Members of the Board of Directors may be removed or dismissed as outlined in Article 26 of the Company's Charter and Article 11 of the Internal Regulation on Corporate Governance.
2. In case the Chairperson of the Board of Directors is removed or dismissed, the remaining members of the Board of Directors must, within 05 working days, convene a meeting of the Board of Directors to elect a new Chairperson of the Board of Directors.

#### **Article 8. Committees, Subcommittees under the Board of Directors**

1. The Board of Directors determines the composition, functions, authority, responsibilities, budgetary allocations, and staffing of the Committees and Subcommittees according to the provisions of Company's Charter, Internal Regulation on Corporate Governance and this Regulation.
2. Depending on each specific circumstance, the Committees and Subcommittees are endowed with rights, obligations, and responsibilities pertaining to their respective domains, including:

- a. Reviewing and presenting matters and issues within the decision authority of the General Meeting of Shareholders, Board of Directors or Chairman of the Board of Directors to the Board of Directors, Chairman of the Board of Directors;
  - b. Overseeing and periodically reporting to the Board of Directors on the progress of matters approved by the Board of Directors;
  - c. Advising the Board of Directors and Chairman of the Board of Directors;
  - d. Conducting research, updating, and informing the Board of Directors, Chairman of the Board of Directors, and the General Director on enhancements, methodological changes, and management tools;
  - e. Conducting inspections and evaluations of the Company's activities across all facets; Proposing enhancements and modifications to bolster efficiency and standards in the Company's operations; and
  - f. Exercising rights, fulfilling obligations, and undertaking other duties stipulated in resolutions/decisions of the Board of Directors, the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation and Regulation on the Operation of Committees/Subcommittees.
3. Members of Committees, Subcommittees are entrusted with safeguarding the confidentiality of information. Should the disclosure of information to other entities or individuals during the course of their duties lead to harm to the Company or its Shareholders, they shall assume personal liability and provide compensation for the damages incurred.
  4. The Board of Directors retains the authority to disband the Committees, Subcommittees if these entities fail to meet their objectives, have fulfilled their designated tasks, or when it is deemed beneficial for the Company's interests. Upon dissolution, all activities and pertinent documents of these entities shall be transferred to another Committee, Subcommittee under the Board of Directors or the Board of Directors.
  5. Committees, Subcommittees are entitled to utilize the Company's resources in fulfilling their responsibilities under the rights, obligations, and duties outlined for them.

#### **Article 9. Audit Committee**

1. The Audit Committee possesses the rights and obligations as specified in Article 161 of the Law on Enterprises, Article 38 of the Company's Charter.
2. The Board of Directors shall specify the rights, obligations and other contents related to the Audit Committee in the Regulations on Operation of Audit Committee.

### **CHAPTER III. OPERATIONS OF THE BOARD OF DIRECTORS AND COMMITTEES/SUBCOMMITTEES UNDER THE BOARD**

#### **Article 10. Authorization, decentralization, or delegation of authority by the Board of Directors**

1. Apart from the regulations outlined in the Company's Charter, the Internal Regulations on Corporate Governance, and this Regulation, the Board of Directors reserves the right to authorize, decentralize or delegate to Committees, Subcommittees, the Chairman of the Board of Directors, General Director and the Business Executives to fulfill certain responsibilities and exercise rights of the Board of Directors in accordance with legal regulations.
2. The authorization, decentralization, or delegation of authority by the Board of Directors must be documented in writing, clearly outlining the subject, scope, responsibilities, duration, and conditions of such authorization, decentralization, or delegation after the approval of Board of Directors. The Board of Directors retains the right to revoke such authorization, decentralization, or delegation of authority in this Article by sending a written notice to the authorized, decentralized or delegated individual or entity.
3. The authorized, decentralized or delegated individual or entity shall refrain from further sub-authorizing, sub-decentralizing or sub-delegating it to another party, except the authorization, delegation, or assignment document explicitly permits such sub-authorization, sub-delegation, or sub-assignment.
4. The parties that have been authorized, decentralized, or delegated must adhere to the provisions of the law, the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation, resolutions/decisions of the Board of Director, and the documents of authorization, decentralization, or delegation. They are required to periodically report to the Board of Directors on the implementation of authorized, decentralized or delegated matters, and they bear responsibility in case of negligence or violation of regulations resulting in damage to the Company.
5. Despite the authorization, decentralization, or delegation outlined in this Article, the Board of Directors retains the rights and obligations that have been authorized, decentralized, or delegated, and has the authority to exercise these rights and obligations at any time as per resolutions/decisions of the Board of Directors. The Board of Directors reserves the right to reject any decision made by the authorized, decentralized, or delegated party or the sub-authorized, sub-decentralized, or sub-delegated party.



