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VietinBank 

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INVESTOR NEWSLETTER



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VIETINBANK – MISSION OF A PIONEERING BANK FOR THE NATION'S PROSPERITY

"VietinBank determined our responsibility in the country's development as a major national bank with the role of leading, accompanying and making great contributions to the economy, making Vietnam a prosperous country which plays on regional and international level" – VietinBank Chairman Mr. Le Duc Tho shared in the conversation with Tien Phong newspaper.



Mr. Le Duc Tho - Chairman of VietinBank

Accordingly, VietinBank set its development vision towards 2045 to become the most popular, modern and efficient multi-function bank in Vietnam, among the Top strongest banks in the Asia-Pacific region and governed by advanced common practices...

In our long-term development strategy for the period 2021–2030, VietinBank continues to keep the core value of "Customer centricity", through which VietinBank has been drastically changing our business model from supplying a single product and/or service to customers to designing and developing flexible financial banking solutions... This is the foundation for VietinBank to improve competitiveness and create value-added ecosystems for our customers and ourselves.

Keeping that goal in mind, VietinBank takes a pioneering role in the development of key economic regions in major city axes across the North – Central – South and key and potential economic sectors. We promote close linkage among customer segments towards value ecosystem, adding benefits for customers and the Bank. VietinBank also applies comprehensive digitalization in banking activities to enhance customers' consistent experience. Currently, VietinBank continued to drastically reform

processes, procedures and widely applied banking solutions on safe and secure electronic channels with the pride of being one of the banks who own the best CoreBanking.

Over the past time, VietinBank has been drastic in governance, resulting in many positive changes in our business activities. The Bank has actively implemented synchronous measures to control quality of our portfolio, recover and handle NPLs, and control NPL ratio as planned. Up to now, VietinBank has bought back 3 years and 2 months in advance for all debts sold to VAMC of VND 12,347 billion; thereby demonstrating our determination and effectiveness in accelerating the implementation of the Restructuring Plan associated with handling bad debts in the 2016–2020 period of the Bank.

Amid the COVID-19 pandemic which causes big challenges facing the economy, VietinBank synchronously implemented a number of solutions to pursue "dual goals": sharing and helping our customers in coping with difficulties to recover from the pandemic, while at the same time, restructuring VietinBank's operations toward sustainable development, ensuring business performance and shareholders' benefits... ■

VIETINBANK – MUFG BANK: BRIDGING VIETNAM – JAPAN ECONOMIC, TRADE AND INVESTMENT COOPERATION RELATIONSHIP

Officially becoming a strategic partner of VietinBank since 2012, MUFG Bank has cooperated closely, actively and comprehensively in many fields with VietinBank to best explore advantages and potentials of each party, bringing positive values for shareholders and together steadily reaching out. VietinBank – MUFG Bank has become a typical model of bridging the good economic, trade and investment cooperation between Vietnam and Japan.



VietinBank and MUFG successfully held a Seminar between Vietnamese Prime Minister H.E. Nguyen Xuan Phuc and large Japanese corporates.

Synergy of the Top players

Promoting advantages of the two leading banks in each country, over the past time, the two sides have successfully co-organized 5 seminars between the Prime Minister of Vietnam with leading Japanese enterprises in Tokyo and 16 "Business Matching" events in Japan, Vietnam, the Philippines and Thailand.

With regard to retail sector, since 2014, VietinBank has launched the product "Vietnam Account – VietinBank Sakura Benefit Package – VSBP" for Japanese individual customers. Up to now, thousands of VSBP accounts have been opened at VietinBank. On the other hand, the two sides have jointly increased the number of

individual customers through Japanese corporate partners. Currently, the number of payroll accounts at Japanese companies in Vietnam has exceeded 42,000 accounts.

Reaching new heights

The scope of strategic cooperation between VietinBank and MUFG Bank is not only between the two banks, but also actively expanding to other banks in the MUFG Financial Group in Southeast Asia and the US such as Bank Danamon (Indonesia), Security Bank (Philippines), Krungsri Bank (Thailand) and Union Bank (USA).

