

JANUARY
2022



INVESTOR NEWSLETTER



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VIETINBANK HELD MEETING OF REVIEWING PARTY-RELATED WORK, BUSINESS ACTIVITIES IN 2021 AND IMPLEMENTING TASKS IN 2022

On January 5, 2022 in Hanoi, Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) held a conference on "Summarizing Party-related work, reviewing business activities in 2021 and implementing tasks in 2022". The conference was held online, in compliance with regulations on COVID-19 prevention and control.



Mr. Tran Minh Binh – Secretary of the Party Committee, Chairman of the Board of Directors of VietinBank delivered speech at the Conference

Coping with challenges

In 2021, the world and Vietnam was negatively affected by the COVID-19 pandemic. Promoting the role of a large state-owned commercial bank, the Party Committee of VietinBank has led and directed the entire system to pioneer the implementation of Directive 01, Circular 01, Circular 03 and Circular 14 of the State Bank of Vietnam to drastically and effectively implement measures to support customers, such as: Reducing lending interest rates; carrying out debt restructuring under the direction of the State Bank; reducing service fees; supporting customers to restructure operations, overcome difficulties, maintain

operations and continue to develop...

In addition, VietinBank also actively implemented a number of key solutions in credit activities, capital funding, strongly transformed customer structure and especially digital transformation to improve operational efficiency and customer service quality.

Achieving success

In 2021, VietinBank made innovations in the direction, administration, promotion of business activities and staffing, inspection and supervision; thereby producing positive results. By the end of December 31, 2021, VietinBank's average outstanding balance increased by

12.3% compared to 2020; the proportion of retail loans and SME customers reached 57%, a positive improvement compared to 2020; non-interest income increased by over 20%; CASA's capital increased by more than 20% yoy. The proportion of CASA deposits out of total capital in 2021 reached 20%. Separated profit before tax reached and exceeded the plan assigned by the General Meeting of Shareholders; thereby creating resources for VietinBank to implement measures to support businesses and people affected by the pandemic.

In 2021, VietinBank cut down more than VND 7,000 billion in profit to deploy many support solutions in terms of credit, debt structure, loan interest rate reduction, service fees in order to promptly relieve difficulties and accompany customers to overcome hard time.

The positive business results became the strength for VietinBank to improve its financial capacity, strengthen the risk provisioning in a prudent manner, in order to proactively respond to possible difficulties in the near future. next. By the end of 2021, VietinBank's NPL ratio was controlled at 1.3%, NPL coverage ratio was 171% - higher than that of 2020.

Entering 2022, sticking to mid-term and long-term strategic goals, fully exploiting business opportunities, promoting creativity and breakthrough business ideas, VietinBank set a number of key goals in business activities to seek for approval by competent authority as follows:

- Total assets: growth of approximately 5% - 10%;
- Credit activities: growth of approximately 10% - 14%;
- Fund mobilization: growth of 10% - 12%;
- NPL ratio: under 2%;
- Separated and consolidated profit before tax: continue to be strongly improved, up 10% - 20%.

Based on the potential and achievements, the whole VietinBank system is determined, highly focused on successfully completing the business goals and plans; since then, actively contribute to the development of the banking industry and the country's socio-economic development ■



Mr. Nguyen Hoang Dung – Deputy General Director in charge of the BOM presented the Summary Report on business activities in 2021

