

REVIEW OF THE SUPERVISORY BOARD'S PERFORMANCE IN THE 2009-2014 TERM

TO BE REPORTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF VIETINBANK IN 2014

Based on the functions and duties of the Supervisory Board, specified in VietinBank's Charter; Regulation on the Operation of the Supervisory Board; Internal regulations of VietinBank and other Legal Regulations, the Supervisory Board of VietinBank hereby would like to review its performances in terms of functions, duties and roles during the five-year term (2009-2014) as follows:

I. The performance of the Supervisory Board in the 2009-2014 term

1. The number of Supervisory Board members

At the first General Meeting of shareholders of VietinBank dated 3rd July 2009, the Supervisory Board, including its 3 members, was elected:

- Ms. Tran Thi Le Nga – Head of the Supervisory Board
- Ms. Phan Thi Quy -Member
- Ms. Pham Thi Thom - Member

During its five-year term, there was 01 (one) change of the Board member when Ms. Phan Thi Quy left her position for health reason. On the date 13th April 2013, the General Meeting of Shareholders approved the resignation of Ms. Phan Thi Quy and Ms. Vu Bich Hong was elected to replace her as the new member of the Supervisory Board for the remaining time of the term (2013 - 2014).

2. Results of the Supervisory Board's performance

The Supervisory Board, with its 03 (three) members, have fully fulfilled all of its , duties, powers and rights in a comprehensive and effective manner in compliance with the provisions specified in VietinBank's Charter, the regulation on the Operation of the Supervisory Board as well as other regulations of Law during the 2009-2014 term.

2.1 Main activities executed by the Supervisory Board throughout the 2009-2014 term

- Supervising the compliance with legal regulations and the Charter on the organization and operation of VietinBank in administration and management through reviewing and assessing all the Bank's written documents and internal regulations in order to provide timely recommendations to the BoDs and the BoM, based on which the Board of Directors and the Board of Management will direct relevant departments/boards to study, review, amend and

supplement those conflicts and shortcomings in regulations and procedures in order to perfect its internal documents and regulations.

- Issuing full package of written internal regulations of the Supervisory Board and the internal audit apparatus based on current legal regulations and business features of VietinBank in order to strengthen its operation whilst gradually enhance working quality and productivity.

- Regularly supervising the operation and the compliance with operational safety limit of VietinBank and its subsidiaries to evaluate the business performance, financial, security and operational efficiency status of the Bank; Making monthly or extraordinarily risk reports to the Board of Directors and the General Director to propose and recommend Board of Directorson risk management and monitoring mechanism, improving the policy system, enhancing business efficiency of the whole system as well as the implementation of the Resolution of the GSM.

- Supervising and recording the list of related individuals of the Board of Directors members and Supervisory Board members, Board of Management members and shareholders holding at least 5% voting stake of VietinBank.

- Directly managing and supervising internal audit activities: the Supervisory Board has consolidated and improved the internal audit apparatus in accordance with regulations of the SBV as specified in Circular No. 44/2011/TT-NHNN; building, updating and perfecting Sysmon remote system monitor software; directing the construction of internal audit regulations and procedures; ensuring the high efficiency and compliance of internal audit activities with current regulations of Law, and providing timely advises for Board of Directors and Board of Management in risk management and business activities.

- Directing the process of assessing annual and semi-annual financial statements for the financial years from 2009 to 2014 and ensuring that the financial statements reported to the AGM were fairly stated and complied with all accounting standards currently applied in Vietnam.

- Directing the selection of qualified and competent independent audit firms; directing the coordination with the selected independent audit firms to evaluate auditing sessions executed at the Bank.

- Participating in the Board of Directors' meeting as an independent party to devote objective ideas and opinions; making written recommendations to the Board of Directors and Board of Management for those contents under the jurisdiction of the Board of Directors and the Board of Management in order to increase operational efficiency and minimize potential risk for VietinBank.