Currently, the Vietnam-Japan strategic cooperation

relationship has been upgraded to an extensive strategic partnership, for peace and prosperity in Asia. In that context, the strategic and comprehensive cooperation relationship between VietinBank – Vietnam's leading bank and MUFG Bank – Japan's largest bank has also entered into a new stage with increasingly comprehensive and in-depth cooperation. The two banks have successfully deployed many activities to connect and promote business for the enterprise community of the two countries, expressing an important bridging role for the development of economic, trade and investment cooperation activities between Vietnam and Japan. ■

VIETINBANK CONSECUTIVELY AWARDED PRESTIGIOUS AND IMPORTANT AWARDS

VIETINBANK - ASEAN OUTSTANDING ENTERPRISE IN 2020



Mr. Tran Cong Quynh Lan – VietinBank Deputy General Director received the award "Outstanding Enterprises of ASEAN 2020"

At the commendation ceremony of "Outstanding Enterprises and Entrepreneurs of Vietnam - ASEAN 2020", VietinBank was honored to be one of the entities named in the category of "Outstanding Enterprises of ASEAN 2020" thanks to its positive contributions to the country's socio-economy and promoting integration and international relations within ASEAN and globally.

Playing the key role and a pillar of the socio-economy, VietinBank has promptly and effectively implemented directions of the Government and the State Bank of Vietnam to maintain stable business operations, accompany and share the difficulties of

businesses and customers affected by COVID-19 pandemic.

Apart from that, VietinBank is also a pioneer in social activities of sharing community responsibilities; associating the Bank's development with the country's socio-economic situation and sustainable development of the people.

Especially in the course of international integration, with strategic orientation of banking digital transformation, VietinBank is carrying out many activities to bring about a strong transformation, enhance customer experience, improve processes, change communication method with customers, understanding and giving maximum support to customers.

TOP 10 PRESTIGIOUS VIETNAMESE COMMERCIAL BANKS IN 2020

In 2020, VietinBank continued to be in the Top 10 prestigious Vietnamese commercial banks according to the results of independent and objective research by Vietnam Assessment Report Joint Stock Company (Vietnam Report).

The reputation of the banks evaluated by Vietnam Report was based on 3 main criteria:

1. Financial capacity and efficiency;
2. Media reputation was assessed by Media Coding - encoding banking articles on influential media channels;

3. Survey on the level of awareness and customer satisfaction with the banks' products and services; survey conducted with a group of financial experts on the position and reputation of banks and a survey on the situation of banks in June 2020 with regard to capital size, growth rate of revenue and profit, operating plan for the year...



Mr. Nguyen Dinh Vinh - VietinBank Deputy General Director, Chairman of VietinBank Trade Union received the Certificate of Merit from Vietnam General Confederation of Labor.

OUTSTANDING ENTERPRISE FOR EMPLOYEES

At the 2nd Award Ceremony of "Outstanding enterprise for employees", VietinBank was chosen by the Organizing Committee for the title "Outstanding enterprise for employees 2019" and honored to receive the Certificate of Merit from The Vietnam Confederation of Labor for its outstanding performance in taking care of employee welfares.

Over the past years, VietinBank has implemented many activities for the benefit of our employees such as: market-competitive salary and remuneration regimes; opportunities for learning and self-development; reduction of working hours, ensuring work-life balance for employees. Currently, VietinBank is one of the first two banks to officially use Workplace social network - allowing employees to discuss and comment on products, services and policies of VietinBank in the most open manner; being listened to and having direct dialogues with VietinBank's policy issuer and senior leaders. In addition, VietinBank is also the pioneer bank in hiring a global Top 3 consulting firm in the field of human resources to conduct satisfaction and staff engagement surveys to ensure confidentiality of information, promoting openness and frankness of employees...thereby building a friendly and professional working environment for officers and employees throughout the system.

VIETINBANK BEING THE BEST FOREIGN EXCHANGE SERVICE PROVIDER IN VIETNAM FOR 3 CONSECUTIVE YEARS

Identifying international trade and investment activities as a golden opportunity to develop foreign exchange business, in recent years, VietinBank's foreign exchange service has developed strongly with its top-notch capacity and service quality in Vietnam. Recognizing that development, VietinBank is proud to be the Best Bank for Foreign Exchange Service Award in Vietnam for 3 consecutive years awarded by the prestigious Global Finance magazine.



VietinBank is currently the leader in the interbank market and one of the two banks with the largest market share in market 1 with a stable average market share of 10-15%. At the same time, VietinBank is also considered a major and reputable partner of many domestic and foreign customers as well as organizations in the foreign exchange trading field.