VIETINBANK WITH INCREASED CHARTER CAPITAL – A BREAKTHROUGH REACHING TO NEW HEIGHT

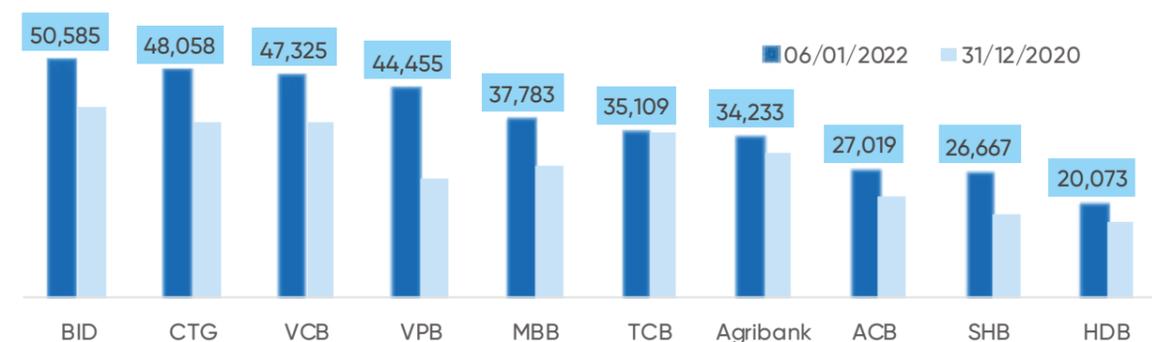
Since 2021, on the basis of approval of the State Bank of Vietnam (SBV), more than 20 banks have been continuously increasing their charter capital in many forms; thereby establishing a new order of capital scale and creating a distinctive mark of the banking industry. Up to now, VietinBank has marked itself in the Top 2 banks with the largest charter capital in the industry with 48,058 billion VND, thereby continuing to strengthen its financial foundation, risk management capacity and create a basis for VietinBank to conquer higher goals.

Top 2 banks with the largest charter capital in the industry

After the Government issued Decree 121/2020/ND-CP on October 9, 2020, joint-stock commercial banks with more than 50% of charter capital held by the State had a legal basis to continue being invested capital in order to maintain the proportion of shares and capital contributed by the State.

VietinBank accelerated the progress of issuing shares to pay dividends at the rate of 29.0695% and at the end of 2Q2021, successfully completed the plan to increase charter capital from 37,234 billion dong to 48,058 billion dong through the issuance of shares to pay dividends from the remaining profit in the years 2017 - 2019. Accordingly, VietinBank became the second largest bank in the industry in terms of charter capital.

TOP 10 BANKS WITH LARGEST CHARTER CAPITAL



Source: Summary of information from banks' websites as of January 6, 2022

Unit: billion dong

Improving financial capacity, promoting risk management

The increased charter capital created a premise for VietinBank to improve its financial capacity and continue to expand its business activities by increasing credit limit, investment limit, investment in facilities, technology infrastructure, developing services, networks...; thereby enhancing the ability to supply capital to the economy, contributing to increasing benefits for customers and promoting the country's socio-economic development.



Along with strengthening financial capacity, developing business activities, increasing charter capital is also an important foundation for VietinBank to continue to ensure compliance with the minimum capital adequacy ratio as prescribed in Circular 41/ 2016/TT-NHNN and Basel II standards, continue to improve risk management capacity, realize the goal of sustainable, effective and safe growth according to international standards.

Outstanding development in both quality and quantity

In the coming period, VietinBank aims to develop in both quality and quantity, focusing on: (i) Identifying and fully exploiting market opportunities and potentials in the fields of import-export, FDI and consumption, e-commerce; (ii) Transforming business models, focusing on digital products and channel shifting; (iii) Accelerating digital transformation, appropriate investment in mechanisms, systems and platforms for rapid and powerful deployment of digital products, seizing opportunities to lead the market. On that basis, VietinBank will strengthen its competitive advantage and increase its credit market share of individual and SME customers, market share of trade finance, foreign currency trading (FX), guarantee and insurance; continue to improve the ratio of CASA, net collection of service fees; complete the set strategic goals and medium-term business plan for the period of 2021 - 2023.

With a vision to become the leading multi-purpose, modern and efficient bank in Vietnam, by 2030 being in the Top 20 strongest banks in the Asia-Pacific region, and by 2045 being the strongest and most prestigious bank in Vietnam as well as the leading bank in the Asia-Pacific region and having a high reputation in the world, VietinBank has been laying solid foundations and strong determination to continuously grow sustainably and effectively, bringing its position to a new height ■

VIETINBANK BEING HONORED OUTSTANDING DIGITAL TRANSFORMATION ENTERPRISE IN VIETNAM IN 2021

In the afternoon of December 9, 2021 in Hanoi, the Vietnam Digital Communications Association (VDCA) organized the awarding of the Vietnam Digital Awards. The award was organized with the patronage of the Ministry of Information and Communications to honor organizations and individuals with achievements and valuable contributions in the digital transformation. VietinBank was proud to be honored as Vietnam's Outstanding Digital Transformation Enterprise in 2021.