6. The Board of Directors is not permitted to authorize, delegate, or assign authority to the General Director and/or other Business Executives to perform tasks related to supervising the activities of the General Director and/or other relevant Business Executives .
7. The Board of Directors has the right to assign or designate one or more departments, committees, subcommittees, or individuals under the management of the Executive Board to oversee the authorization, delegation, or assignment of authority as stipulated in this Regulation.
8. In regard to the tasks, responsibilities, or authorities that have been authorized, decentralized, or delegated, the Board of Directors shall not assume any responsibilities arising from or related to the actions of the delegated, authorized, or assigned party, including (i) violations or non-compliance with the provisions of the law, the Company's Charter, the Internal Regulation on Corporate Governance, this Regulation, and the documents of authorization, decentralization, or delegation, and (ii) the performance of tasks beyond the scope of the authorization, decentralization, or delegation.

#### **Article 11. Methods of Document Transmission**

A document is considered delivered to a member of the Board of Directors if it has been sent through one of the following methods:

1. Sent to the members' company email addresses.
2. Sent via the online platform agreed upon by the Board of Directors from time to time.

#### **Article 12. Meetings of the Board of Directors**

1. The Board of Directors shall convene Board meetings in accordance with Article 30 of the Company's Charter and Article 13 of the Internal Regulations on Corporate Governance. If deemed necessary, the Board of Directors may invite the General Director and/or Business Executives to attend its meetings.
2. The Company Secretary is responsible for updating the documents to be used at the Board of Directors meeting as per the meeting notice and informing the Board members of any significant changes to the agenda, meeting content, and documents prior to the start of the Board meeting.
3. The Chairperson of the meeting of the Board of Directors has the authority to take necessary and reasonable measures to manage the meeting in accordance with the announced agenda and content. The meeting chairperson may also postpone the meeting or part of its content to another time or end the meeting under the following circumstances:



- a. The information facilities at the meeting location do not ensure meeting attendees to participate in discussion and voting in case of online meeting; or
  - b. New documents related to the content of the meeting being discussed have emerged. However, the majority of members of the Board of Directors realize that the effects and impacts of these documents on the issue being discussed have not been assessed.
4. Members of the Board of Directors may vote to approve resolutions/decisions of the Board of Directors by raising hands, voting, sending votes electronically, or other appropriate methods.
5. In addition to the formal meetings outlined in this Regulation, the Board of Directors retains the authority to convene meetings or discussions concerning specific professional matters or Company's issues that are not be required to convened, organized and have meeting minutes taken as prescribed in this Regulation. It should be noted that these meetings or discussions are not deemed to be formal meetings of the Board of Directors for the purpose of issuing resolutions/decisions or voting on any matters.

#### **Article 13. Meetings of Committees, Subcommittees under the Board of Directors**

1. Meetings of the Audit Committee shall be conducted in accordance with Article 39 of the Company's Charter, Article 18 of the Internal Regulation on Corporate Governance, and the Regulation on Operation of the Audit Committee.
2. Subcommittees may hold regular or extraordinary meetings, either in person or online, at the Company's headquarters or other locations. The Head of the Subcommittee is responsible for convening and chairing the Subcommittee meetings.
3. The Head of the Subcommittee must send a meeting invitation to the members of the Subcommittee at least two (02) working days prior to the meeting date. The invitation must specify the time and venue of the meeting, the agenda, and the issues to be discussed and decided upon. Subcommittee meetings may be conducted in person, online, or a combination of both in-person and online.
4. The Head of the Subcommittee has the authority to invite members of the Board of Directors, the General Director, Business Executives, and other relevant individuals to attend Subcommittee meetings. Invited attendees have the right to speak and participate in discussions during the meeting but do not have voting rights.
5. Subcommittee decisions are approved at the meeting when a majority of the attending members vote in favor. Unless otherwise stipulated in the Subcommittee's organizational and operational regulations, in the event of a tie, the final decision rests with the opinion of the Head of the Subcommittee.

