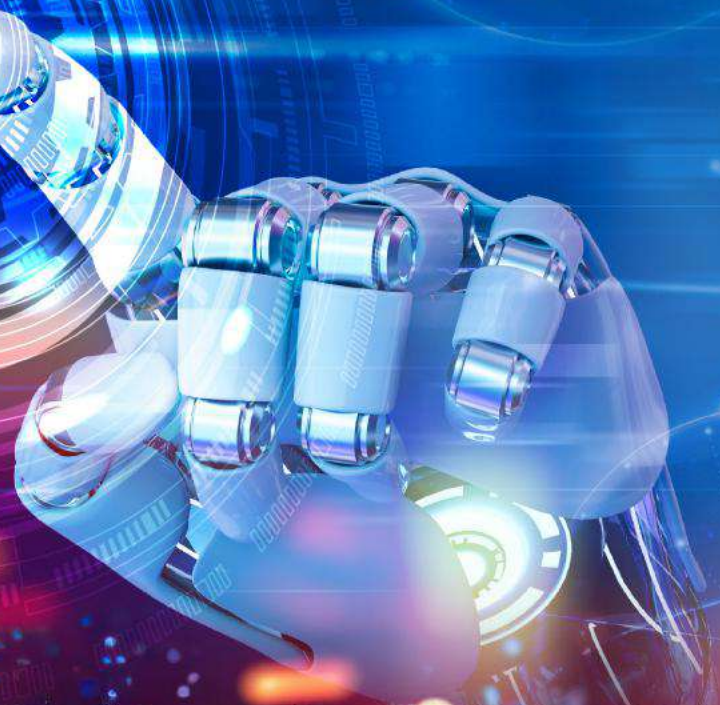


VietinBank 

ANNUAL
REPORT **2023**



**SHAPING
THE DIGITAL ERA**



ABBREVIATIONS

Abbreviation	Meaning	Abbreviation	Meaning
AI	Artificial Intelligence	IR	Investor Relations
BoD	Board of Directors	IT	Information Technology
BoM	Board of Management	LDR	Loan to Deposit Ratio
CAR	Capital Adequacy Ratio	MTBP	Mid-Term Business Plan
CASA	Current Account Savings Account	NIM	Net Interest Margin
CEO	Chief Executive Officer (i.e. General Director)	NPL	Non-Performing Loan
CIR	Cost to Income ratio	ODA	Official Development Assistance
Co. Ltd.	Limited Company	PAT	Profit after tax
COVID-19	The global pandemic of coronavirus disease 2019 caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)	PBT	Profit before tax
Dept.	Department	P/E	Price to Earnings Ratio
EPS	Earnings per Share	ROA	Return on Assets
FS	Financial statements	ROE	Return on Equity
FX	Foreign Currency Exchange	SBV	The State Bank of Vietnam
FI	Financial Institutions	SB	Supervisory Board
GDP	Gross Domestic Product	SMEs	Small and Medium Enterprises
GMS	General Meeting of Shareholders	SSC	State Securities Commission
HO	Head Office	TOI	Total Operating Income
HOSE	Ho Chi Minh Stock Exchange	VietinBank/ the Bank	Vietnam Joint Stock Commercial Bank for Industry and Trade
HR	Human Resources	yoy	year on year (compared to the same period last year)
IFC	International Finance Corporation	ytd	year to date (compared to the beginning of the year)
IPO	Initial Public Offering	dd/mm/yyyy	Date format used in this report

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MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

“ We are committed to doing our best and dedicating the best and most effective resources to becoming a Responsible Bank for the sake of the country, our shareholders, business partners, customers, employees, and the society. ”

Ladies and Gentlemen,

2023 continued to be a tough year for the world economy with recession in GDP growth, gloomy trade and investment activities, high inflation, and various tensions in the forms of geopolitical conflicts, natural disasters and food security, etc. In that context, Vietnam's economy, one of the highly open economies in the world, also faced the risks from the global economic recession. However, thanks to the proactive, flexible and timely monetary policy of the Government and the State Bank of Vietnam in combination with the constant efforts of the public sector, the private sector, the central and local governments, businesses and individuals, the Vietnamese economy ended the year of 2023 with positive results when full year GDP growth reached 5.05%, inflation remained low at 3.25%, stable macroeconomic structure and well-maintained major balances. The banking system remains its role as the key capital supply channel for the economy.

2023 also marked VietinBank's 35th anniversary of maturity, resilience and resourcefulness. After 35 years, the Bank has matured in many aspects, from 22 billion VND in equity at the time of establishment to now nearly 126,000 billion VND, from 718 billion VND in total assets in 1988 to more than 2 quadrillion VND. Up to now, VietinBank is proud to have built a team of capable and enthusiastic personnel, working at the Head Office, 2 representative offices, 8 non-business units, 155 branches and nearly 1,000 transaction offices and a network of domestic subsidiaries and affiliated companies along with a subsidiary bank, branches and representative offices abroad. These solid bases have demonstrated the growth of VietinBank over 35 years, and are the foundational resources for

the Bank to make more proud achievements and strongly spread sustainable values in the future.

During the 35 years of development with the country, in addition to the goals of effective business and profit growth, VietinBank keeps contributing to the country's socio-economic development by supporting the recovery of businesses and individuals affected by the epidemic, developing favorable policies and products to facilitate financing green projects. We always prioritize resources to finance investments in environmental protection, climate change response and sustainable development. In addition, the Bank is always at the forefront of corporate social responsibility to add positive values and fulfill our responsibility to the community.

In continuation of the successes we have achieved so far, in 2023, VietinBank continues to innovate comprehensively, making constant efforts with high determination to pioneer in building and developing a **digital transformation-driven corporate culture** to realize the vision of becoming the leading Digital Bank in Vietnam by launching **the digital transformation journey** named “**Project X01**”. VietinBank identifies digital transformation as an inevitable development trend and it is about transformations in thinking, culture, business models, working methods, and operations, etc. With **108 initiatives** aligned with the medium-term business plan for the 2024 - 2026 period, VietinBank's digital transformation journey “Project X01” has kicked off with the expectations of creating a superior competitive edge for the Bank and optimal experience for our customers.

In 2024, the economy begins a new cycle with unpredictable opportunities and challenges.

As a major commercial bank, a pillar of the economy, based on the unique corporate cultural identity of VietinBankers, the Bank has proactively pioneered the journey of creating new values. We are always persistent in (i) Practicing our operating philosophies **Customer-centric strategy, Human resource development is key to execute success, and Innovation as breakthrough** with 5 core values **Integrity - Innovative-thinking - Responsibility - Empathy - Adaptability**; (ii) Aiming for international best practices in governance. Embarking on a new journey, with the spirit of solidarity, strong will, and innovation of thinking and action, all executives and employees of VietinBank will adapt to the inevitable development trend of the era. We are committed to doing our best and dedicating the best and most effective resources to becoming a **Responsible Bank** for the sake of the country, our shareholders, business partners, customers, employees, and the society.

On behalf of the Board of Directors and the Board of Management of VietinBank, I express my deep gratitude to our valued customers, investors, business partners and employees for your trust, cooperation and companion you have been giving VietinBank throughout our 35 years of development. Your trust in the mission, vision and core values of VietinBank has created great motivation for us to remain innovative and creative, and aim for perfection in every of our actions, products, services and service quality. I hope and believe you will continue to trust, cooperate, and stay engaged with us for VietinBank to become the leader in **shaping the digital era** and sustainable development.

Respectfully yours!

SECRETARY OF THE COMMUNIST
PARTY COMMITTEE OF VIETINBANK

CHAIRMAN OF THE BOARD OF DIRECTORS



TRAN MINH BINH

SHAPING THE DIGITAL ERA

"35 YEARS OF FOUNDATION BUILD-UP"

PART

01

ABOUT VIETINBANK

- 1 GENERAL INFORMATION
- 2 ORGANIZATIONAL STRUCTURE
- 3 VIETINBANK LEADERSHIP TEAM
- 4 DEVELOPMENT DIRECTION
- 5 RISK MANAGEMENT

1 - GENERAL INFORMATION

OVERVIEW

Registered name in Vietnamese	Ngân Hàng Thương Mại Cổ Phần Công Thương Việt Nam
Registered name in English	Vietnam Joint Stock Commercial Bank For Industry And Trade
Abbreviation name	VietinBank
SWIFT code	ICBVVNVX
Establishment and operating license	No. 13/GP-NHNN dated June 17, 2022, renewed by the SBV in replacement of the Banking license No.142/GP-NHNN dated July 3, 2009 and the Decisions on amendments and supplements to VietinBank's banking licenses from 2022 to 2023.
Business registration certificate	Business Registration Code: 0100111948 Issued by Department of Planning and Investment of Hanoi City for the first time dated July 03th, 2009 Registered for the 13th amendment on January 8, 2024

Charter capital	VND 53,699,917,480,000
Owners' equity (as of December 31st, 2023)	VND 125,871,820,000,000
Ticker code	CTG
Total number of shares	5,369,991,748 Par value per share: VND 10,000/share
Head Office address	108 Tran Hung Dao street, Hoan Kiem District, Hanoi, Vietnam
Tel	(84-24) 3942 1030
Fax	(84-24) 3942 1032
Website	www.vietinbank.vn
Auditing firm	Deloitte Vietnam Ltd.

CREDIT RATINGS

FitchRatings

Short-term	B
Long-term	BB+
Outlook	Stable
Date	December 13, 2023

MOODY'S

Short-term	
Long-term	Ba2
Outlook	Stable
Date	August 22, 2023

1 - GENERAL INFORMATION

BUSINESS LINES

VietinBank performs the following banking operations:



Fund mobilization

Taking deposits, issuing valuable papers, borrowing from other credit institutions and from the SBV



Credit extension

Lending, discounting, re-discounting negotiable instruments and other valuable papers, issuing bank guarantees, credit cards, domestic factoring and other forms of credit extension according to provisions of law



Provision of payment and account services

Opening accounts, providing payment means, domestic and international payment services, collection and payment services, and other payment services prescribed by law



Provision of foreign exchange services

On domestic and international markets according to the provisions of law



Provision of commodity price derivative products

According to regulations of the SBV



Provision of securities depository services

Other activities according to the Business License.

BUSINESS LOCATIONS

Domestic network

HEAD OFFICE

VietinBank's head office is located at 108 Tran Hung Dao Street, Cua Nam Ward, Hoan Kiem District, Hanoi, Vietnam

155 BRANCHES

located in 63 provinces and cities across the country

1 SOUTHERN CUSTOMER CENTER

2 REPRESENTATIVE OFFICES

in Ho Chi Minh city and Da Nang city

8 NON-BUSINESS UNITS

Trade Finance Center, Card Center, HR Training and Development School, 5 Cash Management Centers

956 TRANSACTION OFFICES

7 SUBSIDIARIES AND 1 AFFILIATES:

- VietinBank Insurance Joint Stock Corporation (VBI)
- VietinBank Fund Management Company Limited (VietinBank FMC)
- VietinBank Securities Joint Stock Company (VietinBank Securities)
- VietinBank Leasing Company Limited (VietinBank Leasing)
- VietinBank Gold and Jewellery Trading Company Limited (VietinBank Gold & Jewellery)
- VietinBank Debt and Asset Management Company Limited (VietinBank AMC)
- VietinBank Global Money Transfer Company Limited (VietinBank Money Transfer)
- Indovina Limited Bank (IVB)

(For detailed information about subsidiaries, see Part 2: Business performance in 2023, section 2: Updates on project investment and implementation)

International network

2 BRANCHES IN GERMANY

1 SUBSIDIARY BANK IN LAOS

1 REPRESENTATIVE OFFICE IN MYANMAR

In addition, VietinBank has established relationship with **OVER 1,000 CORRESPONDENT BANKS** in more than 90 countries and territories worldwide.

KEY MILESTONES

Phase 1 : 1988 – 2013 : Construction

Facing various difficulties during its early days, VietinBank spared no efforts in comprehensively consolidating basic foundation systems to secure safe and sustainable development upon its acceleration, aiming towards successful listing of shares on the stock exchange in 2009 and seeking of a strategic partner, MUFG Bank, in 2013.

1988

VietinBank (then called Incombank) was established following its spin-off from the SBV in accordance with Decree No.53/HDBT by the Ministers Council.



1990

VietinBank was the first bank in cooperation with a foreign bank to establish a joint venture bank – Indovina Bank.



2008

- The Bank's new brand identity as VietinBank was launched in April 2008.
- VietinBank Training Center was upgraded to VietinBank School of Human Resources Training and Development in September 2008.
- Initial public offering (IPO) was successfully launched in December 2008.

2009

VietinBank stock was officially listed and traded on Ho Chi Minh City Stock Exchange (HOSE) with ticker code of CTG.



Chairman of the BoD of VietinBank Mr. Pham Huy Hung beat the gong to open the IPO auction on December 25, 2008.

2011

- VietinBank sold 10% of stake to IFC as a foreign strategic partner, making it the first state-owned commercial bank that had a strategic foreign partner.
- German branch was opened in Frankfurt, Germany.

2012

- VietinBank was the first bank in Vietnam to successfully issue USD 250 million of international bonds.
- Vientiane branch was opened in the Laos PDR.

2013

VietinBank sold 19.73% of its stake to MUFG Bank (Japan) as another foreign strategic investor, bringing VietinBank the state-owned commercial bank with the strongest shareholder structure in Vietnam at that time.



The year 2023 marked the 10th anniversary of the VietinBank and MUFG strategic alliance

Phase 2: 2013 – 2020 : Consolidation

During this period, VietinBank focused on the goal of reinforcing internal strengths, improving financial health, consolidating important foundations to get ready for leapfrog developments in the future.

2014

VietinBank developed customer-oriented retail banking strategy, aiming to become the best retail bank in Vietnam.

2015

VietinBank Vientiane branch was upgraded to VietinBank (Laos) Ltd. (a wholly-owned subsidiary bank), marking a significant development step and enhancing VietinBank's prestige in Laos market.

2017

VietinBank successfully transformed its Core-Banking system (Sunshine), the most innovative technology platform owned in the local banking industry.



2020

- VietinBank's plan for restructuring associated with bad debt handling for the 2016–2020 period and the medium term business plan (MTBP) for 2018 – 2020 period were successfully delivered.
- VietinBank's development strategy for the 2021 – 2030 period with a vision towards 2045, and MTBP for the 2021 – 2023 period were developed.

Phase 3: 2021 – present: Transformation

Given the continuously strengthened capital base, the Bank continues to proactively innovate thinking, strive to implement flexible and creative operating solutions. Especially, VietinBank is implementing comprehensive digital transformation to modernize products and services, improving management capabilities and increasing labor productivity. With the persistent mindset of a mature enterprise, VietinBank confidently embarks on a new journey of outstanding breakthroughs, realizing its vision of becoming the most modern and multi-functional bank in Vietnam.

2021

The Bank's charter capital was raised, from VND 37,234 billion to VND 48,058 billion, establishing premises for VietinBank to improve its financial capacity, risk management capacity, proactively build up its position and potentials, and invest in modern IT facilities and infrastructure, service development and network consolidation; creating sustainable growth momentum; contributing to increase benefits for customers and promote the country's socio-economic development.



2023

- VietinBank successfully increased charter capital from VND 48,058 billion to VND 53,699 billion, consolidating the strong financial foundation of a leading bank in Vietnam.
- New cultural identity was launched
- Systematic and comprehensive Digital Transformation Program with adequate investment in resources was initiated with effective implementation.



During its 35-year journey, VietinBank has been affirming its brand by offering diverse and modern financial products and services; by nurturing the image of a bank of customer-centricity and social responsibility.

KEY FINANCIAL INDICATORS IN 2019 – 2023

Indicators	Unit	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
KEY OPERATIONAL INDICATORS						
Total Assets	VND billion	2,032,614	1,808,811	1,531,587	1,341,510	1,240,711
Owners' Equity	VND billion	125,872	108,316	93,650	85,439	77,355
Charter Capital	VND billion	53,700	48,058	48,058	37,234	37,234
Customer's deposits	VND billion	1,410,899	1,249,176	1,161,848	990,331	892,785
Credit balance	VND billion	1,478,228	1,279,845	1,141,454	1,027,541	953,178
Total Operating Income	VND billion	70,548	64,117	53,157	45,357	40,519
Fee And Commission Income	VND billion	12,385	11,549	9,573	8,359	7,888
Total Operating Expenses	VND billion	(20,443)	(19,195)	(17,186)	(16,069)	(15,735)
Net profit before Provision For Credit Losses	VND billion	50,105	44,922	35,971	29,288	24,785
Provision Expense For Credit Losses	VND billion	(25,115)	(23,791)	(18,382)	(12,168)	(13,004)
PBT	VND billion	24,990	21,132	17,589	17,120	11,781
Corporate Income Tax	VND billion	(4,945)	(4,148)	(3,374)	(3,335)	(2,304)
Profit after tax	VND billion	20,045	16,984	14,215	13,785	9,477
EFFICIENCY INDICATORS						
ROA	%	1.3%	1.3%	1.2%	1.3%	1.0%
ROE	%	17.1%	16.7%	15.9%	16.9%	13.1%
SAFETY INDICATORS						
NPL/outstanding loans according to Circular 11	%	1.00%	1.08%	1.14%	0.95%	1.20%
Capital adequacy ratio (CAR)	%	Compliant	Compliant	Compliant	Compliant	Compliant
SHARES						
Common shares	Share	5,369,991,748	4,805,750,609	4,805,750,609	3,723,404,556	3,723,404,556
Stock price (at the end of the year)	VND/share	27,100	27,250	33,900	34,550	20,900
Market capitalization	VND billion	145,527	130,957	162,915	128,644	77,819
Earnings per share (EPS)	VND/share	3,706	2,703	2,510	3,678	1,966
P/E	Time	7.31	10.08	13.5	9.39	10.63

Source: Audited consolidated and separate FS from 2019 to 2023

Notes:

- Data for December 31, 2018, December 31, 2020, December 31, 2022 were adjusted according to the State Audit's audit report.
- The ratio NPL/outstanding loans for December 31, 2021, December 31, 2022 and December 31, 2023 is calculated as prescribed in Circular 11/2021/TT-NHNN dated July 30, 2021 of the SBV, using the Bank's data on non-consolidated basis.
- EPS for 2021 and 2022 are restated according to the audited consolidated FS for 2022 and 2023.



TOP 10 OUTSTANDING NUMBERS IN 2023 OF VIETINBANK

35
years old

2023 is the year marking 35 years of VietinBank's evolution and development. Throughout our 35-year journey, VietinBank has been steadfast in implementing the goal of comprehensive transformation, consolidating internal resources and developing intensively to create core values as a sustainable foundation for the Bank. Entering a new stage, with a strong mind and confidence in our resilience, VietinBank is completely confident in a bright future, aiming to become one of the leading modern and multi-functional banks in Vietnam.

10
years

The year 2023 marks an important milestone in the 10-year journey of strategic cooperation between VietinBank and MUFG Bank. Through a continuous process of building, cultivation and development, the relationships between the two banks have been expanded across all areas, to MUFG Bank's partner banks and the subsidiaries in VietinBank's ecosystem. The success of the strategic partnership with MUFG Bank over the past ten years has affirmed and further strengthened VietinBank's competitiveness and integration in the global market.

5
Core Values

In August 2023, VietinBank announced the VietinBank Culture Identity - the Bank's new cultural value system with five core values: Integrity, Innovative-thinking, Responsibility, Empathy, and Adaptability. The new corporate culture foundation at VietinBank encourages each employee to maximize their abilities, assert their positions and conquer challenges. Each employee's success will bring positive results, contributing to the overall success of VietinBank.

~53,700
Billion VND

In 2023, VietinBank's charter capital increased to nearly 53,700 billion VND after successfully issuing more than 564 million shares to pay dividends. The charter capital increase creates a premise for VietinBank to improve our financial capacity, continue to expand business activities, invest in physical and technological infrastructures, develop services and grow the network, etc., thereby enhancing the ability to supply capital to the economy, contributing to generating benefits for our customers and promoting the country's socio-economic development.

2.03
Quadrillion VND

By the end of 2023, for the first time, VietinBank's total consolidated assets reach more than 2 quadrillion VND to 2.03 quadrillion VND, an increase of 12.4% compared to the end of 2022. After 35 years of development, the Bank's total assets not only scale up but also have better quality with high liquidity, supporting stable business growth.

22.5%
CASA

CASA growth is a key highlight in 2023 for VietinBank when the CASA ratio is sharply improved from 20% at the end of 2022 to 22.5% by December 31, 2023. This achievement of VietinBank is a testament to our technology-based strategy to reach out to the customers via online and digital channels while developing products on those channels to acquire and retain customers, thereby helping to improve the CASA ratio.

29%
CIR

In 2023, VietinBank recorded a CIR of 29%, lower than the same period last year of 29.9%, establishing itself as one of the banks with the lowest CIR in the industry. This result is obtained thanks to the digitalization process that has been implemented at VietinBank, helping the Bank significantly reduce operating costs, improve operational efficiency, and better manage risks by international standards.

1%
NPL ratio
(Circular 11)

By the end of 2023, VietinBank's NPL ratio under Circular 11 on a separate basis remains low at 1%. VietinBank stays determined in our sustainable growth policy, not easing credit conditions to strictly control risks in parallel with effective growth. At the same time, VietinBank has structured, diversified and prioritized our credit portfolio with focus on the production and manufacturing sectors, government-priority areas, matching with the macroeconomic environment and the prospect of each industry and economic sector.

108
digital
transformation
initiatives

This is the number of digital transformation initiatives expected to be implemented by 2028 aligned with VietinBank's medium and long-term business plan and strategy, covering all important areas of the Bank from customer segmentation strategy, key products to fundamental initiatives in information technology, data, human resources, corporate culture, and risk management, etc.

~300
Billion VND
for social welfare

In 2023, VietinBank has spent nearly 300 billion VND for social welfare work. VietinBank's social welfare activities range from building houses for the poor, building schools, medical facilities, and infrastructure projects in disadvantaged areas, rural and remote areas, providing support and relief to fix the consequences of natural disasters, and national security and defense support. Social welfare and corporate social responsibilities signify the beauty of VietinBank's humanistic tradition, and VietinBank's commitment in the journey towards sustainable development of the country.

HIGHLIGHTS OF THE YEAR: 2023 VIETINBANK IN REVIEW

01

Supporting economic development, pioneering in implementation of the policies of the Government and the SBV

In its role as the main, pillar and pioneer state-owned commercial bank in accompanying businesses and people, VietinBank continuously introduced many credit programs, credit packages, interest and fee waiver & reduction policies while streamlining processes, reviewing, leaning and simplifying lending procedures... VietinBank took the lead in reducing deposit interest rates and cutting operating costs in an attempt to further cut down on lending interest rates. In 2023, VietinBank's credit balance increased by almost VND 200 trillion or 15.5% from the beginning of the year, to nearly VND 1.5 quadrillion, one of the highest growing banks among its peers as state-owned commercial banks with recorded credit growth significantly higher than the industry average. The proportion of end-of-period retail and SME credit exposure at the end of the period reached over 63.7%.



VietinBank puts efforts in taking measures to support corporate customers facing difficulties according to Circular 02/2023/TT-NHNN

VietinBank effectively launched the interest rate support program according to SBV's Circular 03, with highest loan amount, of VND 12 trillion – the highest figure among commercial banks; at the same time, actively took integrated measures to support corporate customers in need according to Circular 02/2023/TT-NHNN.

02

Enabling significant changes, innovating the Party's leadership methods and improving the operational efficiency of the system

VietinBank pays special attention to the Party building work. Given new duties, powers, role, and position, the Party's work does not only go in parallel with, but also directs all aspects of the Bank's operations, aligning the execution of the Party's policies with actual practices.

In 2023, VietinBank implemented the bank-wide scheme to establish the VietinBank's Party Committee; receiving 93 Party organizations with nearly 5,000 Party members from branches, making the Party Committee of VietinBank one of the largest Party Committee in the National-level State-Owned Enterprises' Group with 184 affiliated Party organizations and over 10,000 Party members in the Bank group.

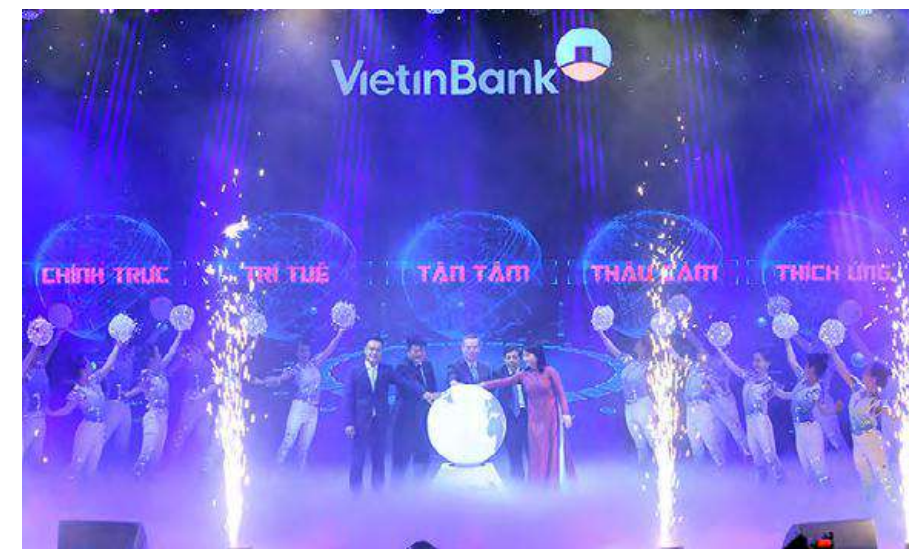


VietinBank implemented the bank-wide Party Committee establishment scheme

03

Raising the quality of human resources at all levels, boosting labor productivity; executing and spreading corporate culture

In 2023, VietinBank remains robust implementation of leaning the organization and teams, raising HR quality and labor productivity by synchronously adopting multiple innovative policies **(i)** consolidating and leaning the organization, optimizing resource utilization; **(ii)** promoting the culture of "recruitment" instead of "nomination" by holding open and transparent examinations that create equal and fair opportunities for all employees; **(iii)** reforming and diversifying salary and remuneration policies to make those policies more employee-centric, optimizing the utilization of salary fund, promoting further salary grading in order to motivate and engage employees better; **(iv)** empowering and raising the responsibility of unit leaders in HR planning and development and more effective utilization of the salary fund; **(v)** especially, in 2023 rolling out the corporate culture strategy and the corporate culture identity for the 2023 – 2025 period. These core values and identifiers have been disseminated and initially laid down the foundations of the employee's awareness group-wide of VietinBank's corporate culture.