Vietnam Digital Transformation Award is VDCA's annual award which has been held since 2018. In 2021, VietinBank together with 52 enterprises, technology groups and state agencies excellently surpassed more than 300 entries, undergoing a thorough, transparent and fair due diligence process.

Over the years, digital transformation has become

one of the focus of VietinBank's development strategy. The Bank has continuously deployed modern digital technology solutions to provide the market with comprehensive financial products, services and solutions, typically: (1) Biometric identification technology solutions - the system "Smart queuing kiosk with biometric identification at the counter" helps shorten the transaction time to serve customers by 20-30%;



Mr. Tran Cong Quynh Lan - Deputy General Director cum Director of Digital Transformation representing VietinBank received the Vietnam Excellent Digital Transformation Enterprise Award in 2021

(2) Chatbot solution - application of machine learning technology and artificial intelligence to interact with humans; (3) Robotics technology solution with the goal of bringing software robots to perform operational tasks instead of humans; (4) Cloud computing technology solutions - optimize resources, system performance and storage infrastructure; (5) Open API technology solution - helps VietinBank easily connect with partners. In 2020, VietinBank was honored to be awarded the "Best Open Banking and API Platform Implementation" award by the prestigious magazine The Asian Banker.

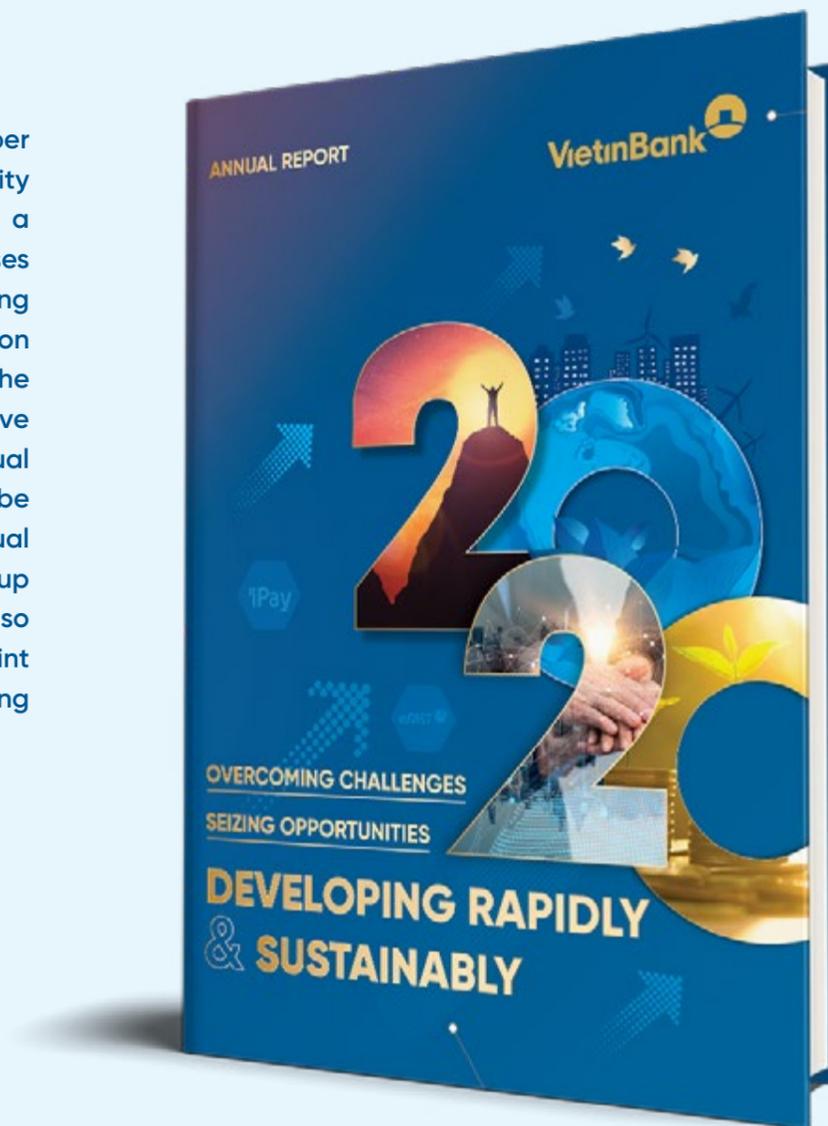
VietinBank prioritizes "digitalization" in four areas: (i) Digital transformation to improve