Pioneering in the application of technology in forex trading, VietinBank is the only Vietnamese bank at the moment to use the world's most modern Core Treasury Murex system, combined with the Vision FX exchange system, creating a breakthrough in VietinBank's FX business. ■

BRIEF SUMMARY OF VIETNAM'S MACROECONOMIC SITUATION OCTOBER 2020

Given the well-controlled Covid-19 pandemic situation in the country, Vietnam's economy continued to have a positive growth in October with increased Index of Industrial Production (IIP), positive export turnover of goods, increased domestic trade, freight and passenger transport increased compared to the previous month. Consumer Price Index (CPI) was up at the lowest level in the 2016 - 2020 period, mainly due to increase in the price of educational services according to the roadmap to approach market prices and adverse effects of storms and floods in the central provinces.

Industrial production in October 2020 continued to prosper, the IIP of the whole industry was estimated to increase by 3.6% month on month and by 5.4% year on year, especially processing and manufacturing industry seeing the biggest increase (8.3%) year on year. Realized investment capital from the State budget in October 2020 was estimated at 52 trillion VND, up 42.2% year on year. Export turnover of goods in October 2020 was estimated at 26.7 billion USD, down 1.7% from the previous month and up 99% year on year. Generally, in 10M2020, Vietnam's trade balance saw a trade surplus of 18.72 billion USD, with the largest export markets being the United States (62.3 billion USD, up 24% year on year) and China (37.6 billion USD, up 14% year on year).

Domestic trade continued its uptrend with retail sales of goods and service revenue increasing by 2.4% over the previous month and 6.1% year on year; transportation was up by 2.9% with regard to customers and 3.7% in freight; international visitors coming to Vietnam increased by 7.6% over the previous month but still decreased by

99.1% year on year because Vietnam has not reopened to international tourism.

However, the natural disasters that occurred in October being mainly storms, heavy rains, landslides and tornadoes in some localities caused much damage to the economy. Estimated total property damage due to natural calamity caused in the month was 2.7 trillion VND, especially in the Central region, many hectares of rice and crops were damaged, causing damage to many livestock and poultry. The CPI in October 2020, with an increase of 0.09% over the previous month and the same to that of last December - were the lowest levels in the 2016-2020 period, mainly due to the adjusted price of educational services which increased according to the roadmap in order to approach market prices and adverse impact of storms and floods. The average CPI in 10M2020 increased by 3.71% year on year. ■

VIETNAM'S ECONOMIC OUTLOOK IN 4Q2020 – OPPORTUNITIES AND CHALLENGES AHEAD

The pandemic continues to be a risk factor for economic growth

In their latest updates, IMF and ADB forecast that Vietnam's economic growth for the year 2020 would be 1.6% and 1.8% respectively. The new IMF estimate even decreased quite deeply compared to the previous one (as at June, IMF forecast a growth of 2.7% for Vietnam). Given positive changes in the economy in 3Q2020 with cumulative growth of 2.12% in 9 months, forecasts of international organizations show that there are still potential risks affecting the pace of growth. Situation is deteriorating rapidly at major consumer hubs: the COVID-19 pandemic is spreading at the fastest rate since its outbreak in the US and Europe, with fears of crumbling healthcare system. The severity of the pandemic could lead to new strict lockdown decisions, causing these countries to fall into a new spiral of decline and slowdown the recovery of other regions such as Asia, including Vietnam.