VietinBank announces its new Corporate Culture Identity

04

Effective delivery of key business topics in 2023



VietinBank and the Ministry of Natural Resources and Environment signed an MOU on Sustainable Development Cooperation

In 2023, VietinBank has achieved promising results as total assets increased by **12.4%**, the profitability ratios were satisfactory compared to the market levels, the realized profit met the target while operational safety ratios and asset quality management were well maintained. The above achievements were attained thanks to the Bank's active and effective implementation of key business topics:

Enhancement of income mix shifting by providing comprehensive, full-packaged financial solutions and improving the quality of products and services, etc. Non-interest income contributes nearly 26.9% of total operating income with key engines from such core operations as guarantee, trade finance, FX trading, etc.

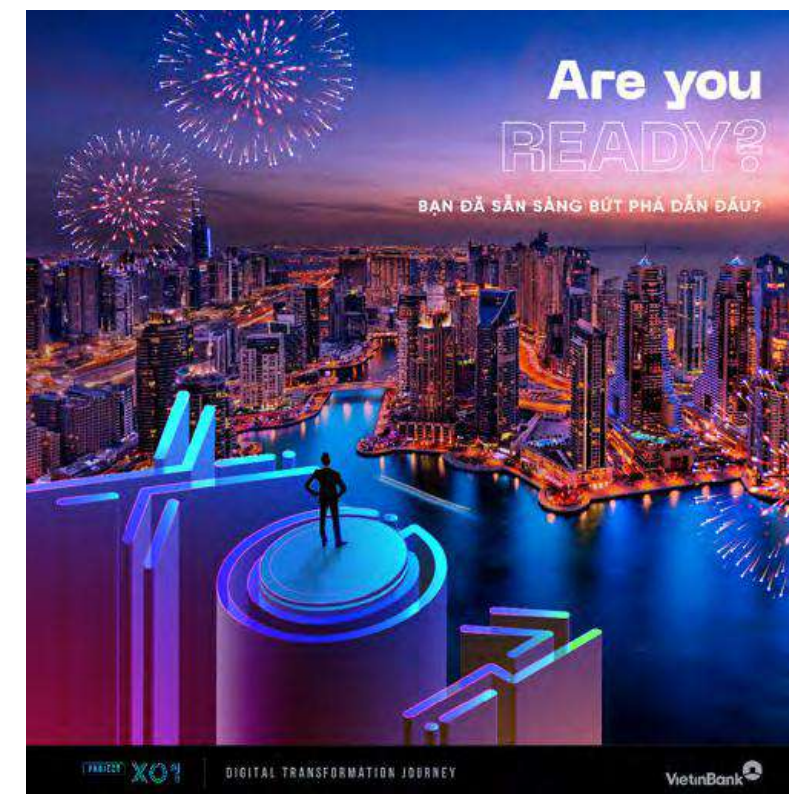
Positive CASA growth compared to the market: CASA funds tend to improve as End-of-period CASA increased by over **27%** compared to the end of 2022 amidst market hardship situation. Many solutions were determinedly deployed on bank-wide basis to promote the CASA growth such as: acquiring new customers via digital channel, deploying eKYC solution; promoting sale to existing customers; leveraging key customer groups and developing the ecosystem.

Ecosystem exploitation & cross-selling activities have been improved, contributing **35%** of total operating income of banking divisions, leading to a change in cross-selling mindset at branches, building an effective coordination mechanism among business divisions.

05

Embarking upon an extensive digital transformation program in business and corporate governance, improving customer experience

In 2023, VietinBank built and implemented the Digital Transformation Program for the 2024 – 2028 period. VietinBank's digital transformation journey named "Project X01" has started with the implementation timelines of 108 initiatives aligned with VietinBank's medium- and long-term business strategies and is expected to bring superior competitive advantages and excellent customer experiences.



VietinBank builds and deploys Digital Transformation Program named "Project X01"

VietinBank is leading the path in applying modern technology in cross-border payment services in Thailand with the QR payment project in Thailand and bilateral connection with Krungsri Bank. We have also expanded connections with other partners, building ecosystems with 360 partners on API platform, and setting up new connections with more than 1,000 clients via ERP channel.

06

Controlling debt quality, enhancing risk management, adopting stricter discipline and raising the sense of compliance

In 2023, in furtherance of its attempt in strengthening risk management, VietinBank zoned and identified all material risks as early as possible, particularly credit risk. We have bank-wide risk monitoring in place across three lines of defense in combination with high-level regular supervision by the Communist Party Committee and inspection in terms of banking expertise. The Bank drastically follows instructions of the Bank's Party Standing Committee and Inspection Committee and Board of leaders.



VietinBank's Conference on Operational Risk Management in 2023

VietinBank continues strengthen debt quality control from the HO to branches, proactively identifies, controls, proposes and takes optimal measures in relation to the client. We also promptly analyze risk incidents and impacts on the financial market, liquidity position and take multiple solutions to meet the requirements of operational risks on model, human resources and tools for management of IT risks.

07

Effective financial management, cost saving and management

In furtherance of multiple solutions to expand capital base, on December 1, 2023, VietinBank successfully raised its charter capital to **nearly VND 53,700 billion**, contributing to improving the Bank's financial capacity.



VietinBank effectively implemented key business topics

The Bank also took integrated measures to effectively manage assets and liabilities, enabling stable and sustainable funding growth and leveraging diversified domestic and foreign funding sources.

08

Reinforcing the position and reputation of VietinBank brand

In 2023, Fitch Ratings, as a credit rating agency, further raised VietinBank's credit rating **from BB to BB+ and kept the outlook of "Stable" unchanged**, affirming VietinBank's position and reputation.

Aiming at the goal of making VietinBank a pioneer in green credit and sustainable finance in Vietnam, VietinBank pays attention to sustainable development, launching financing programs in green energy, green export and green buildings and signing an MOU with the Ministry of Natural Resources & Environment, another MOU with MUFG Bank Ltd. for a funding pool of up to 1 billion USD at COP28, etc.

We remain in the TOP500 banking brands in the Brand Finance's league table, and in the TOP10 most valuable brands of Vietnam as our brand equity secured a value of USD 1.3 billion. VietinBank is also honored as the winner of "Best SME Bank in Vietnam" awarded by Asian Banker and a triple Sao Khue awards for 2023.



At COP28, VietinBank committed to dedication of its resources to sustainable development

09

A series of events in celebration of the 35 years of construction and development combined with activities of social welfare and community engagement

2023 marks the milestone of 35-years of construction and development of VietinBank and is an occasion to pay tribute to the great contributions of generations of leaders, officers and employees of VietinBank to the construction and development of the country. VietinBank organized a series of events to connect people and spread positive values as part of the Bank's "Aspiration for new heights", with the spirit of "Living a profitable life" and the will to improve the health and quality of life of the Bank's employees and community.



VietinBank organized a series of meaningful events to celebrate its 35th anniversary

In 2023, VietinBank contributed VND 300 billion to social welfare and poverty eradication projects, compassion and gratitude programs in all 63 provinces nationwide. This is a continuation of VietinBank's CSR tradition, in an attempt to contribute to the national programs according to the policies of the Party and the State, and to align business with social responsibilities.

OUTSTANDING AWARDS AND HONORS IN 2023 OF VIETINBANK

Brand Finance®

TOP 300 MOST VALUABLE BANKING BRANDS IN THE WORLD BY BRAND FINANCE'S RANKINGS

In 2023, VietinBank, for the fifth consecutive year, is listed in the **TOP 300 Most Valuable Bank Brands in the world** by Brand Finance's rankings – the world's top branding evaluation and ranking firm – with ranking 171, an increase of 13 ranks compared to 2022 rankings. VietinBank's brand in 2023 is valued by Brand Finance at 1.3 billion USD. The brand strength index is 82.13 and rated AA-.



TOP 3 LISTED COMPANIES WITH THE FAVORITE INVESTOR RELATIONS ACTIVITIES IN 2023 (IR AWARDS 2023) CO-ORGANIZED BY THE VIETNAM ASSOCIATION OF FINANCIAL EXECUTIVES (VAFE), FINANCE AND LIFE E-MAGAZINE (FILI) AND VIETSTOCK.VN

In 2023, VietinBank was honored in the category **"Top 3 favorite listed, large market cap enterprises with IR activities to the investors"**. Previously, the Bank was also voted "Listed enterprise that meets disclosure standards on the stock market 2023". As a listed enterprise with a large number of shareholders, VietinBank always places importance on building and developing strong and good relationships with our investors. The award is a recognition for VietinBank's ceaseless efforts in investor relations, contributing to raising the value of the VietinBank brand in general and CTG stocks in particular.



SAO KHUE AWARDS 2023 FOR THREE PRODUCTS AND SERVICES: VIETINBANK IPAY, VIETINBANK EFAST AND CUSTOMER PROFILE MANAGEMENT SYSTEM.

The year 2023 witnesses VietinBank's continuous successes in the field of digital banking and digital transformation with experts' recognition at Vietnam's top awards in the field of Information Technology and Digital Transformation – **Sao Khue Awards 2023**. This year, three VietinBank products and services are honored at Sao Khue Awards 2023, namely:

1. VietinBank iPay Digital Banking Application in the field of Digital Banking;
2. Customer Profile Management System in the field of Digital Banking;
3. Digital banking services for corporate customers – VietinBank eFAST in the field of Digital Transformation Platforms.



GLOBAL BANKING & Finance review

BEST RETAIL BANK VIETNAM 2023 AWARDED BY GLOBAL BANKING AND FINANCE REVIEW.

For many years consecutively, VietinBank has been honored by evaluation and ranking organizations with awards and titles in retail business excellence. In 2023, VietinBank continues to be awarded **"Best Retail Bank in Vietnam"** by Global Banking and Finance Review with recognition for the scale, quality and superior benefits of our retail banking products and services that VietinBank has developed and provided to customers.

THE ASIAN BANKER

BEST SME BANK VIETNAM 2023 AWARDED BY THE ASIAN BANKER

This is the third consecutive year VietinBank has been honored as **"Best SME Bank in Vietnam"**. With outstanding evaluation scores, VietinBank has entered the Top 10 best SME Banks in the Asia-Pacific region, up two ranks compared to 2022's. This award is a testament to our ceaseless efforts in improving VietinBank's quality of serving SME businesses over the past 35 years.

OUTSTANDING AWARDS AND HONORS IN 2023 OF VIETINBANK

GLOBAL BANKING & Finance review

DERIVATIVES BANK BRAND OF THE YEAR VIETNAM AWARDED BY GLOBAL BANKING AND FINANCE REVIEW

This is the third consecutive year VietinBank has been named in the category **"Derivatives Bank Brand of the Year Vietnam"**. As one of the pioneering commercial banks in providing interest rate derivative products, VietinBank has affirmed our position as a market maker with a strong growth in customer base over the years. This award deserves recognition for VietinBank's efforts in supporting businesses to approach modern risk management and financial management practices in the international market.

GLOBAL FINANCE

BEST FOREIGN EXCHANGE PROVIDER VIETNAM 2023 AWARDED BY GLOBAL FINANCE

For five consecutive years, VietinBank is proud to receive the **"Best Foreign Exchange Provider Vietnam 2023"** award annually announced by the world-prestigious magazine Global Finance. VietinBank has surpassed other domestic banks to be on the list of 88 best national banks in this category. Currently, VietinBank is the market leader in the interbank market in terms of volume and market share. We are also one of the two banks with the largest market share in the primary market where transactions take place between financial institutions and corporate and individual clients with a stable average market share of 10% - 15%. This award is a testament to VietinBank's commitment to constantly providing the best services and customer experience, quickly responding to the rising and diverse foreign exchange demands of customers.

ASIAN BANKING & Finance

PROJECT INFRASTRUCTURE FINANCE DEAL OF THE YEAR AWARD BY ASIAN BANKING & FINANCE

VietinBank was honored to receive the award **"Project Infrastructure Finance Deal of the Year"** at The Asian Banking & Finance's Corporate and Investment Banking Awards. Over the years, VietinBank has risen to become a pioneering bank in financing large infrastructure projects focusing on improving infrastructure in Vietnam. This activity has contributed to promoting economic growth associated with the sustainable development of the country.

GLOBAL BANKING & Finance review

EXCELLENCE IN INNOVATION CONTACT CENTER VIETNAM 2023 AWARDED BY GLOBAL BANKING AND FINANCE REVIEW

Following a series of impressive achievements with five consecutive years of being awarded the title **"Best Contact Center in Vietnam"**, in 2023, VietinBank was awarded by the prestigious magazine Global Banking and Finance Review the award **"Excellence in Innovation Contact Center Vietnam 2023"** as a recognition of VietinBank's non-stop efforts in further improving our service quality and providing excellent customer experiences.

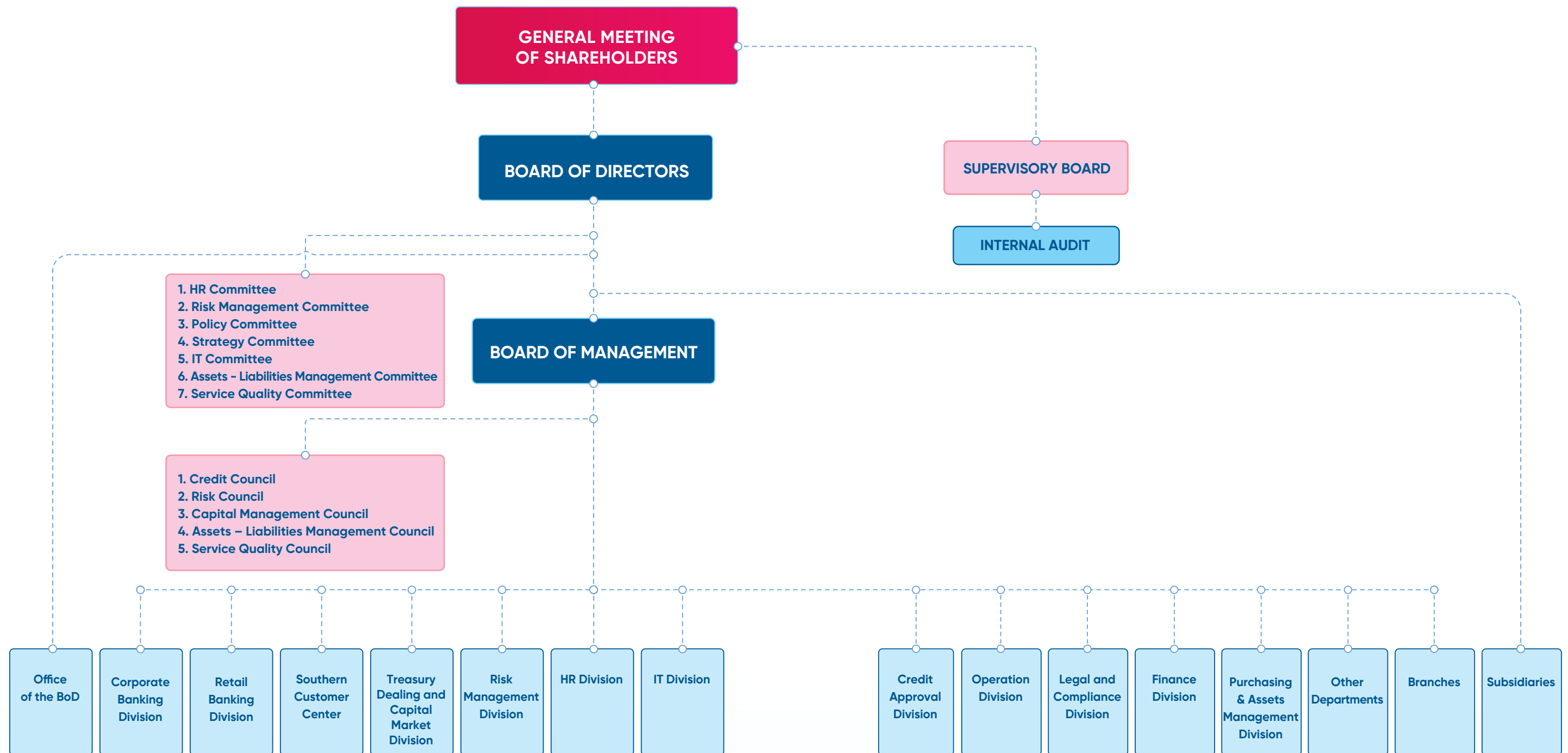


TOP 100 BEST PLACES TO WORK IN VIETNAM AWARDED BY ANPHABE

VietinBank continues to be honored as one of the **"Top 100 best places to work in Vietnam"**. The fact that VietinBank scores high in a major professional survey in Vietnam is an achievement and recognition of our focused investments in human capital and the working environment to maintain and develop the best career paths for our employees. Up to now, VietinBank is a bank with a team of managers and executives as well as professional bankers who are well trained, highly qualified, young, enthusiastic, dynamic and creative. In particular, VietinBank is ranked by reputable agencies as one of the top employers in Vietnam.



2 - ORGANIZATIONAL STRUCTURE



Note: Information as of December 31, 2023.

3 - VIETINBANK LEADERSHIP TEAM

BOARD OF DIRECTORS

The Board of Directors (BoD) is the governing body of VietinBank, having full discretion on behalf of VietinBank, to make decisions and exercise VietinBank's rights and obligations related to purposes and interests of VietinBank, except for issues under the authority of the GMS.

MEMBERS OF THE BOARD OF DIRECTORS

No.	Full name	Title	Number of shares held	Shareholding percentage (%)	Notes
1	Mr. Tran Minh Binh	Chairman of the BoD	3,468	0.000065%	Non-executive member
2	Mr. Tran Van Tan	Board Member	0	0%	Non-executive member
3	Mr. Le Thanh Tung	Board Member	0	0%	Non-executive member
4	Ms. Tran Thu Huyen	Board Member	57,931	0.00108%	Non-executive member
5	Mr. Nguyen The Huan	Board Member	0	0%	Non-executive member
6	Ms. Pham Thi Thanh Hoai	Board Member	131	0.000002%	Non-executive member
7	Mr. Nguyen Duc Thanh	Board Member	0	0%	Non-executive member
8	Mr. Koji Iriguchi	Board Member and Deputy General Director	0	0%	Executive Board Member
9	Mr. Masashige Nakazono	Board Member	0	0%	Non-executive member
10	Ms. Nguyen Thi Bac	Independent Board Member	0	0%	Independent member

Notes: The list of Board members and the numbers of shares in this table are as of December 31, 2023 and do not include the State shareholding represented by Board members.

CHANGES IN BOARD MEMBERS IN 2023

No.	Full name	Title	Date of appointment/resignation
1	Mr. Masahiko Oki	Board Member and Deputy General Director	Dismissed from the position of a Board member according to the Resolution of the 2023 Annual GMS No. 26/NQ-DHDCD dated April 21, 2023 from June 2, 2023
2	Mr. Koji Iriguchi	Board Member and Deputy General Director	Appointed as a Board member according to the Resolution of the 2023 Annual GMS No. 26/NQ-DHDCD dated April 21, 2023 from June 2, 2023

MR. TRAN MINH BINH

Chairman of the BoD

Born in 1974.

Master in Business Administration.

Joined VietinBank since 1999.

Appointed as Chairman of the BoD of VietinBank for the 2024 – 2029 term since September 07, 2021.

Currently Member of the Party Executive Committee of the National-level State-Owned Enterprises' Group; VietinBank's Party Committee Secretary, Chairman of the BoD of VietinBank.

Former positions: Deputy Director of Cards Department, Director of Cards Center, Director of Investment Department; Director of VietinBank – Nguyen Trai Branch; Deputy Director and then, Director of VietinBank – Hanoi Branch; Director of Treasury Dealing and Capital Market Division of VietinBank cum Chairman of VietinBank Laos Limited; Deputy General Director cum Director of Treasury Dealing and Capital Market Division cum Director of Credit Approval Division; Acting General Director of VietinBank and then Board Member and General Director of VietinBank.



3 - VIETINBANK LEADERSHIP TEAM

BOARD OF DIRECTORS



MR. TRAN VAN TAN

Board Member

Born in 1968.

Master in Economics.

Elected as Board Member of VietinBank for the 2024 – 2029 term on April 23, 2019.

Currently Member of the Standing Committee of VietinBank's Party Committee and Board Member of VietinBank

Former positions: Deputy Director of Market and Guarantee Department, Director of Market and Guarantee Department, Director of Credit Department – Credit Division of the SBV; Director of Agriculture Credit Department, Deputy Director of Economic Credit Division of the SBV.

MR. LE THANH TUNG

Board Member

Born in 1978.

Ph.D. in Economics.

Elected as Board Member of VietinBank for the 2019 – 2024 term on November 3, 2021.

Former positions: Deputy Director of HR and Training Department of VietinBank, Deputy Director in charge of Planning and ALCO Support Department of VietinBank, Director of Planning and ALCO Support Department of VietinBank, Director of Risk Management Division of VietinBank, Deputy General Director and Director of Risk Management Division of VietinBank and Chairman of the Members Council of VietinBank Financial Leasing Company; Chief of Office of the SBV, Director – Assistant to the Governor of the SBV; Director – Secretary, then Assistant to a Politburo member who is Secretary of the Party Central Committee, Chief of the Central Economic Commission.



MS. TRAN THU HUYEN

Board Member

Born in 1977.

Bachelor in Law, Master in Business Administration.

Joined VietinBank since 2001.

Elected as Board Member of VietinBank on July 24, 2014.

Currently Member of the Standing Committee of VietinBank's Communist Party, Board Member and Director of HR Division of VietinBank.

Former positions: Deputy Director, Director of HR Department of VietinBank.



MR. NGUYEN THE HUAN

Board Member

Born in 1974.

Bachelor in Economics; Bachelor in Law; Bachelor in Foreign Language.

Joined VietinBank since 1995.

Elected as Board Member of VietinBank for the 2019 – 2024 term on April 23, 2019.

Currently Member of the Standing Committee of VietinBank's Communist Party, Board Member of VietinBank.

Former positions: Deputy Director of Large Corporate Banking Department, Director of SMEs Banking Department of VietinBank – Ba Dinh Branch; Deputy Director of ISO Management Department, Deputy Director of Retail Banking Department of VietinBank HO; Deputy Director of VietinBank – Bac Giang Branch; Deputy Director of Internal Control & Inspection Department, Deputy Director of Compliance Audit Department, Deputy Director of Internal Audit Department of VietinBank, Chief of Supervisory Board of VietinBank.



MS. PHAM THI THANH HOAI

Board Member

Born in 1978.

Master in Finance.

Joined VietinBank since 2003.

Elected as Board Member of VietinBank for the term of 2019 – 2024 on April 23, 2019.

Currently Member of the Party Executive Committee of VietinBank, Board Member and Chairwoman of the Members Council of VietinBank Laos Limited.

Former positions: Deputy Director of Credit & Investment Policy Department, Deputy Director of Investment Department, Deputy Director in charge of Investment Department, Director of Treasury Dealing Department, Director of Multinational Corporation Department; Chairwoman of the Members Council of VietinBank Leasing Co. Ltd. (dual-hatted).

3 - VIETINBANK LEADERSHIP TEAM

BOARD OF DIRECTORS

**MS. NGUYEN DUC THANH**

Board Member

Born in 1970.

Master in Economics.

Joined VietinBank since 2010.

Elected as Board Member of VietinBank for the 2019 – 2024 term on April 29, 2022.

Currently Member of the Party Executive Committee of VietinBank, Board Member of VietinBank

Former positions: Commercial Attaché – Embassy of Vietnam in the Arab Republic of Egypt; Deputy Director – Secretary to the Minister of Trade, Deputy Director of the Department of Competition Administration cum Secretary to the Minister of Trade, Deputy Director of the Department of Competition Administration – Ministry of Industry and Trade; Director of Financial Institutions Department of VietinBank, Co-Manager of VietinBank – German Branch, Deputy General Director of VietinBank, Chairman of the Members Council of VietinBank Lao Ltd. (dual-hatted), Director of Treasury Dealing and Capital Markets Division (dual-hatted).

MR. KOJI IRIGUCHI

Board Member cum Deputy General Director

Born in 1974. Nationality: Japanese.

Bachelor of Arts in Law.

Elected as Board Member of VietinBank for the 2019 – 2024 term on June 2, 2023; cum Deputy General Director of VietinBank since June 2, 2023.

Joined The Sanwa Bank, Ltd. (Japan) in 1998. (The Sanwa Bank, Ltd. was merged with UFJ Bank, Ltd. (Japan) in 2002, and subsequently merged with the Bank of Tokyo-Mitsubishi, Ltd. (Japan) in 2006 to form The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Japan) which was later on renamed to MUFG Bank Ltd.)

Former positions: Manager, Corporate Banking Division No.2 of Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan; Manager and then Director, New York Branch of Bank of Tokyo-Mitsubishi UFJ Ltd., New York, U.S.A; Director, Global Planning Division of Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan; Managing Director, Corporate Banking Division No.10 of MUFG Bank, Ltd., Tokyo, Japan; Co-Director of Financial Planning & Management Department and Co-Director of Strategy and Change Management Department of VietinBank.

MR. MASASHIGE NAKAZONO

Board Member

Born in 1975. Nationality: Japanese.

Master of Business Administration.

Elected as Board Member of VietinBank for the 2019 – 2024 term on April 16, 2021.

Joined The Bank of Tokyo-Mitsubishi, Ltd., (Japan) in 1998 which was later on renamed to MUFG Bank Ltd.

Former positions: Vice Director and then Director, Investment Banking Division for the Americas, Securitization Group of The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, USA; Director, Global Planning Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Tokyo, Japan; Managing Director, Director of Global Planning Department, Corporate Planning Division of MUFG Bank, Ltd., Tokyo, Japan; Managing Director, Global Commercial Banking Planning Division of MUFG Bank, Ltd., Singapore Branch, Singapore; Managing Director, Strategic Planning Department, Global Commercial Banking Planning Division of MUFG Bank, Ltd., Tokyo, Japan.