- Organizing periodical and/or extraordinary meetings of the Supervisor Board and meetings with internal audit department, units, operational departments at VietinBank to timely perceive, direct and popularize plans for the activities of the Supervisory Board, the internal audit apparatus as well as pending issues and shortcomings in the operation of the Bank's units to increase operational efficiency and quality of the internal audit apparatus and other units in VietinBank's system.

- Actively and regularly making closely contact with Risk Management Division, Corporate Banking Division, Retail Banking Division, Human resource and Remuneration Committee and Policy Committee; and branches to discuss about operational activities and

solving pending issues and inquiries from branches as well as errors identified from audit sessions.

- Handling complicated cases under requests of the Board of Directors and the Board of Management.

- Being the focal point in receiving petitions and prosecutions and performing investigation and settlement in accordance with provisions of Law and internal regulations of VietinBank.

- Directing focal units in supporting external auditing agencies and inspectors; supporting units and departments within the Bank in making explanations, pushing them in fixing and making amendments for issues raised from opinions and recommendations of external auditing agencies and inspectorates.

2.2 Major proposals, recommendations and contributions of the Supervisory Board at VietinBank in the last 5 years

Based on results gained from the supervision of VietinBank's operation and findings from inspection and internal audit sessions, the Supervisory Board has constantly and continually made proposals and recommendations to the Board of Directors and the Board of Management in the orientation of business activities and risk management mechanism; handling pending issues and shortcomings of the Bank's system concluded from meetings of the Board of Directors as well as from discussions on expertise topics with the Board of Management and other departments within the Bank.

a. A number of recommendations and proposals of the Supervisory Board on the enhancement of risk management and operational efficiency of VietinBank.

***In 2009:**

After elected by the GSM on 3rd July 2009, the Supervisory Board had concentrated on catching up with its tasks and duties; studying and perfecting written documents and policies relating to the Supervisory Board and its supporting components as well as consolidating and innovating the internal audit apparatus; The Supervisory Board also concentrated on internal training for the internal audit apparatus based on the training the experienced staff providing for the younger auditors; sending auditing teams to inspect those branches that contained high risk potential. Based on the results achieved through inspection and supervision sessions, the Supervisory Board had made recommendations to the Board of Directors and the Board of Management on reviewing and simplifying the Bank's current system of written documents regulations, procedures and processes; provided warnings against lending to such risky sectors as: ship and barge building, sea and domestic water transportation business. Concurrently, the Supervisory Board also suggested the Board of Directors and the Board of Management to apply strict penalties over violations of labor regulations and disciplines.

***In 2010:**

In addition to consolidating and strengthening audit staffs' capacity; completing mechanisms, processes, and forming audit notebook to be the guideline for the operation of audit activities, along with the target of building a fundamental internal audit structure to meet the requirements of the tasks assigned; the internal audit apparatus has proven its capacity through auditing

results. Based on internal audit results on the Bank's income structure, the Supervisory Board recommended the Board of Directors and the Board of Management to develop derivative products in order to diversify products and services and boost income for the Bank; recommended Retail Banking Division to improve its service and sales force qualities; recommended to upgrade service information monitoring system for better supervisory purpose; recommended to change the mechanism, processes of granting credit towards separation between front office (sales staff) and back office (loan appraisal staff) to ensure the objectivity, independence and for a better risk management purpose. Based on the auditing result, the Supervisory Board provided warnings on such businesses as real-estate, construction materials, schools... and suggestions on handling violation of VietinBank's labor regulations.

*** In 2011:**

From the beginning of the year, the deposit interest rate was expected to increase; risk bubble was forecasted in the real estate and securities sector; the Supervisory Board continued to give warning and to make recommendation to the BoM to strictly monitor the outstanding loans and investment in real estate, securities trading and a number of monitored sectors such as loans for gold purchasing; pawn and ponzi and lending to related customer groups. Based on auditing results, the Supervisory Board gave some warnings on the focus of credit on a number of large customers and highly risky sectors at some branches despite the limit in customer monitoring and management capacity, which affected the credit quality of the branches; The Supervisory Board also gave warnings to a number of particular branches where rollover loans were granted to pay off the currently maturing loans or information on repayment period, debt structuring,... were adjusted on the system. This showed the moral hazard from branches' officers. Through irregularities in credit activities detected during inspection, the BoDs and the BoM has issued strict disciplinary punishment against officials who violated the regulations.

