

# CODE OF CONDUCT

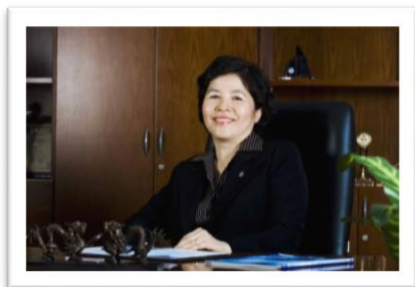
(BỘ QUY TẮC ỨNG XỬ)



**VINAMILK®**

VINAMILK®

*January 2010*



# MESSAGE FROM THE LEADER

For all employees,

VINAMILK, our reputable company, has been stepping into sustainable development and reaching the strong position not only in the economic market but also in the trust of consumers. Such reputation and position has been created basing on the trust and the cooperation of consumers, clients, partners, shareholders, and community.

We are all extremely proud of jointly creating the reputation of VINAMILK.

For reaching an accelerated development in the future, we have to maintain and promote the reputation of VINAMILK based on respect for Ethical Values. As a result, the Code of Conduct is generated for creating the foundation for us to follow in accordance with the values of VINAMILK, regardless of who we are, employees, managers or executives.

The Code of Conduct only mentions the fundamental principles and standards without analyzing details of specific situations and shall apply to all employees at any position. We also expect partners and other third parties to understand and respect.

VINAMILK encourages employees to detect violation(s), commits to protect the employees who has informed about the acts, which are contrary to the Code of Conduct and shall apply duly punishments for those violations.

Thank you for the support and the compliance of all employees in recent years.

**General Director**

**Mai Kieu Lien**

# INTRODUCTION



Vietnam Dairy Products Joint Stock Company - VINAMILK has been reaching the strong position and gaining reputation in the market for many years and became a symbol of "Vietnam Trust" on nutritional and healthy products. In response to the companion and the support from consumers, VINAMILK understands that the mission, in which - "VINAMILK commits to provide community with the best nutritional and quality source, with all respect, love and great responsibilities for life, human beings and society", must be performed in high spirit of responsibilities through conducting ourselves appropriately. This is the reason, for which VINAMILK made the Code of Conduct.

The Code of Conduct of VINAMILK is the commitment honouring **Straightforwardness**, encouraging **Respect**, ensuring **Fairness**, maintaining **Compliance**, and appreciating **Ethics**. The Core Values and the commitments set out in the Code of Conduct are the result of the combination of talent and professional, which create the distinctions of VINAMILK in awareness of consumers, partners, shareholders, employees, and the community.

The Code of Conduct of VINAMILK gives standards of conduct and is a lodestar for day-to-day activities in VINAMILK. Because we all wish the best for ourselves and for VINAMILK, the Code of Conduct will help us to orient ourselves and find the best behaviors in daily activities, even in difficult situations that could harm the ethics. Moreover, the Code of Conduct will define clearly our responsibilities for VINAMILK, the laws, third parties and the colleagues.

Actions speak louder than words. The values mentioned in the Code of Conduct will be promoted if each of us knows how to combine the meaning and the spirit of this Code in practice. The results we have shall not only reflect our completion of the mission but also make all of us become professional, behave ethically, and feel proud of being a part of VINAMILK.

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The background of the slide features a dynamic splash of white milk against a blue gradient. The milk is captured mid-air, with several droplets and a larger, swirling mass at the bottom, creating a sense of motion and freshness. The blue gradient transitions from a darker shade on the left to a lighter one on the right.

# THE CORE VALUES

- Straight-forwardness
- Respect
- Fairness
- Compliance
- Ethics

*On the sustainable development path, VINAMILK shall maintain and promote the Core Values:*

### ***Straightforwardness***

Integrity, honesty in behaviors and in all transactions

### ***Respect***

Self-respect, respect for colleagues, respect for the Company, respect for partners, cooperation in respectable way

### ***Fairness***

Fairness to employees, clients, suppliers and other related parties

### ***Compliance***

Compliance with Laws; the Code of Conduct; and regulations, policies and provisions of the Company

### ***Ethics***

Respect for standards established and acting ethically

# COMMITMENT

## ○ *Laws:*

VINAMILK always complies with Vietnamese laws as well as the laws of those countries where the Company carries out its activities.

## ○ *Clients and Consumers:*

VINAMILK offers a wide range of products and services with the highest standards in quality, the most competitive prices and VINAMILK shall be honest in all transactions.

## ○ *Shareholders:*

VINAMILK shall effort to bring significant benefits to all shareholders based on effectively using and protecting the resources of VINAMILK in compliance with the highest standards of ethics and laws in business.

## ○ *Employees:*

VINAMILK treats all employees with respect and fairness. VINAMILK creates equal development opportunities, builds, and maintains the secure, friendly, and open-minded working environment.

## ○ *Suppliers and Partners:*

VINAMILK respects and treats all suppliers and partners equally. VINAMILK also respects the long-term cooperation basing on truth, obviousness, and benefit balance.



# SCOPE AND OBJECTS OF APPLICATION

- The Code of Conduct is applied to the Company, including headquarters office, representative offices, and all branches: branches of sales, factories, warehouses, clinics... and all subsidiaries.
- All employees of VINAMILK at any positions of executives, managers or employees have responsibilities and obligations to comply with the Code of Conduct.
- VINAMILK attempts to transfer the message [of the Code of Conduct] to and expects certain respect for the Code of Conduct from our suppliers, clients and other third parties as agents, partners, investors, and consultants representing for VINAMILK, etc.