He is now the Managing Director, Director of Global Commercial Banking Planning Division of MUFG Bank, Ltd., Tokyo, Japan

MS. NGUYEN THI BAC

Independent Board Member

Born in 1953.

Bachelor of Law at Humboldt University – Berlin – Germany, Master of Law.

Elected as Independent Board Member of VietinBank for the 2019 – 2024 term on May 23, 2020.

Former positions: Senior Procurator of the Supreme People's Procuracy; Department Director under the Supreme People's Procuracy; Vice Chairman of the Law Committee of the XI National Assembly; Lawyer of Hanoi City Bar Association; Independent member of the BoD of VietinBank for the term of 2009 – 2014; Director of Risk Management Division of Indovina Bank Ltd.

3 - VIETINBANK LEADERSHIP TEAM

THE SUPERVISORY BOARD

The Supervisory Board (SB) is the agency, on behalf of shareholders, supervising the operation and compliance with the Law and VietinBank's Charter by the BoD, the General Director in the management and governance of VietinBank; being responsible before the GMS in exercising the rights and responsibilities assigned. During the course of performance of its duty, the SB may exercise its rights in accordance with the Law and VietinBank's Charter. The SB has the role of implementing internal audit, controlling and evaluating the compliance with the provisions of the Law, internal regulations, VietinBank's Charter and resolutions and decisions of the GMS and the BoD.

MEMBERS OF THE SUPERVISORY BOARD

No.	Full name	Title	Number of shares held	Shareholding percentage (%)
1	Ms. Le Anh Ha	Chief of the Supervisory Board	4,476	0.000083%
2	Ms. Nguyen Thi Anh Thu	Member of the Supervisory Board	1,493	0.000028%
3	Ms. Pham Thi Thom	Member of the Supervisory Board	0	0%

Notes: The list of Supervisory Board members and the number of shares in this table are as of December 31, 2023.

CHANGES IN SUPERVISORY BOARD IN 2023

In 2023, there was no change to the Supervisory Board members.



MS. LE ANH HA

Chief of Supervisory Board

Born in 1973.

Master in Economics and Public Management.

Joined VietinBank since 1995.

Elected to VietinBank's Supervisory Board for the 2019 – 2024 term on April 23, 2019.

Currently Member of the Party Executive Committee of VietinBank, Chief of Supervisory Board of VietinBank.

Former positions: Deputy Director of Credit Management Department, Director of Capital Management & Utilization Department, Director of Credit & Investment Risk Management Department, Director of Retail Banking Department of VietinBank HO; Deputy Director of VietinBank School of Human Resources Training & Development; Director of Internal Control & Inspection Department, Deputy Director of Risk Management Division cum Director of Internal Control & Inspection Department of VietinBank.



MS. NGUYEN THI ANH THU

Member of the Supervisory Board cum Director of Internal Audit Department

Born in 1976.

Master in Business Administration.

Joined VietinBank since 1998.

Elected to VietinBank's Supervisory Board for the 2019 – 2024 term on April 23, 2019.

Former positions: Deputy Director of Administrative Department, Director of General Marketing Department, Director of Risk Management Department, Director of Corporate Banking Department of VietinBank – Hoan Kiem Branch; Deputy Director of Compliance Audit Department, Deputy Director of Disbursement Control Department, Deputy Director of Credit Appraisal Department, Deputy Director of Credit Risk Management Department, Director of Internal Audit Department of VietinBank HO.



MR. PHAM THI THOM

Member of the Supervisory Board

Born in 1969.

Master in Banking and Finance

Elected to VietinBank's Supervisory Board for the 2019 – 2024 term on April 16, 2021.

Former positions: Deputy Director of Accounting Department, Director of Accounting Department of Bank for Agriculture and Rural Development of Vietnam – Hanoi Branch; Deputy Director, Director of Accounting Policies Department, Accounting – Finance Division of the SBV; Member of Supervisory Board of VietinBank from July 2009 and for the 2014 – 2019 term (dual-hatted).



3 - VIETINBANK LEADERSHIP TEAM

BOARD OF MANAGEMENT

The Board of Management (BoM) is responsible for managing VietinBank's day-to-day business in accordance with VietinBank's Charter and the Regulation on Organization and Operation of the BoM. The BoM is subject to the comprehensive management and supervision of the BoD. The BoM is responsible before the BoD and reports to the BoD as per regulations.

MEMBERS OF THE BOARD OF MANAGEMENT

No.	Full name	Position	Number of shares held	Shareholding percentage (%)
1	Mr. Do Thanh Son	Deputy General Director in charge of the BoM	125	0.0000023%
2	Mr. Koji Iriguchi	Board Member cum Deputy General Director	0	0%
3	Mr. Tran Cong Quynh Lan	Deputy General Director	0	0%
4	Mr. Nguyen Dinh Vinh	Deputy General Director	0	0%
5	Ms. Le Nhu Hoa	Deputy General Director	39,937	0.000744%
6	Mr. Le Duy Hai	Deputy General Director	22,348	0.000416%
7	Mr. Nguyen Tran Manh Trung	Deputy General Director	3	0.00000006%
8	Mr. Hoang Ngoc Phuong	Deputy General Director	0	0%
9	Mr. Nguyen Hai Hung	Chief Accountant	27,816	0.000518%

Note: The list of members of the BoM and the number of shares in this table are as of December 31, 2023.

CHANGES IN THE BOARD OF MANAGEMENT MEMBERSHIP IN 2023

No.	Full name	Position	Date of appointment/dismissal
1	Mr. Nguyen Hoang Dung	Deputy General Director in charge of the BoM	Dismissed from the position of a Deputy General Director in charge of the BoM from September 1, 2023 according to Decision No. 1242/QĐ-NHNN dated June 29, 2023 of the Governor of the SBV and Notice of change of Deputy General Director in charge of the BoM of VietinBank No. 876 /HDQT-NHCT-VPHDQT1 dated August 25, 2023 of VietinBank's BoD.
2	Mr. Do Thanh Son	Deputy General Director in charge of the BoM	Assigned to be in charge of the BoM according to Decision No. 666/QĐ-HDQT-NHCT-NS2 dated August 25, 2023 of VietinBank's BoD.

MR. DO THANH SON

Deputy General Director in charge of the Board of Management

Born in 1976.

Ph.D. in Banking and Finance.

Joined VietinBank since 1999.

Appointed as Deputy General Director since October 2022 and assigned to be in charge of the BoM of VietinBank since September 1, 2023.

Currently Member of the Party Executive Committee, Deputy General Director in charge of the BoM of VietinBank and Chairman of VietinBank Debt and Asset Management Company.

Former positions: Deputy Director and then Director of Corporate Banking Department of VietinBank – Binh Phuoc Branch, Deputy Director of VietinBank – Binh Phuoc Branch, Deputy Director and then Director of VietinBank – Branch 11 in Ho Chi Minh City, Chairman of the Members Council of Ocean Commercial One Member Limited Liability Bank (Ocean Bank); Deputy General Director of VietinBank.



3 - VIETINBANK LEADERSHIP TEAM

BOARD
OF MANAGEMENT**MR. KOJI IRIGUCHI**

Member of the Board of Directors and
Deputy General Director

Born in 1974. Nationality: Japanese.

Bachelor of Arts in Law

Elected as Board Member of VietinBank for the 2019 – 2024 term since June 2, 2023; cum Deputy General Director of VietinBank since June 2, 2023.

Joined The Sanwa Bank, Ltd. (Japan) in 1998. (The Sanwa Bank, Ltd. was merged with UFJ Bank, Ltd. (Japan) in 2002, and subsequently merged with the Bank of Tokyo-Mitsubishi, Ltd. (Japan) in 2006 to form The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Japan) which was later on renamed to MUFG Bank Ltd.)

Former positions: Manager, Corporate Banking Division No.2 of Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan; Manager and then Director, New York Branch of Bank of Tokyo-Mitsubishi UFJ Ltd., New York, U.S.A; Director, Global Planning Division of Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan; Managing Director, Corporate Banking Division No.10 of MUFG Bank, Ltd., Tokyo, Japan; Co-Director of Financial Planning & Management Department and Co-Director of Strategy and Change Management Department of VietinBank.

**MR. TRAN CONG QUYNH LAN**

Deputy General Director

Born in 1979.

Master in Information Technology.

Joined VietinBank since May 2012.

Appointed as Deputy General Director since March 2015.

Currently Deputy General Director cum Director of IT Division of VietinBank.

Former positions: Assistant to Director of OCBC Singapore, Assistant to Vice President of OCBC Singapore, Vice President - IT - Retail Banking and Director of Electronic Distribution Channels & Investment - OCBC Singapore; Director of IT Center of VietinBank.

**MR. NGUYEN DINH VINH**

Deputy General Director

Born in 1980.

Master in Business Administration.

Joined VietinBank since 2002.

Appointed as Deputy General Director since July 2015.

Currently Member of the Standing Committee of VietinBank's Party Committee, Chairman of Inspection Committee of VietinBank's Party Committee, Chairman of VietinBank Trade Union, Deputy General Director of VietinBank cum Chairman of VietinBank Global Money Transfer Company Ltd.

Former positions: Deputy Director, then Deputy Director in charge of Corporate Department of VietinBank; Deputy Director of VietinBank - Quang Trung Branch, Director of VietinBank - Hai Duong Branch; Director of NPL Management Department of VietinBank; Director of VietinBank - Hanoi Branch, Director of Risk Management Division of VietinBank.

**MS. LE NHU HOA**

Deputy General Director

Born in 1969.

Master in Finance, Banking and Insurance.

Joined VietinBank since 1990.

Appointed as Deputy General Director since August 2016.

Currently Member of VietinBank's Party Executive Committee and Deputy General Director of VietinBank.

Former positions: Deputy Director of Financial Accounting Department, Director of Financial Accounting Department, Director of Transaction Accounting Department, Deputy Director of Sales Department of VietinBank - Phuc Yen Branch; Director of Admin and HR Department of VietinBank - Hanoi Branch; Deputy Director of VietinBank - Hanoi Branch; Director of Financial Accounting Department of VietinBank; Chairwoman of VietinBank Gold and Jewelry Trading Company (dual-hatted).

3 - VIETINBANK LEADERSHIP TEAM

BOARD OF MANAGEMENT

**MR. LE DUY HAI**

Deputy General Director

Born in 1977.

Master in Business Administration.

Joined VietinBank since 2007.

Appointed as Deputy General Director since May 2022.

Currently Member of the Party Executive Committee, Deputy General Director of VietinBank; cum the Chairman of the Members Council of VietinBank Fund Management Company Ltd.

Former positions: Deputy Director and then Director of Large Corporate Banking Department, Deputy Director of Corporate Banking Division, Deputy Director of VietinBank - Ba Dinh Branch, Director of Corporate Banking Division of VietinBank, Chairman of the Members Council of Indovina Bank Limited (dual-hatted).

**MR. NGUYEN TRAN MANH TRUNG**

Deputy General Director

Born in 1983.

Master in Banking and Finance.

Joined VietinBank since 2005.

Appointed as Deputy General Director since May 2022.

Currently Member of the Standing Committee of VietinBank's Party Committee, Deputy General Director of VietinBank

Former positions: Deputy Director of Risk Management & NPL Loans Department of VietinBank - Dong Da Branch; Acting Director of Business Operations Management Department of VietinBank's Corporate Banking Division; Deputy Director of VietinBank Corporate Banking Division, Director of VietinBank - Hanoi Branch.

**MR. HOANG NGOC PHUONG**

Deputy General Director

Born in 1984.

Master in Business Administration.

Joined VietinBank since 2012.

Appointed as Deputy General Director since May 2022.

Currently Member of the Party Executive Committee, Deputy General Director of VietinBank.

Former positions: Deputy Director of Business Operations Department, Deputy Director of Large Corporate Banking Department, Deputy Director of VietinBank - Hanoi Branch, Director of VietinBank - Song Nhue Branch, Deputy Director of Risk Management Division, Director of Operation Division.

**MR. NGUYEN HAI HUNG**

Chief accountant

Born in 1972.

Bachelor in Economics.

Joined VietinBank since 1991.

Appointed as Chief Accountant of VietinBank since June 2011.

Currently Member of VietinBank's Party Executive Committee, Chief Accountant of VietinBank.

Former positions: Deputy Director and then Director of Accounting and Payment Department of VietinBank.

4 - DEVELOPMENT DIRECTION

VISION, MISSION, OPERATIONAL PHILOSOPHY, CORE VALUES



VISION

A leading multi-functional, modern and efficient bank in Vietnam, being among the Top strongest banks in the Asia-Pacific region by 2030.

Being the strongest and most prestigious bank in Vietnam, a leading bank in the Asia-Pacific region and gain worldwide recognition by 2045 as a high-reputable bank.



MISSION

"Striving to be a leading bank by serving our clients, shareholders, employees, partners, community in pursuit of sustainable country development"



3 OPERATIONAL PHILOSOPHY:

VietinBank is a national commercial bank in Vietnam that plays a pivotal role in the nation's economic development. We are strongly committed to serving the nation's best interest by consistently applying three operational philosophies to ensure SAFETY - EFFECTIVENESS - SUSTAINABILITY as desired:

Customer-centric strategy

Our customers are not only the goal but also the driving force and the core of our business. VietinBank shall consistently accompany, show devotion and empathy with our customers; giving honest, transparent and objective information for the best interest of customers; optimizing value for customers via offering excellent products and services, continuously enhancing customer experience throughout their journey with VietinBank.

Human resource development is key to execute success

People are the most important resource of VietinBank. At VietinBank, sustainable human resources development associated with talent development goals are considered top priority. VietinBank creates all the most favorable conditions for its staff and employees to devote, develop, promote their full potential, and contribute to the success of VietinBank.

VietinBank adheres to the following principles: Openness - Transparency - Impartiality - Comprehensiveness - Fairness - Equity in human development, ensuring a clear career path and promotion for the team members.

Innovation as breakthrough

Innovation and Creativity are prerequisites to improve VietinBank's competitiveness and affirm its pioneering position. VietinBank encourages the team's innovation and creativity in all daily activities, based on inheritance to create the best added values for clients, shareholders, employees, partners and communities.



5 CORE VALUES

VietinBank brings together passionate, growth-motivated individuals who have the courage to push beyond their limits, who are ready to take action, spearhead changes, and ceaselessly aim for new heights, further adding value to the company's future success. These are the five primary elements that contribute to VietinBank's core values:



Integrity

Integrity refers to qualities of honesty, candidness, impartiality, strong sense of consistent and uncompromising adherence to strong moral together with ethical principles and values. Integrity undeniably remains the foundation of building the Bank's trust and solid reputation.



Innovative-thinking

Innovative-thinking is to fundamentally embrace multi-dimensional thinking mindset, to actively cultivate knowledge and experience and to unyieldingly seek for insightful problem-solving approach, subsequently adding values and lead development. We believe Innovation is the key to success for VietinBank people.



Responsibility

Responsibility refers to consistent dedication and devotion for the job, a strong sense of accountability passion, and the willingness to overcome challenges to fulfill one's commitment. Responsibility acts as a crucial internal drive for VietinBank people.



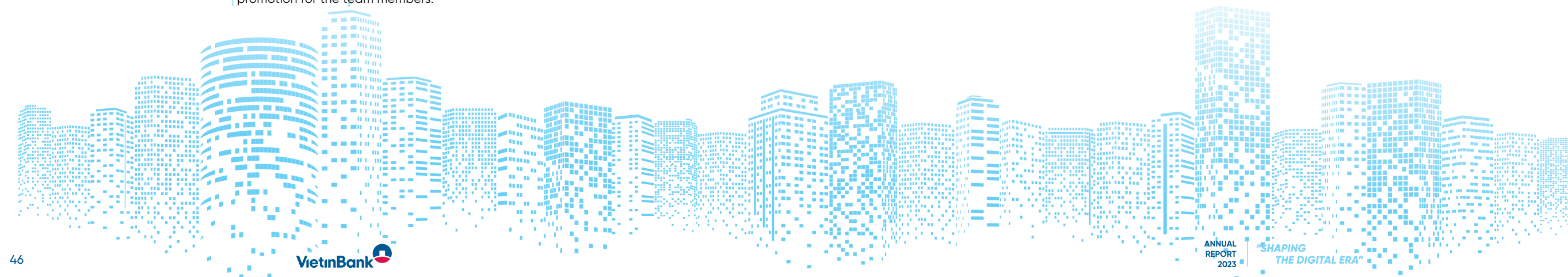
Empathy

Empathy refers to qualities of being considerate and able to fully comprehend and effectively communicate with one another through deep understanding of the needs, wants, experiences, and stories of each of the customers, shareholders, coworkers, partners and community. Empathy contributes to building a respectful, cooperative and cohesive workplace of VietinBank.



Adaptability

Adaptability means being able to adjust to changes in business environment, being able to respond quickly to changing ideas, responsibilities, expectations, trends, strategies and other processes if needed for VietinBank ongoing sustainable development in the future.



4 - DEVELOPMENT DIRECTION

ORIENTATIONS FOR MEDIUM-TERM DEVELOPMENT STRATEGY

The medium- and long-term target of VietinBank is to become a leading multi-functional, modern, and efficient bank in Vietnam, one of the strongest banks in the Asia-Pacific region by 2030.

Specific targets going forward:



Growth in balance sheet with controlled quality of growth



Growth in profit



Improvement of CASA ratio



Growth in non-interest income



Enhancement of bad debt and written-off debt recovery



Increased revenue from subsidiary activities



Control over CIR



Control over bad debt ratio



Improved service quality and labor productivity



Implementation of digital transformation initiatives

With the business philosophy in the new era of development, VietinBank focuses on investing in improvement of its foundational capabilities – the pillars to promote the successful implementation of the set strategic directions.



2024 OPERATIONAL DIRECTIONS

- 1 Increase customer-, industry- and field-driven credit growth based on overall benefits from customers/customer sets.
- 2 Improve CASA balances across all customer segments.
- 3 Boost non-interest activities, leverage trade finance, FX products and services, guarantees, card fees, etc.
- 4 Implement measures to accelerate the recovery of bad debts and written-off debts at HO and branch level.
- 5 Promote effective exploitation of the ecosystem and cross-selling activities by increasing collaboration of cross-selling between segments, between divisions, VietinBank branches and subsidiaries.

5 foundational enablers:



Debt quality control and enhanced performance of debt recovery: Further calibrating the model of early identification and recovery of latent risk loans, promoting the roles of the three lines of defense, improving the roles and processing flows of debt recovery of the debt management and recovery center; taking control measures to meet the debt quality objectives.



Continuous improvement of service quality by changing the way of service quality management to customer journey-based management; Developing ways of managing, monitoring and measurements of service quality across different levels; Defining the sequence of priorities of various solutions, with resources dedicated to fixing thoroughly existing problems and improving service quality across different channels based on customer surveys' feedback.



Improvement of HR quality: Rolling out solutions and initiatives in improvement of HR quality, and development of talents in the wake of the digital transformation program and boosting of labor productivity; Leaning up and streamlining HR.



Rollout of digital transformation initiatives and building fast execution capabilities: Dedicating resources on rolling out selected and prioritized key digital transformation initiatives, building up fast execution capabilities, sharpening competitive edge, and taking the market leader's role.



Improvement of channel shifting efficiency by stimulating the shifting of customer transactions from branch counters to other channels (ATM, internet banking, mobile banking, ecom, e-wallet, etc.); Developing solutions to improve the number of active customers and the volume of transactions on channels other than branch counters; Raising the quality and quantity of features/functionality on digital channels; Developing payment ecosystem.

Among them, information technology is the key factor, and good quality human resources is the decisive factor for successful strategy execution of the Bank.

4 - DEVELOPMENT DIRECTION

SUSTAINABLE DEVELOPMENT GOALS, COMMITMENTS AND ACTION PLAN

Aiming to become a sustainable development bank according to international standards, in line with the Vietnamese laws and the Government's orientation, VietinBank **commits to sustainable development** as follows:

SUSTAINABLE DEVELOPMENT

- Always accompany the Government, domestic and international organizations, and the customers to solve environmental and social issues, promote sustainable finance through such activities as: (i) develop specialized policies and products in financing sustainable projects/corporate purposes, (ii) reduce the proportion of financing to projects/corporate purposes that have negative impacts on the environment, climate change and biodiversity, (iii) prioritize resources to finance sustainable development projects/corporate purposes and consumption behaviors that contribute to environmental protection, climate change response and corporate social responsibility.
- Communicate on the goals and results of implementing actions towards sustainable development to all employees and stakeholders.
- Promote the application of technology, develop new electronic transaction channels, services and payment methods on the basis of modern technology, contributing towards the goal of greening the banking system operations.
- Ensure the transparency of the sustainable development-related reports to domestic and foreign partners, competent State agencies, shareholders and other stakeholders (according to regulations on information disclosure).

Amid global efforts to achieve net zero, VietinBank has set the **sustainable development goals** as follows:

GENERAL GOALS

- Sustainable development is one of VietinBank's key strategies. Environment and climate change are critical targets; especially when Vietnam is developing an action plan towards "net zero" by 2050 according to the declaration at the COP26/COP27. This is an opportunity for VietinBank to restructure business operations towards sustainable development.
- VietinBank will align sustainable development with the Government's orientations, deliver social and environmental commitments in contribution to improving environment and society, protecting natural resources and environment, developing infrastructure, promoting green credit growth and combating climate change; thereby, uplifting Vietnam's competitiveness and position.
- VietinBank accompanies businesses in promoting the mobilization of sustainable finance, transfer of green, low-carbon technology and adaptation to climate change.

SPECIFIC GOALS

Environmental goals: VietinBank implements environmental goals through credit granting and provision of products and services for the following purposes:

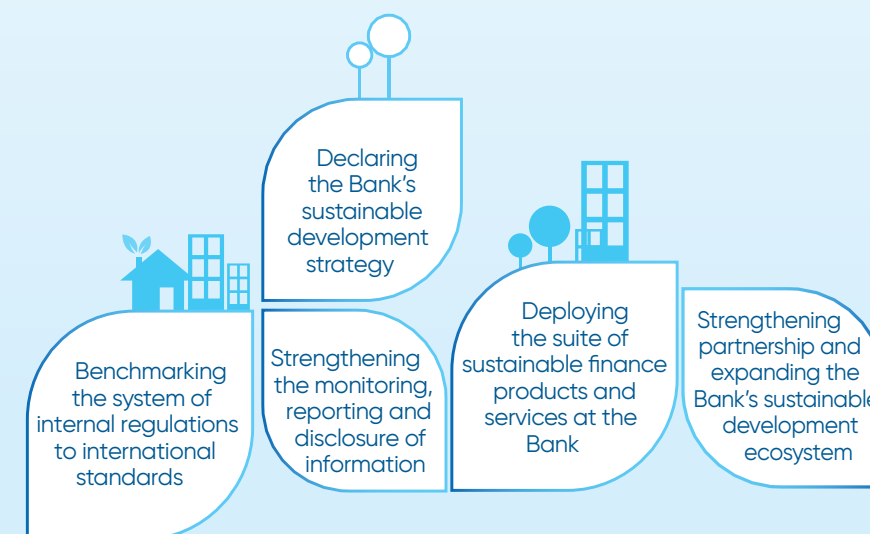
- **Climate change mitigation:** Activities that contribute to stabilizing greenhouse gas (Greenhouse Gas - "GHG") in the atmosphere by avoiding or reducing or removing GHG emissions.
- **Adaptation to climate change:** Activities aimed at strengthening the resilience of the natural, social and economic system, minimizing adverse impacts and capturing opportunities from climate change.
- **Preservation of natural resources:** Activities that reduce the consumption of non-renewable resources, contribute to sustainable use of natural resources and ensure that the use of renewable resources is not faster than their re-generation progress.
- **Biological conservation:** Activities that contribute to the conservation of biodiversity in terrestrial, marine and water environments.
- **Pollution prevention and control:** Activities that contribute to protecting the environment and people from pollutants other than GHG.

Social goals:

VietinBank implements social goals through credit granting and provision of products and services aimed at increasing comfort for people's lives, especially in such aspects as basic infrastructure, affordable housing and access to essential services.

To achieve the above goals, VietinBank identifies the **main pillars**, including:

MAIN PILLARS



VietinBank will deliver social and environmental commitments in contribution to improving environment and society, protecting natural resources and environment, developing infrastructure, promoting green credit growth and combating climate change; thereby, uplifting Vietnam's competitiveness and position.

VietinBank aims to prioritize financing of projects/business plans that bring environmental and social benefits, strengthen internal governance system, effective control and decision-making processes on the principle of upholding laws while ensuring the rights and meeting the needs of shareholders.



5 - RISK MANAGEMENT

As one of the major financial institutions of the Vietnamese economy in the context of a volatile and challenging business environment, VietinBank always focuses on building and strengthening the risk management system to meet both regulatory compliance and international standards. Based on that, the Bank's business operations are restructured to suit VietinBank's risk management system and risk appetite. Consistent with the direction of sustainable growth associated with safety and efficiency in operations, VietinBank always determines that improving risk management capacity must go hand in hand with operational efficiency, thereby creating a strong momentum for the Bank to take faster and further steps on our journey ahead.

Risk management is implemented by the Bank consistently and comprehensively from the HO to business units across the Bank. Based on the provisions of Circular 13/2018/TT-NHNN (Circular 13) by the SBV regulating the internal control systems of commercial banks and foreign bank branches and good practices of the Basel Committee, VietinBank operates a 3-line-of-defense model combined with high-level supervision by the BoD, Risk Management Committee, BoM, Risk Management Council and ALCO Council.

With the orientation of improving financial capabilities and strictly controlling debt quality towards safe, sustainable and effective growth, in 2023 VietinBank continued to upgrade and improve risk management activities on a bank-wide level specifically as follows:

- **Proactively manage credit risk at both the portfolio and transaction levels, promptly identify potentially risky industries/sectors/customers** to promptly deploy measures to recover and handle debts, and minimize losses to the Bank. At the same time, we offer support to customers in recovering their production and business activities after the COVID -19 pandemic.
- **Focus on consolidating and standardizing policy documents towards international practices and utilizing the achievements of digital transformation in credit risk management** from the general level to the transaction level (customer evaluation by Basel II metrics, PD (probability of default), risk-based pricing, etc).
- **Strongly deploy measures to minimize bad debts** (early warning, debt recovery/handling workflows, identifying potentially risky customers, debt quality meetings bank-wide/by region, etc.)
- **Enhance portfolio quality and improve capital efficiency.**

In particular, amid the strong trend of digital transformation and the context of emerging risks, especially new and sophisticated IT-related risks, VietinBank is taking the lead in promoting extensive digitalization of risk management. The Bank also focuses on operational risk and IT risk management with the development of supporting systems/tools for early risk identification (Early Warning System - EWS), establishing the IT Committee to advise the BoD to direct the development and implementation of effective and advanced tools in IT risk management, cybersecurity, information security and customer data privacy.

