

REPORT ON OPERATION
OF THE SUPERVISORY BOARD OF BAOVIET HOLDINGS
At the 2024 Annual General Shareholders' Meeting

**Respectfully submitted to: The 2024 Annual General Shareholders' Meeting of
Baoviet Holdings**

Pursuant to the powers and duties of the Supervisory Board (SB) as prescribed in the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020, Charter of Baoviet Holdings, Regulations on organization and operation of the Supervisory Board and regulations related to the operation of the SB, the Supervisors of Baoviet Holdings (BVH) met and unanimously approved the report of the SB submitted to the 2024 General Shareholders' Meeting of BVH with the following contents:

I. OPERATIONS OF THE SUPERVISORY BOARD

**1. Operations of the SB between the 2 terms of Annual General Meetings
(AGM) 2023 - 2024**

1.1. Summary of SB's meetings

Between the 2 terms of AGMs 2023 - 2024 of Baoviet Holdings (BVH), the SB held 02 meetings. The organization of meetings of the SB complied with the provisions of law, the Holdings' Charter, the Regulation on organization and operation of the SB. The Supervisors attended all face-to-face meetings and voted in accordance with regulations. At these meetings, the SB discussed and agreed on the following main contents:

- Evaluate the operating results of the SB between 02 meetings and approve of the key tasks for the upcoming periods;
- Approve the operation plan of the SB between the 2 terms of the AGMs 2023 - 2024;
- Approving the Official Letter to the Board of Directors (BOD) of Baoviet Holdings on the comments and assessment of the SB on the draft of the separate financial statements and the semi-annual consolidated financial statements in 2023; separate financial statements in 2023 under the Vietnamese Accounting System (VAS), which have been reviewed and audited by Ernst & Young Vietnam Co., Ltd (EY Vietnam); a number of proposals and recommendations to the BOD;
- Approve the Report on operation of the SB in the 2023 Annual Report of BVH;
- Approve the SB, opinions were provided on certain issues arising during the operational activities in accordance with the proposals of the Board of Directors in 2023 and the early months of 2024.

- Approve the Report of the SB submitting to the 2024 AGM of BVH.
- Approve the bidding results of selecting an independent audit firm to audit the Financial Statements for the fiscal years of 2024, 2025, and 2026.

1.2. Activities of SB

In addition to the above direct meetings of the SB, between the 2 terms of the AGMs 2023 - 2024, the SB often discussed and consulted the Supervisors via email and had the following main activities:

- Supervisors attended all the meetings of the BOD, in addition, the Chief Supervisor attended other meetings held by BVH to grasp the situation and serve as a basis for monitoring the governance and administration of the Holdings.
- Supervise the contents, scope, review progress, audit of the 2023 semi-annual financial statements and the 2023 financial statements according to the audit service provision contract signed with EY Vietnam; Consult with leaders of the Holdings in a number of management and administration activities;
- Perform other tasks specified in the Holdings' Charter, Regulation on operation of the SB, internal regulations of BVH and relevant provisions of law.

2. Remuneration and operating expenses of the SB and each supervisor in 2023

- Regarding the remuneration of the SB in 2023:
 - + For non-specialized supervisors, the remuneration including monthly personal income tax is VND 10 million/person/month.
 - + For the full-time Chief Supervisor, salary shall be paid according to the salary regime of BVH.
- Regarding operating expenses of the SB in 2023: Comply with the regulations and rules on internal expenditure of BVH.

(Details of remuneration in 2023 of the Supervisors are published on the website of Baoviet Holdings on June 5, 2024 on the Announcement of documents of the 2024 AGM in accordance with the provisions of Circular No. 96/2020/ TT-BTC dated November 16, 2020 of the Ministry of Finance).

II. REPORT ON INSPECTION AND EVALUATION RESULTS OF FINANCIAL STATEMENTS AND COMMENTS OF SB

1. Results of inspection and evaluation of financial statements and business results of Baoviet Holdings

In 2023, Bao Viet continued to face numerous difficulties and challenges, accompanied by unfavorable insurance market fluctuations both domestically and internationally. Nevertheless, through implementing appropriate business strategies, seizing market trends and opportunities, BVH and subsidiaries have achieved the financial targets approved at the 2023 AGM. Specifically, BVH has accomplished 99,6% of the planning Total Revenue and other income, surpassing the plan for Profit after tax by 1,4%; Bao Viet has exceeded the plan for Total Revenue by 2,7% and surpassed the plan for Profit after tax by 15,9%.