# HOW TO USE

*The Code of Conduct is a handbook forming foundation for all of us, but it cannot solve all problems. Hence, VINAMILK always relies upon the self-consciousness of each employee regarding the compliance with the Code of Conduct, as well as the capacity for recognizing situations in which employees should consult managers or leaders for advice. However, only the Code of Conduct may not enough, the principles of conduct must be passed on and complied with by all employees of VINAMILK.*

## Guide all employees

All employees are expected to properly understand and comply with the Code of Conduct. The easiest way, which guarantees that they comply with the Code is to reflect and consider the Code before they act and to seek for guidance whenever they feel concerned.

In case of facing some ethical problems, which make yourself confused, initially, you should wonder about the below questions:

- May I have the right to do this?
- Is it in compliance with the Code of Conduct?
- Is it in compliance with ethics and laws?
- Does it bring good things to myself as well as contribute to the reputation of VINAMILK?
- If those problems appear in the media, do they bring to positive influence?

If the answer for any question above is NO, or if still being uncertain, employees are entitle to consult their manager(s) or the person in charge of the ethical program - Compliance Department for guidance. Employees should remember that sharing opinions with direct managers, ordinarily, is the best way to resolve problems.

Please note that, in some special circumstances, comprehensive written instructions shall be sent from Compliance Department to employees if the problems they have are extremely important or relate to Conflicts of Interest.

## Guide all executives and managers

Being executives or managers, we are expected not only to understand and comply with the Code of Conduct but also to perform the role as a pattern guides. We honorably take over the responsibilities as follows:

**Firstly**, promoting the compliance [of the Code of Conduct]:

- We must find methods which ensure our subordinates understand and aware that their assignments and responsibilities shall be controlled by the Code of Conduct, the other rules, policies and regulations of VINAMILK. Particularly, we create opportunities for employees to discuss about the Code of Conduct, as well as provide and maintain a comfortable environment so that all employees can raise their concerns.
- As leaders, we are not allowed to encourage or guide our employees, directly or indirectly, to exchange the moral values for commercial interests.
- Always lead the way, supervise employees by way of taking reasonable actions to prevent employees from violating the Code of Conduct.

**Secondly**, attending and listening to feedbacks and answering questions:

- Pay more attention on feedbacks from employees regarding the Code of Conduct or any other ethical questions. We should clarify information received and feedback as soon as possible.
- Although being the troubleshooters, we are not required to answer questions immediately or answer all questions. In case of being uncertain, we should seek for help from direct managers or from Compliance Department.

*VINAMILK commits to create the best conditions for all employees so that they can comply with the Code of Conduct as well as giving their feedback in order to improve such Code.*

## For violations

For violations or for cases having signs of violation, VINAMILK encourages employees to inform immediately and commits to create favorable conditions for employees to notify Compliance Department or the Chanel of 24/24h notification receiving.

Violations are the acts, which break the laws, the Code of Conduct, other rules, policies, and provisions of the Company, or the acts of inciting other people to do so for any reason. Violations shall be considered extremely severe if they are conducted for revenge purpose. Finally, we should remember that violation is not accepted for any reason, including the reason for accomplishing career target.

VINAMILK is entitled to apply the appropriate disciplines on employees, including the highest punishment, dismissal. However, VINAMILK commits that the punishment shall be based on reasonable and fair principles.

In case of facing with or having reasonable arguments to suspect that there is a violation occurring, especially for violations for revenge purpose, employees are required to notify competent management promptly. In addition, VINAMILK encourages individuals who violate to admit voluntarily their violations. VINAMILK shall give appropriate clemency for these cases.

*VINAMILK strictly prohibits and shall not tolerate any act of revenge addressing to employee(s) who has/have disinterestedly informed competent management of violations, whether such violations existing or just being suspected*

*VINAMILK commits to take appropriate actions in order to protect employee(s) who has/have notified competent management violations even though it just has signs of retaliation.*

# COMPANY TOWARDS EMPLOYEES



Respect



Fairness



Working environment

*VINAMILK respects and has confidence in the abilities, virtue, and willpower of all employees, who have been striving for the development target of VINAMILK. For the purpose of maintenance and promotion of such values, VINAMILK commits to assign a top priority to all employees, pays its respects to them, and understands that employees are valuable assets.*



## Respect

VINAMILK respects human rights and virtue of all employees as well as the **Straightforwardness**, which is immanent in each employee. **Respect** means that VINAMILK respects all differences of all employees, and respect all points of view, which have origins from such differences.

### *Information exchange*

VINAMILK commits to create an open-minded environment for internal information exchange so that employees can spread promptly the information relating to job, relationships, and/or the achievements of employees, etc. Importantly, VINAMILK always respects constructive ideas for various aspects contributed by employees of all level without discrimination, especially for those ideas suggested for improving the working environment or/and for issues relating to specific tasks.

### *Personal information*

VINAMILK respects personal privacy. Gathering, processing, storing, and using personal information of employees will be made only in cases of extreme necessity and allowed by law.