RISK MANAGEMENT FRAMEWORK

VietinBank is one of the pioneering banks in risk management in Vietnam, proactively applying and updating with international risk management practices and trends.

2017

In 2017, VietinBank issued the first Risk Management Framework Regulation to standardize risk management by advanced international and regional practices based on the results of the IFC-advised project on integrated risk management and the internal capital adequacy assessment process.

2018

By the end of 2018, after the SBV issued Circular 13 on internal control systems of commercial banks and foreign bank branches, VietinBank quickly reviewed and updated the Risk Management Framework Regulation to meet the requirements in risk management in Circular 13 as well as to update with international standards and practices in risk management.

2023

In 2023 - 5 years after the second promulgation, based on the direction by the Leadership Team as well as implementing the requirements in Circular 13 on periodically reviewing risk management policies, a new Risk Management Framework Regulation is issued to ensure that risk management policy contents are always updated with the requirements of the regulators, new risk management standards in the world as well as to consolidate documents in line with VietinBank's governance and management.

The currently applicable Risk Management Framework Regulation contains general and core principles in risk management, which are the foundation for the policy system, organizational structure, principles for building and setting up risk appetite and risk limits, risk management strategy, the principles of stress testing and methodology to identify, measure, monitor, control and supervise material risks at VietinBank. After nearly 7 years since it was first issued and implemented in practice, the Risk Management Framework Regulation has contributed to strengthening the foundation of risk management in particular and corporate governance in general at VietinBank.

5 - RISK MANAGEMENT

BUSINESS ENVIRONMENT RISK

Risk identification:

In 2023, the world economy faced many challenges, unpredictability and high instability. FED increases interest rates over a long period of time, leading to an increase in the price of the USD globally. Strategic and geopolitical competition between major countries, military conflict between Russia and Ukraine, the conflict in the Middle East, etc. have increased risks in the global financial and money markets.

Accordingly, Vietnam's economy will be significantly affected when Vietnam's GDP in 2023 increased by only 5.05% compared to the previous year, only higher than the growth rate of 2020 and 2021 - during the COVID-19 pandemic. In the total added value of the entire economy, the agriculture, forestry and fishery sector increased by 3.83%, contributing 8.84%; the industrial and construction sector increased by 3.74%, contributing 28.87%; the service sector increased by 6.82%, contributing 62.29%. The size of GDP at current prices in 2023 is estimated to reach 10,221.8 trillion VND, equivalent to 430 billion USD. GDP per capita in 2023 at current prices is estimated to reach 101.9 million VND per person, equivalent to 4,284 USD, an increase of 160 USD compared to 2022.

One factor slowing down Vietnam's GDP growth in 2023 is the decline in exports, when the total export and import turnover of goods in 2023 decreased by 6.6% compared to the previous year (exports decreased by 4.4% while imports decreased by 8.9%), while the average growth rate of Vietnam's export and import turnover reached 11.3% per year in the 2018 - 2022 period. The causes of export decline are demands at Vietnam's main export markets such as the United States, China, EU, etc. decreased; global trade and investment continue to shrink; heightened protectionist barriers and trade defenses have caused many countries' growth to slow down. According to the IMF, world trade growth is expected to reach 0.9% in 2023, much lower than the average 4.9% of the 2000 - 2019 period. Entering 2024, export and import activities will still face many risks and uncertainties. The trend of trade protection appears more, many countries have started to bring investment back home, putting up trade barriers to protect and promote domestic production. Exports and imports in 2024 have many opportunities to recover when inventory problems in many countries are gradually being overcome. Efforts to promote negotiations and diversify Vietnam's export and import markets will bring more competitive advantages to exports in the coming time.

CPI 2023 increased by 3.25% compared to the previous year, reaching the target set by the National Assembly of less than 4%. The main reason is weak aggregate demand in the economy. In 2024, inflation is forecast to not be too stressful when global inflation is likely to return to its previous normal level and there are no longer many unexpected factors that can increase inflation.

In an uncertain and risky global context, international organizations still have positive outlooks on Vietnam's economic growth. The International Monetary Fund (IMF) forecasts Vietnam's economic growth will reach 5.8% in 2024, the World Bank (WB) forecast is 5.5%, and HSBC forecasts it at 6%. This is an optimistic outlook compared to the global outlook.

Risk control measures taken in 2023 and plans for 2024:

With the challenges and opportunities from the business environment in 2023 and forecasts for 2024, VietinBank has always proactively and flexibly adjusted in orientation as well as actual management to promote business activities in a rapidly changing market. Given the forecasts about the economic environment and interest rate trends globally (FED and ECB are likely to start reducing interest rates in the second half of 2024, etc.), VietinBank has proactively analyzed impact scenarios to business activities and has action plans to quickly adapt and control emerging situations and minimize risks in the market.

CREDIT RISK

Risk identification:

Credit risk and counterparty credit risk. In which: (i) Credit risk is the risk caused by the customer's failure to perform or inability to perform part or all of a debt repayment obligation as bound in a contract or agreement with VietinBank, except otherwise specified. In particular, customers (including credit institutions and foreign bank branches) have relationships with VietinBank in receiving credit extension (including receiving credit extension through entrustment), receiving deposits, and issuing corporate bonds; (ii) Counterparty credit risk is the risk caused by the counterparty's failure to perform or inability to perform part or all of a payment obligation before or when due in a proprietary trading transaction; repo and reverse repo transactions; derivative product transactions for risk-hedging; trading foreign currencies and financial assets to serve the needs of customers and partners.

Risk control measures taken in 2023:

In 2023, the unstable world economic context will directly affect Vietnam's economy. Faced with that situation, VietinBank has carefully evaluated and strongly implemented credit risk management to maintain a balance between the goals of operational safety and business growth. Specifically, VietinBank has:

- **Proactively managed credit risk on both portfolio and transaction levels, promptly identified potentially risky industries/sectors/customers** to timely deploy measures to support customers in recovering their production and business activities such as debt restructuring, new disbursement, preferential interest rates, etc. Thanks to those, the asset quality of VietinBank is always well controlled, the bad debt ratio is low and the bad debt coverage ratio is high compared to the industry's benchmark.
- **Regularly reviewed, updated and deployed policies on social and environmental management in credit granting activities as guided by the Government and State Bank of Vietnam.** Focused on and regularly improved the assessment of environmental and social impacts in credit underwriting and credit decision-making for investment projects. The implementation of environmental and social risk assessment was carried out simultaneously with the review, underwriting and approval of credit extension.
- **Strictly control compliance with environmental and social issues in project activities and promptly introduce credit treatments when necessary.**

Plans in 2024:

In 2024, to improve the ability to cope with a volatile economy, VietinBank proactively develops and continues to deploy solutions to minimize credit risk. Specifically:

- Strengthen the implementation of solutions to control and improve debt quality in all business units, especially strengthen control of credit risk in areas with high potential risks but still ensure balance with developing the credit portfolio.
- Continue to modernize inspection and supervision to identify credit risks early and in accordance with practical situations (such as innovating inspection methods; building automatic monitoring tools; maximizing the utilization of data resources on the systems combined with improving the quality of human resources, etc.).

5 - RISK MANAGEMENT

MARKET RISK

Risk identification:

The risk due to adverse fluctuations in interest rates, exchange rates, gold prices, stock prices and commodity prices on the market, including: (i) Interest rate risk, which is the risk due to adverse interest rate fluctuations on the market to the value of valuable papers, interest-rate-bearing financial instruments, and interest rate derivative products on VietinBank's trading book; (ii) Foreign exchange risk, which is the risk due to adverse fluctuations in exchange rates and gold prices on the market when VietinBank holds FX position or gold position; (iii) Stock price risk, which is the risk due to adverse fluctuations in stock prices and derivative securities on the market with respect to the value of stocks and derivative securities on VietinBank's trading book; (iv) Commodity price risk, which is the risk due to adverse fluctuations in commodity prices on the market to the value of commodity derivative products, the value of products in spot transactions that is subject to commodity price risk of VietinBank.

Risk control measures taken in 2023:

In 2023, in the face of unpredictable developments in the domestic and international financial markets due to the impacts of prolonged interest rate hike, Russia – Ukraine tension and conflict in the Middle-East, VietinBank continued to focus on close supervision and timely control of market risks in the business operations, specifically:

- **Establish market risk management strategy, including objectives and appropriate control measures in line with VietinBank's medium and long-term business strategy**, ensuring the safe and sustainable development of business operations, in compliance with regulations of the regulators, commitments with strategic partners and in line with international practices.
- **Strengthen the model of 3 lines of defense in market risk management**, with the participation of the Treasury Dealing Department, Market Risk Management Department and Internal Audit Department.
- **Timely review and update the Bank's system of policies, regulations and methodologies on management of market risk and concentration risk associated with proprietary trading** in accordance with the market movements and business performance of VietinBank, in line with Basel II standards and regulatory requirements.
- **Establish market risk appetites and limits**, covering such indicators as: Mark-to-market profits/losses, Value at Risk (VaR), limit of position/outstanding balance by trading products, currencies, counterparty in proprietary trading portfolio with concentration risks... Accordingly, the indicators are subjected to measurement, monitoring and reporting on a daily basis, for timely warning against risks of exceeding thresholds tolerable to VietinBank in order to anticipate corrective measures.
- **Allocate and control capital level as required for the purpose of market risk management and back-testing market risk measurement models** to assure accurate evaluation of the degree of potential risks. Since 2013, VietinBank has introduced the Treasury Murex system to monitor, approve and manage treasury transactions across all three components of Front Office, Middle Office and Back Office.

Plans in 2024:

In 2024, VietinBank plans to take integrated actions to elevate market risk management, including:

- Continue innovating risk management systems and methodologies for relevance with the market context, following advanced practices to support and promote business activities.
- Proactively analyze and evaluate interest rate and exchange rate trends in the face of volatility in the financial market to set up appropriate business plan and risk prevention measures, take advantage of market opportunities while controlling risks within tolerable limits.
- Identify, analyze and provide early warnings on new risk factors in the market to take appropriate risk management and response measures.
- Regularly review and update risk limits in respond to market situations and business and investment plans for each period of time.



5 - RISK MANAGEMENT

OPERATIONAL RISK

Risk identification:

The risk caused by inadequate or erroneous internal processes, human factors, system errors and failures, or external factors that cause financial loss and non-financial negative impacts to VietinBank (including legal risks but excluding reputation risks and strategic risks). In the digital era, with the strong development of new technologies, VietinBank also faces new risks such as risk in digitalizing products and services, third party risks and cyberattack, data and cloud computing risks, etc.

Risk control measures taken in 2023:

VietinBank has been building and implementing IT risk management with an approach based on the core elements of **“people, technology, processes and management actions”** with the motto of early risk identification in order to minimize possible losses such as:

- **Improving digital technology and digital banking risk management activities:** VietinBank continuously improves and further consolidates the regulations on IT risk management in digital technology activities and digital products, builds and fine-tunes operating and automation processes.
- **Strengthen risk management of third-party activities:** Improve regulations governing third-party activities, proactively identify and evaluate third-party risks before signing contracts. During cooperation activities with third parties, strengthen and tighten supervision and monitoring of service quality as well as risks of accessing to assets in the Bank's information systems, and require third parties to comply with information security protocols.
- **Focus on investing and improving the defense and anti-attack capacity of information systems:** The Bank constantly strives to develop plans to expand investment and upgrade equipment, anti-penetration and attack monitoring updated systems. In addition, the Bank's in-house IT team constantly learns and improves their qualifications and qualities to catch up with development trends.
- **Promote continuous IT operation management:** VietinBank has been taking proactive steps in building incident and risks response scenarios on the systems and applications of digital banking platforms, digital products and services provided to customers.

Plans in 2024:

2024 continues to be a challenging year for risk management in the digital era. In addition to consolidating and strengthening risk management activities, in 2024, VietinBank will enhance the implementation of many solutions, specifically:

- Continue to promote operational risk management activities (i) Non-cash payment, especially focusing on card fraud risk management and payment risks from the connections with payment service and payment intermediary service providers; (ii) risk management related to personal/customer data.
- Continue to deploy internal operational risk management tools across bank-wide level such as branch control environment, compliance KPI errors, bank-wide KPIs, operational risk management at transaction offices, etc.
- Focus on training and communication on operational risk management with newsletters and bank-wide emulation programs to raise awareness in operational risk management of VietinBank departments and employees.

FRAUD RISK, ANTI-MONEY LAUNDERING AND TERRORISM FINANCING

Risk identification:

Internal fraud risk, external fraud risk and a part of compliance risk. In particular, internal fraud risk is the risk arising from acts of fraud, appropriation of assets, violations of internal strategies, policies and regulations related to at least one employee of VietinBank (including unauthorized/misauthorized acts, theft, taking unfair advantage of internal information for personal gain); external fraud risks are acts of fraud and appropriation of assets committed by external parties without the assistance or collusion of VietinBank employee(s) (including acts of theft, robbery, forging bank cards, bank documents, infiltrating information technology systems to appropriate data and money); and risks arising from suspicious transactions, money laundering transactions, transactions with customers on the embargo and terrorist financing lists, non-compliance with the commitments to strategic shareholders, partners, and other international agreements (if any).

Risk control measures taken in 2023:

2023 is a year of multiple changes in the global and domestic economies, along with the booming of advanced science and technology, especially the application of digital transformation to banking products and services. The commercial banking system in general and VietinBank in particular have to deal with more various forms of sophisticated financial crimes. However, in 2023, VietinBank supported customers in dealing with criminal and fraudulent acts in transactions, and at the same time controlled our operations to prevent events or transactions that violate embargo, anti-money laundering, and terrorist financing programs/lists of international organizations from occurring. In 2023, VietinBank has synchronously:

- Successfully deployed and put into use **a financial crime and compliance data plan from a reputable third party** to enhance anti-money laundering risk management capacity.
- **Continuously improved technology systems to enhance customer experience, protection of system security and asset safety for customers** in the context of the trend of shifting transactions to digital channels.
- **Developed customer authentication solutions** to minimize the number of cases where customers lose money as fraud/scam victims.
- **Raised customer awareness to avoid being scammed, communicated regularly with customers and employees** through diverse channels and forms of communications to warn customers of fraudulent schemes, and provide guidance to customers to safely transact with the Bank while staying alert to protect the safety of their own assets.

Plans in 2024:

2024 is forecast to be a year with a stronger growth in diverse digital products across banking operations as the legal framework for online products has gradually improved. Financial crimes will become increasingly sophisticated and unpredictable. Faced with that situation, VietinBank focuses on building and implementing risk controls including:

- Accelerate the progress of building the anti-money laundering, terrorist financing and fraud prevention system phase 2 to be completed within 2024 to support supervision and early detection of suspicious transactions with fraud and money laundering.
- Thoroughly implement requirements for security and safety in transactions set under Decision 2345/QĐ-NHNN dated December 18, 2023 by the SBV, giving maximum protection of customer assets.
- Continue to implement multiple solutions in coordination with the Ministry of Public Security and other credit institutions to enhance the ability to respond to frauds, scams and money laundering crimes to protect the security and safety of the Bank and our customers.

5 - RISK MANAGEMENT

LIQUIDITY RISK

Risk identification:

The risk of the Bank's inability to perform debt repayment obligations when due; or while the Bank is able to perform debt repayment obligations when due yet at the costs higher than the average market costs according to VietinBank's regulations.

Risk control measures taken in 2023:

In 2023, VietinBank developed a liquidity risk management strategy, covering key objectives which are ensuring liquidity safety, effectively managing and stabilizing capital in response to business growth and customer's payment needs; maintaining highly liquid assets to meet the bank's liquidity needs in both normal and stress liquidity conditions; setting up and monitoring risk appetite indicators and liquidity risk limits in compliance with the provisions of applicable laws, of regulators and VietinBank's internal objectives; pursuing capital strategy that ensures diversification in funding channels and maturity structure, consistent with lending maturity, specifically:

- **Stay up-to-date with and forecast VND interest rate adjustment trend and feasible credit growth plans from time to time** to set up appropriate funding strategy, control funding costs and optimize the efficiency of fund use.
- **Actively and flexibly deploy integrated solutions to increase funding size**, in accordance with business needs and compliance with required prudence ratios.
- **Set and expand transaction limits and relationships with other credit institutions** to diversify funding sources and fund uses.
- **Conduct liquidity stress tests** to assess the ability to fulfill obligations and commitments and develop a liquidity reserve plan. The 3-line-of-defense model continues to be promoted with the Assets and Liabilities Management Department of the Finance Division acting as the focal point to coordinate with the Treasury Dealing Department and related units of the first line of defense; The Market Risk Management Department acts as the second line of defense, mandated with independent monitor and supervision function, and the Internal Audit Department performs the third line of defense function.
- **Upgrade the liquidity risk early warning identification set** based on reference to Basel practices and advices from MUFG Bank to strengthen risk management in the context of strong market fluctuations. On a monthly/quarterly basis, in the meetings of Risk Committee/ Council, ALCO Committee/ Council, balance of funding, liquidity and compliance with risk limit ratios are reviewed and reported; relevant recommendations for assets and liabilities management are proposed to ensure sound liquidity and fund using efficiency.
- **Establish and operate the Assets – Liabilities Management (ALM) system in accordance with international practices** to provide automatic reports on the balance of funding and cash flows to calculate daily liquidity positions, provide multi-dimensional, on-time and accurate information to serve liquidity risk management. The liquidity risk is, thereby, closely monitored by each currency on the basis of analyzing liquidity demand, source of liquidity for each business operation, structure of assets/ liabilities and cash flows of on- and off-balance sheet items as well as the accessibility to market liquidity.

Plans in 2024:

The economic situation in early 2024 is forecast to still have to cope with numerous challenges, with low VND interest rates remained in the first months of the year. However, it is expected that the economy and credit demand will improve in the second half of 2024, interest rates may change and liquidity may shrink. Accordingly, in 2024 VietinBank plans to:

- Continue to closely follow market developments to early identify adjustment trends and develop appropriate policies to promote credit and funding growth, adjust the term structure of assets and liabilities appropriately for optimally leverage of market conditions while ensuring liquidity safety.
- Continue to maintain a diverse portfolio of highly liquid assets and meet liquidity needs in emerging situations, promote CASA growth and diversify funding structure.
- Continuously update and innovate the set of liquidity risk management indicators to keep up with changes in Vietnamese market practices and the Bank's business activities, following advanced practices.



5 - RISK MANAGEMENT

INTEREST RATE RISK ON BANKING BOOK

Risk identification:

The risk due to adverse fluctuations in interest rates on VietinBank's income, asset value, liability value and off-balance sheet commitment value arising due to: (i) repricing gap; (ii) Changing the relationship between interest rates of different financial instruments having same maturity date; (iii) Changing the relationship between interest rates at different terms; (iv) Impact from interest rate option products or products with interest rate option element.

Risk control measures taken in 2023:

For interest rate risks on the Banking book that arise due to adverse fluctuations of interest rates on income, asset value, value of liabilities and off-balance sheet commitments of the Bank, VietinBank continues adopting the policy of centralized management at the HO under 3 lines of defense model which is similar to liquidity risk management. Based on the actual situation, business plan for the next period, forecast and assessment of market interest rate fluctuations, VietinBank has synchronously implemented the following measures:

- **Set limits and periodically monitor interest rate repricing gap indicators (Repricing GAP), indicator measuring the impact of interest rate changes on Net Interest Income (Delta NII) and indicator measuring the impact of interest rate changes on the Economic Value of Equity (Delta EVE) to control Interest Rate Risk on Banking Book.**
- **Make prompt adjustments to interest rate policies and repricing terms of assets and liabilities** in the context of many changes in domestic and international monetary policies, to optimally leverage market interest rate trends.
- **Evaluate and regularly update scenarios to analyze interest rate trends and the possible impacts on NII and EVE, evaluate the benefits and limitations of funding options in each scenario...** to work out the best option in each period, to improve efficiency while controlling arising risks.
- **Flexibly and synchronously apply fund transfer pricing policies, financial measures, and interest rate risk prevention tools** to promote asset and funding growth in accordance with targets and prevent risks arising in constantly changing market conditions.
- Maintain in good operations the **ALM system and internal fund transfer system (FTP)**, allowing us to centrally manage interest rate risk at the HO, automating reporting on re-pricing gap, reporting on analysis of scenarios of interest rate increase/decrease ... for purposes of control over re-pricing gap, mitigation of impacts of changes in interest rates on NII and EVE of VietinBank for tolerable limits.
- **Analyze market interest rate developments, scenarios and measured pros and cons of interest rate management, funding and lending plans as well as the level of interest rate risk** that may arise to report to the Board of leaders at the meetings of Risk Management Committee/ Risk Management Council, ALCO Committee/ ALCO Council to promptly adjust investment, lending and funding strategies in accordance with market interest rate fluctuation trends, to meet the profit target and stabilize the Bank's EVE.

Plans in 2024:

In 2024, geopolitical tensions (Eastern Europe, Middle East, US - China) are expected to negatively affect the outlook for the global economy and the US economy in particular. Factors that may trouble the US economy are likely to be stronger than expected, causing Fed to possibly cut interest rates more than current market expectations which could affect the interest income of the USD lending and investment portfolio. In the domestic market, VND interest rates are forecast to continue to remain low and may be adjusted later on when the economy and credit demand improve. Therefore, in 2024, VietinBank plans to synchronously deploy many solutions:

- Closely monitor the moves of central banks in other countries, especially in the US, as well as the local market situation and VND interest rates.
- Proactively evaluate feasible scenarios and determine the delivery of optimal business plan from time to time.
- Continue to innovate and build an early identification and warning set of indicators for interest rate risks on the banking book in accordance with market practices, international standards and the Bank's business orientation.



5 - RISK MANAGEMENT

IT RISK

Risk identification:

The possibility of direct or indirect loss due to weaknesses of an asset or a group of assets that may be exploited by threats such as security loopholes made use of by hackers. IT risks include 4 types of risks: information security risk, discontinuity risk, risk of failure of IT system in meeting business requirements in terms of system features and performance, and compliance risk.

Risk control measures taken in 2023:

VietinBank owns a large-scaled IT system for deploying many new and IT-intensive products and services which are connected to IT systems of many partners on many technology platforms. The digital transformation program of VietinBank in 2023 was aggressively deployed with a lot of new products and services, more frequent information system updates, enabling connection to various systems of partners, helping diversifying transaction channels and improving customer experiences. Understanding security of transactions and data of the Bank and customers is the key to winning the trust from customers, VietinBank has proactively & regularly assessed system security risks and implemented various risk control measures, including:

- **Development and standardization of our Security Information Event Management (SIEM), signing contract for introduction of Security Operation Center (SOC)** in IT system of VietinBank for central monitor of security systems, early detection of any potential risks and taking timely responsive measures
- **Upgrading and expansion of security systems** such as intrusion prevention system (IPS), firewalls (Firewall, WAF), privileged access management (PAM), etc.
- **Regular evaluation to identify information security and operation risks on new products and services before launching** to implement appropriate control measures, especially for all e-banking systems and services as well as other key systems.
- **Deployment of solutions to ensure the availability and readiness of information systems, at the same time rehearsing information system transfer, recovering and ensuring data safety from main data center to the disaster recovery center** to ensure the system is ready to operate during a disaster at the main data center.
- **Application of SWIFT's security standards under the Customer Security Program (CSP)** for SWIFT payment system; deployment and assessment for obtainment of **international security certificate ISO27001:2013** for the E-banking system; application of **Payment Card Industry Data Security Standards (PCI-DSS)** for card system.
- Researching for deployment and application of **biometric authentication solutions in over-the-counter and mobile device transactions**; Adoption of the highest-level security policy in relation to customer biometric data, compliance with Government and SBV's regulations on biometric data management.
- **Communication and training to our people to raise their awareness of information security.**
- **Regular communication with customers on information security risks** in using banking services through call center, SMS, OTT, website, fanpage.
- **Development and implementation of drills for proactive attack prevention scenarios.**

Plans in 2024:

In 2024, in addition to the aforementioned, VietinBank will focus on implementing some additional orientations as below:

- Official operation of the SOC for 24-hour monitor of and dealing with security events, signs of information insecurity and abnormality occurring on the information system;
- Consolidation and upgrade of infrastructure and security systems to ensure the performance and availability of the information systems;
- Implementation of various solutions to enhance system security such as hardening information systems servers, applying security standards, and strictly controlling new software packages upon their deployment.

5 - RISK MANAGEMENT

ENVIRONMENTAL RISK

Risk identification:

Risks arising from climate change, natural disasters and other environmental factors that can directly affect the Bank or our customers. Environmental risks include risks originated from damage to property, infrastructure, land and risks arising from changes in policies of climate, technology, market psychology and consumers during the transition to a low-carbon economy to achieve economic and social development goals and reduce greenhouse gas emissions as well as improve the adaptability to climate change.

Risk control measures taken in 2023:

Recognizing the profound impact of climate change on the global economy and human life, VietinBank has been building and implementing environmental risk management to minimize the impact of climate change to the Bank's operations. Specifically:

- **Strengthen environmental risk management in credit activities:**

VietinBank has issued Regulations on environmental risk management in credit activities to ensure compliance with legal regulations on credit approval activities and credit risk management in banking activities. The Bank strictly and thoroughly implemented environmental risk management in credit activities to identify risks early, thereby taking timely and appropriate credit measures to reduce risks and minimize losses to VietinBank. In particular, in 2023, VietinBank has developed a Sustainable Finance Framework to lay down the principles for sustainable finance of VietinBank.

- **Periodically report on the performance of environmental management to relevant stakeholders:**

VietinBank periodically reported to the SBV on the green credit portfolio and the implementation of the "Green Bank" development project. In addition, the Bank provided information to our partners on updated policies in environmental and social management at VietinBank and reported to the regulators, investors, and the general public on ESG in the annual reports.