customer experience (experience at transaction counters, smartphones and applications); (ii) Digital transformation to improve labor productivity by applying technologies: AI, Big Data, Machine Learning...; (iii) Collaborate with partners to build a customer-centric ecosystem and (iv) Focus on analyzing and enriching data to better understand the customer.

In the coming time, VietinBank will continue to transform strongly on the journey of digital transformation, providing convenient products and services, new experiences and bringing practical benefits to customers, affirming its strength as a the main bank of the economy ■

VIETINBANK BEING AWARDED THE TOP 10 BEST ANNUAL REPORT FOR 2 CONSECUTIVE YEARS

In the afternoon of December 28, 2021, the Ho Chi Minh City Stock Exchange organized a program to honor enterprises that won the Vietnam Listing Companies Award 2021 on an online platform. At the program, for two consecutive years, VietinBank's Annual Report was honored to be in the Top 10 best annual reports in 2020 - in the group of large-cap enterprises, also the only state-owned joint stock commercial bank being honored.



VietinBank excellently won the Top 10 Best Annual Report for two consecutive years

Overcoming 50 enterprises with the largest capitalization in the market, with the theme "Overcoming challenges, seizing opportunities, developing rapidly and sustainably", VietinBank's Annual Report 2020 demonstrated VietinBank's key role of a pillar bank of the economy; the image of a bank promoting the "Customer-centric" strategy, competing in the direction of developing modern and comprehensive financial solutions; constantly striving to improve capacity building towards standards and best practices in governance and administration; pioneering and typical in investment and development of digital technology to support business activities and governance; making positive contributions to the welfare and sustainable development of the environment and society.

As a listed company with a large number of shareholders, VietinBank is always at the forefront, proactively discloses complete, timely and transparent information in Vietnamese and English. At the same time, VietinBank has

also continuously improved the quality and professionalism of its channels to provide information on VietinBank's business results and received high appreciation from investors as well as the market, especially in the context of the Covid-19 pandemic causing widespread social distancing in 2021, specifically: (i) VietinBank's Financial Reporting News to quickly update the market on business results, explain fluctuations in key indicators after disclosing financial statements; (ii) Monthly Investor Newsletter to regularly provide information related to VietinBank's outstanding activities on topics of interest to investors; (iii) Online conference to update quarterly business results to provide detailed information on VietinBank's business performance.