## Fairness

VINAMILK commits to treat employees **fairly**, which means:

The evaluation of capacities of employees shall be based on fair principles although there are different views, opinions while working.

The recruitment, arrangement of jobs and determination of salaries and other benefits for all employees of VINAMILK shall be based upon their responsibilities, abilities, experience performance, and assessment results.



*VINAMILK appreciates the striving to overcome all difficulties and challenges to complete job targets in compliance with Ethical Values.*

*VINAMILK is aware that just those employees who have great zeal can succeed in their career and contribute towards the development of the Company.*

*Let us show such zeal for every thought or/and action because it is the best way to show the self-respect and show respect for the Company.*

VINAMILK offers all employees equal opportunities on various aspects:

- ✓ Firstly, VINAMILK commits to set career targets, which are suitable as well as challenging to employees.
- ✓ Secondly, VINAMILK commits to provide training opportunities, coaching and promotions for employees so that they can prove and improve themselves.
- ✓ Thirdly, VINAMILK commits to carry out evaluations of working results of employees in order to obtain candid and accurate feedbacks based on the discussion.



## **Working environment**

*VINAMILK shall provide and maintain a safe, healthy, and friendly working environment, which attracts talents regardless of differences in their backgrounds. It is an environment where:*

All employees have opportunities to explore and prove themselves as much as possible, to reach their own targets in development and, therefore, will contribute to the success of VINAMILK.

All employees shall have the best working conditions in both physical and mental aspects. The employees shall be provided with convenient workspace, office equipment and comfortable atmosphere so that they can develop their abilities and contribute personal opinions. This environment shall ensure that all employees are respected, have opportunities to exchange [relations] and entertain regardless of differences in capacities or personalities.

All employees shall be ensured safety and health. VINAMILK shall strictly comply with the regulations on safety and health in order to guarantee the best health for every employee so that they can develop their capacity.

*VINAMILK is enormously proud of the efforts of employees to contribute to the success of the Company. VINAMILK commits to guarantee the performance of these Core Values, and undertake to perform all commitments to all employees.*

*In any cases, whenever facing any unsatisfying matter or having plausible evidence showing that such commitments have not been obeyed by the Company, employees are encouraged to notify Compliance Department through the Chanel of 24/24h notification receiving.*





# VINAMILK WITH EXTERNAL RELATIONS



- ▶ **The Law and State Authorities**
- ▶ **Consumers, clients, suppliers**
- ▶ **Partners, investors**

# The Law and State Authorities



## The Law

**VINAMILK always respects the law, commits to comply with regulations, and will be responsible for non-compliance with regulations.**

*There are a number of laws/ codes, which should be taken notice:*

### ➤ **Law on Competition**

*The Law on Competition guarantees all enterprises participating in all business sectors without holding dominant positions a fair and open market. Because of being fully aware of this Law, VINAMILK shall support and commit to comply with the Law on Competition.*

VINAMILK always competes basing on the principles of honesty, non-infringement of the interests of the State, the public interest and the legitimate rights and interests of consumers.

VINAMILK commits not to carry out anti-competitive behaviours. More precisely, VINAMILK shall not make any unfavourable comments about products of competitors; not to collect confidential information of competitors by illegal or unethical ways; not to perform any act to reduce, distort or hinder competition in the market.

### ➤ **Law on Protection of the Environment**

*VINAMILK commits to comply with the Law on Protection of the Environment and bring to the community a safe environment for people.*

VINAMILK will effort in investing and using of equipment, machinery and producing environmental-friendly products. All waste caused by the production processes are controlled and treated according to the laws. Moreover, VINAMILK commits to create jointly a friendly, peaceful environment for the development in the future.

VINAMILK understands and shall follow the principle of “environmental protections”, in which environmental protections must be co-ordinate harmoniously with economic development and ensure social progress in order to achieve national sustainable development. Protection of the national environmental must be associated with protection of the regional and global environment.

## ➤ Labour Code

*VINAMILK commits to comply with the Labour Code. VINAMILK also commits not to employ juniors, which is contrary to law or coerce labour.*

Basing on the Labour Code, VINAMILK is aware of its rights regarding the recruitment, arrangement, management labour in accordance with business and production requirements, the right to reward employees and to deal with breaches of labour discipline in accordance with the Labour Code.

In addition, VINAMILK is also aware of its responsibilities, in which VINAMILK needs to ensure democracy, fairness, and civilized behavior while managing labour. VINAMILK should find the ways, which make employees pay more attention to the performance of the Company in order to reach the maximum efficiency in the management of labor and production. That is also the best way for VINAMILK to enhance its position in compliance with the law and to save the human resources.

## ➤ Law on Intellectual Property.

*VINAMILK commits to comply with the Law on Intellectual Property.*

VINAMILK shall perform any acts if possible to protect its intellectual property legally. VINAMILK shall do the registration of all copyrights and related rights, industrial property rights to inventions, industrial designs, layout designs, and marks to make sure that those shall be protected by law.

Besides, VINAMILK respects all intellectual assets of competitors, clients, suppliers, etc. VINAMILK attempts to protect its intellectual property rights through obeying all obligations mentioned in confidential agreements entered into.

Employees of VINAMILK shall comply with all the obligations as mentioned above during their working periods, even when they are no longer working for VINAMILK.