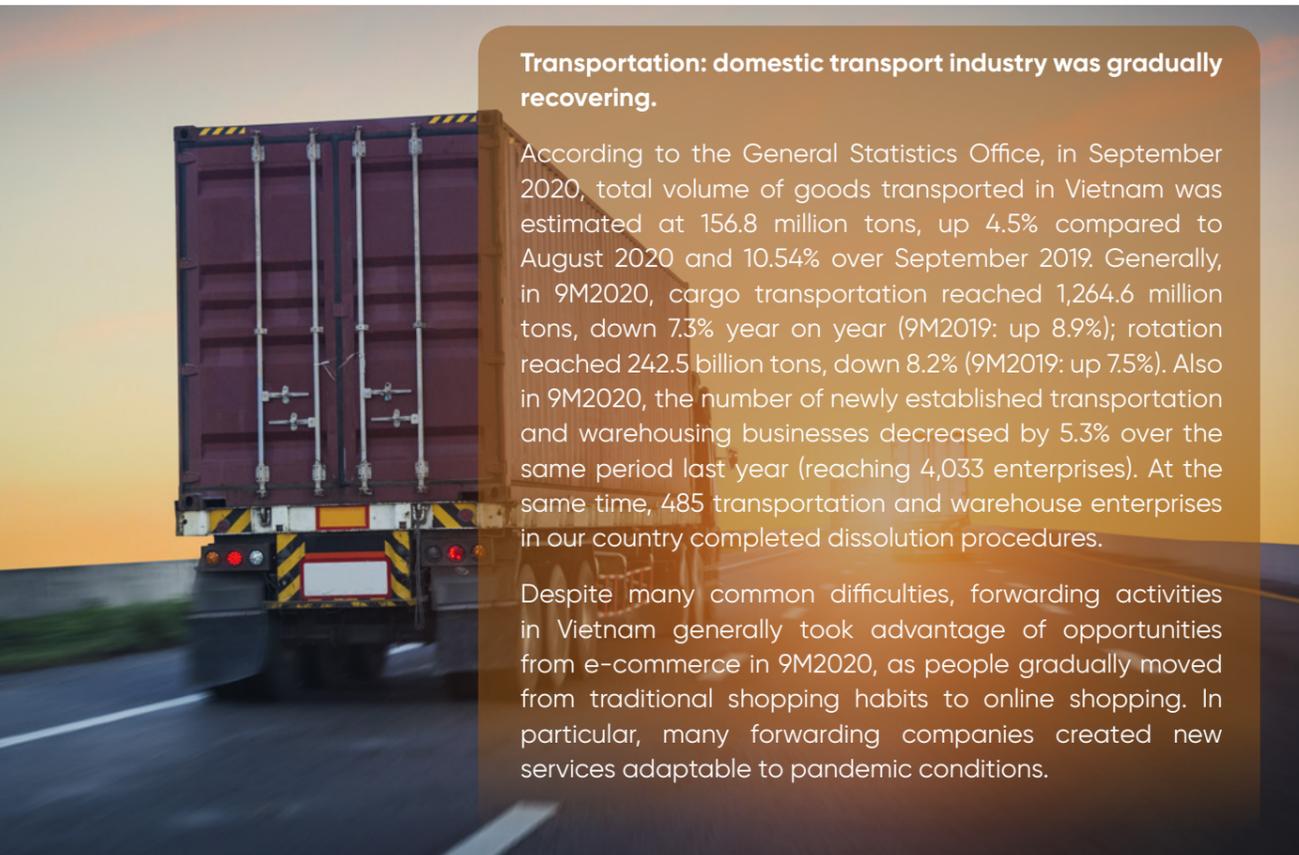
Bright spots from internal forces still remain

In addition to risks resulted from negative impacts of the world, Vietnam still has relatively good foundations to speed up economic development. Inflation was controlled at less than 4%, helping maintain interest rate cuts, stimulating credit flows

to resume production, concurrently reducing the burden of increasing raw material prices as well as stimulating consumption. Expectations for continued increase in public investment in 4Q2020, FTA and investment protection with the EU, together with domestic consumption starting to recover since September are significant supporters for the growth of GDP. In addition to the stability of the financial market and macroeconomic conditions, the most important condition is good control of the disease that will help Vietnam cope with the coming challenges.

The domestic financial market was relatively stable, interest rates continued to decrease after the State Bank's signal of lowering interest rates. The interest rate for 12-month term deposits stayed around 5.8 - 7.0% p.a, down about 0.1 - 0.2% compared to the end of September. 5-year government bond yields fell slightly ~ 2 bps, 10-year term decreased ~ 20 bps compared to the end of September. The USD/VND exchange rate on interbank market fluctuated around 23,175 - 23,185, maintained equivalent to the exchange rate at the beginning of the year thanks to the weakening USD momentum an expectations of the stability of trade balance and foreign capital flows. ■

UPDATE ON SEVERAL ECONOMIC SECTORS IN OCTOBER 2020



Transportation: domestic transport industry was gradually recovering.

According to the General Statistics Office, in September 2020, total volume of goods transported in Vietnam was estimated at 156.8 million tons, up 4.5% compared to August 2020 and 10.54% over September 2019. Generally, in 9M2020, cargo transportation reached 1,264.6 million tons, down 7.3% year on year (9M2019: up 8.9%); rotation reached 242.5 billion tons, down 8.2% (9M2019: up 7.5%). Also in 9M2020, the number of newly established transportation and warehousing businesses decreased by 5.3% over the same period last year (reaching 4,033 enterprises). At the same time, 485 transportation and warehouse enterprises in our country completed dissolution procedures.