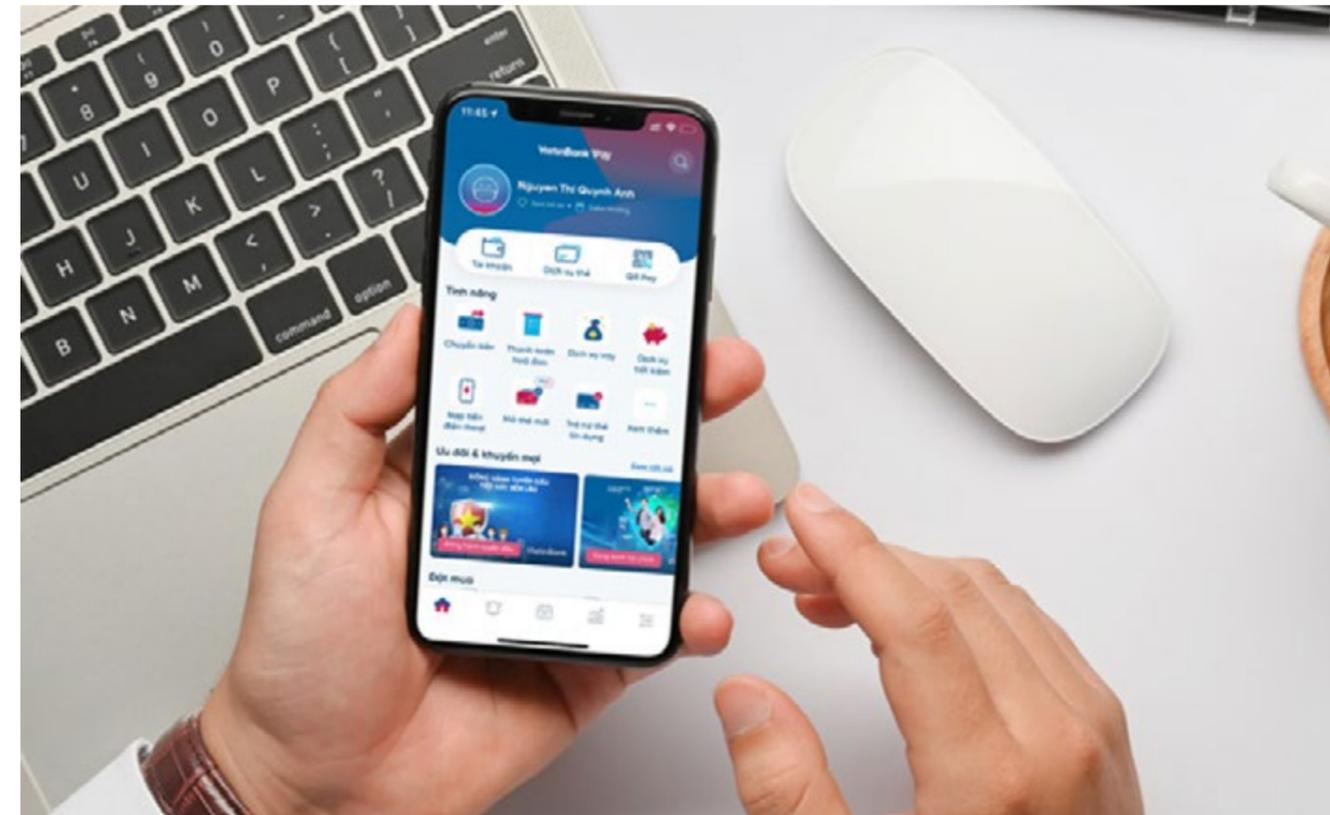
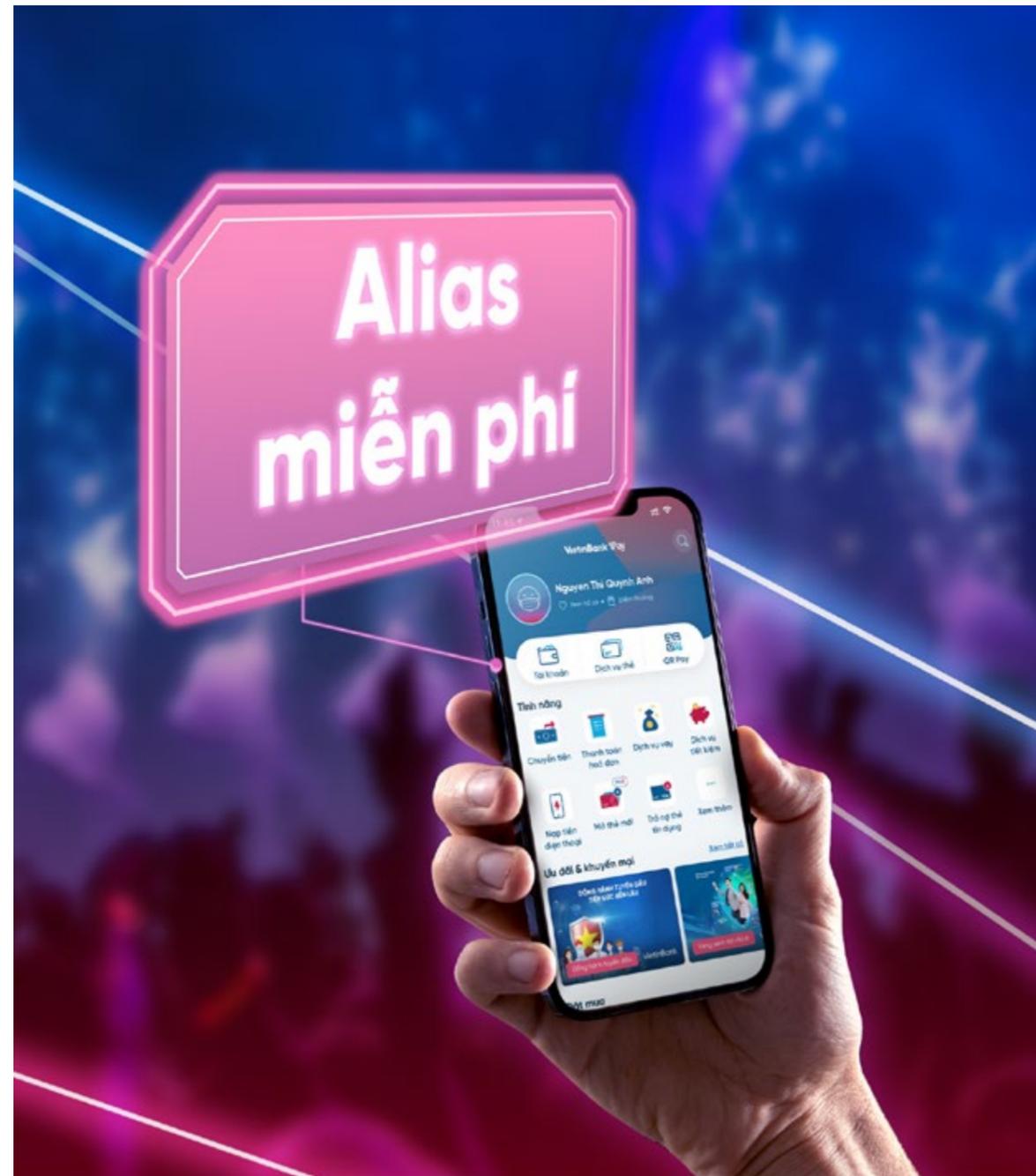
This prestigious award is the recognition for VietinBank's outstanding efforts in transparently conveying annual report information and practicing corporate governance according to advanced practices that the bank always aims for. ■