## ➤ Law on Securities

*Being a listed company, VINAMILK commits to comply with the Law on Securities, including but not limited to the obligations of disclose information completely, accurately and promptly.*

Employees of VINAMILK shall not disclose, use, provide internal information for trading, buying or selling securities for themselves or for others. VINAMILK shall not perform acts in order to create artificial demands and supplies.

## State authorities

*VINAMILK states that VINAMILK shall act in straightforward way in all transactions with State authorities.*

VINAMILK commits not to carry out illegal or unethical acts to collect or conceal information for its own benefits.

Besides, VINAMILK commits not to carry out acts of bribery for its own advantages such as permits, contracts, etc.

In the course of working period, employees of VINAMILK are not allowed to offer valuable gifts or entertainment for officials of State authorities on behalf of VINAMILK in order to obtain any purpose.



# Consumers, Clients and Suppliers



## Consumers

*Products of VINAMILK are given a mission of bringing the community the best source of nutrition with all respect, love, and responsibilities to life, human beings, and society. The truth of consumers for products of VINAMILK shall be the measure of the success of and shall be the strong motivation for VINAMILK. VINAMILK always puts consumer benefits on top, commits to maintain ethical value, and ensures quality and safety of products.*

### ➤ Establishing the highest standards for products

The safety of products and the quality of services are the greatest concerns of VINAMILK. VINAMILK ensures that consumers can have confidence in products of VINAMILK because of the highest reliability, the best quality, and the outstanding effect. VINAMILK commits to make quality products, which reach standards of safety and hygiene; diversifies products and provides competitive prices.

With respect to the quality of products, VINAMILK commits to comply with and apply to regulations/standards regarding quality, equipment, labor, and raw materials during production processes. By using modern, environmental-friendly equipment, recruiting willful, diligent, and professional employees, with cleaning materials from sustainable and reliable suppliers, VINAMILK always feels confident of the quality of its products.

With respect to the prices of products, VINAMILK commits to design a pricing policy, which is reasonable, competitive, and proportional to the quality of products.

### ➤ Honesty in Advertising

One of the methods to promote the image of VINAMILK to consumers is advertising. VINAMILK expects that advertising shall bring not only the creativity, attraction, usefulness but also the truthfulness and accuracy.

VINAMILK commits to advertise truthfully; in other words, VINAMILK shall present the truth about its products. VINAMILK guarantees to tell the truth, do the right things, and sell quality products to consumers as its announcement.



## ➤ To satisfy consumer

VINAMILK always focuses on consumers, tries to meet and satisfy requirements and tastes of customers on creating products. Because the requirements of consumers change constantly, the best way to catch such changes is to listen to and respect opinions of consumers as well as to create a comfortable and friendly environment so that the exchange of information can be executed easily.

VINAMILK welcomes comments from consumers as the contributions for products, and the concerns, questions and even complaints in a respectful, polite way. For those complaints regarding the safety of products or services, VINAMILK commits to investigate and resolve them immediately.

## ➤ Preserve of Consumer Information

VINAMILK respects and preserves personal information of consumers. In some special cases, in which the consumers are required to disclose their personal information such as their name, home addresses, email address, phone number, etc. for some certain purposes of the operation of VINAMILK, VINAMILK commits to preserve them carefully and only uses those information for the purposes as agreed or declared.

## Clients

VINAMILK treats customers as business partners basing on bilateralism. Therefore, VINAMILK shall take the realistic actions in order to reflect such view through plans, terms for cooperation and support for clients.

VINAMILK shall not take any action which does or means to bestow a favor on clients, whether they are distributors or retailers, regarding pricing policy, discount, promotion, support, etc. All acts of VINAMILK are consistently based on business relationship.



## Suppliers

*VINAMILK desires to be provided with stable and reliable resources from suppliers of materials and services by way of establishing strong relationships, which are based on sustainable and harmonious interest principles. Thus, VINAMILK commits to create the image of a reputable company, which always respects and is honesty with suppliers.*

Firstly, VINAMILK commits to comply with the regulations of the laws relating to transactions with suppliers.

Secondly, VINAMILK commits to make transactions in accordance with the principles of fairness, honesty, objectivity, and harmonious interests. The selection of suppliers of VINAMILK is based on definite criteria such as price competitiveness, quality, standards, and other reasonable conditions. Besides, VINAMILK always supports the suppliers who compete fairly, equality, fiercely for general business goals and take consistent attitude towards the non-legal or unethical acts in competition.

Finally, VINAMILK wishes that suppliers would respect the Code of Conduct as well as business ethics comply with the law and ensure that products and services provided for VINAMILK meet standards.

## Partners, Investors, and Shareholders

*Respecting mutual interest is the important and basis guideline of VINAMILK while dealing with partners, investors, and shareholders.*

- **Partners:** VINAMILK commits to respect benefits of the partners and shall effort to save assets and human power of partners during the time of cooperation.
- **Investors:** VINAMILK commits to create equal investment opportunities for all investors regarding exchanging and sharing information and provide clean business environment by way of publicizing the process of investor selection.
- **Shareholders:** Guideline of VINAMILK is to treat interests of shareholders as its own interests.

VINAMILK commits to treat all partners, investors, and shareholders fairly and honestly. Partners, investors, and shareholders are all provided exact information by VINAMILK. Besides, VINAMILK commits to keep private information of all partners, investors, shareholders confidential, unless otherwise legally required by State authorities.

