

News release

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VIOD holds first Audit Committee Master Programme in Vietnamese with support by IFC and PwC

*The second **Audit Committee Master Programme** was organised by the Vietnam Institute of Directors (**VIOD**) in Hanoi on 8 and 9 November 2018 with technical support by **PwC Vietnam** and the International Finance Corporation (**IFC**). The programme attracted around 30 attendees who are members of the Board of Directors, Audit Committee members, and high-ranking executives from various listed companies, public companies and foreign companies operating in Vietnam.*



Participants and facilitators at the Audit Committee Master Programme 2 (Source: VIOD)

The training programme for Vietnamese-speaking audiences was designed by VIOD in collaboration with PwC and IFC, based on the original programme in English that was first launched in late May 2018.

The Audit Committee Master Programme 2 is a platform for knowledge sharing and networking. It focuses on two main objectives, i.e. to examine the fundamentals of an Audit Committee's basic requirements, duties, and responsibilities as well as principal areas of oversight; and to provide insights into leading practices that contribute to Audit Committee effectiveness.

With the help of course facilitators from VIOD, IFC and PwC, the participants also had a chance to practice with tools specifically designed for Audit Committee members to deal with the daily issues that they might face.

Mr. Hoang Hung, Partner at PwC Vietnam said: "This programme is designed for current and future members of the Board of Directors and the Audit Committee. It aims to provide them with accurate



understanding of the legal perspectives and international practices of building and running an effective Audit committee.”



Mr. Hoang Hung – Partner at PwC Vietnam (Source: VIOD)

“Equipped with the knowledge, tools and practical experience shared, we hope that participants will be able to effectively assist the Board of Directors of listed and joint stock companies in Vietnam. They have an important role in supervising and developing a corporate governance mechanism that follows international standards and the principles of sustainable development,” Mr. Nguyen Viet Thinh, CEO of VIOD added.

“To cope with increasing and tougher demands of the capital market, Vietnamese companies need to adopt good governance practices in order to be competitive and attract investors. The Audit Committee Master Programme is the first programme within VIOD’s Governance Excellence Programmes (GEP), which is run with support from IFC and designed to help the Board of Directors increase their effectiveness in their oversight roles”, exchanged by Ms. Nguyen Nguyet Anh, IFC’s Vietnam Corporate Governance Lead.

Need for an effective audit committee

Operating under the Board of Directors, the Audit Committee plays an essential role in the governance and oversight of a company's operations and results. In accordance with good international practices, the Audit Committee plays a key part in ensuring that internal controls and risk management systems are in order while maintaining the integrity of the financial reporting process.

The Law on Enterprises 2014 encourages joint stock companies to adopt international governance practices by offering two options for the business going forward: (i) to keep the existing Supervisory Board model; or (ii) establish an Audit Committee under the Board of Directors with a minimum requirement of 20% of independent members in the Board.

The audit committee function has proven to be effective driver of corporate governance in many countries. However, in Vietnam, there are only a few companies that have set up an audit committee. Furthermore, many companies have encountered difficulties when trying to transition and implement this function due to a lack of clear guidelines and practical experience.

As part of VIOD's Governance Excellence Programme, the Audit Committee Master Programme is a core component of VIOD’s diverse activities to promote the professionalism of the Board of Directors, and improve business ethics and transparency in local enterprises.

Notes about the organisers:

About VIOD

The Vietnam Institute of Directors (VIOD) is an independent organization, which promotes corporate governance standards and best practices in the Vietnamese corporate sector. VIOD is a social



enterprise, aims to advance board professionalism, promote business ethics and transparency, create a pool for independent directors, build a network to connect corporate leaders and stakeholders, and help companies inspire investor confidence.

VIOD is governed by a board of directors comprising private sector representatives — in collaboration with and supported by the SSC, HOSE and HNX under the Vietnam Corporate Governance Initiative. Our board members encompass a diverse group of business leaders and advocates of good corporate governance in Vietnam. They include senior dignitaries from investment funds, well-known international legal and accounting firms, and independent board members of prominent companies in the market.

VIOD was formed with technical support from the International Finance Corporation (IFC), a sister organization of the World Bank and a member of the World Bank Group and the Switzerland's State Secretariat for Economic Affairs SECO. For more information, visit www.viod.vn.

About IFC

IFC—a sister organization of the World Bank and member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work with more than 2,000 businesses worldwide, using our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In fiscal year 2018, we delivered more than \$23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org.

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At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 158 countries with more than 250,000 people who are committed to delivering quality in assurance, advisory, tax, and legal services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

About PwC Vietnam

PwC Vietnam established offices in Hanoi and HCMC in 1994. Our team of approximately 1,000 local and expatriate staff has a thorough understanding of the business environment in Vietnam and a wide knowledge of policies and procedures covering investment, tax, legal, accounting, and consulting matters. Moreover, we have established PwC Legal Vietnam, PwC Consulting Vietnam, and PwC Vietnam Cybersecurity to diversify the services that PwC offers.

We go the extra mile to help our clients achieve their objectives. With strong industry knowledge that our clients require at a local level, we offer integrated services, bringing a breadth of skills and depth of resources to our clients wherever they do business, throughout Asia and across the world. Visit our website for further information: www.pwc.com/vn.

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