**Article 14. Organizing Board of Directors Meetings via Collection of opinions through online platforms.**

1. When it is deemed unnecessary to convene a meeting as stipulated in Points a, b, and c, Clause 5, Article 13 of the Internal Regulation on Corporate Governance, the Chairperson of the Board of Directors may collect opinions from the members of the Board of Directors through online platforms as specified in Point d, Clause 5, Article 13 for all matters under the Board's authority for approval.
2. The reasonable timeframe for members of the Board of Directors to review and respond depends on the matter for which opinions are being sought and shall be determined by the Chairperson of the Board of Directors. However, in all cases, it must not be less than three (03) working days and not exceed fifteen (15) working days from the date the matter is posted on the online platform.
3. Members of the Board of Directors must submit their opinions within the specified timeframe on the online platform. After this period, the Corporate Secretary will prepare the Minutes of Collection of Opinions of the Board of Directors for the matters. These Minutes are considered as Meeting Minutes and must comply with all formal and substantive requirements as stipulated by the Law on Enterprises and the Company's Charter.

**Article 15. Approving Resolutions/Decisions of the Board of Directors**

1. The approval of resolutions/decisions by the Board of Directors shall adhere to the guidelines outlined in the Company's Charter, the Internal Regulation on Corporate Governance, and this Regulation.
2. Matters falling within the authority of the Board of Directors shall be determined through voting. Resolutions/decisions of the Board of Directors are approved in the following circumstances:
  - a. Approved by the majority of Board of Directors members attending the meeting or providing opinions on the online platform;
  - b. In the event of a tie, the final decision will align with the opinion of the Chairman of the Board of Directors.
3. Members of the Board of Directors retain the right to express reservations if they disagree with a resolution/decision of the Board of Directors, but they are obligated to comply with said resolution/decision. These reservations shall be duly noted in the minutes of the meeting of the Board of Directors.

## **CHAPTER IV. COORDINATION BETWEEN BOARD OF DIRECTORS AND GENERAL DIRECTOR**

### **Article 16. Coordination between Board of Directors and General Director**

1. The Board of Directors and the Chairman of the Board of Directors regularly supervise the management of the General Director, and the Business Executives in accordance with the provisions of the Company's Charter, the Internal Regulation on Corporate Governance and this Regulation.
2. The Board of Directors and its members have the right to receive documents, decisions from the General Director, Business Executives, and other materials of the Company.
3. The General Director and Business Executives must attend Board of Directors meetings as requested by the Board and report to the Board of Directors and the Chairman of the Board on matters within their responsibilities.
4. Whenever deemed necessary, the Board of Directors may require the General Director or Business Executives to report or explain matters within their authority by providing prior notice to the individual at least 07 working days in advance. The request must clearly specify the content to be reported or explained, as well as the time and location for the report or explanation. The General Director or Business Executives have the right to decline such requests but must clearly state the reasons, which must be approved by the Board of Directors.
5. The Board of Directors may consult the General Director or Business Executives on matters within the authority of the Board for approval.
6. Resolutions/Decisions of the Board of Directors addressed to the General Director and Business Executives must be delivered within 24 hours from the date of issuance and must be published in accordance with the provisions of laws on securities.

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## CHAPTER V. IMPLEMENTATION CLAUSES

### Article 17. Implementation clause

1. This Regulation has 05 Chapters, 17 Articles and is fully ratified by the General Meeting of Shareholders of Binh Dinh Pharmaceutical and Medical Equipment Joint Stock Company on 26 / 04 /2025 at No. 498 Nguyen Thai Hoc Street, Quang Trung Ward, Quy Nhon City, Binh Dinh and accept the full validity of this Regulation
2. This Regulation is produced in three (03) copies, all having equal validity. Copies or excerpts of the Regulation are deemed valid only when signed by the Chairperson of the Board of Directors, the legal representative of the Company, or certified by a competent organization.
3. If any provision in the Regulation conflicts with the Company's Charter, Internal Regulation on Corporate Governance or legal provisions, the provisions of the Company's Charter, Internal Regulation on Corporate Governance and legal provisions shall prevail.

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN

(Signature, full name and seal)



Tạ Nam Bình