*** In 2012:**

The banking sector's operational activity continued to face many difficulties due to the economic crisis, sharp increase in NPLs, liquidity deterioration and frozen funds of a number of small banks since their lending to real estate has been unable to recover which made a huge impact on business activities. The Supervisory Board recommended that the Board of Management should be cautious in engaging business activity with partners on the interbank market. As the interest rate floor was on a decline, the BoM was recommended to increase investment in government bonds and T-bills. In credit activity, customer selection needed to be careful. The Bank should have appropriate debt restructuring solution to support enterprises. Credit growth in some risk warning sectors must be monitored etc.

After the audit sessions at branches, the Supervisory Board noticed that the majority of weaknesses and problems existed in a number of branches were due to limited governance, management and orientation from the branch managers. Through monthly compliance reports, the Supervisory Board advised branch managers on managerial activity, at the same time proposed the Bank to continue reviewing its management team and staff, especially the Branch Directors in order to consolidate the system. Through the audit of NPLs and written-off debts recovery, the Supervisory Board made some recommendation on inappropriate methodology and measurement on NPLs and written off debt collection in a number of units which led to the lack of suitable cooperation from clients and the loss of NPLs handling and recovery opportunities. Warning was given to some branches about the quality of credit officers who have not got sufficient appraisal and risk assessment skills which led to potential problems affecting the quality of loans. Through collateral audit (inventory warehouse), the Supervisory Board has

warned VietinBank of the risk in lending secured by inventory, receipt and management of warehouse. Recommendation was made on the review of economic entities' bond portfolio. In addition, VietinBank was also recommended by the Supervisory Board to enhance short-term loans for some prioritized industries in which the Government granted permission for growth and production support. At the same time, the Supervisory Board continued to warn potential risk for the following industries: paper; agricultural products; steel and construction materials due to continuous difficulty in business operation while the real estate market was still stagnant. The Supervisory Board has proposed the BoM to analyze the financial position, business capacity and capital utilization plan of the above industries for debt restructuring and rescheduling to reduce debt burdens for enterprises as well as the Bank etc.

*** In 2013**

In 2013, profits of the banking sector continued to shrink due to interest rates reduction. At the beginning of the year, the Supervisory Board recommended the Board of Management to concentrate on services expansion and written-off debt recovery. The investment effectiveness was evaluated in order to restructure and to withdraw inefficient investments. The Supervisory Board also reviewed the effectiveness of the product, developed FTP mechanism, reviewed the selection of best products to offer to customers, while eliminating the inefficient products; enhanced the quality of service and cross-selling products to attract customers to use banking services; enhanced customer service with new marketing strategy to prevent loss of customer due to unhealthy competition on the market.

Through the audit sessions, the Supervisory Board proposed the review and evaluation of the entire debt which was restructured according to Decision No.780 to ensure that relevant clients were restructured and loan classification conformed to the regulations; the restructure of lending to customers operating in sectors with highly potential business risks such as real estate, construction materials, sea transportation etc. needed a thorough analysis and evaluation of the overall capacity so that the customers could overcome their difficulties once being restructured, thereby the Supervisory Board proposed VietinBank to review its investment and credit limit granting to related customer groups. It was also necessary to review the potential risks of receiving the collateral which was difficult to manage such as inventory warehouse, machinery and equipment or collateral from the third parties etc; Recommendations on methods of managing and monitoring operational risk in card activity and Nostro account management activity were made to ensure liquidity and operational efficiency. In 2013, the Supervisory Board has directed the internal audit apparatus to review and evaluate critical business documents. On that basis, the Supervisory Board has initially issued more than 40 recommendations for 37 complete documents, regulations and procedures of VietinBank.

