

Annual Report Appendix
For
Sihanoukville Autonomous Port

Annual Corporate
Governance Report



Part1: Shareholders

A. Shareholders structure (By 31th December 2020)

1- Shareholder Information

Description	Nationality	Types of Shareholders	Number of Shareholders	Number of Shares	Percentage
Less than 5%	Cambodian	Individual	973	4,000,556	4.66%
		Legal Person	6	3,301,107	3.85%
	Non Cambodian	Individual	343	534,691	0.62%
		Legal Person	4	2,456,314	2.86%
From 5% to 30%	Cambodian	Individual	N/A	N/A	N/A
		Legal Person	N/A	N/A	N/A
	Non Cambodian	Individual	N/A	N/A	N/A
		Legal Person	1	11,150,324	13.00%
From 30%	Cambodian	Individual	N/A	N/A	N/A
		Legal Person	1	64,328,975	75.00%
	Non Cambodian	Individual	N/A	N/A	N/A
		Legal Person	N/A	N/A	N/A

2- Shareholders Who Are Directors, Senior Officials and Employees of Sihanoukville Autonomous Port

Shareholders	Number of Shareholders	Number of Shares	Percentage
Directors	7	405,999	18.93%
Senior Officials	15	409,000	19.07%
Employees	197	1,329,300	61.99%
Total	219	2,144,299	100%

B. Shareholders' and Protection of shareholders' Right

1- Rights of Shareholders

The Rights of PAS's shareholders as below:



❖ Shareholders Type "A"

- **Voting rights:** Shareholders Type "A" generally do not have any voting rights except in the case that there is a meeting to decide certain issues that might reduce or restrict the rights or benefits of such shareholders as follows:
 - A reduction or restriction of the numbers and rights of shareholders type "A" shares.
 - Request for inclusion or separation of PAS
 - Decision for liquidation or dissolution of PAS.

In this case, shareholder type "A" has a right to vote with 1 share equivalent to 1 vote.

- **Right to receive information:** shareholder type "A" has a right to receive any information relative to PAS.
- **Right to receive benefits remaining from the liquidation or dissolution:** Shareholder Type "A" have priority rights to receive PAS's benefits remaining from the liquidation or dissolution before Shareholders type "B" and "C".

❖ Shareholders Type "B"

- **Voting rights:** Shareholders type "B" have full rights to vote with 1 share equivalent to 1 vote.
- **Rights to receive dividend:** Shareholders type "B" have the right to received dividend in any fiscal year according to the decision of Board of Directors (BOD).
- **Right to receive information:** Shareholder type "B" has a right to receive any information relative to PAS.
- **Rights to receive benefits remaining from the liquidation or dissolution:** Shareholders type "B" shall be entitled to receive PAS's property after the liquidation or dissolution, but the latter shall comply with the priority rights of shareholder type "A" in advance.
- **Rights of conversion:** Shareholders type "B" shall be entitled to convert all of its type "B" shares to type "C" shares with a ratio of 1 type "B" share equivalent to 1 type "C" share under the following conditions:
 - After the completion of a 3-year term of announcement and division of the guaranteed minimum dividend.
 - PAS has no guaranteed minimum dividend that has not been divided.
 - Rights of conversion shall be carried out for all Shareholders type "B".



- The conversion of type “B” share will come into force when the decision of PAS’s BOD is made and get the approval from Ministry of Economy and Finance.

❖ Shareholders Type “C”

- **Voting rights:** Shareholders type “C” have full right to vote with 1 share equivalent to 1 vote.
- **Rights to receive dividend:**
 - The dividend that distribute among shareholders’ type “C” have to be announced by the BOD in the fiscal year and approved by Shareholders meeting.
 - The dividend can be done in the form of Cash or Share to shareholders before its Ex-dividend day, in according to the definition of the BOD and approved by the Shareholder Meeting.
- **Right to receive information:** Shareholder type “C” has a right to receive any information relative to PAS.
- **Rights to receive benefits remaining from the liquidation or dissolution:** Shareholders type “C” shall be entitled to receive the property remaining from the liquidation or dissolution, but the latter shall comply with the priority rights of shareholders’ type “A” and type “B” in advance.

2- Protection of Shareholders’ Rights and Implementation

The rights of shareholders are guaranteed by the General Shareholder Meeting, by the BOD and CEO as stipulated in the PAS’s personnel statute. All shareholders equally have the right to receive information at the same whether they have smaller amount or larger amount of shares. All shareholders of PAS must be invited to join the annual shareholder meeting and have the right to query on operating performance, implementation and other development plans of port. Furthermore, members of BOD also consist of Independent director and Non-executive director as a representative of the private shareholders in order to protect the interests of all shareholders.

3- Protection of Minority Shareholders’ Rights and Implementation

The rights of minority shareholders are also guaranteed by the General Shareholder Meeting, by the BOD and CEO as stipulated in the PAS’s personnel statute. All shareholders equally have the right to receive information at the same whether they have smaller amount



or larger amount of shares. The minority shareholders also get invited to join the annual shareholder meeting and have the right to query on operating performance, implementation and other development plans of port.

C. General Shareholders' Meeting

1- Procedures of the General Shareholders' Meeting and Voting

Procedures of the General Shareholders' Meeting

- The General Shareholders' Meeting shall be held once a year after the end of the fiscal year in accordance with the date and agendas which is to be decided by the Board of Directors.
- The Extraordinary General Shareholders' Meeting may take place upon request by the shareholders holding at least 51% (fifty-one percent) of shares class B and C.
- A shareholders' request for the General Shareholders' Meeting shall be submitted to the Board of Directors at least 21 days prior to the date of the meeting, with a signature and attached agenda.
- If the General Shareholders' Meeting is unable to comply with the above procedure, any member of the Board of Directors or any shareholder entitled to vote in the General Shareholders' Meeting may request the court to convene a shareholders' meeting, one that the court deems appropriate.
- The General Shareholders' Meeting shall be presided by the Chairman or the Director General. In the event of the absence of the Chairman or the Director General, the member of the Board of Directors, acting as proxy on behalf of the Ministry of Economy and Finance, shall preside.
- The Chairman of the General Shareholders' Meeting shall have the right to vote only upon the transfer of ownership by one of its shareholders or his/her own share.
- The General Shareholders' Meeting shall be held at the registered office or elsewhere in the Kingdom of Cambodia which is decided by the Chairman of the Board of Directors.
- The notice of the General Meeting of the shareholders shall be made in writing and shall be sent to the shareholders by letter or by electronic or by any other appropriate means stating the date, time, place and agenda.
- Notification shall be sent to voting shareholders and the Board of Directors not later than 21 (twenty-one) days prior to the date of the General Shareholders' Meeting.