## Financial statements:

*VINAMILK commits to provide financial statements with exact and reasonable information, in compliance with relevant regulations and standards.*

VINAMILK commits to provide quality financial statements, which are exact and evident. All property, funds, profits or expenses must be recorded fully and accurately in financial statements in accordance with regulations, the current accounting standards and the own policies of VINAMILK. By this commitment, VINAMILK guarantees that the Company always respects the audit that performed by internal auditors as well as independent audit firms. It is believed that carrying out of highly independent audit programs will gain confidence of partners, investors, and shareholders.

Provision of financial statements for external use must be carried out by competent employees in accordance with the Rules on disclosure of information. With respect to important information unpublished (information, which has not been disclosed by VINAMILK and is considered important for any third party for its decision on investment), the disclosure of such information must be executed by individuals duly nominated, such as senior managers of VINAMILK. In addition, all documents filed and information exchanged - whether in oral or in writing - must be adequate, fair, accurate, timely, and understandable, without significant mistakes

## Information about the operation

Together with financial statements provided for external use, VINAMILK also publicizes updates on the business activities through its website.

Shareholders are annually notified the performance of the Company via Annual Report and have the opportunity to question the Executive Committee and Board of Directors at the General Meeting of Shareholders.





# VINAMILK TOWARD EMPLOYEES

- ▶ **Property**
- ▶ **Information**
- ▶ **Conflict of interests**



# ► Property



*The definition of "Property" mentioned herein means all tangible and intangible assets, which VINAMILK has the rights to manage, use, and/or dispose.*

*The intangible assets including created by any work force and/or data created by any employee are all property of VINAMILK.*

VINAMILK is aware that one of the realistic ways to bring the maximum benefits for all Shareholders is to maintain and save all property of VINAMILK. Therefore, each of employees must have a sense of protecting property of VINAMILK. Details are as follows:

- All employees have responsibilities to protect all property of VINAMILK against destruction, damage, loss, improper using, or using in wrong way, especially when the property is transferred to employees.
- Property of VINAMILK was invested and equipped for business purposes, which are not allowed to be used by employees for their own purpose.

## Intellectual property

With respect to intellectual property of VINAMILK including but not limited to business concepts, information, know-how, etc., VINAMILK does register all inventions, marks and copyright in order to be protected by law. Besides, all employees are required to protect the intellectual property in accordance with the rules of Privacy of Information.

## Information system of VINAMILK

*Information system of VINAMILK includes email, local area network, software, telephone, voice mailbox, wireless devices, internet, fax, computers, and other backup devices.*

During the working time, employees must use the Information System appropriately to ensure information received on time; have responsibility to protect data system against unauthorized access, damage, or loss. The Company stipulates the usage and protection of the Information System in Information System Policy.

All access and use of the Information System of the Company shall be controlled and all the information shall not be private when it is sent/received/stored in the Information System. This may lead to the case in which the information could be prevented or checked (if necessary).

*Employee shall not be allowed to:*

- Implement activities, which may harm the image, mark, trade name and reputation of the Company.
- Disclose confidential information of the Company to the others without approval or authorization.
- Take illegal actions such as scams, fraud, damage, etc.
- Access to the websites which store/delivery files/programs showing illegal contents such as pornography, harassment, political agitation, religious division.
- Harass the others.
- Send spam emails/viruses/or other harmful codes
- Use the account of the other without his permission.
- Take actions of testing IT system without official approval of authorized person of the Company.
- Allow people who do not have responsibilities to access to the Information System.

### ➤ *E-mail*

Employees are granted email accounts in the email system of the Company. Employees are only allowed to use that accounts to send or receive emails for the business purposes. Other email systems and other board, forum, etc. are not allowed to be used for exchanging information of Company's affairs.

## ➤ *Network and access*

Employees are assigned rights to access and process information, which is appropriate for the execution of their employees. For the exceptions, employees are required to obtain approvals from both their competent managers and IT Department. Unauthorized access and processing will be treated as an act of infringement of property of VINAMILK.

## ➤ *Software*

VINAMILK declares that VINAMILK allows proprietary software on use in VINAMILK. The software of employees is allowed on use only in case of obtaining approvals of both their competent managers and the IT Director. The copyright of such software must be showed before being installed. Employees have responsibilities to protect, preserve the software of the Company.

*Only some senior executives or managers have the right to make decisions relating to property of VINAMILK. Employees should not make any decision on property of the Company without approvals of competent executives and managers. Employees should contact the director or the Department of Internal Control to get more information regarding those who have the right to make such decision.*

# ► Information



*During the working time, VINAMILK allows employees to access to confidential information for execution of their duties, but those employees are required not to disclose such information.*

## Privacy

*All VINAMILK employees must keep information confidential and obey the Privacy Policy of the Company.*

Employees are required to obey the regulations of collecting, using, transfer, deletion, and protecting information. Information that is required to be protected includes but not limited to:

- + Information on governing or restructuring
- + Annual plans, long term and short term plans
- + Information regarding proceedings of the Company
- + Marketing and business plans
- + Analysis of competitiveness and risk
- + Plans of development products, product ingredients
- + Price, cost, expenses, budget
- + Material contracts, merger or acquisition
- + Business and financial plan or forecast
- + Information of Human Resource
- + Information relating to customers, partners, potential customers, and suppliers, which is confidentially provided for the Company shall be treated as confidential information.