Despite many common difficulties, forwarding activities in Vietnam generally took advantage of opportunities from e-commerce in 9M2020, as people gradually moved from traditional shopping habits to online shopping. In particular, many forwarding companies created new services adaptable to pandemic conditions.

Coffee: Coffee export in 9M2020 decreased in both volume and turnover, while average export price slightly increased year on year. It was forecast that coffee industry in the last months of the year will continue to face difficulties.

According to the Import and Export Department (Ministry of Industry and Trade), coffee exports in September 2020 decreased by 0.2% in volume, but increased by 2% in value compared to August 2020; up 8.3% in volume and 11.6% in value compared to September 2019. In 9M2020, coffee exports were estimated at 1.25 million tons, worth USD 2.16 billion, down 1.4% in volume and 1% in value year on year.

Vietnam's coffee industry was projected to continue facing difficulties in 2020 due to hardly increasing coffee prices for a number of reasons: continued abundant world supply, high inventories in exporting and consuming countries, concurrently, Brazil boosted coffee exports when their currency Brazilian Real dong fell at a level that was beneficial to Brazilian coffee growers. High supply put pressure on reducing selling prices. At the same time, in the face of increasing risk of the second wave of Covid-19 pandemic, the International Monetary Fund (IMF) adjusted its forecast for global economic growth to decrease by 3% in 2020.



Fisheries: Seafood export turnover in 9 months decreased by 3% year on year, showing signs of recovery compared to previous quarters (1Q2020 down 14% and 2Q2020 down nearly 9%).

The United States, Japan, EU, China and South Korea are top five import markets of Vietnamese seafood, accounting for about 60% of the total seafood export value. According to Vietnam Association of Seafood Exporters and Producers (VASEP), among the major export products, only shrimp had a positive export growth in 9 months, especially in the last 6 months; accounting for more than 44% of the seafood export value of Vietnam; while catfish continuously decreased, leading to only a proportion of 17.6%. After the Vietnam-EU Free Trade Agreement (EVFTA) took effect, total value of seafood exports to the EU increased slightly by 1% year on year. That reflected the positive impact of the Agreement in promoting export of aquatic products which enjoyed 0% tax incentives right after the Agreement came into effect, in which the most significant and positive changes were shrimp, squid, and octopus. However, in order to take advantage of the preferential tariffs, seafood industry needed to have a stable source of raw materials, meeting the standards of food safety and hygiene and complied with EU market regulations. At the same time, businesses must know how to make full use of the agreement's rules of origin effectively, flexibly and honestly. In addition, businesses needed to pay special attention to implementing and meeting regulations and standards on labor and environment in the agreement, as well as issues related to sustainable development. According to the Department of Agricultural Product Processing and Market Development, it was forecast that Vietnam's seafood export in the last months of 2020 may slightly increase due to increased consumption demand at year-end holidays although still affected by the Covid-19 pandemic in major import markets.

Steel: Although, the production, sales and export of various types of steel in September 2020 increased compared to the previous month, in 9M2020, production and sales of domestic steel products went down by 1.7% and 4.3% respectively year on year.

Production and consumption of construction materials began to resume at the end of 3Q2020 as many construction works are being completed quickly. However, domestic manufacturers were warned to closely monitor the market to avoid possible redundancy. Forecast showed that steel industry might see more positive signals by year end. ■



HEADLINES ON DEPOSIT AND LENDING INTEREST RATES IN NOVEMBER 2020

Deposit rates of State-owned commercial banks

In the first month of 4Q2020, a series of banks continued to reduce their deposit rates. Among state-owned commercial banks, popular rate cut was 0.2% p.a for all tenors, of which 12-month tenor (12M) for corporate customers fell sharply by 0.4% p.a, bringing deposit rates level to 3.0% -3.6% p.a for 1-3 month tenors, 3.7% -4.2% p.a for 6-month tenor and 4.9% -5.3% p.a for tenors from 12M and above.