- **Promote digital banking activities towards the goal of green development:**

VietinBank promoted the application of modern technology and developed products and services on digital channels towards the goal of greening the banking system's operations. In particular, in 2023, the Bank has developed and implemented the Digital Transformation Program for the 2024 - 2028 period. VietinBank's digital transformation journey is expected to contribute greatly to the goal of reducing emissions in our own operations.

- **Comply with prevailing legal documents on environmental protection:**

The Bank strictly complied with the regulations on environmental protection e.g., the Law on Environmental Protection, Decree No. 08/2022/ND-CP by the Government detailing a number of articles of the Law on Environmental Protection, Circular No. 02/2022/TT-BTNMT detailing the implementation of a number of articles of the Law on Environmental Protection. Every year, VietinBank signs service contracts with professional firms to perform wastewater monitoring and periodic working environment monitoring, and contracts on collecting, transporting and treating waste at our office buildings. Meanwhile, VietinBank also has the guidelines for occupational safety and hygiene at the work places.

- **Promote thrifty practices against waste:**

VietinBank has built a set of measurable KPIs to control operating costs, economically and effectively

Department, there is a KPI on "Number of errors recorded in medical care, labor hygiene and safety, security and order of HO buildings, management and operation of HO buildings", and a KPI for branches on costs of electricity, water consumption, printer's ink, and gasoline, etc. In addition, the Bank has issued documents on saving resources and waste prevention to reduce operating costs in alignment with the Bank's operation as well as market characteristics and condition. The Bank carries out communications to the employees to reduce the amount of electricity consumed and the amount of clean water used to save energy and protect the environment. In particular, in 2023, the BoD of VietinBank issued a resolution on piloting the use of rooftop solar power system at a number of units and branches, thereby contributing to the conservation of the country's primary energy source, reducing greenhouse gas emissions, protecting the environment and responding to global climate change.

Plans in 2024:

Aiming for "green" and sustainable growth, in 2024, VietinBank synchronously continues to take flexible solutions to minimize environmental risks. Particularly:

- Continue to complete appropriate policies and mechanisms to: **(i)** review/ update regulations on environmental management in credit approval activities to fit in VietinBank's business model and comply with applicable laws; **(ii)** develop and implement the annual credit orientation to branches and transaction offices, including environmental management coverage; **(iii)** strictly follow environmental and social guidelines in credit approval activities.
- Improve employees' capabilities in implementing the "Green Bank" development project, organize training sessions, communication and dissemination programs to raise awareness of Green Banking - Green Credit activities, energy saving and efficiency, conservation of natural resources and the environment.
- Strengthen cooperation with international organizations and join hands with government agencies in implementing sustainable development activities; seek suitable customers and develop diverse sustainable finance products.
- Strongly promote the Digital Transformation program to minimize climate change and promote environmental protection.

On the journey of 35 years of our construction and development, an independent, centralized and specialized risk management system, gradually approaching international standards and linked to VietinBank's business strategy, has been formed clearly and continuously updated and consolidated to suit all market developments. Facing the trends of the 4.0 technology revolution in general and digital transformation of the banking industry in particular, proactive and effective risk management will be an important foundation in the next stage of development of VietinBank.

2024

2023

2022

2021

2020

2019

*"STEADFASTLY
OVERCOMING
HEADWINDS"*

PART

02

BUSINESS PERFORMANCE IN 2023

- 1 BUSINESS PERFORMANCE
- 2 UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION
- 3 FINANCIAL PERFORMANCE IN 2023
- 4 SHAREHOLDERS STRUCTURE, CHANGES IN OWNERS' EQUITY
- 5 BOND ISSUANCE IN 2023

1 - BUSINESS PERFORMANCE

In 2023, albeit the economy facing numerous risks and uncertainties, VietinBank is steadfast in its orientation of sustainable growth associated with secure and effective operations. With a clear strategic direction set forth by the BoD, and forecast of difficulties and challenges of the economy, the whole VietinBank group has strived, without delay from the beginning of 2023, to promote its synergy on solid foundations with specific goals, action plans and flexible response scenarios. VietinBank, thereby, achieved positive business results and successfully fulfilled business targets assigned by the SBV and the GMS.



BANK-WIDE BUSINESS PERFORMANCE IN 2023

Closing the year 2023 with extensive efforts dedicated, VietinBank has effectively delivered key business topics, fulfilled the targets set forth by the GMS that are demonstrated through impressive growth results. VietinBank enables asset growth while improves asset quality. Deposit growth is aligned with credit growth, ensuring liquidity safety; strong credit growth

goes hand in hand with strict risk control. In addition, safety indicators, bad debt ratio and bad debt coverage continue to improve in a secure and sustainable direction. VietinBank is persistent and consistent in building a healthy balance sheet, of high liquidity and capital adequacy, meeting the regulations of the SBV.

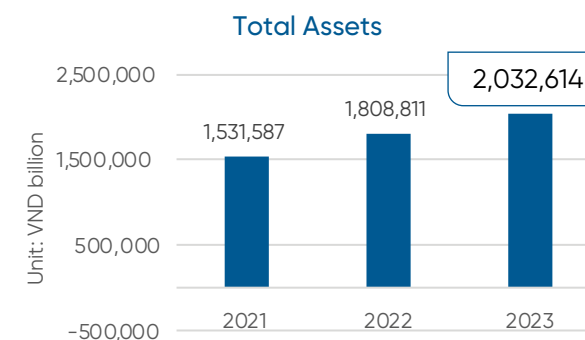
Scale indicators

TOTAL ASSETS

VND 2,032,614 billion

In 2023, VietinBank's total assets hit VND 2 quadrillion for the first time and reached VND 2.03 quadrillion, an increase of **12.4%** compared to the end of 2022. Asset quality was controlled, ensuring sustainable business growth.

↑ **12.4% vs. 2022**

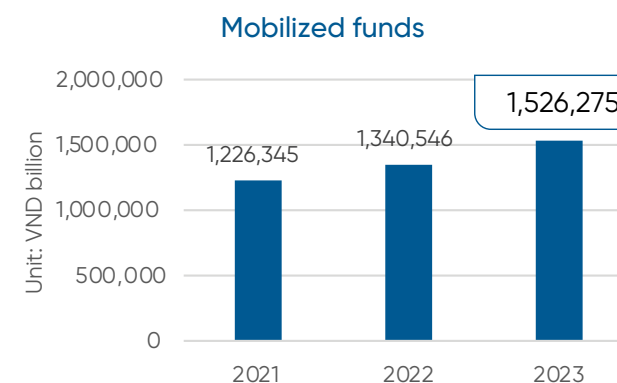


MOBILIZED FUNDS

VND 1,526,275 billion

Total mobilized funds reached VND 1.53 quadrillion, an increase of **13.9%** compared to the end of 2022; customer deposits in client market reached VND 1.41 quadrillion, an increase of **12.9%** compared to the end of 2022, managed in line with credit growth rate, ensuring liquidity ratios. Funding size has improved steadily over years, affirming VietinBank's position in the market.

↑ **13.9% vs. 2022**

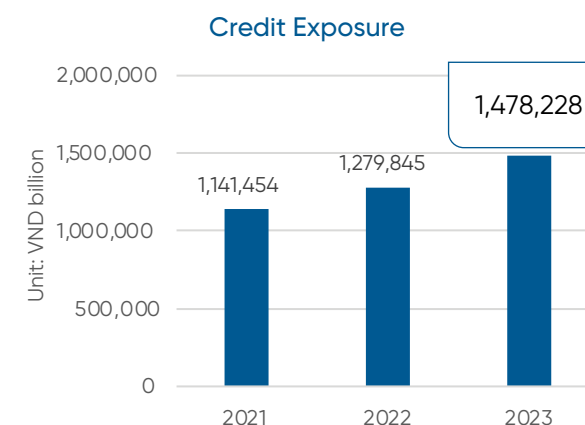


CREDIT BALANCE

VND 1,478,228 billion

Credit growth was positively growing, reaching VND 1.48 quadrillion, up **15.5%** compared to the end of 2022. The Bank's credit growth is always higher than the industry's average growth and complies with the SBV's credit growth quota. VietinBank always follows strict discipline in credit growth in pursuing the objective of effective risk management and sustainable growth.

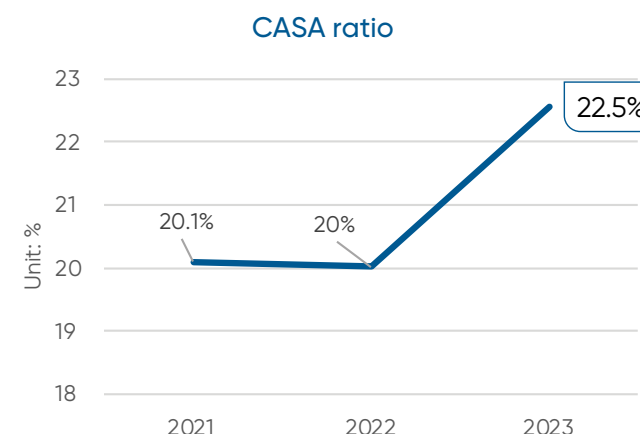
↑ **15.5% vs. 2022**



CASA

22.5%

As of December 31, 2023, VietinBank's CASA ratio reached 22.5%, a sharp increase from 20% at the end of 2022. CASA balance grew by **27.2%** compared to the end of 2022. Positive signals from CASA growth trend reflects the Bank's efforts in expanding its customer base combined with shifting to digital channels.



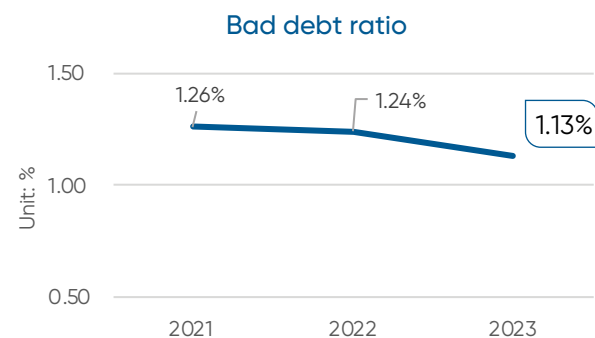
1 - BUSINESS PERFORMANCE

Quality indicators

BAD DEBT RATIO

1% (separate)/ **1.13%** (consolidated)

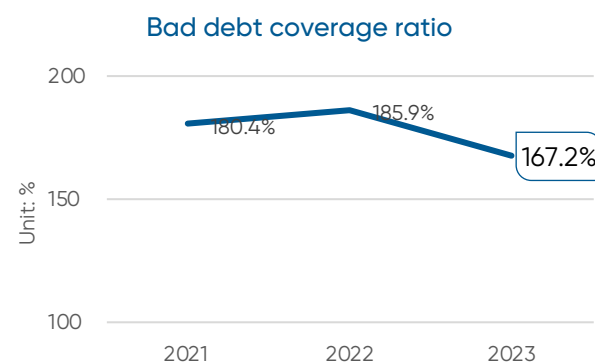
As of December 31, 2023, VietinBank's bad debt ratio remained low at 1.13%, while the bad debt ratio according to SBV's Circular 11/2021/TT-NHNN dated July 30, 2021 on non-consolidated basis was 1%, affirming the Bank's position as one among banks with lowest bad debt ratio in the banking industry. The low bad debt ratio which is well below the limit assigned by the SBV and the GMS demonstrates VietinBank's properly controlled credit quality.



BAD DEBT COVERAGE RATIO

167.2%

The bad debt coverage ratio remained high (167.2%), further consolidating the financial buffer for VietinBank's operations, to be able to respond to economic fluctuations that may occur going forward as well as the conversion of financial statements from Vietnamese accounting standards (VAS) to International financial reporting standards (IFRS).



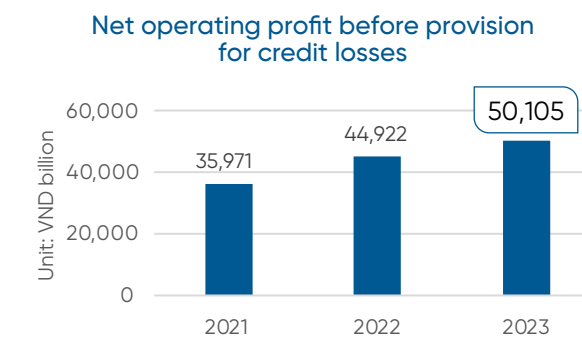
Efficiency indicators

NET OPERATING PROFIT BEFORE PROVISION FOR CREDIT LOSSES

VND 50,105 billion

In 2023, net operating profit before provision for credit losses reached a record high of VND 50.2 trillion thanks to an increase of **11.5%** compared to the end of 2022.

↑ **11.5% vs. 2022**

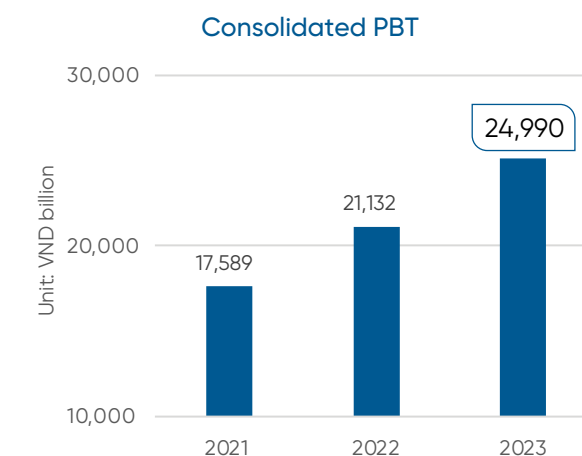


CONSOLIDATED PROFIT BEFORE TAX

24,990 billion

Consolidated PBT in 2023 reached nearly 25 trillion, an increase of **18.3%** compared to 2022, fulfilling the target set by the GMS, on the basis of ensuring satisfactory safety indicators. Separate PBT was VND 24.2 billion, an increase of **17.8%** from 2022 – fulfilling 108% of the target set by the GMS, laying a solid financial foundation for VietinBank to continue promoting its role as a key and pillar commercial bank of the economy.

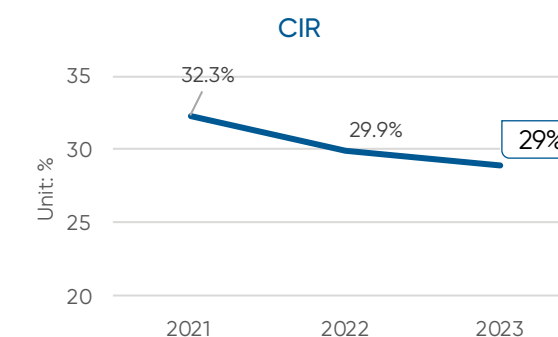
↑ **18.3% vs. 2022**



CIR

29%

In 2023, VietinBank performed good management of operating expenses by allocating resources to costs that directly serve business activities and digital transformation – one of the Bank's key programs. CIR remained as low as 29%, down from 29.9% in 2022, allowing the Bank to consistently stay among banks with the lowest CIR in the banking industry.

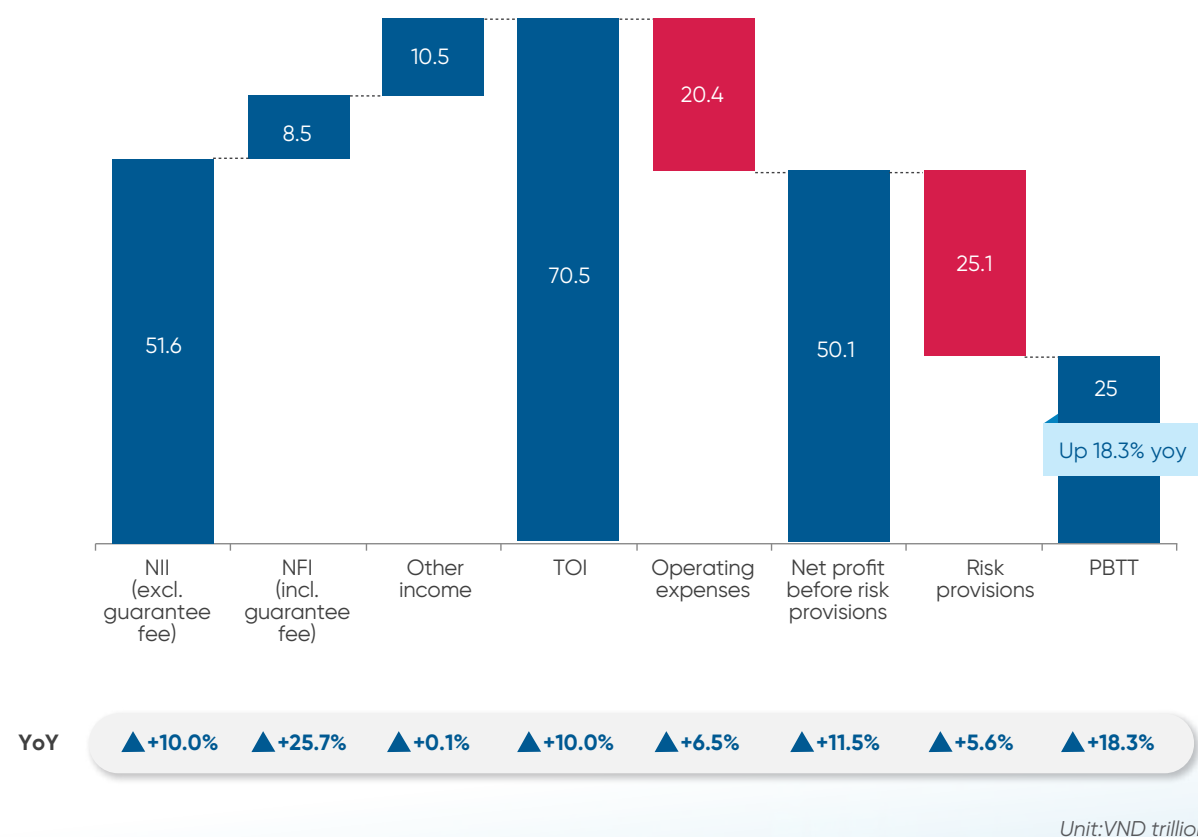


1 - BUSINESS PERFORMANCE

Profit structure in 2023

- The operating income items of VietinBank in 2023 experienced positive growth compared to 2022: Net interest income continued to grow by **10%** y-o-y thanks to credit upsizing coupled with improved profitability by restructuring credit portfolio and adequate credit risk management; Income from services and FX trading experienced leapfrog growth, growing by **25.7%** and **19.5%** respectively compared to 2022. Among services, high growth was seen in income from trade finance and guarantees thanks to sale promotion, customer base expansion along with improved service quality to meeting diverse and comprehensive financial service needs of customers.
- The management of operating expenses was unceasingly calibrated with priority given to costs in direct support of business activities, digital transformation activities, service quality and personnel quality improvements to create premises for the sustainable development of the Bank. The CIR ratio in 2023 was 29.9 % (down from 29.9% y-o-y).
- Consolidated PBT in 2023 elevated to nearly VND 25 trillion, an increase of **18.3%** compared to 2022. VietinBank's ROA and ROE in 2023 improved compared to 2022, reaching 1.3% and 17.1%, respectively.
- Safety ratios stayed compliant with regulations of the SBV.

Profit structure in 2023



IMPACT OF EXCHANGE RATE DIFFERENCES AND INTEREST RATE ON BUSINESS PERFORMANCE

Impact of exchange rate differences

Exchange rate fluctuations always have certain effects on banks' FX trading results. Due to the drastic anti-inflation policies of most central banks and global geopolitical movements, the exchange rates between Vietnam Dong (VND) and other foreign currencies in 2023 are relatively volatile. During the year, VND depreciated against most foreign currencies (VND depreciated by about 3% against USD, in line with the SBV's regulatory orientation). Exchange rate differences affect VietinBank's business activities in two main operations: FX business on the client market and treasury business on the interbank market.

- For FX business on the client market:** Despite the sharp decrease in import-export turnover in 2023, VietinBank effectively communicated key operation topics to branches bank-wide from the beginning of the year, along with its efforts in promptly sharing views that were close to the market developments and information, as well as close coordination with relevant units. As a result, the FX business produced better results in 2023 than in previous years.

- For treasury business on the interbank market:** Forecasting the trend from the beginning of the year, FX business on the interbank market always closely followed the domestic and international markets according to the set plan. In addition to diversifying customer base who buy and sell foreign currencies and promoting the acquisition of new customers, VietinBank was more active in buying and selling at appropriate times, while diversifying FX derivative products. Therefore, VietinBank got better results than in previous years.

As of the end of 2023, VietinBank recorded net profit from FX trading of VND 4,248 billion, an increase of **19.5%** over the same period last year.

Impact of interest rate

In 2023, while the world's interest rates continued to increase and stayed high, the SBV has reduced interest rates to support and remove difficulties for the economy by reducing policy rates four times. The SBV also issued written instructions, requesting credit institutions to cut costs and deposit interest rates to reduce lending interest rates.

As one of the leading banks in promoting credit growth and supporting capital supply for the economy, in 2023, VietinBank has carried out multiple interest rate reductions. To meet the net interest margin (NIM) target as planned, VietinBank has taken measures to reduce and control COF by promoting current account balances, digital products and services, and channel shifting, raising the proportion of low-cost deposits, proactively seeking funding sources of low costs from interbank market and off-shore to support the Bank's liquidity.

With efforts dedicated to control funding costs and increase profitability, strictly manage debt quality, VietinBank's NIM in 2023 remained equivalent to that in 2022 (whilst the reduce in NIM of the banking Industry), **reaching 2.9%**.

1 - BUSINESS PERFORMANCE

DELIVERY RESULTS OF 2023 TARGETS SET FORTH BY THE GMS

Unit: VND billion

INDICATOR (CONSOLIDATED)	31/12/2022	TARGETS SET FORTH BY THE GMS IN 2023	31/12/2023	31/12/2023 VS. 31/12/2022		PERFORMANCE VS. 2023 TARGETS
				+/-	+/- %	
Total assets	1,808,811	To grow by 5-10%	2,032,614	223,803	12.4%	Completed
Fund mobilization	1,340,546	To follow the SBV- approved credit growth quota and credit orientation policies from time to time	1,526,275	185,728	13.9%	Completed
Credit balance	1,279,845	To be aligned with credit growth and in compliance with the SBV-set liquidity ratios	1,478,228	198,382	15.5%	Completed
NPL ratio (Cir. 11)	1.1%	<1.8%	1.0%	(0.1%)		Completed
Separate PBT	20,538	22,500	24,194	3,656	17.8%	Completed
Consolidated PBT	21,132		24,990	3,858	18.3%	

(Source: audited consolidated and separate FS of 2023)

Notes:

The 2023 business plan was approved by VietinBank's GMS in Resolution No. 26/NQ-DHDCD dated April 21, 2023.

The 2022 figures are those in the consolidated FS of 2022 that have been adjusted according to the audit report of the State Audit.

The 2023 figures are those in the audited consolidated FS of 2023.

The NPL ratio is calculated according to the regulations in Circular 11/2021/TT-NHNN dated July 30, 2021, on non-consolidated basis.



"STEADFASTLY OVERCOMING HEADWINDS"



Ngân Hàng TMCP Công Thương Việt Nam

VietinBank 
 Nâng giá trị cuộc sống

1 - BUSINESS PERFORMANCE

PERFORMANCE BY DIVISIONS



RETAIL BANKING DIVISION

Sticking closely to the strategy, direction, and requirements of the BoD and BoM in relation to the retail business development, the Retail Banking Division has taken initiatives in and dedicated its resources for implementation of solutions to excel in business performance and flexibly manage business activities following the bank-wide key topics without delay from the beginning of the year, in the context of numerous difficulties and fluctuations facing world and Vietnamese economies.

Key highlights in numbers

26,200 billion
TOTAL INCOME FROM
RETAIL BANKING

46%
PROPORTION OF
INCOME FROM RETAIL
BANKING

18.5 million
NUMBER OF INDIVIDUAL
CUSTOMERS

2023 landmarks

2023 records another year of positive business results of the Retail Banking Division, thanks to their active implementation of integrated measures as follows:

- **Delivering selective and sustainable credit growth** by offering highly effective products based on observant launches of competitive credit packages, meeting the needs of each potential customer/region. On the background of low credit growth in the entire commercial banking system due to the economy's weak ability to absorb capital, the Bank's average retail outstanding loans reached VND 495 trillion, a **15.8%** increase compared to 2022, raising the proportion of retail loans out of bank-wide outstanding loans to 36.5% from 34.5%. Bad debt ratio was curbed at 1.1%, owing to risk control policies designed specifically for each product, service and distribution channel. The Bank exercised and caused branches to ensure seamless credit risk control from the HO to branches and customers; and controlled credit risk at portfolio-level. 100% of retail products were within prescribed thresholds.
- **Developing CASA and shifting to short-term deposits** to control funding cost: Average retail deposits reached VND 686.4 trillion, up **12.4%** compared to 2022, whereof average CASA reached VND 95.8 trillion. While other commercial banks experienced CASA plunge, VietinBank's end-of-period CASA of Retail Banking Division increased by **34.1%** compared to 2022 by launching new products/policies and sales campaigns by pipelines (such as "Not to miss a corner – visit every store" campaign for merchant customers, "Pack2School" campaign for customers who are students...) and articulating product chains on digital channels.
- **Increasing non-interest income** with focus put on accelerating net income from card and insurance services, and developing new fee income items. Net retail fee income, therefore, increased by **27.5%** compared to 2022. The Bank made changes to the way of doing card business, dedicated more resources to effective and key products. The numbers of activated international credit cards

and debit cards increased by **41.4%** and **48.7%** respectively, and international card spending increased by **32.4%** compared to 2022. Surrounded with lots of difficulties and turnover decline of the insurance market, bancassurance turnover still grew by **7.3%**. Along with the creativity and innovation in offering diversified fee-based products, the Retail Banking Division has also developed new fee income items (dormant account maintenance fee, fee applicable to non-iPay users, fee for fewer-digit account number of 4 digits or more – making VietinBank the first in Big 4 banks launching this service, etc...).