Nowadays, in order to survive in extremely competitive business environment, the privacy of information is very important. Employees of VINAMILK must be aware of the importance of the confidential information stored. Employees are prohibited to neither disclose information nor allow any third party to access confidential information of the Company.

### **Employees have to avoid:**

- + Discussing loudly in public areas when a third party may hear and get information.
- + Discussing confidential information to third parties without approval or even when there has been no agreement/commitment regarding confidential information.
- + Discussing with Partners, Customers, Suppliers without approval for the contents or lack of knowledge about the state of privacy of the information
- + Shredding notes or documents having confidential information in wrong ways

Please note that obligations regarding the privacy of information becomes effective during the working time of employees in VINAMILK and afterwards.

*When recognizing of non-compliance or having any question relating to privacy of information, employees can contact directly Compliance Department or hotline of the Chanel of 24/24h notification receiving.*

## **DISCLOSURE**

Because of being a listed company, all information publicized outside shall have strong influence on a large number of individuals and organizations. Therefore, all business activities and information of VINAMILK are always expected and tracked by the mass media, securities analysts, partners, investors, and shareholders of VINAMILK.

Any information provided for individuals and organizations mentioned above can be considered as official statement of VINAMILK. In order to ensure the adequacy, accuracy, and legitimacy of information publicized and avoid unexpected consequences, all information which is provided, publicized, and spoken is required to follow the Rules on Disclosure of Information or to be executed by authorized persons from time to time.

No employee is allowed to personally speak to any journalist or join in an interview on behalf of VINAMILK without duly authorization from VINAMILK, except for the cases, in which individuals speak on their behalf.



# Conflict of Interests



Employees are not allowed to carry out activities, which compete against VINAMILK. Moreover, during the time working for VINAMILK, employees have to separate their own benefits or benefits of their families and their duties. Those are the point of view of VINAMILK regarding the Conflict of interest.

VINAMILK acts on the basis of the Core Values and is also aware that all activities of VINAMILK must be obvious and honest in all transactions, with all customers, partners, suppliers, and shareholders or community.

In case of being representatives for VINAMILK, employees have to adjust themselves to the highest standards of the Straightforwardness and act in respectful way for the reputation and position of VINAMILK. All employees must be fair and honest in all transactions with clients, suppliers, shareholders, competitors, and even other employees for avoiding the conflicts of interest. In case of working with individuals who come from other organizations and having to comply with their own code of conduct (if any), employees of VINAMILK are required to respect such compliance of those individuals mentioned.

*Employees of VINAMILK should avoid to, directly or indirectly, involving themselves in any action which conflict or may conflict with interest of VINAMILK.*

Conflicts may occur in many circumstances. The Code of Conduct may not cover all situations. Some cases mentioned below are the typical cases for Conflict of Interests, which should be avoided.

*Employees should contact Compliance Department or via hotline of the Chanel of 24/24h notification receiving whenever having any suspect, concern or being aware of violation.*

## Personal Benefit

VINAMILK respects the rights of employees to build up freely their relationships in working environment. However, they should ensure that such relationships should not influence the independence in their behavior and their straightforwardness during the working time.

*In this case, the conflicts of interest may arise in case where employees may act in the manner that is not in the best interests of VINAMILK because of their own reasons, their friends, or relatives.*

For those cases of conflicts of interest, employees who have special relationships at work should behave cleverly basing on their own judgment and sensitivity.

*Employees who carry out the transaction involving their benefits or benefits of their lineal descendants, on behalf of VINAMILK with any third parties must report to direct manager or obtain a written approval in advance.*

## Relationships in workplace

The conflicts of interest in this case can be recognized when employees have close relationships with their supervisor(s) or inferior(s), especially for those situations when a member in employee's family is accepted for the positions, which cause or may cause Conflict of Interests.

*Employees, with their power and influence, are not allowed to introduce or offer job or grant more favor to their friends, their lineal descendants or their relatives or granting them more favor in the process of recruitment. Decision-making process must be rested on business ethics and not be affected by personal connection.*

In those cases as above, employees are required to immediately notice to direct manager.



## Outside jobs

*The Company does not allow employees to work for or support any third party while working for VINAMILK, if those jobs may cause negative effects on performance of employees.*

*It should be emphasized that VINAMILK shall not accept any case in which employee of VINAMILK simultaneously holds managerial position in VINAMILK and other enterprise, even that such enterprise may not carry out the same business lines as VINAMILK's.*

Employees are not allowed to use *time, equipment, or documents* of VINAMILK supporting their own outside jobs, which are not relating to their jobs in VINAMILK, without approvals from direct manager, for any personal reason.

## Appropriation of opportunities of the Company

*Employees are not allowed to use property, information or take advantage of their position in VINAMILK to compete with or appropriate opportunities of VINAMILK for the purpose of their own benefit or the benefits for their relatives.*

Employees are required to execute thoroughly their duties in transactions of buying and selling goods, products or providing of services with suppliers and customers of VINAMILK in order to avoid existing, potential, or perceived conflicts of interest.