Through supervising the management and administration activities of the BOD and General Director GD of BVH in 2023, and through the appraisal of the auditted separate

financial statements; and informed the unreviewed consolidated financial statements in 2023 of BVH according to VAS, the SB commented as follows:

1.1. Supervisory results of the BOD

Through supervising, the SB found:

- In 2023, the BOD held 04 regular meetings and 01 extraordinary meeting, all BOD's meetings have consistently complied with the provisions of the law and the current Charter to timely issue Resolutions and Decisions serving the direction of the Holdings' business activities under its authority, the BOD actively consulted members of the BOD in writing (in 2023, the BOD issued 82 Resolutions, 42 Decisions).

- The BOD successfully organized the 2023 Annual General Shareholders' Meeting and directed the Executive Board to implement the resolutions of the Annual General Shareholders' Meeting;

- In the meetings of the BOD in particular and the activities of the BOD in general, the members of the BOD worked with a high sense of responsibility, promoting the experience and leadership capacity of each member of the BOD.

Through supervising, the SB found: The BOD has operated in accordance with the powers and duties specified in the Charter, internal regulations on governance of the Holdings, internal regulations of the Holdings and the Law. Resolutions and Decisions in governance and administration issued by the BOD are in accordance with actual conditions, meet the requirements of governance and business development needs of the Holdings, and ensure legal rights and interests of shareholders is properly and fully implemented. The BOD has successfully fulfilled the management duties. However, a vacancy for independent member in the BOD left unfilled, despite reviewing and actively seeking qualified individuals who meet the standards and requirements. The absence of an independent BOD member does not comply with the regulations stated in Clause 4, Article 276, Decree No. 155/2020/NĐ-CP dated December 31, 2020, issued by the Government. The process of completing and supplementing BOD's personnel has been delayed.

1.2. Supervisory results of the GD

In 2023, under the close and timely direction of the BOD, the General Director and other Managers have made great efforts in leading and directing regularly and promptly in setting and implementing the business solutions in the spirit of initiative, creativity, overcoming difficulties, to successfully implement the business plan for 2023 approved by the AGM and the Resolutions and Decisions of the BOD.

Through supervising, the SB found: During the management process, the General Director complied with the governance decentralization in the Charter, Governance Regulations, internal regulations of the Holdings as well as resolutions and decisions of the BOD. The GD has proposed the right and effective solutions and decisions to help the Holdings' business activities stabilize and develop sustainably.

1.3. Results of appraisal of financial statements and business results in 2023

Through the appraisal of the separate and consolidated financial statements in 2023 under VAS audited by EY Vietnam, the SB would like to report the results of the appraisal as follows:

- *Regarding the implementation of the accounting regime:*

+ The separate financial statements and the consolidated financial statements in 2023 have been prepared on the basis of selecting suitable accounting policies and applying them consistently.

+ The separate financial statements and the consolidated financial statements in 2023 give a true and fair view, in all material respects, of the Holdings' separate financial position as at December 31, 2023, and of the results of operations and separate and consolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Corporates and legal requirements relating to the preparation and presentation of financial statements.

+ The separate financial statements and the consolidated financial statements in 2023 have been audited by EY Vietnam and there is no auditor's qualify opinion.

- *Regarding the business results and data:*

The SB agreed on the figures shown in the separate financial statements and the consolidated financial statements in 2023 of BVH according to VAS which were audited by EY Vietnam.

According to the 2023 separate financial statements of the Parent Company - BVH (audited), some key indicators of business results are as follows:

Unit price: VND billion

Items	Performed in 2022	Planned in 2023	Completed in 2023	% Performed /Planned in 2023	% Performed in 2023/2022
1. Total revenue and other incomes	1,565.02	1,580.35	1,574.06	99.6%	100.6%
2. Net profit after corporate income tax	1,065.6	1,100.41	1,116.10	101.4%	104.7%
3. Ratio of profit after corporate income tax on charter capital	14.35%	14.82%	15.04%	101.4%	104.8%

Through the business results data in the table above shows:

- Total revenue and other income in 2023 is VND 1,574.06 billion, reaching 99.6% of the plan and increasing by VND 09 billion, corresponding to a 0.6% increase compared to the same period in 2022.