Election Procedures

The process of electing an independent director and non-executive director representing the private shareholders in the General Shareholders' Meeting of the Company shall be as follows:

1. Attendance at the election and quorum

- Attendance made at the General Shareholders' Meeting with an invitation letter or investor ID. In the case of a transfer of the right to vote, the authorized person must enclose the proxy letter and the identity card or passport of the authorized person.
- Voters are all eligible voting shareholders listed in the list on March 1, 2018 (record date).
- The election can only be held in the event of a quorum of shareholders representing more than half of the total shares.

2. Transfer of voting rights

- Shareholders can delegate their representative to vote. Shareholder who authorize other person to vote in his/her stead is no longer eligible to vote.
- The authorized person does not have to be a shareholder.
- The authorized person can only obtain the voting right from only one shareholder.
- The proxy letter must be given to the election committee before the election process. The proxy shall be made public in the shareholders' meeting.
- The proxy letter must be accompanied by invitation letter.
- The proxy letter must contain the signature of the shareholder and authorized person.

3. Election Campaign

- A 10-minute campaign for candidates to present and introduce their skills, experience and career direction.
- Propaganda is to be held at the General Shareholders' Meeting, either orally or/and by a Power Point Slide presentation.
- All images and promotional activities must not be subject to criticism, personal or professional work of other candidates. In case of violation, the Election Committee shall have the right to immediately stop the candidate's campaign.

4. The Polling Station and Confidential Compartment

- The polling station shall be under the control of the Election Committee.



- The polling station shall be set up in the General Shareholders' Meeting Hall. The polling station shall have the confidential compartments necessary for shareholders to vote.
- The polling station shall consist of at least 5 members of the committee, including 1 President and at least 4 Members.
- The Chairman of the polling station shall undertake the task of reviewing the names of the voters on the list, two members in charge of the order outside the office and two others in charge of the internal order.

5. Voting Procedures

- The method of voting shall be conducted by calling the registered shareholders' name of 10 personnel at a time.
- All presidents, board members, candidates, and members of the Election Committee shall be allowed to vote first.
- A shareholder who is absent from the calling period shall be given the opportunity to vote when the shareholder is present at the polls and before the official closing of the polling station.
- Shareholders who have been called to vote must go to the voting booth to cast their favorite candidates' ballot in the ballot box with the names and photos of the candidates as independent directors and non-executive directors representing the private shareholders.

6. Voting

- The election of independent directors and non-executive directors representing private shareholders shall be conducted in a free, confidential and transparent manner.
- The election is conducted under single-winner system.
- The election of independent directors is conducted by public and private shareholders. The election of non-executive directors representing the private shareholders is conducted by private shareholders only, the public shareholders is not eligible to vote in this election.
- Candidates who have been nominated and elected are the one who receive the most votes.
- The election of independent directors and non-executive directors representing the private shareholders shall be done only once.



- The Election Committee has the authority to solve any issues that occur at the polls or on the vote count.

7. Voting Registration Cards, Ballot Counting, and Result Declaration

- There are two types of voter registration card :
 - Blue for the election of independent directors
 - Red for the election of non-executive directors, representing the private shareholders
- Voting cards will be given when the shareholders or delegates register their attendance. The ballot will specify the investor ID and the number of shares held by the shareholders.
- The shareholders shall drop the ballot papers in the ballot box in accordance with the color of the ballot. Any mistake on casting the vote in the wrong ballot or marking any ballot or overwritten by the voter shall be considered as an invalid ballot.
- Shareholders may ask the Election Committee for assistance on how to vote properly.
- The counting and summation of the election results shall be done in accordance with the information system (Computer).
- The Chairman of the polling station shall review and present the ballot papers, 2 members shall be recorded on the computer system and the other 2 shall organize the ballot papers in the form of valid and invalid ballots.
- The results of the election shall be announced by the President of the General Shareholders' Meeting.

8. Appeal on Election Results

- The Election Committee has the authority to solve any post-election issues.
- The candidates who have the right to vote shall have the right to appeal the election results before the Election Committee.

2- Information of General Shareholder Meeting

No.	Date	Type of Meeting	Quorums	Agendas	Resolutions
1	5 th June, 2020	Ordinary	80,896,620 shares, equal to 94.32%	<ul style="list-style-type: none"> - PAS's Business-Operation Performance 2019 - PAS's Financial Statement year ended 31st December 2019 (Audited) - PAS's Performance Target for 2020 - PAS's Countermeasure on Covid-19 	<ul style="list-style-type: none"> - Approval on Dividend Distribution for Fiscal year 2019. - Approval on Record Date is 10th June, 2020.

D. Dividend Distribution

1-Dividend Policy

In order to encourage investors, Board of Directors adopted a dividend policy with an annual minimum dividend yield equal to 5% of the investment amount, based on the IPO price. For three years after listing on the CSX. The minimum dividend yield guarantee of 5% is only available to securities entitled "Category C". The Royal Government of Cambodia, a shareholder holding the right to vote Category "B" and the "A" non-voting securities, has no dividend guarantee.

After a three-year guarantee period, dividend payments are proposed by the Board of Directors and put to the General Assembly of the shareholders.