- **Expanding customer base**, acquiring more customers and improving customer quality. In 2023, the Retail Banking Division successfully acquired over 2 million more customers, increasing the number of retail customers as of December 31, 2023 to 18.5 million. Particularly, the number of priority customers experienced a net increase of 70,000 customers compared to 2022. VietinBank develops and retains priority customers by employing effective solutions such as: *(i)* Improving sales capacity for SRM (Senior relationship manager for priority customers), *(ii)* Competitive policies, *(iii)* Enriching the preferential packages ecosystem by engaging with more partners...
- **Leveraging the ecosystem and cross-selling** with many synchronous and diverse solutions taken such as: *(i)* Building a cooperation framework and cross-selling mechanism to branches right at the beginning of the year (including the cross-selling coordination process, ways to implement policy documents and attached support tools); *(ii)* Further acquiring 308,000 customers as payroll service users compared to 2022, 48,000 priority customers who are leaders of businesses, etc.
- **Implementing integrated channel shifting solutions to improve customer experience and the proportion of customers using multiple products, innovating and modernizing payment activities – especially, digital channels:** the percentage of customers as users of VietinBank iPay is **90%** of the customer base. The number of customers regularly using digital channels increases by nearly 1 million compared to 2022 while the number of transactions on channels other than over-the-counter accounts for **98%** of total transactions.

In the flow of the Digital Transformation Program at VietinBank, the Retail Banking Division has coordinated with other departments/units to analyze and evaluate VietinBank's current situation in retail activities and Mass customer segments (Mass). Thereby, the Retail Banking Division has built a plan, deploying and building crucial digital transformation initiatives that are fundamental and make a difference especially in business activities.

2023 is a meaningful year for VietinBank with the launch of an impressive **Campaign - Live a "profitable" life**. With Den Vau – an artist and rapper selected as the image ambassador of VietinBank and a series of activities lasting for the whole year, the Campaign has produced great number of positive effects as well as brought youngsters closer to VietinBank. As a result, VietinBank's campaign reached 35 million people, got 44 million interactions with 500,000 Eliv3 cards issued.



1 - BUSINESS PERFORMANCE

Major awards for retail banking activities in 2023

- Best Retail Bank Vietnam 2023 awarded by Global Banking and Finance Review, for the 8th consecutive time;
- Sao Khue Award 2023 in the field of digital banking for VietinBank iPay Mobile honored by Vietnam Software and IT Services Association (VINASA);
- 4 Leading Bank awards honored by JCB, which are: The Inspirational Product and Solution 2022; Leading Licensee in Merchant Sales Volume 2022; Leading Licensee in Card Balance 2022; Leading Licensee in Premium Card Balance 2022.

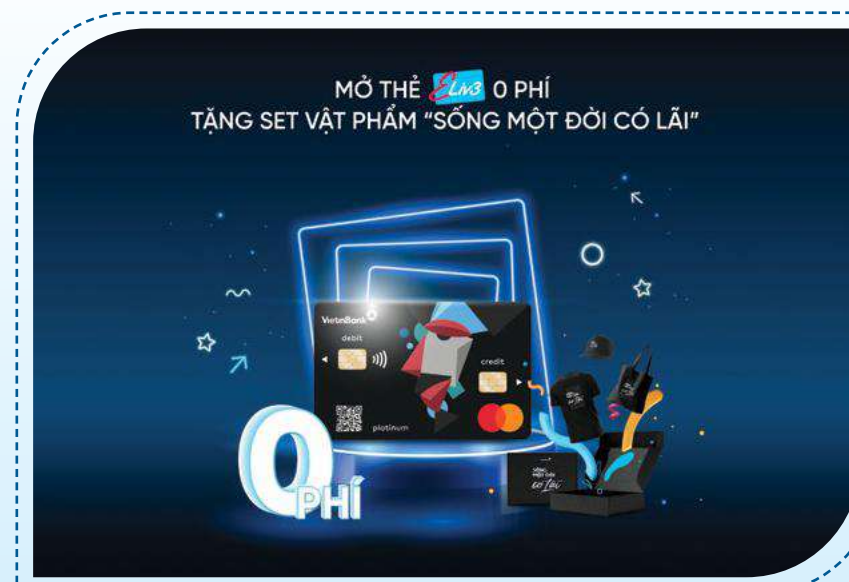
3 main pillars in retail business solutions in 2024:

- » **Efficiency-based performance, increased product penetration rate per customer through:** Selective credit growth and improved credit performance; increased fee income through upselling and cross-selling, focusing on such products as cards, insurance, FX trading. As the key to lowering cost of fund and improving operational efficiency, CASA funds shall be raised by taking diverse measures by customer groups.
- » **Affluent and mass-affluent customer segments as the focus for high efficiency:** Strengthen relationships and retain good customers (focusing on Gold class upwards) through improving sales and service models; leverage and increase operational efficiency on the existing priority customer base (deposits, fee-based products).
- » **Developing and leveraging mass customer base and addressing CASA improvement requirements through digital channels:** Search for new customers from data base acquired through cooperation with partners/from the corporate customer ecosystem/subsidiaries coupled with channel shifts to digital channels, offering the best experience for customers, digitizing products and automating processes.

MR. LE VIET DUC
DIRECTOR OF RETAIL BANKING DIVISION SHARED
HIS THOUGHTS ABOUT DIGITAL TRANSFORMATION

"THE DIGITAL TRANSFORMATION IS PROGRESSIVELY PERMEATING EVERY FACET OF THE RETAIL BANKING DIVISION AS A DIVISION-WIDE MISSION. WE HOPE THAT THIS TRANSFORMATION JOURNEY WILL FOSTER A NEW WORKING ENVIRONMENT AND WAYS OF WORKING, AND ENGENDER PRODUCTS AND SERVICES THAT ARE METICULOUSLY TAILORED TO CUSTOMER NEEDS.

VIETINBANK'S EMPLOYEES WILL BE ABLE TO ALLEVIATE MANUAL OPERATIONAL BURDENS THROUGH THE POWER OF DIGITALIZATION, ENABLING THEM TO PRIORITIZE CUSTOMER NEEDS. WE BELIEVE THAT A FULFILLED EMPLOYEE EXPERIENCE IS THE CORNERSTONE OF CRAFTING AN IMPECCABLE AND SEAMLESS CUSTOMER EXPERIENCE ACROSS ALL TOUCHPOINTS."



Mr. Le Anh Tuan – Director of Digitalization of retail distribution channels, VietinBank, receiving the Sao Khue Award for the VietinBank iPay Mobile digital banking application



Key highlights in numbers

18%

GROWTH RATE OF
TOTAL OPERATING
INCOME FROM
CORPORATE SEGMENT

3.7%

ROA OF CORPORATE
SEGMENT

55%

PROPORTION OF
CREDIT GROWTH FROM
CORPORATE SEGMENT

2023 landmarks

In 2023, the Corporate Banking Division has achieved very positive business results: Total income from corporate banking activities increased by **18%** compared to 2022 and ROA in 2023 reached 3.7%, rising by **0.3%** compared to the previous year. Positive business results come from the contribution of the following main activities:

- **Credit activities grew rapidly, sustainably and effectively.** The end-of-period credit balance of corporate segment rose by approximately **13%** YoY, exceeding the target for 2023 (**reaching 105%**) with large corporate and FDI segments as the two main growth drivers, which made key contributions to bank-wide credit growth (accounting for more than 55%), while the assigned credit room was utilized optimally. In the context of slowing credit growth across the economy, VietinBank has synchronously deployed solutions to promote growth in potential areas, flexibly applied preferential credit programs, and improved credit granting processes to enhance competitiveness and improve market share. Thanks to that, in 2023, VietinBank was named among the top banks with the best credit growth in the banking industry.
- **Credit efficiency was improved** on the basis of balancing growth targets and risk management, strictly controlling credit quality, striving to maintain credit NIM at a high level in the context of fierce competition and continuously plummeted common lending interest rates. Net credit interest income exceeded the full-year target, growing dramatically by **22%** compared to that in 2022.

- **Fund mobilization contributed positively** to overall business performance, net deposit interest income rose by 15% YoY. While the average CASA of peer competitors followed a downward trend, that of VietinBank increased thanks to the Bank's deployment of various solutions to promote CASA growth associated with improved customer experience such as solutions for managing cash flows, enhancing ERP connections, developing payment acceptance services, controlling/directing disbursed cash flow in the system, account service packages, among others.
- **Profit from foreign currency trading in the client market** in 2023 increased by **25%** compared to the previous year (which is a high growth rate compared to that of Vietcombank and BIDV). VietinBank is currently leading the interbank market in terms of sales and market share and is one of the two banks with the largest market share in client market with a stable average market share of 10% - 15%.

Besides, VietinBank has accomplished many achievements in other tasks such as:

- **Improving guarantee product capacity, streamlining processes/forms** through consolidating the entire set of grade-1 guarantee products, building new products/solutions according to key industries, segments, and specific customer groups;
- **Actively deploying Trade Finance & International Payments sales push campaign.** VietinBank ranks first in Vietnam in the number of UPAS L/C issuance transactions;
- **Streamlining processes, standardizing credit product conditions**, increasing competitiveness for key customer groups and industries;
- **Promoting digital transformation** such as online disbursement and online guarantees;
- **Developing new products and payment channels:** Instant bilateral payments, cross-border QR;
- **Researching and implementing environmental, social, and governance (ESG) activities** at VietinBank in response to market, customers, and investors requirements.

The Corporate Banking Division is also a pioneer in implementing digital transformation and applying outstanding initiatives with more than 22 digital transformation initiatives; 12 of which are high-priority initiatives and 1 is bank-wide Quickwin initiative aiming at increasing the credit penetration rate for small- and medium-sized corporate customers; promoting transaction banking activities, increasing fee and TOI; improving customer journeys (working capital loan journeys, UPAS L/C, foreign currency transfer, etc.) and enhancing engagement with RMs (relationship managers) through employing RM Workbench and CRM tools. The Corporate Banking Division also actively implemented business activities associated with improving efficiency, in parallel with arranging personnel to deeply involve in digital transformation activities.

In 2023, the Corporate Banking Division deployed the initiative of applying Bigdata in analysis of customer cash flows to enhance exploitation of the customer ecosystem, enhance the role of risk management, and optimize business efficiency. The initiative has been accepted and is highly appreciated for its feasibility, effectiveness and ability to be scaled-up bank-wide to increase CASA and non-interest income.

Major awards for corporate banking activities in 2023

- "Best Foreign Exchange Provider Vietnam" by Global Finance;
- "Project Infrastructure Finance Deal of the Year" by Asian Banking & Finance Magazine;
- "Sao Khue Award 2023" for Digital Banking service for VietinBank eFAST corporate customers by Vietnam Software & IT Services Association (VINASA);
- "Best SME Bank in Vietnam" voted by The Asian Banker.

1 - BUSINESS PERFORMANCE

Business focus topics in 2024:

- » **Promoting strong credit growth** associated with leveraging the advantages of each region, industry, and unique characteristics in each locality. Applying advanced analytical models to identify potential customer bases; exploiting new customers from deployed chains; applying preferential interest rate policy and approval flow, tailored/flexible credit granting mechanism, separate policies for multinational companies (MNCs) and key FDI customer bases on the basis of ensuring the overall efficiency of the entire ecosystem.
- » **Promoting fund and CASA mobilization** through the implementation of ecosystem development potential identification tool and PDCA tool for key/large corporate customers. In addition, VietinBank promoted the exploitation of newly established corporate customers; accompanied, advised and supported enterprises right from the initial stage with competitive preferential policies, thereby strengthening engagement and demonstrating the role of "Main Bank". At the same time, VietinBank promoted the implementation of cash flows management solution with potential customer bases on the basis of adding online sales channel and building a centralized transaction platform system.
- » **Focusing on increasing non-interest income:** Applying digital transformation initiatives to identify growth potential with price/fee combo, preferential exchange rates, interest rates... policies. At the same time, promoting digitalization of key products (guarantees, UPAS L/C, foreign currency transfer, etc.), thereby enhancing customer convenience/experience; improving business efficiency.
- » **Deploying breakthrough digital products to create competitive advantage:** Promoting the introduction of products and services to digital channels such as: online account opening, online guarantee, among others. In 2024, VietinBank will launch a specialized VietinBank eFAST application applicable to large corporate and FDI customers, to meet the "tailoring" needs of each customer.

The successful implementation of the aforementioned key solutions creates the premise for VietinBank to effectively promote customer exploitation, gradually making VietinBank the transaction bank of choice for corporate customers.



WHAT DOES THE CORPORATE BANKING DIVISION SAY ABOUT DIGITAL TRANSFORMATION?

"SINCE THE INCEPTION OF VIETINBANK'S DIGITAL TRANSFORMATION PROGRAM, THE CORPORATE BANKING DIVISION HAS INVESTED RESOURCES, SWIFTLY AND PROACTIVELY IMPLEMENTED TASKS WITH HIGH EFFICIENCY.

PERSISTENT EFFORT, PASSIONATE RESPONSIBILITY, AND A SPIRIT OF INNOVATION TOGETHER WITH CAN-DO ATTITUDE - THESE ARE THE KEY FACTORS THAT HAVE ENABLED THE CORPORATE BANKING DIVISION TO SUCCESSFULLY DEPLOY INITIATIVES, HELPING TO IMPROVE EFFICIENCY AND AFFIRM VIETINBANK'S LEADING POSITION".

MR. NGUYEN THANH TUNG
DIRECTOR OF CORPORATE BANKING DIVISION

"STEADFASTLY OVERCOMING HEADWINDS"



Mr. Nguyen Thanh Tung - Director of Corporate Banking Division, VietinBank, receiving the Sao Khue Award for the VietinBank eFAST digital banking service for corporate customers

1 - BUSINESS PERFORMANCE



TREASURY DEALING & CAPITAL MARKET DIVISION

In 2023, in the face of complex and unpredictable fluctuations in the international and domestic markets, the Treasury Dealing & Capital Market Division has made efforts and promoted its strength in operations, seizing opportunities for success, positively contributing to VietinBank's business results.

Key highlights in numbers

13
SUCCESSFUL
TRANCHES OF BOND
ISSUANCE

>VND 130,000
billion
BALANCE OF FUNDS
MOBILIZED FROM
FI CUSTOMERS

> VND 70,589
billion
VOLUME OF CERTIFICATE
OF DEPOSITS ISSUANCE
IN 2023

2023 landmarks

In 2023, with proactive assessment, seizure of market opportunities, and devise of relevant business strategies, the Treasury Dealing & Capital Market Division has achieved many positive business results, thereby continuing to affirm VietinBank's position and reputation in the capital market and currency market.

- **Treasury dealing activities:** In 2023, profit from treasury dealing is estimated to reach over 600% of the full-year target. This is the highest profit in years, **3.1** times that in 2022 and **1.6** times that in 2021. Total volume of interest rate derivatives is estimated to increase **15** times compared to that in 2022. In addition, the Treasury Dealing & Capital Market Division has also successfully launched a new product namely AIRS, providing customers with more effective financial solution options in the context of fluctuating exchange rates and interest rates.
- **Fund mobilization through issuance of debt instruments, management of capital contributions at domestic companies and investment banking:** In 2023, the Treasury Dealing & Capital Market Division exceeded its capital mobilization target through issuing certificates of deposit with a total



volume of VND 70,589 billion, helping to lower fund mobilization costs and contribute to improving VietinBank's financial capabilities.

- **Bond issuance to increase tier 2 capital:** The Treasury Dealing & Capital Market Division successfully carried out 2 public offering of bonds and 11 private bond issuances, mobilizing VND 14,542.37 billion. This is a bright spot in the market when VietinBank successfully issued a large volume of bonds in the context of the current quiet and challenging bond market.
- **Fund mobilization from FI customers:** In 2023, fund mobilization from FI customers grew strongly with the average balance reaching over VND 130,000 billion, completing **125%** of the full-year plan. The Treasury Dealing & Capital Market Division has successfully mobilized a large amount of VND and foreign currencies with various different terms to ensure the effectiveness of VietinBank's assets-liabilities management. Concurrently, the Treasury Dealing & Capital Market Division always maintains sustainable cooperative relationships with foreign credit institutions to proactively reserve a channel to mobilize foreign currency funds with great value, good interest rates and relevant loan conditions for VietinBank's needs. During the year, VietinBank signed a Cooperation Agreement with Union Bank of Taiwan (UBOT) in July 2023 and signed a Memorandum of Understanding (MOU) with strategic partner MUFG in December 2023 to promote and mobilize sustainable financial resources.
- **Credit activities with FI customers:** In 2023, credit activities were also be implemented effectively. The average outstanding loans of securities companies is **4** times higher than the target mapped out for 2023.

Major awards for treasury activities in 2023:

- "Best foreign exchange service provider in Vietnam" by Global Finance;
- "Derivatives Bank Brand of the Year Vietnam" by Global Banking & Finance.

1 - BUSINESS PERFORMANCE

Action plan for 2024

Building upon the foundation and achieved results, the Treasury Dealing & Capital Market Division aims to maintain its leading position in the market in foreign currency trading, interest rate derivatives, commodity derivatives, currency trading, and bond trading; contributing to position VietinBank as the top priority partner for foreign financial institutions.

To achieve these objectives, the Treasury Dealing & Capital Market Division will continue aligning with the strategic development direction for the 2021-2030 period, with a vision extending to 2045 and the medium-term business plan. Accordingly, the Treasury Dealing & Capital Market Division focuses on synchronously implementing multiple solutions such as:

- » Concentrating resources to synchronously and decisively deploy key business tasks right from the beginning of the year.
- » Proactively staying attuned to domestic and international macroeconomic developments, developing suitable business plans and being ready to respond to different market developments.
- » Focusing on promoting investment banking products such as: Capital arrangement consulting service, M&A consulting service, custodial banking service, supervisory banking service, etc. This is a solution aiming at diversifying financial products and services, shifting income structure towards increasing non-interest income, increasing VietinBank's competitiveness and position in the market.
- » Coordinating with the Corporate Banking Division and business units at the branches to promote consulting and product offering activities; performing communication and training to raise awareness of front-office business units with regards to the Treasury Dealing & Capital Market Division's products and services.



VietinBank and Union Bank of Taiwan (UBOT) signed a cooperation agreement.



Roundtable discussion with leaders of leading Japanese economic groups



VietinBank granted the award Best Foreign Exchange Provider in Vietnam

1 - BUSINESS PERFORMANCE

INFORMATION TECHNOLOGY DIVISION

During our 35-year journey of construction and development, VietinBank pioneers in applying science and technology in operations, enhancing customer experience and building a comprehensive and flexible financial ecosystem in line with the new market trends. Riding the digital transformation wave at VietinBank, IT Division plays a key role in the research and development for application of technological advances to enhance customer experience and improve the current operational processes.



Key highlights in numbers

700
million
TRANSACTIONS VIA API

360
partners
CONNECTED VIA API

>1,000
customers
CONNECTED VIA ERP

2023 landmarks

In 2023, IT Division further promotes its role in business administration, management and development by providing protection of information security. During the year, IT Division's achievements are:

- **Launching outstanding products and services** (i) Thai QR connection through NAPAS and ITMX, and (ii) Bilateral connection with Krungsri (Thailand). These are leading edge technology projects in cross-border payment services. For the first time, VietinBank customers can easily use VietinBank iPay to scan QR payment codes abroad (Thailand). This is the first time VietinBank's accounts are connected directly with a foreign bank (Krungsri) to transfer money without having to go through any other payment intermediary service provider.
- **Launching new products and services on digital banking channel** help earn good fee income such as cybersecurity insurance product (VietinBank iPay Mobile) since September 2023; short account numbers since November 2023; a new SMS fee calculation method (September 2023) helping significantly reduce the pressure on SMS fee charges payable to the mobile network carriers; bilateral payment connections with banks that have large transaction volumes with VietinBank (Vietcombank, BIDV, MB, Agribank) without going through a payment intermediary service provider helping reduce costs of payment connection; interbank cash withdrawals using QR codes gradually helping reduce the dependence on physical cards; online lending products for corporate customers on ERP channel (since October 5, 2023) and on VietinBank eFAST (since November 25, 2023). So far, there are 37 automatic disbursement transactions, helping shorten the turnaround time, reduce the amount of printed papers, and optimize customer service.
- **Enhancing automation**, helps reduce manual operations and mitigate operational risks such as (i) Digitizing **90%** of the guarantee issuance process for corporate customers; (ii) Centralized routing of incoming money transfers related to State budget collection at the HO helps reduce turnaround time by **50%**; (iii) Automatic processing of foreign currency wire transfers via SWIFT helps cut down on intermediate steps (manual operation takes 35 minutes per transaction); (iv) Confirming

ATM refund transactions in batches; (v) Automatic mapping solution for foreign currency trading transactions helps **cut down 2/3 of the operations** of branch traders, minimize risks of foreign currency positions, exchange rates, operations, and reduce costs of printing documents, etc.

- **Expanding partner connections and building an ecosystem** with 360 partners connected via the API platform (**two times more** than in 2022), the number of transactions via API reached 700 million (up **60%** compared to 2022's). New connections with more than 1,000 customers via ERP.
- **Developing data analytic capabilities and dashboards for business development and management** (i) Ecosystem and cross-selling dashboard launched in April 2023, thereby helping to promote cross-selling and ecosystem business to fulfil TOI target; (ii) Dashboard for real-time QA/QC (quality assurance/ quality control) of customer-oriented systems (VietinBank iPay, VietinBank eFAST, ATM) with immediate warnings on the monitoring screen; (iii) Data collection tool for the Ministry of Planning and Investment's business registration website using a robot simulating user steps to help VietinBank have a complete and accurate source of information about potential corporate customers.
- **Strengthening activities of monitoring and protecting IT systems**, proactively monitor and prevent attacks on the Internet environment. Applying artificial intelligence and automation tools to manage IT infrastructure helps quickly and automatically handle service errors and failures, minimize the length of downtime.
- **Upgrading and optimizing servers, core banking systems and payment systems** helps shorten end-of-day batch run time, reduce transaction processing time, and keep up stable performance when transaction volume grows: Response time on Core Banking system for outgoing transactions decreased **2.6** times from 38.2ms to 14.6ms, response time for incoming transactions decreased **2.2** times from 30.4ms to 13.9ms, other technical indicators also improved from 2.9 times to **4.3** times. Core Banking system performance remains at the best level, the system runs smoothly, there is no backlog of transactions even on peak days (transactions increased by more than **30%** compared to the peak period during Lunar New Year 2023), text messages of account balance changes are seamless and no longer slow or interrupted, reducing data retrieval time for management information systems. These contribute to improving the service quality of IT systems, providing products and services seamlessly without interruptions and bringing optimal experience to VietinBank's customers.

For VietinBank's Digital Transformation Program, IT Division is the lead in implementing quickwin initiatives and staff training for the initiatives.

Major IT awards in 2023

- VietinBank iPay Mobile and VietinBank eFAST were honored for the fifth time at the "Sao Khue Awards 2023" awarded by VINASA.

Action plan for 2024

In 2024, in order to improve the quality of IT services to support on a bank-wide scale and promote the implementation of digital transformation initiatives in the 2024 - 2025 period, IT Division plans the following activities:

- » Develop resources, hiring and training more engineers and technicians for **software development, data analytics, system administration and digital transformation initiatives**.
- » **Enhance security monitoring and ensure seamless**, smooth operation of the IT systems.
- » **Put into use new technologies** such as Voicebot integrating multiple technologies to support Contact Center in customer service.
- » **Invest in Data lake** to create a momentum in expanding data analytical scope, providing Data as a Service (DaaS) to internal customers, and creating more business impact.

RISK MANAGEMENT DIVISION

In the context of an increasingly risky and uncertain world with profound impact on VietinBank's businesses, the Risk Management Division remains functioning as a key advisor to the Senior Management in risk management to consolidate and develop risk management capabilities from the HO to branches, safeguarding the Bank in liquidity and operational security under all circumstances, aiming for secured - effective - sustainable development.

2023 landmarks

In the context that Vietnam's economy in 2023 continued to face many challenges in the world, the region and inherent problems, VietinBank strives to implement business plans and promote credit growth, creating conditions for businesses and consumers to access credit capital, restoring their production, business and consumption activities. With the goal of risk management activities going alongside business, ensuring safety and efficiency, Risk Management Division has advised and supported VietinBank's senior management to implement: **(i)** Proactively and cautiously manage debt quality, controlling the bad debt ratio to meet the regulatory requirements of the SBV, **(ii)** Improve the effectiveness of inspection and supervision, thereby enhancing the business discipline across VietinBank, **(iii)** Research and implement solutions to meet the needs of IT risk and fraud risk management during VietinBank's period of rigorous digital transformation; **(iv)** Propose timely and appropriate risk management measures for liquidity, market and interest rate risks, and quantify the scenarios affecting VietinBank's profits; **(v)** Identify new types of risks such as reputation risk, model risk and gradually enhance the role of integrated risk management at VietinBank. Risk Management Division activities carried out in 2023 are as follows:

- **For credit risk management:** To strengthen control of debt quality from the HO to branches, the Risk Management Division continues to effectively run the debt quality control teams at the HO and branches, thereby proactively identifying and controlling quality of debt, proposing and implementing optimal solutions for customers, including potentially risky group-1 debt. The monitoring and classification of debt handling and recovery support early identification and solutions for debt handling at branches with positive changes. In addition, the Risk Management Division also proactively coordinates with business units, analyzes and evaluates the quality of credit portfolios, and promptly takes risk management measures. At the same time, the Internal Control & Inspection Department deploys **(i)** Remote monitoring by key topics (including control environment, business plan implementation, credit risk, non-credit risks, and treatment flows of debt management) combined with **(ii)** Onsite inspection at branches by critical topics/issues, ensuring timely detection and provision of information to identify emerging risks for the HO's risk management, develop policy documents and risk management tools.
- **For operational risk management:** During VietinBank's period of strong digital transformation as well as the situation of high-tech crimes tending to increase and become increasingly sophisticated, to meet the requirements for operational risk management in IT, the Risk Management Division has deployed solutions to meet the needs of IT risk management such as **(i)** Consolidating the organization and personnel for IT risk management to ensure compliance with the regulations of the SBV and approach international practices, **(ii)** Consolidating the system of methodologies and tools for IT risk management, enhancing in-depth IT risk assessment, **(iii)** Promoting the implementation of information security protection measures on the IT systems, **(iv)** Promoting a culture of operational risk management with a top-down approach and an in-depth training program on balance capabilities of risk management and business development for the branch leadership team, **(v)** Researching and expanding control over material risks.
- **For market, liquidity and interest rate risk management:** The Risk Management Division proactively and promptly analyzed the failures of certain banks in the world and their impact on the financial market, USD liquidity, and proposed solutions for strict control of VietinBank's offshore USD investment portfolio. At the same time, the Risk Management Division coordinated with the Finance Division to implement policies to balance asset and liability repricing terms, control impact on NII due to interest rate risks arising from interest rate repricing gaps tending to decrease from

the beginning of the second quarter of 2023, periodically carry out liquidity stress tests, identify and propose measures to ensure liquidity security at the end of the year.