## Representatives

*Employees are not allowed to do tasks or handle transactions as the role of an operator, agent, trustee, or an authorized person of customers or suppliers of VINAMILK or to represent them for their interest while the Conflicts of Interests between VINAMILK and those persons may arise.*

VINAMILK shall assess specific circumstances in which employees are delegated/nominated to work in the above positions/roles to determine whether their behaviors are appropriate to the principle of avoidance of conflicts of interest.

## Abuse of position

*The abuse of positions to perform behaviors, which are not for benefits of VINAMILK, in many cases, will be identified as conflicts of interest arising.*

Employees are not allowed to, on behalf of VINAMILK, borrow, rent, guarantee a loan which may harm/decrease the benefits/reputation or position of VINAMILK.

Employees are not allowed to take advantage of their positions to offer services / goods to third parties, customers, and suppliers. In particular, employees should avoid the transaction with a third party in which employees directly involve in or are aware that their position may impact on decisions of using / purchasing the services / products of such third-party. For those situations where the acts of refusing cannot be done because of objective reasons, employees are only allowed to provide the name of the supplier without involving deeply in decision-making process.

Employees are not allowed to take advantage of their positions to make or influence transactions for their own benefits, such as transactions relating to the property (real estate, intellectual property, etc.) which the Company intends to purchase or lease.



## Gifts



All business decisions must be based on the real value of the activities. VINAMILK shall not accept any act of offering or receiving gifts, money, or other valuable benefits in order to influence business decisions of VINAMILK. The objects mentioned herein include suppliers, customers, investors, etc. The forms of offering or receiving gifts shall include both direct and indirect forms. The definition of "**valuable benefits**" will be set out in Regulations on offering and receiving gifts of VINAMILK.

*Employees are prohibited from arranging to receive gifts; money or other benefits even those who received are members of their families, offered by any individual/organization having business relationship or wishing to create a business relationship with the Company.*

Never accept gifts or services if they harm reputation of VINAMILK or cause a bad image.

VINAMILK accepts small gifts and appropriate parties, which can help to strengthen business relationships. The acceptable circumstances include:

- + Gifts or forms of entertainment received from customers or suppliers have no influence or no signal to influence decisions on jobs.
- + Gifts or entertainment received or offered must have reasonable purposes, conforming to the habits and customs and complying with law the Regulations on offering and receiving gifts of VINAMILK.
- + Gifts and parties must be at a minimum of cost and frequency and reasonable.

If employees who are offered a gift or receive an invitation to the party stated that the situation does not meet the criteria set out above, they should politely refuse this gift or this invitation. In case where the refusal of gift / invitation may harm the business relationship, employees should accept it on behalf of VINAMILK and immediately report to direct manager and Compliance Department of the Company. A best resolution will be provided for such cases.

Employees should consider and be cautious when they offer gifts and hospitality. All offer of gifts and services for State officials must be approved by the competent senior manager. Employees must strictly comply with laws and other related regulations of VINAMILK.

## Other contents

Employees are not allowed to invest in any business lines/ other companies, organizations, which may cause influence on their decisions in business affair.

Employees are not allowed to own a number of shares / stake (more than the minimum threshold) in a competitive enterprise or an enterprise having business transaction with the Company. This limitation does not apply to the ownership of minority stake (normally less than 1%) of the Company trading on the stock market if the amount of investment is not large enough to create conflicts of interest. In case of having any uncertainty, employees should immediately contact Compliance Department or the hotline of the Chanel of 24/24h notifications receiving.

### Announcement of interests

When employees, with their judgment, are aware of any interest of the transactions relating to conflicts of interest, in which they involve, such employees must announce this fact. In addition, employees are not allowed to affect transactions and contracts, which they have interest from as mentioned in the above.

*There are many different ways to avoid conflicts of interests. VINAMILK recommends that each employee should identify, assess, and decide to DISCONTINUE transactions to ensure the compliance with the Code of Conduct.*

Any announcement regarding conflicts of interest, employees should seek for immediate assistance from direct manager or contact Compliance Department or the hotline of the Chanel of 24/24h notifications receiving. A judgment determined by internal council with advice from experts, will be given by Compliance Department.



# EMPLOYEES WITH EMPLOYEES

The Successful working relationship

Communicating and conducting in spirit of

Open-mind

Honesty

Truthfulness



During the working time, employees regularly communicate with each other. Therefore, we should behave resting on the truth in each other and always put the Straightforwardness, Respect, and Ethics on the top priorities.

## The Successful working relationship

*In VINAMILK, we are proud of the dedication, willing and cooperation of each employee and the results created from that dedication, willing and cooperation. This is more meaningful and stronger in a working environment with Reliability, Open - mind, Straightforwardness, and Respect.*

All interactions - between colleagues, superiors and subordinates - should be made resting on a spirit of cooperation, support for development. That spirit is always based on the Core Values for the success of VINAMILK.

To promote that spirit, performance, dynamic and, creation, employees should execute the tasks with all responsibilities and trust that their colleagues always devote themselves as the same way. Besides, employees also compete with each other in a healthy and equal manner and are ready to assist colleagues if necessary to complete the task.

In the relationship with superiors and subordinates, we promote the principles of Respect and Fairness.