2-Historical Information of Dividend Distribution for the last 3 years

No.	Detail of Dividend Distribution	2019	2018	2017
1	Announcement Date of Dividend Distribution	5 June 2020	12 April 2019	03 July 2018
2	Record Date	10 June 2020	03 May 2019	18 July 2018
3	Dividend Payment Date	22 June 2020	10 May 2019	01 August 2018



Part2: Board of Director

A. Board of Director

1- Board Composition

No.	Name	Position	Appointing Date	Ending Date
1	H.E. Lou Kim Chhun	Chairman	25 June 2018	24 June 2021
2	H.E. Suy San	Director	25 June 2018	24 June 2021
3	H.E. Phan Phalla	Director	25 June 2018	24 June 2021
4	H.E. Sok Sopheak	Director	25 June 2018	24 June 2021
5	Mr. Hun Monivann	Director	25 June 2018	24 June 2021
6	Mr. Hidetoshi KUME	Director	25 June 2018	24 June 2021
7	Mr. Lou Lykheng	Director	25 June 2018	24 June 2021

2-Director Biography



H.E. Lou Kim Chhun

Chairman of the Board of Directors

**Delegate of the Royal Government in Charge as
Chairman and CEO of Sihanoukville Autonomous Port**

His Excellency was born in March 11th, 1956, Cambodian Nationality, Place of Birth: Preaek Pou Village, Preaek Pou Commune, Srey Santhor district, Kampong Cham province.

Education

From 1981 to 1986, he completed his Master's Degree in Water and Port Engineering in Russia. From 2004 to 2006, he obtained a Master Degree in Business Administration at the National University of Management, Cambodia. From 2006 to 2008, he completed his PhD in Economics in Economics, Cambodia.

Experience

He joined the Sihanoukville Autonomous Port during 1986, serving as construction engineer for the Construction Technology Department. From 1990 to 1992, he was the Deputy Director of the Sihanoukville Autonomous Port and from 1992 to 1999, he was the President of the Sihanoukville Autonomous Port. From 1999 to 2008, he served as President of the Port of Sihanoukville and from 2008 to present, he is the Delegation of the Royal Government of Cambodia in charge of the Director General of the Port of Sihanoukville.



H.E. Suy San

Member of the Board of Directors

Representative of the Ministry of Public Works and Transport

His Excellency was born in March 28th, 1958, Cambodian Nationality, Place of Birth: Phum Village, Chumkum Commune, Krakor District, Pursat Province.

Education

In 1994, he completed his PhD in Economics.

Experience

From 1979 to 1981, he worked for the Pursat Provincial Hall, which was in charge of administration, and from 1981 to 1994 he served as Vice Chairman of the Pursat Provincial Planning Commission. From 1994 to 1998, he served as Assistant Secretary of State, Ministry of Economy and Finance. From 1998 to 2003, he was Deputy Governor of Siem Reap. From 2003 to 2008, he worked for the Ministry of Public Works and Transport as a Cabinet Director. From 2008 to 2013, he served as Assistant Minister. From 2013 to 2016, HE has been the Director of the Cabinet of the Ministry of Commerce, and from 2016 to the present, he has served as Deputy Secretary and Director of the Cabinet of the Ministry of Public Works and Transport.



H.E. Phan Phalla

Member of the Board of Directors

Representative of the Ministry of Economy and
Finance

His Excellency was born in September 1st, 1973, Cambodian nationality.

Education

From 1994 to 1996, he graduated with a Bachelor's Degree in Business Administration from Hawaii Pacific University, USA. 1999 - He holds a Master's Degree in Business Administration at the University of New South Wales, Australia and in 2003, he completed his PhD in Economics at the University of Wollongong, Australia.

Experience

From 2008 to 2013, he was the Head of the IT Department of the Ministry of Economy and Finance. From 2013 to 2016, he served as the Director General of the General Department of Economic and Financial Policy and from 2016 to the present, he has served as Under Secretary of State for the Ministry of Economy and Finance.



H.E. Sok Sopheak

Member of the Board of Directors

Representative of the Ministry of Commerce

His Excellency was born in January 9th, 1958, Cambodian Nationality.

Education

In 1986, he graduated with an Associate Degree in Electrical Technology from the Institute of Technology of Cambodia, Cambodia. In 1992, he graduated with a Bachelor's Degree in Economics from the Institute of Economics in Cambodia. In 1997, he completed his Master's Degree in Economics and Finance at the University of London, England, and in 2000 he received his Master's Degree in Public Policy at Saitama University, Japan.

Experience

From 1986 to 1982, he worked for Koh Kong Electricity Authority as Chief of Provincial Electricity Authority. At the end of 1992, he moved to Ministry of Commerce in charge of Ministerial Assistant. In 1999, he was appointed Head of the ASEAN Department and the International Organization and played a key role as a member of the Trade Negotiations for the Integration of Cambodia within the ASEAN Framework Agreement on the ASEAN Plus Free Trade and the Organization World Trade (WTO). From 2004 to 2007, he was Deputy Director General of Technical Department of Ministry of Commerce. From 2007 to 2014, HE Tu Tien served as Director General of the Department of International Trade, Ministry of Commerce. From 2014 to 2016, HE has been the Director General of the General Department of Commerce, Ministry of Commerce and from 2016 to 2017 he has been Deputy Secretary of Commerce from 2018 to the present, and he has served as Secretary of State. The Ministry of Commerce is in charge of the operations and reform of the General Department of Trade Support Cambodian and international trade policy.



Mr. Hun Monivann

Member of the Board of Directors

Independent director

Mr. Hun Monivann was born in January 22nd, 1973, Cambodian Nationality birthplace of Odong district, Kampong Speu province.

Education

From 1993 to 1997, he obtained a Bachelor's Degree in Management majoring in Accounting at the University of Technology, Cambodia. From 2017 to present, he is pursuing a Master's Degree in Online Business Management majors at the University of London, UK.