- Profit after corporate income tax in 2023 is VND 1,116.10 billion, reaching 101.4% of the plan and increasing by VND 51 billion, corresponding to a 4.7% increase compared to 2022;

- The ratio of profit after tax to charter capital is 15.04%, reaching 101.4% of the plan, an increase of 4.8% compared to 2022.

With the business results as mentioned above, BVH has completed the business targets approved by the 2023 AGM. The SB acknowledged the efforts of the BOD and the

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Executive Board in implementing the 2023 business plan in the context of many difficulties and unfavorable conditions.

+ Some 2023 financial indicators of the Parent Company of the Holdings are as follows:

Items	December 31, 2023	December 31, 2022
1. Asset structure and capital structure		
1.1. Asset structure		
- Non-current assets/Total assets	23.18%	21.37%
- Current assets/Total assets	76.82%	78.63%
1.2. Capital structure		
- Liabilities/Total capital sources	1.12%	1.58%
- Owner's equity/Total equity sources	98.88%	98.42%
2. Solvency		
2.1. Current ratio (overall)	89.67 times	63.12 times
2.2. Current ratio (short term)	20.93 times	20 times

Compared to December 31, 2022, the asset structure, capital structure and solvency as of December 31, 2023 are in good shape. Current ratios and short-term solvency ratios of the Holdings are both in high level.

BVHs' 2023 Consolidated Financial Statements:

The key performance indicators of BVHs' consolidated business results according to the audited 2023 Consolidated Financial Statements as follows:

Unit: VND billion

Indicator	Performed 2023	Perfomed 2022	2023/2022		% Performed/Planned in 2023
			Amount	%	
(1)	(2)	(3)	(4=2-3)	(5=4/3)	(6)
1. Revenue and Other Income	57,871.04	54,539.82	3,331.22	6.1%	102.7%
- Revenue from insurance business	43,588.87	43,901.73	-312.86	-0.7%	101.7%
- Revenue from other activities	602.34	607.10	-4.76	-0.8%	108.1%
- Revenue from financial activities	13,543.37	9,922.38	3,620.99	36.5%	104.7%
- Other Income	34.41	22.16	12.25	55.3%	

Indicator	Performed 2023	Perfomed 2022	2023/2022		% Performed/ Planned in 2023
			Amount	%	
- Share of profit in associates and joint entity	102.05	86.45	15.6	18.0%	
2. Profit before general administration expenses	8,298.70	8,311.64	-12.94	-0.2%	
- Gross profit from insurance business	104.85	613.51	-508.66	-82.9%	
- Profit from other activities	18.93	73.43	-54.50	-74.2%	
-Profit from financial activities	8,082.12	7,851.89	230.23	2.9%	
- Other profit	19.29	28.64	-9.35	-32.6%	
- Share of profit in associates and joint entity	86.45	92.99	-6.54	-7.0%	
3. Profits before enterprise income tax	2,236.30	2,010.16	226.14	11.2%	112.5%
4. Profit after enterprise income tax	1,859.99	1,625.61	234.38	14.4%	115.9%
5. Profit of Bao Viet	1,784.86	1,550.99	233.87	15.1%	
6. Basic earnings per share (VND)	2,404	2,039	365	17.9%	

Based on the business results in 2023, SB observes the following:

- Total revenue and other income in 2023 amounted to VND 57,871.04 billion, an increase of VND 3,331.22 billion, corresponding to a growth rate of 6.1% compared to 2022, achieving 102.7% of the 2023 plan. Profit before tax in 2023 reached VND 2,236.30 billion, a increase of VND 226.14 billion, corresponding to a increase of 11.2% compared to 2022, achieving 112.5% of the 2023 plan. The majority of the profit came from financial activities.