The Vietnam Listing Companies Award 2021 was held online

"ZERO FEE" FEAST – VIETINBANK WAIVES ALL FEES

On the first day of the new year 2022, VietinBank launched an "enormous" policy with special incentives for customers. Accordingly, VietinBank waives all fees on VietinBank iPay digital banking channel.



Since 2020, VietinBank has been a pioneer in the Big4 group to apply the "0 fee" policy when waiving most transaction fees: internal and external transfer fees via iPay, account management fees... for customers who participated in Payment Account Package.

With the orientation of becoming a bank serving the entire population, from January 1, 2022, VietinBank extended its "unconditional" free policy to all customers. Accordingly, VietinBank waives all fees on VietinBank iPay digital banking channel. Customers do not need to subscribe to Payment Account Package or maintain a minimum balance in their accounts to enjoy these attractive offers. Specifically:

- 0 fee for all transfer transactions inside and outside the system via VietinBank iPay.
- 0 payment account maintenance fee/payment account package.
- 0 fee to maintain VietinBank iPay service.

- 0 maintenance fee for account balance fluctuations via OTT.
- 0 domestic/international debit card issuance fee.

Especially, VietinBank also waives the fee to set Alias account by phone number for all customers. Alias is a unique naming service for VietinBank's accounts, allowing customers to be creative in naming and choosing account names associated with store names and brand names; phone number, feng-shui or a sequence of alphanumeric characters as desired, affirming one's own brand and personality.

With a diverse ecosystem and outstanding technology application, VietinBank affirms its position as the leading retail bank in Vietnam, constantly improving service quality to bring the best benefits to customers ■

HEADLINES ON DEPOSIT AND LENDING INTEREST RATES

Deposit rates of commercial banks

For short terms under 12 months, VietinBank is listing 0.1% p.a higher than or equivalent to other state-owned commercial banks. With tenors of 12M or longer, VietinBank is listing at 5.6% p.a applied to retail customers, 0.1% p.a higher than the other three banks in the group.