Experience

From 1989 to 1992, he served in the armed forces T88, the armed forces of Cambodia, as an assistant to the head of the unit. From 1997 to 2000, he was Senior Auditor of Ernst & Young, Phnom Penh, Cambodia. From 2000 to 2008, he was Chief Financial Officer of Artisans Co., Ltd., and in 2003 he served on the Board of Artisans of Angkor Co., Ltd., on behalf of the staff. From 2006 to 2008, he was an Independent Director and Chairman of the Audit Committee of Sathapana Limited from 2009 to 2013. From August 2008 to December 2011, he was the General Manager of Happy Farmers Co., Ltd. And from 2011 to 2013, he was the Board of Directors of the Young Entrepreneurs Association in Cambodia (YEAC). From June 2011 to present, he is the Vice President of the Chamber of Commerce in Siem Reap and Oddar Meanchey (SROCC). From 2011 to 2014, he was President of the IATSS Cambodia Alumni Association (CIAA). From 2013 to present, he is the Vice-President and Chairman of the Board of Investors of Cambodia (CIC Investment Plc.) and is also Chairman of the Board of Directors of MegaLing Plc. Until 2014, he has been Chief Executive Officer of Active Real Estate Cambodia Co., Ltd. In 2016 he was Independent Director and Chairman of the Audit Committee of SATHAPANA Bank Plc. And from 2017 to present, he is a Member of the Australian Institute of Company Directors (AICD) and chairman of the Sihanoukville Port Port Audit Committee.



Mr. Hidetoshi KUME

Member of the Board of Directors

Non-executive directors representing
private shareholders

Mr. Hidetoshi KUME was born in April 22nd , 1975 in Japan.

Education

In 1980, he graduated with a bachelor's degree from Kyusgshu University, specializing in wastewater system engineers. In 1982, he graduated with a Master's Degree from Kyusgshu University in Japan, specializing in Wastewater Engineering.

Experience

During 1982, he worked as a technical officer in port and maritime development at the Ministry of Transport. From 1989 to 1990, he was the Land Agency Officer in charge of the project, the development of the Capital Region (Kansai Region) and from 1990 to 1992, he is the project manager at the Transport and Marine Research Institute of the Ministry of Transport, in charge of technical cooperation with international trainees who hold port and airport facilities. From 1993 to 1996, he was the first Secretary of the Economic Department of the Japanese Embassy in the Philippines, in charge of economic assistance of the Japanese government in the Philippines. From 1996 to 1998, he was Director of the Takamatsu Port Office and Airport Construction of the Third Port Construction Office and from 1999 to 2001 he was the Head of the Local Second Port Construction Office at the Ministry of Transport. From 1997 to 1999, he was a Senior Research Officer at the Coastal Development Institute in charge of the study of port development strategy, the first policy of the JICA project to develop the port area. From 2002 to 2004, the Governor of Okinawa served as a construction consultant. From 2003 to 2005, he was Deputy Director of the Department of Ports and Maritime at the Ministry of Land, Infrastructure and Transport for Private Disaster Prevention and Prevention. From 2005 to 2007, he served as Mayor of Fukuoka and advisor to the Port and Maritime Department. From 2007 to 2009, he was the Senior Researcher for the International Research Program on Climate Change and Air Transport Strategies, at the

Institute for Transport Policy Studies. From 2009 to 2010, he served as Deputy Director of the Ministry of Land, Infrastructure and Transport from 2010 to 2012 and was Director of the Research Department at the Institute for Transport Policy Studies and from 2012 to 2014, he was Director of the Osa Bay Area Environmental Improvement Center. May 2014 - March 2018, an expert at the Ministry of Public Works and Transport of Cambodia serves as a Consultant for Shipping Policy and from June 2018 he is Director of the Department of Maritime Transport.





Mr. Lou Lykheng

Member of the Board of Directors

Representative of PAS's Workers

Mr. Lou Lykheng was born in April 11th, 1974, Cambodian Nationality, birthplace of Srey Santhor district, Kampong Cham province.

Education

In 1996, he graduated with a bachelor's degree in food chemistry. And in 2006, he graduated with a Master's Degree in Commerce.

Experience

He joined the Sihanoukville Autonomous Port in 2003 as a container cargo worker from the field. From 2008 to 2011, he was in charge of container management. From 2011 to 2015, he was Deputy General Manager, overseeing general duties of the General Department of Operations. From 2015 to now, he holds the position of Director of the General Operations Department.

3- If Any Director is Director, Shareholders or Co-owner of Other Company

- In this year 2020, there is not any director who is a director, shareholders or Co-owner of other company.

No.	Name	Company	Director, Shareholders or Co-owner

4- Board Roles, Duties, and Responsibilities and Performance

The Board of Directors is entrusted with the joint mission for orientation and oversight for PAS. Within this framework, the Board of directors have the following roles, duties and responsibilities as below:

- Make a decision according to the request of H.E Chairman & CEO on PAS's organization chart and internal regulation, including statute, monthly salary, incentive bonus, allowances and staff payment in accordance with the laws and legal procedures in force.
- Determine the organization and general duties of PAS
- Review and approve on the development plan within the framework for orientation of PAS.
- Review and approve on PAS's planning for Business, Services, Financial and Investment.
- Approve on Quarterly and Annual reports of Independent Auditors.
- Approve on Quarterly and Annual Performance reports.
- Manage to process the committees and commissions as determined by the sub-decree on the establishment of PAS or the statute of PAS.
- Approve on the number of PAS's employees and the provision of benefits for employees, all level of senior officers.
- Conduct an evaluation on the limit of goal achievement based on a regular interval which was determined by PAS and devise necessary measures for improvement.
- Review and approve on the request to amend PAS's statute and Staff statute.
- Review and approve on Service fees related to business of PAS.

- Review and approve on Profit distribution plan or filling Deficit plan of PAS.
- Review and approve on the proposal to increase or decrease the Capital of PAS.
- Review and approve on the implementation of various procurement of PAS.
- Decide on opening and closing of offices, branches, agencies or any other necessary representatives to achieve the goals and tasks of PAS.
- Approve on contracts that cannot be practiced in public procurement procedure.