Action plan for 2024

In 2024, on the basis of trends analysis and following watchful monitoring of the socio-economic situation at home and abroad, the Risk Management Division will continue to promote risk management in alignment with VietinBank's business strategy and plan, approaching advanced risk management standards and practices in the context of intensive international integration and the strong Industrial Revolution 4.0. A comprehensive set of solutions to improve risk management capacity includes **(i)** Strengthening the risk management system with the principle of three lines of defense, **(ii)** Reviewing and updating the risk management document system to ensure compliance with the regulations of the regulators and in relevance to the current state of VietinBank's business, **(iii)** Improve risk measurement models, IT tools/systems to support risk management with a focus on expanding data sources and improving data quality as the foundation for advanced analytics in business and risk management decision making. In 2024, the Risk Management Division continues to focus on the followings:

- » **Strictly control the credit portfolios from the HO to branches** to identify, localize risks and promptly deploy debt recovery and settlement measures, and control debt quality in line with credit orientation; increase provision buffers, increase bad debt coverage ratio to be financially ready to respond to economic fluctuations that may occur as well as the conversion of financial statements to IFRS9 standards;
- » **Promote inspection and supervision by key topics**, prioritize inspection and supervision in material activities, areas and segments;
- » **Maintain adequate operational risk management tools and business continuity planning and management**, focusing on comprehensive IT risk management and information security;
- » **Strengthen control of interbank investment operations, strictly control interest rate risk on the Banking Book**, keeping the balance of asset - liability term structure while ensuring liquidity security, effective management and stability of funding to meet business growth and customer's liquidity needs.
- » **Continue to implement projects under the Basel 2 compliance roadmap, risk-weighted assets and capital adequacy ratio** using advanced methods, enhancing the role of integrated risk management to ensure overall risk management and unified management of material risks arising in business plans and the internal capital adequacy assessment process (ICAAP).
- » **Proactively research and prepare necessary resources to be ready to deploy Basel III** according to regulations of the Basel Committee and the SBV.



MS. NGUYEN THI HUONG
DIRECTOR OF RISK MANAGEMENT DIVISION

DIGITAL TRANSFORMATION WITH RISK MANAGEMENT DIVISION

"DIGITAL TRANSFORMATION IS NOT ONLY A PERSONAL VISION OF THE TOP MANAGERS BUT ONE OF ALL VIETINBANKERS TOWARDS THE FUTURE.

FOR SUCCESSFUL IMPLEMENTATION, THE RISK MANAGEMENT DIVISION IS DETERMINED TO SPREAD THE SPIRIT OF WILLINGNESS IN INNOVATION AND LEARNING OF NEW SKILLS LIKE DATA ANALYSIS, AGILE, ETC. ALONG WITH THE EMPOWERMENT AND TRUST OF THE LEADERS SO THAT THE FRONTLINERS ARE SUPPORTED AND CAN UTILIZE THEIR CAPABILITIES TO THE FULLEST EXTENT."



1 - BUSINESS PERFORMANCE

OPERATION DIVISION

In 2023, the Operation Division continued to accompany divisions to provide business supports, enhance business process improvements, promote automation and digitalization, optimize resources, and enhance customer satisfaction. As an enabler unit, in 2023, the Operation Division proactively and actively implemented digital transformation in all operational activities, deployed technology applications, and consolidated its model to save resources and improve labor productivity.



Key highlights in numbers

> 90%

**RATE OF CUSTOMERS
SATISFIED WITH SERVICE
QUALITY ON THE CONTACT
CENTER CHANNEL -
HIGHEST EVER**

USD 21.56

billion

**VOLUME OF TRADE
FINANCE IN 2023 - RANKED
FIRST IN THE VIETNAMESE
BANKING SYSTEM FOR THE
FIRST TIME**

VND 2,357

billion

**TOTAL FEE INCOME
FROM FOREIGN
CURRENCY PAYMENTS
AND TRADE FINANCE
IN 2023**

2023 landmarks

In 2023, the Operation Division synchronously deployed multiple activities, continuing to affirm its crucial role in supporting business continuity, smoothness, safety, efficiency, improving service quality, and increasing customer satisfaction.

- Improving service quality

In 2023, "Improving service quality" was selected as the fundamental topics, demonstrating VietinBank's determination for comprehensive development. Along with the extensive implementation of the 5 core values of corporate culture, the Operation Division deployed a training series on "**Service Enhancement**" for employees on the journey to achieving outstanding services with the goal of transforming perception of thinking and corporate culture.

In particular, with the "Customer-centric" motto, customer care has been innovated to be more personalized, serve specialized segments and operate 24/7 on consistent multi-channels. The rate of customers satisfied with service quality on the Contact Center channel reached over **90%** - the highest ever and higher than the benchmark of Vietnamese service industries with more than 3 million customers served - **doubled** that of 2022.

- Ensuring safe and smooth processing

All business areas namely Trade financing, domestic and foreign currency payments, business capital settlement, cash management, card management, etc. were handled safely and smoothly in the context of strong growth in transaction volume. In particular, for the first time, Trade Finance revenue ranked first in the Vietnamese banking system (reaching more than USD 21.56 billion, approximately VND 530 trillion in 2023), far ahead of the 2nd ranked bank. On the other hand, coordination with branches and business units to ensure commitment to SLA and improve customer experience was also emphasized.

In addition, a series of initiatives have been implemented by the Operation Division, helping to save about **1 million man hours/year**. From which, units and branches were able to manage and run operating systems on stable and safe transaction channels, meet business continuity requirements, and promptly devise action plans to boost sales and fee growth.

- Actively transforming digitally

Continuously updating innovations to meet the digital transformation roadmap at VietinBank, the Operation Division has held seminars with speakers from major enterprises around the world to access breakthrough technology solutions. This is also served as the basis for the Division to propose and implement cash logistics optimization initiative; apply technology solutions in operations management. Focus was also placed on promoting digital solutions in 2023. In terms of payment, the Operation Division continued to build a customer digital signature management solution - a platform system to support the provision of VietinBank's digital products. In Trade Finance, branches and customers were connected more effectively thanks to new and outstanding features of the Scan-imaging system, which digitizes documents kept as records, electronic delivery books, upgrades digital signing function, integrates Trade Finance documents; Online guarantee consulting chatbot providing customers with accurate, fast and automatic information.

In 2023, the Operation Division was the focal point of the Lean Six Sigma project with 6 products aiming at streamlining records and procedures, cutting down operating time, saving costs, digitally transforming each stage of the transaction processing process, and enhancing digital service experience for external and internal customers.

- Supporting business

In 2023, total fee income from domestic and foreign currency payment and trade finance reached VND 2,357 billion. The Operation Division contributed nearly **39%** of bank-wide total service fees; concurrently, contributed to treasury dealing income, which reached VND 8,384 billion, an increase of **20%** compared to that in 2022.

Along with efforts to achieve excellent operational quality, the Operation Division focused on directly supporting business promotion through **73 training courses** for more than **15,000 trainees**, to improve professional capabilities, channel shifting and sales consulting support. Product and service consulting activities were highly effective, the Division also participated in negotiating major projects worth hundreds of millions of USD for customers. In addition, the Operation Division provided support to boost sales, actively developed new Trade Finance plan, helped branches overcome obstacles, and supported growth of Trade Finance volume and fee income.

In order to promote the policy of improving the quality and image of the teller team, the Operation Division held "**Work smart - Think different**" Talks to praise excellent staffs who contributed positively to business results, at the same time, spread and promoted bank-wide tellers' activities.

1 - BUSINESS PERFORMANCE



Major awards for the Operations Division's activities in 2023:

- "Sao Khue Award 2023" for CPM customer profile centralized management system solution;
- "Best Trade Finance Provider in Vietnam for 2023" by Global Finance Magazine (USA);
- "Excellence in Innovation - Contact Center Vietnam 2023" by Global Banking & Finance Review;
- Awards for smooth transaction processing from the world's leading banks such as: JP Morgan Chase, Wells Fargo, among others.

Action plan for 2024

In 2024, the Operation Division will continue to accompany VietinBank's business activities by synchronously implementing the following measures:

- » Enhancing process and processing system improvements, promoting automation, optimizing resources, improving labor productivity, operational quality and further improving customer satisfaction.
- » Building and implementing key digital transformation initiatives, consolidating the system of policy documents, streamlining business processes, building and spreading professional service quality to customers.



Ms. Dong Thi Quynh Le – Director of VietinBank Payment Center receiving Sao Khue award for the centralized customer profile management system

SIÊU ƯU ĐÃI
DÀNH CHO DOANH NGHIỆP
XUẤT NHẬP KHẨU MỚI

TRADE UP

ƯU ĐÃI TỶ GIÁ

100 điểm USD	170 điểm EUR	120 điểm cơ bản JPY
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Miễn 100% 25 loại phí

Giảm 50% Phí TTQT & TTTM

THÊM HOTLINE MỚI
HỖ TRỢ KỊP THỜI

KHÁCH HÀNG ƯU TIÊN 1800 558 866
KHÁCH HÀNG DOANH NGHIỆP 1900 558 886

DIỆN THOẠI VIÊN CHUYÊN BIỆT
KẾT NỐI NHANH CHÓNG
TỐI ƯU TRẢI NGHIỆM

1 - BUSINESS PERFORMANCE

VIETINBANK'S DIGITAL TRANSFORMATION PROGRAM



Digital transformation has become an inevitable trend in the booming era of the 4.0 Industrial Revolution, especially in the banking-finance industry. Digital transformation not only helps banks improve their competitiveness but also serves as a stepping stone to make a breakthrough in business activities. As a key and systematically important commercial bank, VietinBank has always been proactive and taking the lead in changes of the banking industry. VietinBank's digital transformation journey has set the milestone with the master plan to implement **108 initiatives** associated with VietinBank's medium and long-term business strategy, covering all important activities of the Bank from customer segment-based business strategies, key products to foundational initiatives in information technology, data, human resources, corporate culture, risk management, etc.

To ensure concentration and optimization of resources, **45 initiatives** have been prioritized for implementation in 2024, based on assessment of the impact and feasibility of each initiative with the expectation to create clear financial impacts and build a foundation to deploy remaining initiatives in the future.

Big change from the way of thinking to the way of doing

Digital transformation is the process of comprehensive, overall change of individuals and organizations in terms of culture, business model associated with strategy, innovation in way of work, streamlining of operating processes through digitalization, data mining, application of data analytics.

"**Project X01**" is the third key program after the Organization Restructuring Project (2014) and the Core Banking Project (2017) of VietinBank. "Project X01" demonstrates the aspiration of VietinBank to become the leading bank in Vietnam through exploring and discovering potential power (**X-Factor**) and unlimited creativity of technology; accordingly, bringing excellent experiences for customers and employees (**X-Experience**). "Project X01" showcases the determination to transform through Digital "01" language and belief in the change from the way of thinking to the way of doing to ensure flexibility and adaptability through "X" character (**X-Transformation**).



For customers, VietinBank will become a financial service provider with the most user-friendly and best-in-class experience. For shareholders, VietinBank will become the most efficient bank in Vietnam. For employees, "Project X01" promotes big changes from the way of thinking to the way of doing, applying agile way-of-work, streamlining procedures, optimizing sales tools, bringing happier experiences for employees.

VietinBank identifies 3 main focuses that make the transformation journey successful, namely: **customers, technology and people**.

With the "customer centric" principle and the goal of bringing **outstanding customer experiences**, Project X01 will create major changes in the way of serving customers, including designing customer journey, products and services that are highly customized, streamlining processes to optimize experiences. In particular, digital transformation will accelerate the application of technology advancement such as big data, advanced data analytics and AI applications to provide services on digital channels; thereby building a seamless, consistent customer experiences across all online and offline platforms.

Apart from customers, employees are also at the center of the transformation journey. Through this new journey, VietinBank aspires to create a "fun place to work", where employees are proud of and happy with the best experiences and values. The engagement and active participation of employees in the transformation journey, a generation of talents who are full of enthusiasm, highly qualified, carrying leadership capability and positive energy, together with a spirit of leading by example, empowerment and empathy of the leadership team are "invaluable assets" for VietinBank to quickly translate the program into success.

Determining **technology** as one of the spearheads in the development strategy, in order to provide the best financial solutions for customers, VietinBank continues to steadfastly invest in building a modern, solid technology foundation, re-designing the architecture of IT systems. At the same time, VietinBank also builds, explores and spreads the value of **the Digital Factory** to bring quality digital products that are constantly and swiftly improved.

1 - BUSINESS PERFORMANCE

Ready to create a new future

2024 promises to be an exciting period for VietinBank. Alongside with further promoting key business directions such as: Traditional banking, ESG, ecosystem development, etc. the entire group will jointly and extensively deploy digital transformation initiatives in different platforms and business lines. VietinBank focuses on building and investing in new technology platforms such as: Omni-channel digital banking platform for retail and corporate customers, digitalizing customer journeys, building big data warehouses and applying advanced data analytics. Accordingly, VietinBank offers customized solutions to meet maximum needs and bring the best-in-class customer experiences.

Changes will gradually take place from new business models formulated based on advanced analytics and data-based decision making, to modern ways of working, application of technology to optimize labor productivity and business performance, mechanism to clearly monitor and evaluate KPIs when applying IT to display workflow and business targets automatically. What's more, an open working environment, adoption of agile method and innovation in career paths will be an important highlight in 2024.

In the long and continuous transformation journey, VietinBank is taking the first steady steps, adopting the best practices in the world. From reforming the organizational structure to manage changes, VietinBank prioritizes maximum resources for comprehensive digital transformation with the desire to not only change the way VietinBank operates internally but also to create a new future, where people and technology blend; thereby, bringing the best experiences to customers as well as employees and outstanding values to shareholders.

DIGITAL TRANSFORMATION PROGRAM THROUGH NUMBERS

VIETINBANK'S DIGITAL TRANSFORMATION PROGRAM ...

... **THIRD** KEY PROJECT OF VIETINBANK AFTER THE ORGANIZATION RESTRUCTURING PROJECT (2014) AND THE CORE BANKING PROJECT (2017).

... EXPECTED TO BE DEPLOYED IN THE **2024 - 2028** PERIOD

... WITH **3** MAIN FOCUSES IN THE TRANSFORMATION JOURNEY, NAMELY: CUSTOMERS - TECHNOLOGY - PEOPLE

... CENTERING AROUND **4** PILLARS: DIGITALIZATION - DATA - TECHNOLOGY - ORGANIZATION

... INCLUDING **108** DIGITAL TRANSFORMATION INITIATIVES

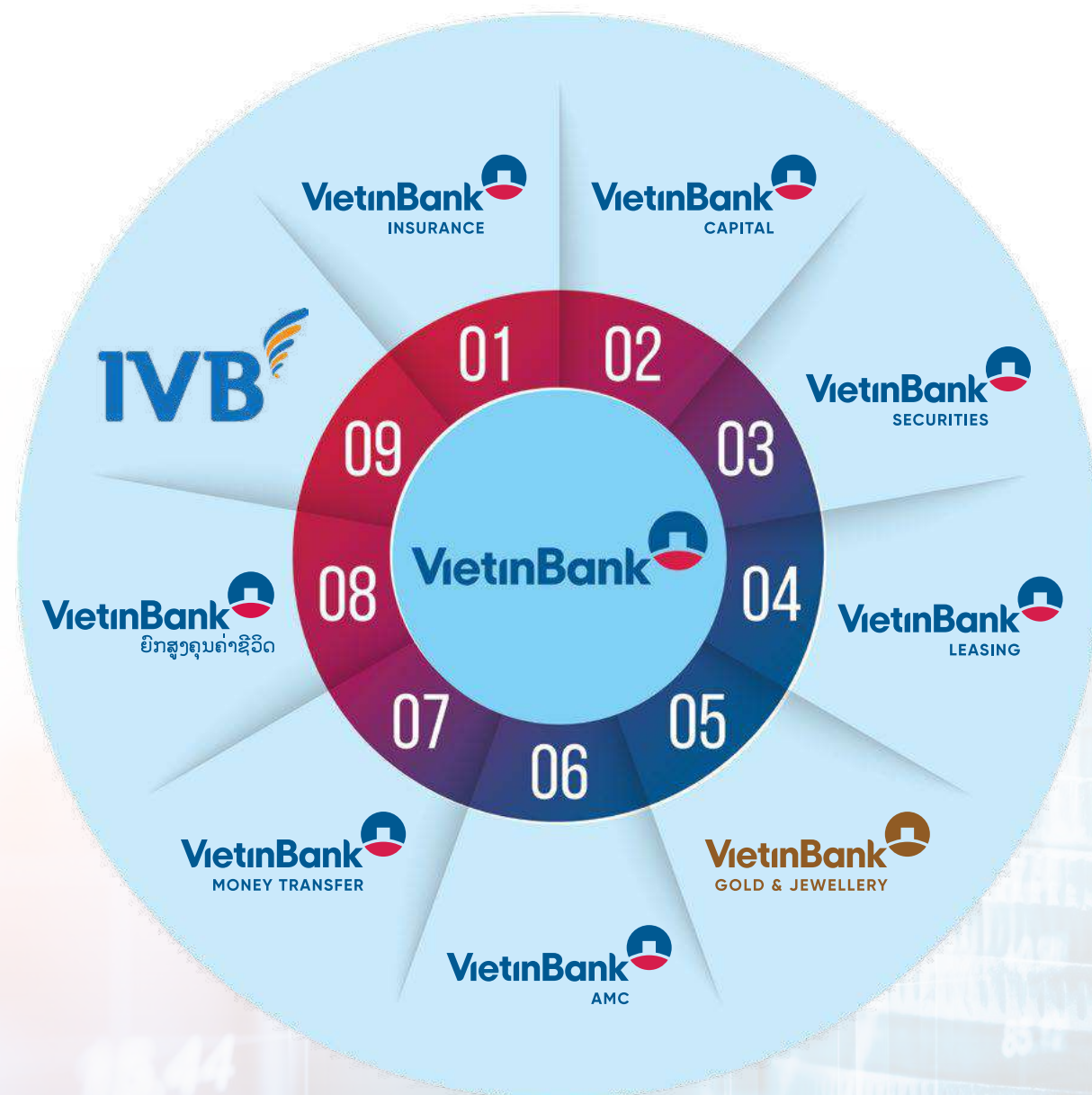
WILL BE A REVOLUTION, NOT ONLY A CHANGE IN TECHNOLOGY, PRODUCTS AND SERVICES; BUT ALSO IN THE ORGANIZATION STRUCTURE, CULTURE, MINDSET, NEW AND MODERN WAY OF THINKING, WAY OF DOING, BRINGING HIGH PERFORMANCE FOR VIETINBANK.

2 - UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION

MAJOR INVESTMENTS AND DIVESTMENTS IN 2023

In 2023, VietinBank did not undertake any new major investment, including financial and project investments.

BUSINESS PERFORMANCE OF SUBSIDIARIES AND AFFILIATES



VietinBank Insurance Joint Stock Corporation

ABBREVIATED NAME	VBI
REGISTERED OFFICE	10th -11th floors, VietinBank Building, No. 126 Doi Can Street, Ba Dinh District, Hanoi
CONTACT	Tel: 0243 9425 650 Fax: 0243 9425 646
BUSINESS LICENSE	No. 21GP/KDBH dated 12/12/2002 and revised license No. 21/GPDC33/KDBH dated 03/03/2022 by the Ministry of Finance
BUSINESS FIELD	Non-life insurance
CHARTER CAPITAL (AS OF 31/12/2023)	VND 666.7 billion
VIETINBANK'S OWNERSHIP	73.37%

TOTAL ASSETS

VND 7,694

billion

↑ **36.8%**
vs. 2022

TOTAL REVENUE

VND 3,728

billion

↑ **16%**
vs. 2022

PBT

VND 363.9

billion

↑ **43.4%**
vs. 2022

BUSINESS LINES:

The Company operates in the areas of non-life insurance, re-insurance and financial investment.

BUSINESS RESULTS AS OF 31/12/2023:

In 2023, VBI's business activities continued to develop and expand.

- The Company's total assets reached VND 7,694 billion, an increase of 36.8% compared to December 31, 2022.
- Total insurance premium revenue reached VND 3,728 billion (up 16% from 2022). The growth rate of original insurance premium revenue ranks 2nd in the Top 11 Non-life Insurers, more than 5 times higher than the industry average growth rate (3%).
- The Company's PBT in 2023 was VND 363.9 billion (up 43.4% from 2022).
- ROE and ROI in 2023 reached 18.1% (up 3.8% from 2022) and 8.03% (up 0.2% from 2022), respectively.

The above growth rates continues to level up the Company's position in the market, securing its place in Top 8 insurers in terms of original insurance revenue market share in the Non-Life Insurance Industry. Specifically, VBI's market share has been continuously growing from 2.5% in 2016 to over 3% in 2019, 3.7% in 2020, 4% in 2021, 4.5% in 2022 and 5% in 2023.

2024 BUSINESS GOALS AND ORIENTATIONS:

In 2024, the Company stays firm with the direction of core business promotion, focusing on best leveraging of all products and services and customer segments (enterprises, individuals); prioritizing resources on offering channels and products where VBI has a competitive advantages to optimize resources, increase exploitation efficiency, and improve labor productivity per employee.

2 - UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION



VietinBank Fund Management Company Ltd.

ABBREVIATED NAME	VietinBank FMC
REGISTERED OFFICE	6th floor, Cua Nam Market Mall, 34 Cua Nam Street, Hoan Kiem District, Hanoi
CONTACT	Tel: 0243 9388 855 Fax: 0243 9388 500
BUSINESS LICENSE	No. 50/UBCK-GP dated 26/10/2010 by the SSC; and the latest revised license No. 105/GPDC-UBCK dated 03/11/2022 by the SSC
BUSINESS FIELD	Fund management
CHARTER CAPITAL (AS OF 31/12/2023)	VND 300 billion
VIETINBANK'S OWNERSHIP	100%

BUSINESS LINES:

The Company operates in the field of fund management, performing the following operations: Establishment and management of securities investment funds; management of investment trust portfolios; securities investment consultancy.

BUSINESS RESULTS AS OF 31/12/2023:

- Total assets as of December 31, 2023 reached VND 414.7 billion, up 1.4% y-o-y.
- Total revenue in 2023 reached VND 13.5 billion, down 68% from 2022.
- PBT attained VND 9.83 billion, an increase of 12 times compared to 2022.

2024 BUSINESS GOALS AND ORIENTATIONS :

Changing its orientation from leveraging the Company's funding to leveraging human resources, in 2023, VietinBank FMC gradually transformed towards focusing on development of core business operations and comprehensive restructuring, thereby contributing to operational efficiency improvement and laying foundation for the Company's sustainable development. Pursuing this goal and strategy, in 2024 the Company shall continue to synchronously implement comprehensive restructuring solutions, with resources dedicated for taking advantages of the VietinBank's ecosystem to gradually and effectively promote core business operations.



VietinBank Securities Joint Stock Company

ABBREVIATED NAME	VietinBank Securities
REGISTERED OFFICE	1st - 4th floors, N02-T2 Building, Xuan Tao Ward, Bac Tu Liem District, Hanoi
CONTACT	Tel: 0243 9741 771 Fax: 0243 9741 760
BUSINESS LICENSE	No. 107/UBCK-GP dated 01/07/2009 by SSC and the latest revised license No. 62/GPDC-UBCK dated 01/08/2023 by the SSC
BUSINESS FIELD	Securities
CHARTER CAPITAL (AS OF 31/12/2023)	VND 1,487 billion
VIETINBANK'S OWNERSHIP	75.64%

BUSINESS LINES:

The Company operates in the securities business, including securities brokerage, investment advisory, proprietary trading, issuance underwriting, corporate finance advisory, and securities custody and other operations in line with applicable laws.

BUSINESS RESULTS AS OF 31/12/2023:

In 2023, the Company continued to strengthen its operations with recorded positive business results:

- Total assets attained VND 8,457 billion, an increase of 67.9% compared to December 31, 2022.
- Total operating revenue in 2023 amounted to over VND 1,144.2 billion, an increase of 31.2% compared to 2022. In particular, the Company's securities brokerage was promoted, bringing about a rise of 22.7% in profit, to VND 275.5 billion and a rise of 13.1% in market share compared to 2022. The Company was also honored with the "Outstanding Financial Brokerage Service" Award in 2023.
- The Company's PBT in 2023 reached VND 230.9 billion, a sharp increase of 193% compared to 2022 while its realized profit was VND 338.9 billion, an increase of 61.4% compared to 2022. ROE reached 9.2%, a hike of 2.4 times compared to 2022.

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, the Company aims to make the best use of the advantages of the VietinBank's ecosystem, promoting core business activities in accordance with market trends and assessments, focusing on developing securities brokerage with its top priority given to market share expansion, combined with growth in margin lending size and advance payments for securities sales, and continuing to improve the Company's capital efficiency by promoting business activities and providing services such as proprietary trading, treasury, corporate finance advisory, etc.

TOTAL ASSETS
VND 414.7
billion
↑ 1.4%
vs. 2022

PBT
VND 9.83
billion
↑ 12 times
higher than that in
2022

TOTAL ASSETS
VND 8,457
billion
↑ 67.9%
vs. 2022

TOTAL REVENUE
VND 1,144.2
billion
↑ 31.2%
vs. 2022

PBT
VND 230.9
billion
↑ 193%
vs. 2022

2 - UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION



VietinBank Leasing Company Ltd.