VietinBank's credit programs with preferential lending rates

➤ For corporate customers

- Short term

- Accompanying with Corporate Customers Program: VND lending rate from 5.9% p.a; USD lending rate from 2.7% p.a (varies from customers

and loan terms);

- Credit Package to promote outstanding loans in 4Q2020: lending rate from 4.3% p.a in VND and from 2.0% p.a in USD;

- Preferential Package for SMEs in commercial distribution sector with size of VND 10,000 billion and lending rate from 4.0% p.a.

- Medium and long term

- Preferential Package for medium and long term loans with preferential fixed lending rate in VND from 8.1% p.a;

- Preferential Package for SMEs who invested in ready-built factories for rent in industrial parks with a scale of VND 3,000 billion: preferential lending rate for the 1st year starting from 8.1% p.a and preferential margin for the following years starting from 3.2% p.a;

- Preferential Program for medium and long term loans for SMEs in 2020 with lending rate from 7.5% p.a.

- Support policy for corporate customers affected by Covid-19

- Support policy for short term and mid and long term lending rate;

- Preferential policy for fees applied in international payment & trade finance and VietinBank eFAST service fee - financial package.

➤ For retail customers

- Preferential Lending Program with gratitue interest rates starting from only 5.5% p.a for short term loans and 7.0% p.a for medium and long term loans (varies from preferential period and loan term).

- Support policy to cut lending rates applied to customers affected by Covid-19:

- Support policy for medium and long term lending rate;

- Policy to support the withdrawn amount of preferential interest rate and/or prepayment fee in case customers attempt to arrange cash flow for debt repayment for VietinBank. ■

VIETINBANK PARTICIPATED IN ASEAN SMART CITIES SUMMIT & EXPO 2020

Within the framework of ASEAN Smart Cities Summit & Expo 2020 held on October 22, 2020 in Hanoi, Mr. Tran Cong Quynh Lan - Deputy General Director, representative of VietinBank delivered a presentation on the topic "Digital transformation to enhance customer experience" at the Symposium on Developing Smart Services in Cities in the National Digital Transformation Process.



Mr. Tran Cong Quynh Lan - VietinBank Deputy General Director participated in the Seminar

The presentation clearly stated that VietinBank has implemented digital transformation, providing customers with opportunity to experience a smart counter with auto-filled e-form, identification and biometric authentication transactions. With this protocol, tellers can capture information and needs of customers; thereby serving customers faster, better and providing more flexible products offered through Sales Marketer tools...

Apart from that, at VietinBank, customers can also experience the new version of Mobile Banking with many diversified services;

connection with supplier ecosystems; features as a financial assistant to customers. In the near future, when Circular 23/2019/TT-NHNN by the State Bank of Vietnam amending and supplementing a number of articles of the Circular No. 39/2014/TT-NHNN dated December 11, 2014 by the Governor of the State Bank of Vietnam guiding intermediary payment service comes into effect, VietinBank will launch e-KYC for customers to open accounts online via mobile devices, thereby helping to universalize comprehensive financial services to people everywhere, especially where banking network has not yet reached. ■

CHIP CONTACTLESS - CONTACTLESS PAYMENT TECHNOLOGY OF VIETINBANK ATM E-PARTNER

With the aim of bringing customers a new and preminent payment technology which increases security and ensures safety in transactions; VietinBank officially issued domestic debit chip card (ATM E-Partner) with integrated wireless payment technology throughout the whole system. Concurrently, grasping the inevitable trend of moving from magnetic card to chip card and meeting the increasing demand of customers, VietinBank implemented the application of contactless payment technology - Contactless Payment - the payment trend bringing convenience for customers with simple time-saving transactions.

In comparison with conventional cards, chip cards integrated with Contactless technology offer many benefits to customers and merchants with regard to fast processing speed, transaction convenience and card security. In particular, the ATM E-Partner chip card will be integrated on mobile phones, making customers' payment for non-touch transactions simple more than ever. With VietinBank's new ATM E-Partner chip card, customers only need to bring their phones near the POS to perform transactions, providing customers with absolute convenience, safety and security in transactions.