Board of director exercises other rights and powers as defined in the regulation of Public enterprise, regulation of Commercial enterprises, as well as law and regulations in force that related to listing in Securities Market.

5- Board Meetings

No.	Date	Type of Meeting	Name of Directors Attending the Meeting
1	7 th February 2020	Discussion and Approval	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
2	8 th May 2020	Discussion and Approval	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng
3	14 th August 2020	Discussion and Approval	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME

			Mr. Lou Lykheng
4	6 th November 2020	Discussion and Approval	H.E. Lou Kim Chhun H.E. Suy San H.E. Phan Phalla H.E. Sok Sopheak Mr. Hun Monivann Mr. Hidetoshi KUME Mr. Lou Lykheng

Board Committees

1- Board Committee Structure

1-1 Audit Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	Mr. Hun Monivann	President	30 th October 2018	3	3
2	H.E. Sok Sopheak	Vice President	30 th October 2018	3	3
3	Mr. Hidetoshi KUME	Member	30 th October 2018	3	3
4	Mr. Prum Seng Mr. Nom Sinith	Member	30 th October 2018 28 th July 2020	1 2	3
5	Mr. Ty Sakun	Member	30 th October 2018	3	3
6	Mr. Men Chann	Member	30 th October 2018	3	3

*Mr. Nom Sinith, new State Controller to PAS and Audit Committee replaced Mr. Prom Seng, a former to be retired.

❖ Roles and Responsibilities of Audit Committee

The Audit committee has the roles and responsibilities as follow:

- Control of report relevant to finance
- Control of internal control
- Control of internal audit
- Control of external audit
- Audit of working and **PAS** business
- Report to Board of Directors of its working



- Completion of other duties according to the accomplishment of Board of Director

❖ **Result of Audit Committee Performance**

In this 2020, the Audit Committee achieved the outcomes as below:

No.	Date of Meeting	Items of Meeting	Members of Audit Committee	Representatives of PAS Management
1	January, 6 2020	- Meeting for discussion of audit report for fourth quarter of 2019	- Mr. Hun monivann - Mr. Kume Hidetoshi - Mr. Prom Seng - Mr. Ty Sakun - Mr. Men Chann	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Path Seth - Mr. Sam Sopheap
2	August, 18 2020	- Meeting for discussion of audit report for second quarter of 2020	- Mr. Hun monivann - H.E. Sok Sopheap - Mr. Kume Hidetoshi - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Path Seth - Mr. Sam Sopheap - Mr. Sam Visal - Mr. Chiv Chasopheap - Mr. Chiv Chansothea - Mr. Pheap Mengsrean
3	November, 5 2020	- Meeting for discussion of audit report for third quarter of 2020	- Mr. Hun monivann - H.E. Sok Sopheap - Mr. Kume Hidetoshi - Mr. Nom Sinith - Mr. Ty Sakun - Mr. Men Chann	- Mr. Thay Rithy - Mr. Rath Sela - Mr. Pith Prakath - Mr. Path Seth - Mr. Sam Sopheap - Mr. Sam Visal - Mr. Chiv Chasopheap - Mr. Chiv Chansothea - Mr. Pheap Mengsrean

1-2 Nomination and Remuneration Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	H.E. Sok Sopheak	President	28 th July 2020	2	2
2	H.E. Suy San	Vice President	28 th July 2020	2	2
3	Mr. Lou Lykheng	Member	28 th July 2020	2	2
4	Mr. Nom Sinith	Member	28 th July 2020	2	2
5	Mr. Rath Sela	Member	28 th July 2020	2	2

❖ Roles and Responsibilities of Nomination and Remuneration Committee

The Nomination and Remuneration committee has the roles and responsibilities as follow:

- Review and comment on qualifications and procedures for selecting candidates for governors and senior officers
- Evaluate the candidates for directors and senior officers to submit to Board of Directors
- Review and update the mechanism, and evaluate the efficiency of the Board of Directors, Governors and Committees
- Establish procedures for reviewing and commenting on benefits or bonus for governors and senior officers
- Completion of other duties according to the accomplishment of Board of Director.

❖ Result of Nomination and Remuneration Committee Performance

In this 2020, the Nomination and Remuneration Committee achieved the outcomes as below:

- Reviewed and discussed the report on human resources condition in 2020.
- Reviewed and discussed the employees' statute of PAS.
- Reviewed and discussed on organization structure of PAS in order to submit in the Board of Director meeting for review and approval.

1-3 Risk Management Committees

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings
1	H.E. Phan Phalla	President	30 th October 2018	4	4
2	H.E. Suy San	Vice President	30 th October 2018	4	4
3	Mr. Hidetoshi KUME	Vice President	30 th October 2018	4	4
4	H.E. Sok Sopheak	Member	30 th October 2018	4	4
5	Mr. Hun Monivann	Member	30 th October 2018	4	4
6	Mr. Prum Seng Mr. Nom Sinith	Member	30 th October 2018 28 th July 2020	2 2	4

*Mr. Nom Sinith, new State Controller to PAS and Risk Management Committee replaced Mr. Prom Seng, a former to be retired.

❖ Roles and Responsibilities of Risk Management Committee

The Risk Management Committee has the roles and responsibilities as following:

- Analyze risks include risk description and risk identification
- Risks estimation
- Risks assessment
- Measurement to contain risks
- Monitoring risks
- Completion of other duties according to the accomplishment of Board of Director.

❖ Result of Risk Management Committee Performance

In this 2020, the Risk Management Committee achieved the outcomes as below:

- Reviewed and discussed on preparing the Capitalization Policy
- Reviewed and discussed Key Risks report of PAS in 2020
- Reviewed and discussed the application for the Golden Certificate in accordance with the Prakas on the Classification of Tax Compliance.
- Reviewed and discussed the expansion of the previous terminal using the remaining loan funds from JICA - The Ministry of Economy and Finance, and to



promote the Limited International Bidding (LIB) procedure for the selection of construction contractors

- Reviewed and discussed on preparing IT Policies and IT Mapping System of PAS.