In December 2021, the level of the interest rate of joint stock commercial banks remained stable, only some fluctuated slightly. Particularly, for 6M tenor, in order for interest rates gap compared with 12M tenor was not too large, non-State joint stock commercial banks set interest rate for this tenor 0.5-1.0% p.a higher than that of the State-owned commercial banks.

In January 2022, VietinBank expects to maintain this current deposit rates level and will make appropriate adjustment if necessary to ensure mark-to-market situation and VietinBank's capital balance.



VietinBank's credit programs with preferential lending rates

For corporate customers

Short-term lending

- Accompanying with Corporate Customers Program: VND lending rate from 5.5% p.a; USD lending rate from 2.7% p.a (varies from customers and loan terms);
- Credit package to promote outstanding loans and support branches to compete in 1Q2022: preferential lending rate from 4.2% p.a in VND and from 2.0% p.a in USD.
- Incentive package for potential import and export enterprises with scale of 10,000 billion VND, preferential lending rate starting from 3.5% p.a for VND and from 1.5% p.a for USD.
- Incentive program for distributors of fast-moving consumer goods (FMCG), preferential lending rate from 4.0% p.a.

Supporting policy for corporate customers affected by COVID-19 (effective until 30/06/2022)

- Supporting policy for short term and medium, long term lending rates up to 0.5% p.a.
- Preferential policy for fees applied in international payment & trade finance and VietinBank eFAST service fee - financial package, VND domestic transfer fee outside VietinBank system.
- Instructions for transactions via e-banking channels eFAST/Fax/Email during the complicated development of the pandemic.

Medium and long - term lending

- Preferential package for medium and long-term loans in VND in 2021 with preferential fixed lending rate from 6.8% p.a;
- Preferential program for medium and long-term loans for SMEs with lending rate from 6.8% 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 8.0% p.a and preferential margin for the following years starting from 3.2% p.a;
- Preferential package for corporate customers investing in real estates in industrial zones with total size of VND 5,000 billion: preferential lending rate for the 1st year starting from 7.8% p.a and preferential margin for the following years starting from 3.2% p.a;
- Preferential package for investment loans to build farms/livestock farms under the 3F model (Feed - Farm - Food) with total size of VND 5,000 billion, preferential lending rate for the 1st year starting from 8.0% p.a and preferential margin for the following years starting from 3.2% p.a;
- Comprehensive preferential package for corporate customers to refinance with total size of VND 7,000 billion, preferential lending rate for the 1st year starting from 6.8% p.a, and preferential margin for the following years starting from 2.5% p.a.

For retail customers

- Preferential lending program with gratitude interest rates starting from only 5.3% p.a for short term loans and 7.0% p.a for medium and long-term loans (varies from preferential period and loan term), extended deployment until 30/06/2022.
- Supporting policy to cut lending rates applied to customers affected by COVID-19 (effective until 15/01/2022):
 - Short-term interest rate support policy with a maximum interest rate reduction of 0.5% p.a.
 - 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 before the due date for VietinBank.

STRIVING TO OVERCOME CHALLENGES AND MAINTAIN GROWTH MOMENTUM FOR THE ECONOMY

In 2021, Vietnam's GDP maintained positive growth at 2.58%. Although lower than last year's 2.91% and also the lowest growth rate in the past 10 years, this increase was considered a success of the economy last year in the context of the Covid-19 pandemic seriously affected all areas of the economy.

Import and export activities continued to be the bright spot of the economy in the last month of the year and for the whole year 2021. Total import and export turnover of goods in December was estimated at 66.5 billion USD, up 6.4% month-on-month and up 19.7% yoy. For the whole year of 2021, the total export and import turnover of goods reached USD 668.5 billion, up 22.6% yoy, of which exports increased by 19%; imports increased by 26.5%. The country's trade balance of goods was estimated to have a trade surplus of 4 billion USD, continuing to make Vietnam a country with a trade surplus for 6 consecutive years.