b. Direction to Internal Audit activity

After the Internal Control section was transferred from the Board of Management, the Supervisory Board has given the direction to review and to evaluate the overall quality performance of the Internal Control and issued a report on 1st December 2009. According to the results of the assessment, Internal Audit and Internal Control had shortcomings on all aspects: weak competencies and lack of manpower; ineffective methods of risk assessment and inspection; no monitoring tools and exploitation of available information channel; incomprehensive planning, mainly focused on credit activity despite the lack of focus and key points; the level of coordination between Internal Audit and Control with branches was insufficient in terms of inspection planning or exchange of inspection results; of providing

advices and supports for branches to fix their weakness; weak counseling and inspection skills; inefficient productivity.

On that basis, the Supervisory Board has showed endless efforts together with the Internal Audit and Internal Control department to study and implement the solution to change the overall structure of the organization model, consolidating personnel, operational procedures and mechanisms; methods of risk assessment and audit implementation of Internal Audit Department and Internal Control Department.

In particular:

- Regarding the organizational model: in 5 years, according to the orientation of VietinBank to restructure the organizational model, the Supervisory Board has given the direction to establish 28 Internal Control departments; organizational structure transformation of the Internal Audit Department (overseeing by the Supervisory Board) was conducted twice: the 1st one was in April 2012 with the establishment of 26 new regional Internal Audit Departments; the functions and duties of the Internal Audit department at the Head Office was adjusted and supplemented; the 2nd transformation took place in April 2013 with the transfer of 26 regional Internal Audit departments as well as the Compliance Audit department to Risk Management Division. The Supervisory Board has directly instructed the internal audit function as the 3rd line of defense in accordance with Circular No.44 (issued in 2011). Accordingly, the current Internal Audit section under the Supervisory Board comprises of 3 departments which included: the Internal Audit Department at the Headquarters; Internal Audit Department in Central area and the Internal Audit Department in Southern area. The functions and duties of each department was clearly defined; the coordination and reporting mechanisms and information channels were effectively implemented; Tasks assigning to officers were transparent and clear which created the basis for assessment, appointment and staff rotation.

- Regarding internal audit's personnel: after the transfer of Internal Audit and Internal Control departments, the Supervisory Board has directed and reviewed the entire staff over these 2 departments; implemented the rotation of unqualified staff; appointed additional experienced personnel to meet the requirements of the new system and recruitment. Accordingly, the number of officers in Internal Audit and Internal Control departments has been reduced from over 500 to around 400 people, an average of 2.6 inspectors/branch. After transferring the regional Internal Control departments to the Risk Management Division, so far, the Internal Audit department under the Supervisory Board has about 60 staff and is continuing to add high quality personnel.

To improve the quality of human resources and auditing skills, the Supervisory Board has directed to develop and implement multiple specialized training courses for Internal Audit with appropriate and effective curriculum through practical auditing examples, which provided significant effects on perceptions of risk assessment, audit method, and the identification and consultation toward internal auditors.

- Regarding the risk assessment methods, audit planning and implementation:

Risk assessment methods were fundamentally amended under the direction of the Supervisory Board; from just individual risk assessment for each client and professional activity, Internal Audit has gradually utilized the system monitoring results to assess overall performance and incorporated information channels to locate the risk, correctly select the auditing subjects which assisted in focused audit planning and saving resources. Accordingly, the assessment criteria and Branch classification system have been regularly developed, modified and updated; the risk profile for each business unit and department of the Bank were also built. In

implementation of audit activity, the execution method has been changed towards proactively exploiting information and profiles via the supporting system of the Bank prior to the actual audit sessions, thus shortening the time and improving audit efficiency.