- Profit after tax in 2023 was VND 1,859.99 billion, a increase of VND 234.38 billion, corresponding to a increase of 14.4% compared to 2022, achieving 115.9% of the 2023 planned profit.

- Profit of Bao Viet was VND 1,784.86 billion, a increase of VND 233.87 billion, corresponding to a increase of 15.1% compared to 2022.

Basic earnings per share in 2023 were VND 2,404/share, a increase of VND 365/share, corresponding to a increase of 17.9% compared to 2022.

Despite facing various difficulties and unfavorable business conditions in 2023, Bao Viet has achieved the targets for consolidated revenue and profit compared to the plan.

The indicators related to the assets and capital of BVH as of 31/12/2023, according to the audited Consolidated Financial Statements, are summarized as follows by the SB.

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Unit: VND billion

Tài sản	31/12/2023	31/12/2022	Compare 31/12/2023 to 31/12/2022	
			Amount	%
(1)	(2)	(3)	(4=2-3)	(5=4/3)
ASSETS				
A. Short-term assets	122,398.18	117,373.07	5,025.10	4.3%
1. Cash and cash equivalents	4,783.51	2,206.50	2,577.02	116.8%
2. Short-term investments	101,565.79	102,407.69	-841.90	-0.8%
3. Short-term receivables	12,278.03	9,015.46	3,262.57	36.2%
4. Inventories	113.32	130.66	-17.34	-13.3%
5. Other current assets	655.67	662.94	-7.27	-1.1%
6. Reinsurance current assets	3,001.86	2,949.83	52.03	1.8%
B. Long-term assets	98,703.43	84,290.90	14,412.52	17.1%
1. Long-term receivables	84.37	83.37	1	1.2%
2. Fixed assets	1,815.50	1,886.46	-70.95	-3.8%
3. Investment properties	45.39	45.39	0	0%
4. Long-term assets in progress	374.59	434.31	-59.73	-13.8%
5. Long-term investments	96,200.74	81,637.58	14,563.16	17.8%
6. Other long-term assets	182.84	203.80	-20.96	-10.3%
Total assets	221,101.60	201,663.98	19,437.63	9.6%
EQUITY				
C. Liabilities	198,842.58	180,393.02	18,449.56	10.2%
1. Short-term liabilities	30,823.02	32,503.86	-1,680.84	-5.2%
2. Long-term liabilities	168,019.56	147,889.16	20,130.40	13.6%
D. SHAREHOLDER'S EQUITY	22,259.02	21,270.96	988.07	4.6%
Total Equity	221,101.60	201,663.98	19,437.63	9.6%

Based on the compiled data mentioned above, SB notes the following:

The total assets/total equity of the Consolidated Financial Statements as of 31/12/2023, amounted to VND 221,101.60 billion, an increase of VND 19,437.63 billion, corresponding to a growth rate of 9.6% compared to 31/12/2022. Specifically:

- On assets:

+ Short-term assets increased by an additional VND 5,025.10 billion, corresponding to a growth rate of 4.3% compared to 2022. The increase was mainly influenced by: i) Cash and cash equivalents increased by VND 2,577.02 billion, representing a 116.8% increase; ii) Short-term receivables increased by VND 3,262.57 billion, corresponding to a 36.2% increase in comparison to 2022.

+ Long-term assets increased by an additional VND 14,412.52 billion, corresponding to a 17.1% increase compared to 2022. The primary impact came from the increase in long-term investments by VND 14,563.16 billion, representing a 17.8% increase compared to 2022.

Other items had minimal impact on the overall asset growth.

- On equity: Capital increased primarily due to an additional VND 20,130.4 billion in Long-term liabilities, representing a growth rate of 13.6%, and a decrease of VND 1,680.84 billion in Short-term liabilities, corresponding to a decrease of 5.2%.

The short-term liquidity ratio (short-term assets/short-term liabilities):

The short-term liquidity ratio showed little variation compared to 2022. As of 31/12/2023, this ratio was 3.97 times, while it was 3.61 times as of 31/12/2022, a increase of 0.36 times.