Regarding investment, foreign direct investment (FDI) attraction recovered, newly registered capital and additional registered capital increased again, showing that foreign investors continue to believe in Vietnam's investment environment. Total foreign investment capital registered in

Vietnam as of December 20, 2021, including newly registered capital, adjusted registered capital and value of capital contribution and share purchase by foreign investors reached 31.15 billion USD, up 9.2% compared to 2020.

In December 2021, the decrease of petrol and gas prices according to world fuel prices; the complicated developments of the COVID-19 epidemic nationwide... were the main reasons for the decrease in the consumer price index of 0.18% in the month compared to the previous month. For the whole year of 2021, the consumer price index (CPI) increased by 1.84% yoy, the lowest increase since 2016.

In the financial market, the USD/VND exchange rate tended to increase strongly in December 2021, partly because the State Treasury announced 3 times the need to buy foreign currencies from commercial banks, with the total buying volume of about approx. 800 million USD. Interbank interest rates tended to increase slightly due to seasonal factors. Credit growth as of December 22 reached 12.68% ytd and increased about 14.57% yoy, expected to reach 14% for the whole year ■

UPDATE ON SEVERAL KEY ECONOMIC SECTORS

Transportation

The cost of shipping a container has been down about 15% from the peak in September 2021 but was 8 times higher than before the pandemic outbreak. With 90% of the world's goods transported by sea, this risk exacerbated global inflation. Rising freight rates will increase global import prices and commodity prices by 11% and 1.5%, respectively, by 2023.

High freight rates posed a dual impact, specifically: (i) increase in the price of imported raw materials increased production costs; (ii) double increase in export prices due to the addition of transport costs to export, making goods lose their competitive advantage.

It is forecasted that transportation and logistics costs will continue to increase in the first half of 2022 and may stabilize from mid-2022 when international demand for containers slows down and the supply chain recovers somewhat.



Livestock industry

The price of animal feed increased by more than 20% and veterinary drugs increased by 180% caused the cost of livestock to increase as well. The reason was that the production of animal feed relied heavily on imports while these commodities (maize, soybean, and wheat) on the world market all increased by 20-30% plus the shipping cost also increased.

Meanwhile, the price of finished products (swine pigs, broiler chickens) fell below the cost of raising livestock. The main reason came from oversupply, weak demand and supply chain disruptions that increased production costs.

According to the livestock association's forecast, 2022 will continue to be a difficult year for the livestock industry, especially poultry farming.



Aquaculture

It was estimated that in November 2021, Vietnam's seafood exports would reach about 875 million USD, up 18%. Accumulated in the first 11 months of 2021, exports would reach nearly 8 billion USD, up 3.7% yoy. It was forecast that seafood exports in December would continue to recover and would reach over 800 million USD, bringing exports for the whole year of 2021 to the finish line with over USD 8.89 billion, an increase of 5.7% yoy.

In terms of product structure, both shrimp and pangasius exports grew well, especially pangasius products increased by 23% in November. In terms of markets, the EU and the US continued to be potential markets and both maintained an increase of over 30% in November; exports to countries participating in the CPTPP increased by 9% in November, reaching 225 million USD in export turnover.

Growth in the last months of the year helped seafood exports recover and reach the full year target, but in 2022, the seafood industry will still face many challenges related to natural conditions, trade barriers and lack of raw pangasius materials for production.



Real estates

On December 10, Ho Chi Minh City (HCMC) successfully auctioned 4 land lots of more than 30,000 m2 in the northern residential area, Thu Thiem new urban area, earning 37,346 billion VND. There were land plots that won bids at 8.3 times the starting price. Right after the Thu Thiem land auction, real estate projects in Ho Chi Minh City immediately stopped selling to adjust the price accordingly. The real estate market in Ho Chi Minh City in particular and Vietnam's real estate in general was facing a high risk of instability.

Currently, real estate prices in big cities such as Hanoi and Ho Chi Minh City have continuously increased in the last months of the year and have not shown any signs of cooling down. The price rally was supported by: (i) recovery in economic growth; (ii) stimulus package to support the economy in 2022 and 2023; (iii) increased risk of inflation; (iv) scarce supply ■





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