- **Respecting superiors** means that employees keep their truth in their superiors, complete the assignments, give feedback with creative proposals, and contribute to existing negative or limited sides.
- **Respecting and being fair with subordinates** means that superiors always set an example of Integrity, Fairness, and Straightforwardness for the others, listen to feedbacks, and enthusiastically help the others when they receive requests. Moreover, because of holding positions as managers, employees have responsible for establishing standards for efficiency of work and a working environment, which may boost team spirit, stimulate creative ideas.

## Communication and conduct in the spirit of open-mind, honesty, and truthfulness

*In the Company, working and communicating with colleagues are all in a day's work. The attitudes and behaviors have great effects on the working environment. The cooperation between employees shall be improved or limited depending on the truthfulness, open – mind and honesty of each member:*

**Communicating and conducting in the spirit of open-mind** means we integrate into the collective environment. We respect the differences of each member because those differences make a strong and variety community. Open-mind does not mean being easy in words or in conduct or giving comment about the others in a careless manner. We act enthusiastically basing on ethical values. We act truthfully for the purpose of our general development.

**Communicating and conducting in a spirit of Honesty** means all our actions and words come from our heart. We should not be arrogant and not let “ourselves” control our thoughts and actions. Sometimes, we should be in the other’s shoes to understand them and adjust our behaviors. In addition, truthfulness does not mean that we may exceed the allowable limit in relationship. Truthfulness honors the earnestness and is a solid basis to build up the trust for each employee.

In some cases, together with the Open-mind and Truthfulness, the employees must express their willing and Straightforwardness while exchanging information and contributing constructive ideas for the common purposes of the Company in an honest way.



# EMPLOYEES AND THEIR ACTIVITIES OUTSIDE THE COMPANY

We have responsibilities not only towards the Company or to each other but also for ourselves. The following situations mention the sensitive circumstances that we should pay attention.

## Breach of law/ Violations

We respect and comply with law in all our behaviors not for only protecting the reputation of VINAMILK but also for building up the self-discipline for ourselves. However, in reality, we may intentionally do or be forced to do acts of non-compliance. This Code of Conduct only mentions some cases, which are possible to occur:

In case of being forced or being in force majeure conditions, which may lead to any breach of law, employees are required to promptly notify the direct manager or Compliance Department or the hotline of the Chanel of 24/24h notifications receiving for obtaining adequate advice. The similar actions shall be required in cases where employees suffer for or may suffer a punishment due to breaching law.

When necessary, the joint-liability employees are responsible to work with competent authorities in order to solve problems. The employees intentionally breach or force others to breach the law shall be disciplined and settled according the internal regulations of VINAMILK on labors.



## Difficulties of finance

In private life, employees may be faced with a large number of obstacles that affect the quality of works as well as lead to inappropriate behaviors. One of them, which may cause difficulties and has great influence, is personal finance problem. Employees of VINAMILK are encouraged to share their difficulties to his managers for seeking the best support.

The manager, in this case, should listen to and discuss with the relevant departments or divisions relating to such problems of employees in order to find out appropriate solutions or provide necessary assistance for employees.

## Alcohol and stimulants

A healthy working environment is the environment that is not affected by wine, beer and stimulants. Therefore, for the daily life outside of the Company, employees must not:

- + Use alcoholic beverages (beer, wine, etc.) to the extent that can affect their performance in job or influence their decisions during the working time. The status of being drunk while working is strictly prohibited.
- + Stockpile, use (in any form: smoking, inhaling, injecting, etc.), possess, sell or distribute drugs, narcotics (drugs, drug-related items, etc.) within the Company or at any place and at any time that the employee can be identified as employees of VINAMILK.

In case of finding out anything relating to above situations, employees must immediately notify managers, or Compliance Department or the hotline of the Chanel of 24/24h notifications receiving.

# OTHER CONTENTS

## NOTIFICATIONS OF VIOLATIONS - FEEDBACKS

### *Responsibilities*

The department appointed by the General Director and the specialized committees, named Compliance Department, shall be in charge of receiving feedbacks and noticing of violations. Compliance Division is responsible for assisting the cases mentioned above.

### *Investigation into serious violations*

- Compliance Department shall undertake an extensive investigation into serious violations and shall keep such process confidential. The investigation will be carried out according to professional standards established which are generally accepted or approved by the competent manager/department.
- Until the conclusion is reached, all employees relating to the case investigated will be informed moderately.
- Compliance Department shall undertake to establish the Procedures of Accusation and Complaint for supporting the investigation process.
- Compliance Department is required to report periodically results of investigations to its management hierarchy.

### *Chanel of notification receiving*

- Compliance Department
- 24/24h phone number: 0902774434
- Email : [compliance@vinamilk.com.vn](mailto:compliance@vinamilk.com.vn)

## IMPROVEMENT SCHEME

### *Responsibilities*

- Specialized committee, General Director and Compliance Department shall follow, supervise and improve the Code of Conduct by way of collecting the contribution ideas, crossing out the unreasonable contents.
- Compliance Department, in order to ensuring the implementation of the Code of Conduct, shall be responsible for establishment the channel used for collecting information.

### *Announcement of the adjustment of the Code of Conduct*

Any change of the Code of Conduct shall be informed to all division of Human Resource in order to timely update to all employees.

### *Scheme for encouragement and reward*

VINAMILK welcomes employees to share their concerns, opinions or their points of view regarding the Code of Conduct as well as the other related documents.

VINAMILK shall reward properly for the real and/or positive contributions of employees to the improvement of the Code of Conduct.