- Regarding mechanism, procedure and form systems:

In the past 5 years, the Supervisory Board has directed Auditing units and Internal Control to construct and improve the system of monitoring criteria and to make monthly/quarterly/annually reports on system assessment, which is the basis for the Supervisory Board to monitor and give early warnings and effective advices to the Board of Directors and the Board of Management, including such key reports as: Compliance governance report; System monitoring report; Safety indicators,...

Concurrently, the Supervisory Board also requested Internal Audit Department to build, promulgate and regularly review and edit the Regulation on organization and operation; Internal Audit Manual, specific audit procedures; Financial statement appraisal procedure and Audit forms to facilitate auditors in auditing and ensure audit quality.

- Regarding auditing tools and remote system monitoring program:

To improve monitoring efficiency, the Supervisory Board has directed the construction of Sysmon - a remote system monitoring program with a system of monitoring criteria for critical business activities operations. This program is a tool providing timely information and support Internal Audit Department in information attraction, risk and abnormality monitoring, so that the Department can provide timely advices and warnings for branches. The assessment criteria on remote system monitoring program also regularly updated to better meet the requirements in monitoring, risk assessment and reduce cost and effort, increase labor productivity and reduce inspection time.

In addition, to support auditing activity, the Supervisory Board has directed the construction of Inspection result management program; Internal Audit Department studied and submitted to the leaders of VietinBank plan for building and hiring consultants to build audit software, which would be a tool to support audit activities; storing records and audit results; integrating data as a basis for information exploitation in long-term.

- Regarding audit results:

In the past 5 years, under the direction of the Supervisory Board, the Internal Audit apparatus has been proactive in task deployment, which greatly contributed to the operation of VietinBank.

Number of audit sessions:

- In 2009: Internal Control and Internal Audit Department sent **196 inspection teams/groups** to perform audit at branches and subsidiaries.
- In 2010: In the entire system of VietinBank, there were **202 inspection teams/groups** sent to branches to perform comprehensive auditing for professional / specialized activities.
- In 2011: Throughout the system, there were **66 inspection teams** conducting audits directly at branches.

- In 2012: Audit sessions were conducted at **92 branches** including 52 comprehensive and 40 specialized ones.
- In 2013: 48 units were audited comprising 38 branches (including Laos branch) and 6 professional departments at the Head Office, Information Technology Centre; and 4 subsidiaries.

Inspection and audit quality:

Inspection and audit quality was increasingly improved. Internal control activities were not only to review and assess the compliance, but also to identify and assess administrative capability of the Executive Board at branches in directing, operating, recognizing signs of risk and losing capital as well as issues affecting safety and performance to give early warnings and timely recommendations for branches; to make proposals for VietinBank/subsidiaries on the issuance of supplements and amendments for missing regulations and procedures as well as those containing issues and shortcomings in order to perfect the mechanism, regulation and procedure systems.

The inspection and assessment were not only for individual errors but also aimed at the implementation of consulting and assessment function towards unsound issues critically affecting the system and having potential of spreading risks widely so that valuable advisories and warnings could be provided for the Bank.

Overall, with the consent and great supports from the Board of Directors, the Board of Management and efforts of the Supervisory Board, the Internal audit apparatus of VietinBank has been gradually improving, towards performing audit activities in accordance with advanced practices. As a result, the Internal control apparatus as well as the contribution of the Supervisory Board for VietinBank's achievements in the past few years has been initially acknowledged, valued by the leaders of VietinBank and positively assessed by the inspection authorities.

I. The results of monitoring the operational status, the implementation of accounting regime, financial statement and business performance of VietinBank for the period 2009 - 2014

1. Operational status and business performance of VietinBank

2009-2014 is the period the world experienced severe, widespread and prolonged economic crisis. The impact of the economic crisis has heavily affected the world's as well as Vietnam's economy. Vietnamese economy had to face a lot of troubles and instabilities due to the internal weaknesses that were unable to resist the successive shocks from the impact of the crisis on the world and in the region. Economic growth declined and stayed low; real estate market was stagnant, stock market was sluggish with sharp fall of transaction indicators; hundreds of thousands of enterprises struggle with stagnant production, insolvency or bankruptcy; with low demand of the economy, enterprises had no motivation for running business. Banking activities were also severely affected, after the "hot growth" phase, from early 2011, banking section began to be affected by the impact of the general difficulties of the economy and enterprises; lending demand and loan quality sharply declined; NPLs drastically increased and was stagnant since no debt settlement solution could be found etc.