1-4 Other Committee

No.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meetings

❖ Roles and Responsibilities of other Committee

As at 2020, PAS does not have any other committee.

❖ Result of other Committee Performance

As at 2020, there is not any result of other committee performance.

2- Change of Committee Member

In this 2020, there are changes of member in these two committees below:

No.	Committees	Name	Reasons
1	Audit	Mr. Prum Seng	Retired
2	Risk Management	Mr. Prum Seng	Retired

B. Remuneration and Compensation

1- Brief Policies of Remuneration or Compensation for Directors and Senior Officers

❖ Remuneration or Compensation for Directors of PAS

- Transportation
- Phone credit
- Meeting times
- Others remuneration and compensation.

❖ **Remuneration or Compensation for Senior Officers of PAS**

- Net Salary
- Productive Salary
- Position Allowance
- Family benefit
- Meal Allowance
- Bonus
- Holiday Allowance

2- Remuneration and Compensation Receivers

No.	Remuneration and Compensation Receivers	Remuneration and Compensation Amount	Other
1	Directors	864,000,000.00 Riels	
2	Executive Directors	360,000,000.00 Riels	
3	Senior Officers	1,702,478,234.00 Riels	
4	Top 5 Employees receiving Remuneration and Compensation Receivers	88,652,140.00 Riels	

C. Annual Performance Evaluation of Board of Directors, Directors, Committees and CEO

In this 2020, PAS did not have Annual Performance Evaluation of Board of Directors, Directors, Committees and CEO.

D. Training for Directors and Senior Officers

In this 2020, PAS has sent Directors and Senior officers to attend the following training courses:

- Organized a training for heavy truck driving course for director, senior officers and employees of PAS, in total of 60 people (session 1)
- Participated in Group Training Course "Sustainable Port Development and Planning (for Port Engineering) for Fiscal Year 2020 (Online Course prepared by JICA Team)

Part3: Code of Business Conducts Practice

A. Code of Business Conduct Practices for Director and Senior Officers Policies

Principle of Code of Conduct

Article 1: Introduction

According to the laws and regulations in force including the announcement on corporate governance for the public enterprise issuing Initial Public Offering and the commitment to encourage the implementation of duties with good profession and code of conduct, the Board of Directors of Sihanoukville Autonomous Port (PAS) has adopted a code of conduct for directors and senior officials with the following objectives:

- To encourage loyalty and ethical behavior in business operation in order to ensure the equity and to avoid the conflict of interest.
- To encourage the provision of necessary information required by the laws and regulations in force with full effect, precision, correctness and on timely basis.
- To encourage the implementation of laws and regulations in force.
- To ensure the protection of company's legal business benefits, including business opportunities, current assets, intangible assets and confidential information of the company.



PAS business must be subject to the general management and leadership of the Board of Directors. The directors and senior officials are mainly responsible for business decision making with which they convinced that the latter will yield good benefits to PAS and all PAS's shareholders. All directors and senior officials must be fully aware of the code of conduct and shall adhere to the principles and rules which were stipulated in this code of conduct.

Article 2: Definition

In the context of the code of conduct, the following words are defined as below mentioned:

- **Laws and regulations in force** : means all laws and regulations of the Kingdom of Cambodia, including laws, sub-degrees, prakas, rules and principles of the competent authorities such as SECC and Cambodia Security Exchange (CSX) for which such laws and regulations are implemented on PAS, directors and PAS's senior officials.
- **Directors**: means the members of PAS's Board of Directors, including executive director, non-executive director and independent director.
- **Senior officials**: means the individuals whose functions are from directors to director generals, including the head of secretary and those who have other main functions in PAS defined by the Board of Directors of PAS.

Article 3: Implementation of Laws and Regulations

During the period of carrying out their roles and responsibilities, all directors and senior officials must implement and try to enable PAS to implement in compliance with the laws and regulations in force. If any directors or senior officials are aware of the information which they believes that any directors or senior officials or employees breach the laws and regulations in force, the directors or senior officials who realize the fact shall relay information to the Chairman of the Board of Directors, Director General, Head of Audit Committee or the Internal Audit.

Article 4: Conflict of Interests

In addition to the regulations in articles 134, 145, 136, and article 138 of the law on business enterprise, the directors and senior officials must avoid all conflict of interest related activities which might occur to PAS.

In general, the conflict of interest occurs when the direct benefits of directors or senior officials may adversely affect:

- a. General benefits or PAS's business



- b. Possibility of directors or other senior officials in carrying out their roles and responsibilities.

The directors and senior officials must provide information to the Board of Directors of PAS and shall make a public announcement on the operation or any relationship which they think that the conflict of interest will occur to PAS according to the definition of SECC or CSX.

PAS's directors or senior officials shall disclose their benefits in writing to PAS requesting for the announcement which was uploaded in the minute of meeting of the Board of Directors in case that:

- a. Directors or senior officials are the party of the contract or the individuals who had requested to make the contract with PAS.
- b. Directors or senior officials have an important benefit with the individual or legal entity which is the party of the contract or the party who had requested to make a contract with PAS in accordance with the laws and regulations in force, including the announcement on corporate governance for the public enterprise issuing Initial Public Offering, the independent director shall not have any benefits in the PAS which might cause an affect to his/her independence and shall not own more than 01 % (one per cent) of PAS's shares.

Article 5: Business Opportunities

In the implementation of their respective roles and responsibilities, directors and senior officials must pay priority attention to PAS's legal benefits as appropriate.

Directors and Senior Officials Must Avoid:

- a. Taking an opportunity to perform any works for their own benefits that they are already realized during the period of implementation of their roles and responsibility in PAS.
- b. Using PAS's property or information or their ranks and positions for their own benefits.
- c. Competing with PAS.