All VietinBank domestic debit cards will be converted from magnetic cards to chip cards, including new issuance and replacement of existing cards. With quick and simple procedures, from October 26, 2020, customers can go to any branch/transaction office of VietinBank to convert/issue a new local debit chip card. Each individual/corporate customer is eligible for one free conversion of a magnetic card to a domestic chip card. ■

iPay Mobile

MULTI-UTILITY APPLICATION

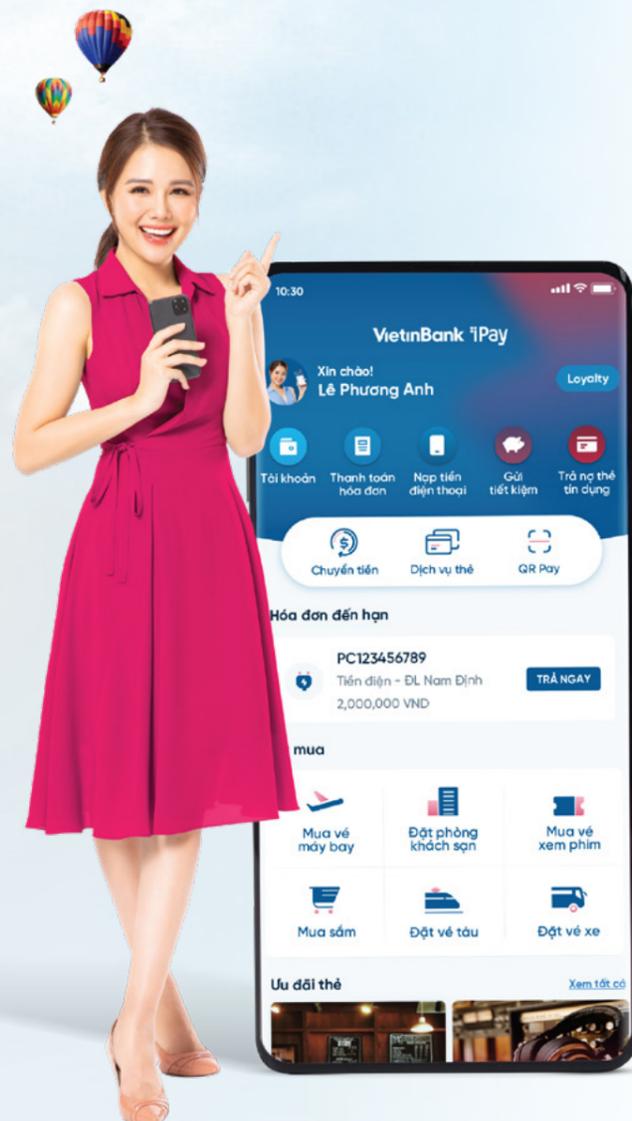
Together with rapid development of science and technology, users are gradually changing their habits of using banks with more expectation. Foreseeing this trend, in addition to traditional financial transaction features, VietinBank also integrated many new features on our iPay Mobile application to meet various needs of customers.

Features like shopping, leisure travel and entertainment are met at the cluster of functions "Booking & Shopping" on iPay Mobile app. Instead of having to download more applications for shopping goods and services, customers now can make transactions conveniently and securely right on VietinBank iPay Mobile app with just a few simple steps.

In addition, VietinBank also implemented healthcare features and profitable investment channels for customers on iPay Mobile app such as purchasing insurance, securities, and bonds.

Daily essential needs such as transportation, delivery, food are also supported by VietinBank. Through the Grab Wallet feature on iPay Mobile, customers can use all services on the Grab app, money will be deducted directly to the customer's account instead of paying cash, using cards or topping up your wallet.

As a result, iPay Mobile has become a leading choice of users in financial management transactions. In the coming time, VietinBank will continue to provide more new services to meet the daily needs of customers at the maximum level. ■



VietinBank eFAST

CHANGE TO LEAD

Vietnam is currently considered a highly potential and opportunity market for e-banking with total population of 96.5 million people, young population demographic (70% adults), at the same time, 72% of the population use smartphone with 130 million mobile subscribers and 64 million Internet users (accounting for 67% of the population). Internet Banking transactions are becoming a trend in financial transactions in Vietnam.

Evaluating potential for development as well as keeping pace with customers' expectation and technology development trends in Vietnam and international markets, improving competitiveness of e-banking services with rival banks, VietinBank deployed the **Project to Change Interface and Improve Customer Journey of VietinBank eFAST** (e-banking application for corporate customers) in September 2020 with 2 phases.:

Phase 1: Upgrading **eFAST Web 5.0 and eFAST Mobile App 3.0**, with the aim of synchronizing Web and Mobile interfaces according to modern trends in the world, easily recognizing VietinBank brand name. Converting "static" eFAST - providing on-demand services to "dynamic" eFAST - intelligently allowing interaction, understanding, and evocation to bring a perfect experience to customers. The new version of the application will be suitable for all customer segments, concurrently allowing customers to customize their choice of favorite features and experiencing the unique version



of Internet Banking in Vietnam with 5 languages (Vietnamese, English, Japanese, Korean and Chinese) and brand new features.