In this context, VietinBank still achieved impressive results in the last 5 years with strong growth in total assets, business results and especially the leading position in profit gained in banking sector:

Indicators	2009	2010	2011	2012	2013
Total assets (VND billion)	243,785	367,712	460,604	503,530	576,368
Owner's equity (VND billion)	12,572	18,372	28,491	33,625	54,075
Outstanding loans (VND billion)	163,170	234,204	293,434	333,356	460,079
Mobilized funds (VND billion)	220,591	339,699	420,212	460,082	511,670
NPLs ratio (%)	0.61%	0.66%	0.75%	1.46%	0.82%
Profit before tax (billion VND){/0}	3,373	4,598	8,392	8,168	7,751
Profit after tax (VND billion)	2,583	3,444	6,259	6,169	5,808
Tax contributed to the State budget (VND billion)	(883)	(1,194)	(2,132)	(1,998)	(1,943)
ROA (%)	1.54%	1.50%	2.03%	1.70%	1.40%
ROE (%)	20.60%	22.10%	26.74%	19.90%	13.70%
CAR (%)	8.06%	8.02%	10.57%	10.33%	13.17%
Dividend payout ratio (%) /	6.83%	13.47%	20%	16%	10%

Note: Dividend payout ratio (%) is calculated based on working capital at the yearend; for the year 2009 only, is calculated based on working capital of the second half of the year.

Data collected from the consolidated financial statements from 2009 to 2013.

5 years after equitization, VietinBank has accomplished outstanding achievements in banking activities with fast and strong growth in asset size, business performance improvement and service development, the average growth rate for the 5-year period from 2009 to 2013 of total assets was 25%; of owner's equity was 31%; of outstanding loans was 36%; of mobilized fund was 25%; of profit before tax was 33%; all targets of the AGM were achieved. From the 4th position in banking sector, VietinBank rose to rank 1st in terms of profit and tax contributed to the State budget; rank 2nd in total assets; rank 3rd in mobilized funds and outstanding loans; dividend payout ratio maintained high compared to the average rate of banking sector. Key indicators for VietinBank's business performance in accordance with the consolidated financial statements for the financial years from 2009 to 2013 which were fully reported and approved at the AGM.

The impressive business performance was achieved in such difficult economic context thanks to the steady and clear direction from the Board of Directors and the Board of Management of VietinBank in guiding the entire system to be proactive in closely following market developments closely; to select appropriate solutions for safe, efficient and sustainable business growth. VietinBank continuously innovated, constantly developed products and expanded its network in both domestic and foreign markets, actively and regularly improved the internal governance and risk management systems. In terms of international integration, VietinBank was the first credit institution in Vietnam being successful in opening foreign

branches; in international investment cooperation with the participation of large and well reputed strategic partners as IFC and BTMU and becoming the commercial bank holding largest charter capital in Vietnam. VietinBank position in the market has greatly increased and was highly valued by international rating agencies as well as foreign investors many prestigious awards annually both domestically and internationally.

During 5 years of operation, VietinBank was also inspected by inspection agencies such as the State Audit of Vietnam (2010 and 2012); The Government Inspectorate (2012-unconcluded); the SBV Inspectorate (2011), Tax agencies, ... In general, all of State inspection agencies concluded that the operation of VietinBank complied with the provisions of Law; accounting and finance regimes; and was safe, efficient and sustainable. Some existing errors was due to operational risk, not caused by serious violations of law.