The Board of Directors will determine the move which is contrary to the essence of this article by taking into account of the motive and situation related to such move.



Article 6: Equitable Relationship

In achieving their respective roles and responsibilities, directors and senior officials must equitably perform the communication between one another as well as with the customers, suppliers, competitors, contractors, and PAS's employees.

The directors and senior officials shall not unfairly take advantages of any individual by tricking, concealing the truth, misleading the important information, disclosing unreal causes or any other dishonest acts in the business.

The use of rights on confidential information related to PAS's business or persuasion of directors, senior officials and PAS's employees from both past and present to disclose such information is definitely forbidden.

The directors and senior officials must implement their respective roles and responsibilities with virtue and for the benefits of PAS and all PAS's shareholders. Directors and senior officials must not take advantages from their positions as directors or senior officials and shall not accept any gifts from the thirdone by their positions as directors or senior officials.

Article 7: Protection and Use of PAS's Properties

In the implementation of their respective roles and responsibilities, directors and senior officials must stimulate for the inspection and proper use of PAS's properties including tangible and intangible assets with responsible manner.

PAS's properties consist of information, materials, equipment, intellectual property, tools, resources, information technology system and other properties that are belong to PAS or properties which were rented or occupied by PAS shall be used for PAS's legal business target only.

Article 8: Complaint Pertaining to the Accounting

The Audit Committee (if any) or PAS's Internal Auditor shall be held responsible for the preparation of an appropriate procedure to receive the complaints, store and inspect the complaints pertaining to the accounting, inspection of internal accounting or other problems related to the audit process.

The directors or senior officials can file a complaint related to the above problems to the audit committee or PAS's internal auditor. The request for confidential inspection of the complaint can be made in accordance with the laws and regulations in force.



Article 9: Encouragement for Reporting on Illegal or Immoral Move

The directors and senior officials must try to stimulate PAS to adhere to the code of conduct towards the directors or competencies in the PAS whenever the illegal or immoral move may cause an adversely indirect impact to the business and PAS's reputation or may lead to serious responsibility in the provisions of law.

Article 10: Internal Trade

The directors and senior officials must implement and adhere to the laws and regulations in force, and the internal regulations and PAS's policy pertaining to PAS's share trading.

Article 11: Confidentiality

The directors and senior officials must keep PAS's secret information that they realized confidential, except in the event that PAS authorizes to provide information or the provision of such information is required by the laws and regulations in force or by the competent authorities or the court of the Kingdom of Cambodia.

The term "secret information" includes nonpublic information that can be used by PAS's competitors, or nonpublic information that affect PAS or PAS's customers if such information is disclosed.

The directors or senior officials must discuss with the Director General or Chairman of the Board of Directors in advance if such directors or senior officials realize that they are legally obliged to disclose such secret information.

Article 12: Provision of Information

The directors and senior officials are required to be well aware of the procedures and inspection process for the provision of PAS's information in order to issue a public announcement, report and document to be registered with the state authorities, including SECC can be set up in accordance with the laws and regulations in force as well as the principles of SECC and CSX.

On the other hand, in the scope of roles and responsibilities of directors and senior officials who are authorized to lead and manage the documentation listing process with SECC and/or CSX or other public notification by PAS related to general business, results, conditions and financial capacity shall be discussed with directors, other senior officials and relevant employees and take an appropriate measure for the procedures and inspection of the provision



of information in order to enable the provision of such information to be done with full effect, precision, correctness, on timely manner and understanding.

Within the scope related to the procedures and inspection of the provision of PAS's information, each of the directors and senior officials must:

- Understand the required conditions in providing PAS's information as well as the business and financial operation of PAS.
- Not make a false statement or cause the other individual to deliver a false statement related to PAS's information to the outsiders although they are in or not in the PAS's framework, including independent auditors, regulators of the Royal Government and other institutions.

Article 13: Amendment and Waiver

This Code of Conduct can be amended or waived by the Board of Directors of PAS in compliance with the required conditions in providing the information, laws and regulations in force. In general rule, the Board of Directors will not waive any articles of this code of conduct if there is no appropriate and necessary reason therein.

The directors and senior officials must inherently implement in accordance with the spirit and essence of this code of conduct. The directors and senior officials are obliged to be aware of the code of conduct and seek for further explanation and consultation related to the interpretation of the essence and required conditions of the code, especially when there is a reason which may conflict with this code of conduct.

B. Publishing of Code of Business Conduct Practice

The Board of Directors of Sihanoukville Autonomous Port has approved the Code of Business Conduct, which is published and presented in this Annual Corporate Governance Report of 2020 to the directors, senior officers, employees, investors and the public.

C. Mechanisms and Procedures to Assess Code of Business Conducts Practices

For the mechanism and procedure to assess the Code of Business Conduct practice, Sihanoukville Autonomous Port has assigned the task to Internal Audit Department to conduct regular inspections as well as motivate and encourage all employees of PAS should report any evidence of illegal or unethical acts to the department or competent person while any of



those illegal or unethical acts may have a serious negative impact on the business and the reputation of PAS or it may lead to serious legal liability.

D. Related Parties Transactions

1- Related Parties Transaction Policies of PAS

In this 2020, PAS doesn't have any policy of related parties transaction.

No.	Related Parties	Policies
1	Holding Company	
2	Joint Venture	
3	Subsidiary	
4	Majority Shareholders and Controlling Shareholders	
5	Director and Their Family	
6	Employees and Their Family	
7	Other	

2- Important Transaction with Related Parties

In this 2020, PAS doesn't have any important transaction with related parties.

Part4: Risk Management, Internal Control and Auditing

A. Brief Risk Management System or Risk Management Policies

The Risk Management Committee monitors PAS's risk situation and sets out guidelines for actions to moderate the risks that may adversely affect PAS in achieving its goals at acceptable level. The Risk Management Committee will continue to improve its risk management capacity, and will continue to support the Audit Committee's efforts to monitor and evaluate as determined by the Securities and Exchange Regulator of Cambodia on "Principles and policies in managing the process of risk assessment and management that is implemented".