Phase 2: Bringing better experience to users by applying AI technology, Big data, flexible API, e-KYC, chat box ... Allowing the creation of multiple versions of Internet Banking/ Mobile banking for corporate customers to target audiences of different customer segments.

Optimizing single sign on (SSO) setup for all front-end applications of VietinBank.

The project is expected to complete phase 1 in August 2021 and phase 2 by the end of 2022, promising to bring corporate customers a perfect user experience, reinforcing VietinBank's leading position in e-banking. ■

VIETINBANK TO EXPAND ITS NETWORK OF ERP CONNECTION SERVICE

After more than a year of launching, VietinBank's ERP (Enterprise Resource Planning) connection service has received a lot of positive feedback from corporate customer community when it became a useful corporate governance solution, contributing to improving operating efficiency. Up to now, VietinBank has expanded its network of connecting ERP services with many major and reputable partners in the market in order to provide a comprehensive financial solution and accompany businesses on their market expansion.

While accompanying and providing comprehensive financial solutions to customers, VietinBank realized difficulties faced by businesses when using many different platforms for financial operations. After a long time mobilizing our resources for research and development, VietinBank pioneered the launch of ERP connection service aiming at synchronizing platforms that businesses are currently using, minimizing manual operations and bringing new payment utilities, actively supporting businesses in financial/non-financial activities with banks. VietinBank's ERP connection service allows enterprises to easily perform transactions with VietinBank right on their accounting software while still absolutely ensuring security features.

Specifically, with a modern technology platform and a highly secured ERP connection support system, businesses can directly operate on ERP software/accounting software such functions as: Online money transfer; salary payment; account statements; transaction history; automatic deposit accounting; automatically mapping deposit books with the Bank's sub-books on ERP system of corporate customers, helping the accounting

work of corporate customers to be automated, reducing operational time and minimizing errors caused by data entry, ensuring data integrity.

The first partner chosen by VietinBank to implement ERP connection is MISA Joint Stock Company - a business that accounts for 50% of SMEs market share and is reaching out to international markets. During the pilot implementation phase, the service received positive feedback from businesses and was recognized as a tool to help free up manual operations that businesses were doing, enabling proactive cash flow management for businesses.

After the initial successful pilot phase, VietinBank officially deployed, expanded and connected with many other large and reputable partners in the market in order to bring the service closer to all businesses. In the coming time, VietinBank will continue to expand its network of partners and increase the quantity as well as quality of products and services provided on the connection platform. VietinBank hopes that it will contribute to bringing effective financial solutions, thereby improving productivity and quality of business activities of each enterprise. ■



LEAN SIX SIGMA: CONTINUOUS IMPROVEMENT, CONQUERING GOALS

Over the past century, the world industry has thrived with regards to both output and quality. This is through innovative approaches - one of the most influential is Lean Six Sigma (LSS).



Project members

Lean is a type of lean production method, initiated by Toyota in 1960 to eliminate waste and ineffectiveness during production, supply of products and services process, directing all activities towards "lean".

Six Sigma is a management method initiated by Motorola in the 1980s, focusing on finding and eliminating defects and causes of errors, thereby minimizing errors/defects in the product.

LSS is a management model that combines a selective combination between Lean Manufacturing and Six Sigma which was introduced in the 1990s. This is considered a new trend in the selection of effectively innovative methods and tools in order to best promote internal capabilities of one organization to meet 3 important requirements from customers, namely: Competitive price, good quality and on-time delivery. Successfully applied in many large corporations around the world, LSS became a flexible and comprehensive method to achieve and maintain sustainable success.

Understanding the significance of changing for the better, with the slogan: **Continuous improvement - Conquering goals, VietinBank officially launched the Project of pilot implementation of service quality improvement according to LSS method** with 4 sub-project components:

- (1) Improving the process of interbank money transfer at transaction points;
- (2) Improving ATM operations;
- (3) Improving business loan product for individual customers;
- (4) Improving customer satisfaction with tellers' serving manner.

The project is expected to become the foundation to continue nurturing and replicating innovation activities in service quality improvement, for the sustainable development of VietinBank. ■

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