The item "Shareholders' Equity" as of 31/12/2023, amounted to VND 22,259.02 billion, a increase of VND 988.07 billion, equivalent to a increase of 4.6% compared to 31/12/2022, primarily due to an increase in the allocation to the Development and Financial Reserve Fund by VND 640.64 billion and an increase in Retained Earnings by VND 239.91 billion.

1.4. Results of supervising the implementation of resolutions of the 2023 AGM

- With the business results as mentioned in section 1.3 above, in 2023, BVH has achieved 99.6% of the planning Total Revenue and other income, and accomplished 104.7% of the planning Profit after tax. Bao Viet has fulfilled 102.7% of the plan for Total Revenue and achieved 115.9% of the plan for Profit after tax.

- The Holdings completed the 2022 financial year dividend payment, at a rate of 9.54% per share par value calculated on the charter capital of 7,423,227,640,000 VND, with a total amount of 708,175,916,856 VND already paid, and funds allocated in accordance with Resolution No. 01/2023/NQ-ĐHĐCĐ-TĐBV dated June 29, 2023, of the 2023 AGM)"

- Bao Viet has completed the organization of bidding to select an independence audit firm to audit BVH's Financial Statements for the fiscal years of 2024, 2025, and 2026 in accordance with relevant regulations. The winning bidder is Ernst & Young Vietnam LLC.

2. Evaluation of transactions between Baoviet Holdings, subsidiary companies and companies over 50% charter capital of which is held by Baoviet Holdings with members of the Board of Directors, the General Director, other executives of Baoviet Holdings and their related persons; transactions between Baoviet Holdings with companies whose founders or managers are members of the Board of Directors, the General Director or executives over the last 03 years from the transaction date;

III. REPORT ON SELF-ASSESSMENT OF PERFORMANCE OF SB AND SUPERVISOR

1. Evaluation of SB's performance

The SB has 03 Supervisors, including a full-time Chief Supervisor and 02 non-specialized supervisors. The supervisors all operate independently, do not hold managerial positions at the Holdings, do not work in the Accounting department of the Holdings or work as the independent auditors auditing the financial statements of the Holdings. On the basis of the rights and duties specified in the Holdings Charter, with the above-mentioned performance, the SB self-evaluated as follows:

- The Supervisory Board has properly performed its function in supervising the BOD and CEO through the management and administration of the Holdings.
- Successfully completed the appraisal of the separate financial statements and the consolidated financial statements in 2023 according to VAS audited by EY Vietnam.
- Through performing its tasks, the SB has made recommendations and suggestions to the BOD and General Director to strengthen governance, perfect the internal control system, minimize risks to meet management requirements and sustainable business development of the Holdings.
- The SB held regular meetings in accordance with the provisions of the Law on Enterprises and the Holdings Charter. In order to promptly solve arising problems, the SB regularly discussed and consulted with the Supervisors via email.
- The SB has operated in accordance with the powers and duties specified in the Holdings Charter. The decisions of the SB were issued in accordance with the order and procedures in accordance with the Law on Enterprises and the Holdings Charter.

2. Evaluation of supervisors' performance

- On the basis of the Holdings Charter, Regulation on operation of the SB, the assignment of tasks for the Supervisors, the Supervisors actively participated in all BOD meetings, SB meetings, successfully completed their assigned tasks.
- During the meetings and activities of the SB, the Supervisors all worked actively with a high sense of responsibility, contributed important ideas, strictly complied with the Holdings Charter and the regulation on operation of the SB.

In the process of exercising their assigned rights and obligations, the Supervisors always perform honestly and carefully, taking the protection of the interests of the Holdings and shareholders as a key task; not abuse their positions and use information, know-how, business opportunities and other assets of the Holdings for personal gain or to serve the interests of other organizations and individuals.