The Risk Management Committee has implemented and assigned the following obligations to identify and prioritize business risks:



- Inspect the Risk Assessment of PAS to understand the current situation and when it is happening.
- Ensure that efficiency gaps have a high degree of risk identification and indicate directions for allocating resources and responsibilities, as well as activities that highlight business risks.
- The Risk Management Committee establishes the risk management infrastructure and provides guidance on the management of risk operations, including the operating system of PAS.

The Risk Management Committee is not responsible for any day-to-day activities related to risk management or to reduce those risks. However, the members of the committee may be part of the risk management work in PAS.

B. Brief Internal Control System

The Auditor evaluated the internal control system based on the ability of the management process to achieve management objectives in accordance with the regulations on the structure and duties of the Audit office.

C. Auditing

1- Internal Audit

1-1 Roles and Responsibilities of Internal Auditors

- Control of report relevant to finance
- Control of internal control
- Control of internal audit
- Control of external audit
- Audit of working and PAS business
- Report to Board of Directors of its working
- Completion of other duties according to the accomplishment of Board of Directors

1-2 New Appointment and Removal/Resignation of head and/or Deputy of Internal Auditors

In this 2020, there was not any new appointment and removal/resignation of head and/or Deputy of Internal Auditors.



1-3 Appointment of head and/or Deputy of Internal Auditors

In this 2020, PAS has newly appointed two deputy of internal Auditors.

No.	Name	Appointment Date	Reason
1	Chiv Chansopheap	10 th April 2020	Newly appointed because the Internal Audit Department does not have Deputy Directors.
2	Hor Sothy	10 th April 2020	

2- External Auditors

No.	Name of Audit Firms	Agreement Date	Auditing Fees	Non-audit Fees
1	Pricewaterhouse	6 th June 2017	95,000.00USD	

❖ Reason for the Change, Suspension and Terminations of Audit Firms in Securities Sector

In this 2020, PAS did not change, suspension and terminations of Audit Firms in Securities Sector.

Part5: Stakeholders

A. Identify Policies and Activities Related to the Following:

No.	Contents	Policies	Actions
1	Customer Welfare	Pay attention and fulfill customers' need	Provide service to customers on time
2	Suppliers and Subcontractors Selection	Implement procurement procedures	Bidding and consultation
3	Management and Protection of Employees	Employee Representative	Election for employee representatives
4	Environment Protection	environment management in port	Health, Safety and Environment Management Plan
5	Community Interaction	Community development	contribution to the community practically
6	Creditors' Right Protection	Reservation for paying debt according to their due date	Settle debt on time



7	Anti-Corruption Program	Establish a strong internal control system	Monitor by internal auditors
8	Other		

B. Describe the Corporate Social Responsibilities of PAS

No.	Beneficiaries	Amount	Purpose of CSR
1	Ream Naval Base, Preah Sihanouk Province.	237,000,000.00 Riels	Construction of 1 accommodation building and 250 beds for the navy
2	Residents in Prey Nob district, Preah Sihanouk Province.	104,902,000.00 Riels	To rehabilitate the canal, repair the sewer and install the exhaust fan on the roof of Veal Rinh Market
3	2,534 families living in 15 communes of Prey Nob district, Preah Sihanouk Province.	253,400,000.00 Riels	To help people living in poverty and suffering during the epidemic crisis COVID-19
4	3,480 families living in 14 communes of Srey Santhor district, Kampong Cham province	278,400,000.00 Riels	To help people living in poverty and suffering during the epidemic crisis COVID-19
5	Residents of Toul Toteung village, Toul Toteung commune, Prey Nob district, Preah Sihanouk Province.	498,750,000.00 Riels	Construction of 1 concrete road, 950 meters long and 5 meters wide, to facilitate people to travel which connecting National Road 4 to Toul Toteung Village, Toul Toteung Commune, Prey Nob District, Preah Sihanouk Province.

6	Preah Sihanouk Provincial Administration	424,758,300.00 Riels	Social Fund Contribution for provincial development
7	1,248 families living in Prey Nob district, Preah Sihanouk province	298,896,000.00 Riels	Donation and buy supplies to help people affected by floods
8	Ream Naval Base, Preah Sihanouk Province.	75,860,000.00 Riels	To prepare a sewer system and 500 square meters of concrete in Smach Deng village, Prey Nob district, Preah Sihanouk province

Part5: Disclosure and Transparency

A. Identify the Following Information in the Annual Report:

No.	Information	Yes/No	Reason
1	Visions/Missions/Objectives	Yes	
2	Financial Indicator	Yes	
3	Non-financial Indicator	Yes	
4	Main Risk Factors	No	In 2020, PAS didn't analyze on main risk factors
5	Dividend Policy	Yes	
6	Biography of Directors	Yes	
7	Training for Directors	Yes	
8	Number of Board Meeting	Yes	
9	Attendance of Directors in Board Meetings	Yes	
10	Remuneration or Compensation for Directors and Senior Officers	Yes	

In this 2020 Annual Report, PAS did not present non-financial indicators, but provided detailed statistics and graphs of its operations.

B. Describe the Mechanism of Disclosure Including Means, Procedures and Responsible person in Charge of Disclosure

The mechanism of disclosure is presented through the e-mail, the website of the Cambodia Securities Exchange and the website of the Sihanoukville Autonomous Port.

Responsible person in Charge of disclosure is Mr. **Sam Sopheap** and secretary.

C. Investor Relations

1- Dmonstrat Mechanisms and Procedures for Investor Relations:

- Contact via the telephone number available on the website of Sihanoukville Autonomous Port and invitation to attend the General Shareholders' Meeting of PAS.

2- Briefly Describe Investor Relations for the Last Year

- In this 2020, there was an invitation to attend the General Shareholders' Meeting of PAS and there was questions and answers session for investors.