It can be seen that, over the last 5 years, VietinBank has continuously contributed to the society, community and added value for investors and shareholders on the basis of sound, safe and efficient business orientation in compliance with laws as well as the tireless efforts of over 20,000 staff throughout the system.

2. Performing accounting and financial reporting scheme

Through auditing activities of the Internal Audit Department and evaluation on the annual and semi-annual financial statements from 2009 to 2013, the Supervisory Board would like to report on the verification of VietinBank's financial statements as follows:

- The annual and semi-annual separate financial statements and consolidated financial statements of VietinBank from 2009 to 2013 in terms of significant items have been presented in line with Decision No. 16/2007/QĐ-NHNN dated 18th April 2007 of the SBV on the financial reporting scheme for credit institutions and prevailing relevant regulations; were audited and reviewed by major audit firms in the Big Four, in which Ernst and Young Vietnam audited and reviewed the annual and semi-annual financial statements of VietinBank from 2009 to 2011 while Deloitte Vietnam audited and reviewed the Bank's financial statements for 2012 and 2013. All the reviewed and audited financial statements are included reports expressed qualified opinions, with no unqualified opinion from auditors.

- The Supervisory Board has evaluated and there is no objection to the data shown in the annual and semi-annual audited separate and consolidated financial statements from 2009 to 2013.

II. Some limitations of the Supervisory Board and Internal Audit Department that need to be addressed in the coming time

- The number of Supervisory Board members is inadequate (including one part-time member), while the Bank's operations cover multiple areas that need specialized curators. In fact, some peers have a greater number of Supervisor Board members such as: Bank for Foreign Trade of Vietnam (Vietcombank) has 5 Supervisor Board members, Bank for Investment and Development of Vietnam (BIDV) has 4 Supervisor Board members, etc. Therefore, in the next term, VietinBank is proposed to approve additional members for the Supervisory Board (increase to 5 members) to ensure that all activities of the Bank are supervised by specialized curators while reducing workload for the Supervisory Board members and improving the quality and efficiency of their work.

- In the condition of personnel shortage, with its best effort, the Internal Audit Department always completes plans assigned by the Board of Directors and the Supervisory Board, including a lot of work arising out of plans required by the Board of Directors and the Supervisory Board.

However, due to a lower number of staff compared with international practices and uneven staff quality, the Internal Audit Department has yet to meet the increasing requirements of the Supervisory Board on the advisory function to branches as well as to departments at the Headquarter regarding operations, policy, information technology, etc. Therefore, the Supervisory Board proposes VietinBank to continue providing quality personnel for the Internal Audit Department in accordance with international practices to ensure successful implementation of audit functions and duties as required by Circular No. 44/2011/TT-NHNN.

- The Internal Audit Department still does not have supporting software in managing audits, risk assessment, direct audits, and follow-ups, ... while the network of the Bank is too wide, audit staff is inadequate with heavy functions, duties and workload. Therefore, the Supervisory Board proposes that in the coming time, the Internal Audit Department needs to research and purchase audit-supporting software to improve productivity, quality and efficiency of the work.

- To improve management capacity and consultant level towards audits under advanced practices; domestic training is fundamental, but we also need to learn soft skills from Internal Audit units at advanced banks in the world. The Supervisory Board proposes VietinBank to provide training courses and study tours for the Internal Audit team.

Above is the review on the performance of the Supervisory Board of VietinBank in the 2009-2014 term; respectfully report to the GSM.

On behalf of the Supervisory Board for the 2009-2014 term, I would like to express my sincere thanks to the Board of Directors, the Board of Management, the branches' Leaders and all VietinBank staff for the accompany and support to the Supervisory Board and its units over the last 5 years, so that we have well fulfilled the functions and duties assigned by the GSM, contributing a small part to the successful operation of VietinBank.

Thank you and I wish all of you health, success and happiness.

I wish the GSM a great success.

I wish VietinBank a sustainable, effective and secure growth!

Head of the Supervisory Board

(Signed and sealed)

Tran Thi Le Nga