IV. OPERATION PLAN OF SB

BETWEEN THE 2 TERMS OF THE AGMs 2024 - 2025

Based on the duties of the SB as stipulated in the Charter of Baoviet Holdings, the Regulation on organization and operation of the SB and regulations related to the operation of the SB, the SB proposed an operation plan between the 2 terms of the AGMs 2024 - 2025 as follows:

Through supervising, the SB found:

Transactions between BVH and affiliated persons; or between BVH and major shareholders, internal persons and the affiliated person of internal person:

Baoviet Holdings has performed transactions with related parties including: subsidiaries of the Holdings through investment activities and providing/receiving service provision, dealing with major shareholders. Few significant transactions such as: payment of VND 616,718,280,340 as the dividend amount for 2022 to major shareholders (Ministry of Finance: VND 460,314,349,200; Sumitomo Life Insurance: VND 156,403,931,634) according to the Resolution of the AGM 2023. The remaining cases of contracts and transactions are valued at less than 10% of the Holdings' total assets recorded in the most recent financial statements. Therefore, according to the provisions of Clause 5, Article 40 of the current Holdings Charter, these contracts and transactions are under the decision-making authority of the Holdings' BOD. The signing and performance of these contracts and transactions are all carried out by the Holdings in accordance with the approval of the BOD in the resolutions of the BOD; contracts and transactions are performed honestly and carefully for the best interests of the Holdings, not for personal gain or for the benefit of other organizations or individuals.

(The details of transactions between BVH and affiliated persons and major shareholders are reported in Section VII of the 2022 Listed Company Governance Report, according to Official Letter No. 136/2024/BC-TDBV dated January 30, 2024. Bao Viet has disclosed this information on the official website at the following link: <https://baoviet.com.vn/Quan-he-co-dong/Cong-bo-thong-tin/ArticleList/42/>)

Transactions among Bao Viet's insiders, including affiliated person of insiders with subsidiaries or companies controlled by Bao Viet were not identified.

- Transaction between BVH and other entities:

+ There is no transaction between Baoviet Holdings and the company in which members of the BOD, Supervisors, and General Director have been or are founding members or members of the BOD, Director (General Director) during the last three (03) years (at the time of drafting the report).

+ There is no transaction between Baoviet Holdings and the company in which the related person of the BOD, Supervisors, General Director is a member of the BOD, Director (General Director).

- There is no transaction of Bao Viet Holdings (if any) that could bring material or non-material benefits to the members of the BOD, SB, or General Director.

3. Evaluation of the coordination between the SB and the BOD, CEO and shareholders

- Between the 2 terms of the AGMs 2023 - 2024, the SB closely coordinated with the BOD and GD on the principle that for the legitimate and maximum interests of the Holdings, shareholders and in accordance with the provisions of the Law, the Holdings Charter. Supervisors were invited to attend all meetings of the BOD, and the Chief Supervisor was invited to attend a number of other meetings of the Holdings.

- With shareholders: Between the 2 terms of the AGMs 2023 - 2024, the SB did not receive a request or complaint from a shareholder or a group of shareholders with the ownership ratio and holding time in accordance with the law and the Holdings Charter.

- Fully implement the rights, obligations and responsibilities of the SB as stipulated in the Holdings Charter, the Internal regulations on Holdings governance, the Regulation on organization and operation of the SB, and the internal regulations of the Holdings and Related laws.

- Supervise the Holdings' financial situation, the legitimacy of activities of members of the Board of Directors, GD and other managers;

- Supervise the implementation of the accounting regime and the preparation, audit/review of financial statements; the implementation of the recommendations in the Management Letter in 2023 to the Holdings by the Independent auditor.

- Appraise separate financial statements and semi-annual consolidated financial statements and 2024.

- Attend all regular meetings of the BOD, attend other meetings held by the Holdings to grasp the situation and supervise the governance and administration of the Holdings.

- Submit appraisal report of financial statements, profit and loss position statement in 2024 of the Holdings, report on supervising and evaluation of the management of the BOD, CEO and report on activities of the SB to the 2025 AGM.

V. RECOMMENDATIONS OF THE SUPERVISORY BOARD

Based on the aforementioned matters, the Supervisory Board reports and submits to the 2024 AGM for consideration and approval the operating report of the Supervisory Board between 2023 and 2024 AGM, and the plan of activities between 2024 and 2025 AGM.


Respectfully yours,

ON BEHALF OF SUPERVISORY BOARD

THE CHIEF

Recipients:

- As above;
- Board of Directors;
- General Director;
- For filing: Document Department, Department of General Statistics, Supervisory Board.



Mr. Ong Tien Hung