ABBREVIATED NAME	VietinBank Leasing
REGISTERED OFFICE	16 Phan Dinh Phung Street, Ba Dinh District, Hanoi
CONTACT	Tel: 0243 8233 045 Fax: 0243 7333 579
BUSINESS LICENSE	No. 0101047075 issued by the Planning and Investment Department of Hanoi on 31/08/2009 for the 1st time and registered for the 11th revision on 01/06/2022
BUSINESS FIELD	Financial leasing
CHARTER CAPITAL (AS OF 31/12/2023)	VND 1,000 billion
VIETINBANK'S OWNERSHIP	100%

BUSINESS LINES:

The Company operates in the field of financial leasing, covering: Financial lease, working capital loans, operating lease and other forms of credit extension permitted by the SBV to businesses, individuals, and other organizations that are eligible for loans from credit institutions.

BUSINESS RESULTS AS OF 31/12/2023:

- In 2023, given many difficulties facing the economy, many customers experienced constraints in finding output markets, rising debts and disruptive supply chain. However, the Company's balance sheet and profit were still kept stable and higher than the industry average.
- VietinBank Leasing's total assets reached VND 5,595.1 billion, an increase of 14.8 % compared to December 31, 2022.
- Total income attained VND 556.2 billion, an increase of 48.4% compared to 2022. Total expenses were VND 360 billion, 105.7% soar compared to 2022. Total outstanding financial lease balance reached VND 5,404 billion, an increase of 16.8% compared to 2022.
- The Company's 2023 PBT was VND 145.9 billion, an increase of 3.2% compared to 2022.

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, the Company plans to continue to grow safely, effectively, and sustainably while diversifying funding sources for improving financial autonomy. The Company will also keep spending its efforts in enhancement of risk management, effective cost management and effective leveraging of the ecosystem including VietinBank branches and subsidiaries.



VietinBank Gold and Jewellery Trading Company Ltd

ABBREVIATED NAME	VietinBank Gold & Jewellery
REGISTERED OFFICE	2nd floor, Hoang Thanh Tower No. 114 Mai Hac De, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
CONTACT	Tel: 0243 9388 679
BUSINESS LICENSE	No. 0105011873 issued by the Planning and Investment Department of Hanoi for the first time on 25/11/2010 and registered for the 9th revision on 19/12/2022
BUSINESS FIELD	Trading, manufacturing and processing gold, silver and gemstones
CHARTER CAPITAL (AS OF 31/12/2023)	VND 200 billion
VIETINBANK'S OWNERSHIP	100%

BUSINESS LINES:

The Company operates in the field of gold, silver and other precious metals trading.

BUSINESS RESULTS AS OF 31/12/2023:

In 2023, despite the difficult economic situation and large deviation in domestic and world gold prices, the Company promptly adapted to the tightening gold business management policies by the SBV by shifting from gold bar and raw gold business to fine art gold products and gold gifts. Below is the business performance of the Company in the year:

- Total assets reached VND 293.3 billion, an increase of VND 61.5 billion, equivalent to a 27% growth compared to December 31, 2022.
- Total income was VND 37.4 billion (a marginal decrease of 3% compared to 2022) and total expenses were VND 61.4 billion, an increase of 86% compared to 2022. Gross profit on sales and service provision in the 2023 reached VND 30.1 billion (excluding gain from exchange rate difference from gold export activities of VND 1.7 billion), an increase of 18% compared to 2022.
- PBT in 2023 was negative VND 23.6 billion, of which PBT from operating activities (excluding provisions) of the Company in 2023 reached VND 866 million.

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, the Company plans to synchronously take multiple measures to expand its customer base, including: focusing on sale to corporate customers that have their celebrations held in 2024; further pushing sale to VietinBank's member units to cross-sell products in the ecosystem; diversifying gift product lines, gold gifts, feng-shui gold, jewellery and diamonds suitable for the Vietnamese market; developing direct distribution channels (opening 2 more agents for gift products and 1 transaction point at the international airport) and developing a management software system to serve business activities and promote product sales on the physical gold trading application (Digi-Gold) and through the online sales website.

TOTAL ASSETS

VND
5,595.1

billion

↑ 14.8%
vs. 2022

TOTAL REVENUE

VND 556.2

billion

↑ 48.4%
vs. 2022

PBT

VND 145.9

billion

↑ 3.2%
vs. 2022

TOTAL ASSETS

VND 293.3

billion

↑ 27%
vs. 2022

GROSS PROFIT ON SALES AND SERVICE PROVISION

VND 30.1

billion

↑ 18%
vs. 2022

2 - UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION



VietinBank Debt and Asset Management Company Ltd.

ABBREVIATED NAME	VietinBank AMC
REGISTERED OFFICE	No. 76 Nguyen Van Cu, Nguyen Cu Trinh Ward, District 1, Ho Chi Minh City
CONTACT	Tel: 0283 9202 020 Fax: 0283 9203 982
BUSINESS LICENSE	0302077030 issued by the Planning and Investment Department of Ho Chi Minh City on 20/07/2010 and registered for the 6th revision on 12/01/2021
BUSINESS FIELD	Asset Management
CHARTER CAPITAL (AS OF 31/12/2023)	VND 120 billion
VIETINBANK'S OWNERSHIP	100%

TOTAL ASSETS

VND 194

billion

↑ 19.4%
vs. 2022

BUSINESS LINES:

The company's business activities include taking and management of mortgaged, pledged assets, collateral valuation and debt recovery.

BUSINESS RESULTS AS OF 31/12/2023:

As an independent unit within VietinBank group, mainly mandated to support VietinBank branches in appraisal of collateral value, contributing to risk management in the group, the performance of the Company is reflected in the overall business results of the whole group.

- Total assets reached VND 194 billion, an increase of 19.4% compared to 2022.
- The Company's total income reached VND 113.3 billion, an increase of 52.7% compared to 2022 with nearly VND 98.5 billion of revenue recorded in asset valuation business, an increase of 41% compared to 2022.
- Profit before salary cost reached VND 83.7 billion, rising by 55% compared to 2022.

In addition, in 2023, the Company successfully supported the debt recovery of a VietinBank's branch with a total winning auction value of more than VND 240 billion. Accordingly an amount of VND 4.5 billion in revenue was recorded in pursuance of internal financial management principles (not yet counted as part of the Company's business results).

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, the Company plans to synchronously implement many solutions including:

- Regarding management and governance: The Company shall *(i)* Effectively arrange and implement debt recovery as authorized by VietinBank; *(ii)* Focus on implementing digital transformation in the Company's operations, especially for the core businesses of VietinBank AMC; *(iii)* Adopt performance-based salary mechanism.
- Regarding the organizational model: The Company shall *(i)* Relocate the Company's headquarter from Ho Chi Minh City to Hanoi; *(ii)* Establish Debt Recovery Center and Da Nang Branch.



VietinBank Global Money Transfer Company Ltd.

ABBREVIATED NAME	VietinBank Money Transfer
REGISTERED OFFICE	3rd Floor, VietinBank Building, No.126 Doi Can Street, Ba Dinh District, Hanoi
CONTACT	Tel: 0243 9428 690 – 0243 9428 691 Fax: 0243 9428 693
BUSINESS LICENSE	No. 0105757686 issued by Department of Planning and Investment of Hanoi on 03/01/2012, registered for the first change on 13/03/2015
BUSINESS FIELD	Currency intermediary
CHARTER CAPITAL (AS OF 31/12/2023)	VND 50 billion
VIETINBANK'S OWNERSHIP	100%

TOTAL ASSETS

VND 291

billion

↑ 45%
vs. 2022

BUSINESS LINES:

Money transfer, money exchange service and other remittance services in accordance with applicable laws.

BUSINESS RESULTS AS OF 31/12/2023:

- Total assets by the end of 2023 were VND 291 billion, an increase of 45% compared to the end of 2022.
- Total income in 2023 reached VND 74.4 billion, an increase of 7% compared to 2022 with recorded income from service of almost VND 63 billion VND, an increase of 45% y-o-y.
- The Company's 2023 PBT was higher than that in 2022 and reached VND 40.02 billion VND.

2024 BUSINESS GOALS AND ORIENTATIONS:

In 2024, the Company plans to synchronously implement many solutions, including:

- Focusing on market expansion, consolidating cooperation relations with partners globally;
- Upgrading and developing new products, improving service quality and risk management;
- Strengthening promotion and advertising activities for money transfer products and services to customers, especially customers in regions potential of labor export;
- Promoting cross-sale of products in the ecosystem to increase overseas remittance volume and sale of accompanying banking products and services.

PBT

VND 40

billion

↑ PBT in 2022

2 - UPDATES ON PROJECT INVESTMENT AND IMPLEMENTATION



VietinBank Lao Ltd.

ABBREVIATED NAME	VietinBank Laos
REGISTERED OFFICE	No. 268 Langxang road, Hatsady Ward, Chanthabouly District, Vientiane, the Lao PDR
CONTACT	Tel: (+856) 2126 3997 Fax: (+856) 2126 1026
BUSINESS LICENSE	- Establishment license No. 068/NHCHDCNDL dated 08/07/2015 issued by the Bank of the Laos PDR - Business license No.. 2947/ĐKDN dated 27/09/2023 issued by the Bank of the Laos PDR
BUSINESS FIELD	Banking and Finance services
CHARTER CAPITAL (AS OF 31/12/2023)	USD 62 million
VIETINBANK'S OWNERSHIP	100%

CHARTER CAPITAL

VND
1,488.3

billion

↑ 24%
vs. 2022

VietinBank Laos was established in March 2012 in the form of a branch under VietinBank's HO. By August 2015, Laos branch was upgraded to a subsidiary bank with 100% foreign capital, creating opportunities to expand its scale in provinces and cities, providing convenient and versatile products and services to customers, promoting strong growth in Laos. After more than 11 years of operation, VietinBank Laos is ranked 8th among commercial banks in Laos and 2nd among Vietnamese commercial banks in Laos.

BUSINESS RESULTS AS OF 31/12/2023:

2023 is a year filled with lots of difficulties and challenges for the Laos economy in general and VietinBank Laos' business activities in particular in the context of the global economic crisis and the Russia-Ukraine tension. However, VietinBank Laos has made great efforts to fulfill the assigned targets. In 2023, VietinBank Laos completed the procedures to increase its charter capital for the second time to USD 62 million (~ VND 1,488.3 billion).

- VietinBank Laos' total assets in 2023 were USD 236.8 million (~VND 5,685.3 billion), an increase of 20.8% compared to 2022.
- Total deposits reached USD 190.3 million (~VND 4,568.6 billion), an increase of 18% from end of 2022. Total outstanding loans of VietinBank Laos attained USD 179.5 million (~VND 4,307.9 billion), an increase of 12% from end of 2022.
- PBT as of December 31, 2023 amounted to USD 2.74 million (~VND 65.8 billion), an increase of 36% compared to 2022. Bad debt ratio is 0.99% (well below the regulatory ratio of 3% by the Bank of the Laos PDR) while the bad debt coverage ratio is 148.7%.
- Financial indicators such as ROA of 1.26%, ROE of 5.95% improved compared to 2022 (In 2022, ROA: 1.16%, ROE 5.42%).

(Exchange rate on December 31, 2023 USD/VND: 24,005)

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, VietinBank Laos will continue to focus on controlling debt quality and credit growth in potential and key industries of the economy, reducing outstanding loans in high-risk industries. At the same time, VietinBank Laos will maintain a stable average lending interest rate, to apply appropriate and competitive interest rates for higher efficiency.



Indovina Bank Ltd.

ABBREVIATED NAME	IVB
REGISTERED OFFICE	97A Nguyen Van Troi, Ward 12, Phu Nhuan District, Ho Chi Minh City
CONTACT	Tel: 0283 9421 042 Fax: 0283 9421 043
BUSINESS LICENSE	No. 101/GP-NHNN issued by the SBV on 11/11/2019 (in replacement of Business license No. 08/NH-GP issued by the SBV on 29/10/1992)
BUSINESS FIELD	Banking
CHARTER CAPITAL (AS OF 31/12/2023)	USD 193 million
VIETINBANK'S OWNERSHIP	50%

BUSINESS LINES:

Funds mobilization and lending, foreign exchange transactions, international trade services, payment services and other banking services permitted by the SBV.

BUSINESS RESULTS AS OF 31/12/2023:

- IVB's total assets as of December 31, 2023 reached VND 63.9 trillion, up 9% compared to 2022. Outstanding loans attained VND 33.2 trillion, up 6.4% compared to 2022, accounting for 52% of total assets.
- IVB's total income in 2023 was VND 1,547 billion, whereof: Net interest income was VND 1,341 billion, down 21.9% compared to 2022, net service income was VND 53 billion, down 15.9 % compared to 2022. Total operating expenses in 2023 were VND 538 billion, down 2.9% compared to 2022.
- PBT in 2023 reached VND 496 billion, down 53.6% compared to 2022 due to increased risk provisions given the difficult and volatile economy impacting on customers' ability to repay.

2024 BUSINESS GOALS AND ORIENTATIONS :

In 2024, the Bank plans to synchronously implement many development solutions, including:

- Focusing on shifting to and developing the SME and individual customer segments to diversify the customer base;
- Increasing fee income from trade finance and cards;
- Effectively implementing bad debt handling and recovery activities;
- Strengthening risk management and debt quality control.

TOTAL ASSETS

VND
63,900

billion

↑ 9%
vs. 2022

OUTSTANDING
LOANS

VND
33,200

billion

↑ 6.4%
vs. 2022

3 - FINANCIAL PERFORMANCE IN 2023



Unit: VND billion

CONSOLIDATED INDICATORS	2022	2023	+/- (%)
Total assets	1,808,811	2,032,614	12.4%
Fund mobilization	1,340,546	1,526,275	13.9%
Credit balance	1,279,845	1,478,228	15.5%
PBT	21,132	24,990	18.3%
PAT	16,984	20,045	18.0%

MAJOR FINANCIAL INDICATORS

Unit: VND billion

INDICATOR	2022	2023
Assets and Capital		
Total assets	1,808,811	2,032,614
Charter capital	48,058	53,700
Owners' Equity	108,316	125,872
Business Performance		
Net interest income	47,792	52,957
Net fee and commission income	5,862	7,114
Net operating profit before provision for credit losses	44,922	50,105
PBT	21,132	24,990
PAT	16,984	20,045
NIM	2.93%	2.9%
CIR	29.9%	29.0%
ROE	16.8%	17.1%
ROA	1.27%	1.30%
Special-mentioned loans and NPLs		
Special-mentioned loans/credit balance	2.3%	1.4%
NPLs/credit balance	1.1%	1.0%
Liquidity and capital adequacy		
Liquidity reserve ratio	15.1%	17.8%
LDR	81.8%	80.6%
Ratio of short-term funds for medium-long term loans	25.7%	20.6%
CAR	Compliant	Compliant

(Source: VietinBank's 2022 and 2023 audited consolidated FS)

Notes:

- Data in "December 31, 2022" column have been adjusted according to the State Audit's audit report.
- Special-mentioned loan and NPL ratios are calculated according to the provisions of Circular 11/2021/TT-NHNN dated July 30, 2021 of the SBV, on the non-consolidated basis.
- Guarantee fee income is not taken into account when calculating NIM.

4 - SHAREHOLDERS STRUCTURE, CHANGES IN OWNERS' EQUITY

SHARES

TOTAL NUMBER OF COMMON SHARES

5,369,991,748

shares

NUMBER OF OUTSTANDING SHARES

5,369,991,748

shares

NUMBER OF RESERVE SHARES AND
TREASURY SHARES BY EACH TYPE

0

share

MAXIMUM FOREIGN OWNERSHIP RATIO

30%

List of shareholders whose shares are subject to transfer restriction (as of December 31, 2023):

NO.	NAME OF INDIVIDUAL AND INSTITUTIONAL SHAREHOLDER	ID CARD/ BUSINESS LICENSE NO./ TRANSACTION CODE	NUMBER OF SHARES	OWNERSHIP PERCENTAGE	NUMBER OF SHARES SUBJECT TO TRANSFER RESTRICTION
1	State Shareholder (SBV)	15/SL	3,461,676,283	64.46%	3,461,676,283
	Represented by				
	- Mr. Tran Minh Binh - Chairman of the BoD, representing 40% of the State capital		1,384,670,513	25.78%	1,384,670,513
	- Mr. Tran Van Tan, Board member, representing 30% of the State capital		1,038,502,885	19.34%	1,038,502,885
	- Mr. Le Thanh Tung, Board member, representing 30% of the State capital		1,038,502,885	19.34%	1,038,502,885
2	Internal shareholders		157,728	0.0030%	67,499
	- The BoD		61,530	0.0011%	61,530
	- The SB		5,969	0.0001%	5,969
	- The BoM		90,229	0.0017%	0
3	VietinBank's Trade Union	310/ToC- CĐNH	61,633,846	1.15%	0
4	Strategic shareholder				
	MUFG Bank, Ltd.	CA6217	1,059,477,261	19.73%	0

SHAREHOLDERS STRUCTURE AS OF DECEMBER 31, 2023

NO.	SHAREHOLDER (BY OWNERSHIP RATIO)	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
1	Major shareholders (holding 5% or more of the charter capital)	4,521,153,544	84.19%
1.1	State shareholder (SBV)	3,461,676,283	64.46%
1.2	MUFG Bank, Ltd.	1,059,477,261	19.73%
2	Other shareholders	848,838,204	15.81%
	TOTAL	5,369,991,748	100%

NO.	SHAREHOLDER (BY TYPE)	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
1	Institutional shareholders	5,130,326,670	95.54%
	In which:		
	- State shareholder (SBV)	3,461,676,283	64.46%
	- Others as institutional shareholders	1,668,650,387	31.08%
2	Individual shareholders	239,665,078	4.46%
	TOTAL	5,369,991,748	100%

NO.	SHAREHOLDER (BY NATIONALITY)	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
1	State shareholder (SBV)	3,461,676,283	64.46%
	Whereof:		
	- Mr. Tran Minh Binh - Chairman of the BoD, representing for 40% of the State capital	1,384,670,513	25.78%
	- Mr. Tran Van Tan - Board member, representing for 30% of the State capital	1,038,502,885	19.34%
	- Mr. Le Thanh Tung - Board member, representing for 30% of the State capital	1,038,502,885	19.34%
2	VietinBank Trade Union	61,633,846	1.15%
3	Other shareholders	1,846,681,619	34.39%
3.1	Domestic shareholders	394,225,612	7.34%
	- Domestic institutional shareholders	158,714,437	2.95%
	- Domestic individual shareholders	235,511,175	4.39%
3.2	Foreign shareholders	1,452,456,007	27.05%
	- Foreign institutional shareholders	1,448,302,104	26.97%
	- Foreign individual shareholders	4,153,903	0.08%
	TỔNG CỘNG	5,369,991,748	100%

4 - SHAREHOLDERS STRUCTURE, CHANGES IN OWNERS' EQUITY

CHANGES IN OWNERS' EQUITY:

In 2023, VietinBank issued shares to pay dividends at a rate of **11.7415%** (a shareholder as owner of 1,000,000 shares receives 117,415 new shares). The number of shares issued is **564,241,139 shares**. Upon completion of this stock dividend payment, VietinBank's charter capital increased from **VND 48,057 billion** to nearly **VND 53,700 billion**.

Please see VietinBank's capital raising history in the table below:

NO.	TYPE OF ISSUANCE	PERCENTAGE (%)	NUMBER OF ISSUED SHARES	EX-RIGHT DATE	EXECUTION DATE	CHARTER CAPITAL POST-ISSUANCE (VND)
1	2020 stock dividend	11.7415	564,241,139	30/11/2023	01/12/2023	53,699,917,480,000
2	2017, 2018, 2019 stock dividend	29.07	4,805,750,609	07/07/2021	21/07/2021	48,057,506,090,000
3	Share issuance to existing shareholders in 2013	14.00	457,260,208	06/09/2013	14/10/2013	37,234,045,560,000
4	Private placement of shares with BTMU (now MUFG Bank)	19.73	644,389,811	14/05/2013	14/05/2013	32,661,443,480,000
5	2011 stock dividend and share bonus payment from share premium	29.60	598,782,376	30/03/2012	09/04/2012	26,217,545,370,000
6	Share issuance to existing shareholders in 2011	20.00	337,162,027	29/11/2011	28/12/2011	20,229,721,610,000
7	Private placement of shares with IFC	10.00	168,581,013	10/03/2011	10/03/2011	16,858,101,340,000
8	Share issuance to existing shareholders in 2010	28.00	315,083,238	06/09/2010	18/10/2010	15,172,291,210,000
	2009 stock dividend	6.83	76,848,603			

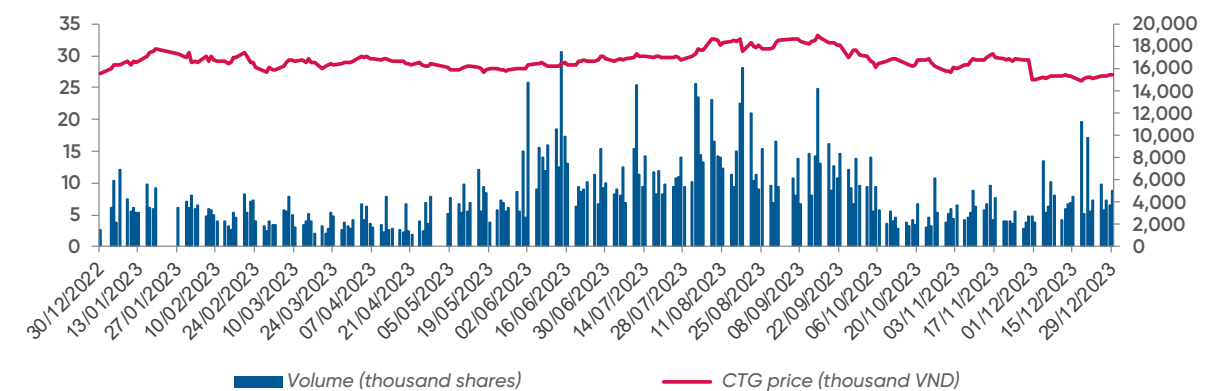
CASH DIVIDEND HISTORY

YEAR	PERCENTAGE (%)	PAYMENT FORM	EX-RIGHT DATE	PAYMENT DATE
2020	8.00	2020 cash dividend	14/12/2021	17/1/2022
2019	5.00	2019 cash dividend	17/12/2020	21/1/2021
2016	7.00	2016 cash dividend	27/9/2017	17/10/2017
2015	7.00	2015 cash dividend	16/1/2017	16/2/2017
2014	10.00	2014 cash dividend	23/6/2015	17/7/2015
2013	10.00	2013 cash dividend	21/5/2014	6/6/2014
2012	16.00	2012 cash dividend	6/9/2013	24/9/2013
2010	13.47	2010 cash dividend advance	14/1/2011	16/2/2011

TREASURY STOCK TRANSACTIONS:

There was no treasury stock transaction in 2023.

STOCK PRICE DEVELOPMENT DURING THE YEAR



ITEM	VALUE
Price of the first trading session of 2023 (3/1/2023)	VND 28,000/share
Price of the last trading session of 2023 (29/12/2023)	VND 27,100/share
Price fluctuations in 2023	VND 26,050 – 33,200/share
Trading volume in 2023	2,568,704,365 shares
Trading value in 2023	VND 31,966 billion
Trading volume of foreign investors in 2023	Net sale of 38,881,407 shares
Foreign ownership percentage (29/12/2023)	27.05%
EPS (29/12/2023)	VND 1,140/share
P/E (29/12/2023)	23.78x
BVPS (29/12/2023)	VND 23,756/share
P/B (29/12/2023)	1.14x



5 - BOND ISSUANCE IN 2023



Key highlights in numbers

VND14,542.37

Billion

**VOLUME OF BONDS ISSUED
IN 2023**

11 rounds

**PRIVATE PLACEMENT OF
BONDS**

2 rounds

**PUBLIC OFFERING OF
BONDS**

In 2023, VietinBank continued its bond issuance activities to raise Tier-2 capital. The total issuance volume reached VND 14,542.37 billion, which is 2.6 times higher than in 2022. This achievement positioned VietinBank as the largest bond issuer in terms of volume of issued bonds on the market. By capital raising through bond issuance, VietinBank is better equipped to provide loans to the economy, serve credit growth demands, and ensure compliance with SBV's regulatory safety ratios.

Through public offerings, VietinBank conducted two rounds of bond issuance totalling VND 8,092.37 billion with maturities of 8 and 10 years, and floating interest rates referencing the average 12-month savings interest rates in VND of four banks: VietinBank, Vietcombank, BIDV, and Agribank, plus a margin of 1.2% p.a. for the 8-year bonds and 1.3% p.a. for the 10-year bonds. Leveraging digital transformation in its banking operations, VietinBank enhanced the bond purchase feature on VietinBank iPay, improving customer accessibility through online channels. As a result, transaction volumes and values increased significantly compared to previous years as more customers paid attention to this feature. In full compliance with legal regulations for public bond offerings, VietinBank promptly submitted bond listing applications and obtained approval from the Hanoi Stock Exchange (HNX). Consequently, the publicly offered bonds from the 2023 issuance, batch 1 were traded from October 30, 2023, while those under the bond issuance of batch 2 were traded from January 12, 2024.

VietinBank also leveraged its private placement channel, successfully raising VND 6,450 billion across 11 batches of private placement of bonds, making up 44.4% of the total bond issuance volume in 2023. VietinBank's privately placed bonds primarily focused on three maturities: 8 years, 10 years, and 15 years. These bonds were offered with both fixed and floating interest rates, ranging from 0.9% to 1.3% per year to cater to the investment preferences of customers, especially financial institutions. In conjunction with the official operation of HNX's private bond trading system on July 19, 2023, VietinBank became one of the first issuers in the market to successfully register all privately issued bonds currently in circulation. Furthermore, VietinBank consistently met registration deadlines for newly issued bonds in 2023, adhering to state regulatory requirements.

Over the past years, bond issuance remained an effective medium- and long-term capital raising channel for VietinBank. It contributed to improving operational safety ratios, particularly capital adequacy ratio. Additionally, it helped the Bank strengthen risk management for liquidity, meeting the demand for medium- and long-term lending. Reasonable bond coupons allowed VietinBank to reduce cost of fund for improving financial efficiency, and lowering lending rates for businesses and individuals, in line with Government and SBV directives.

Despite the narrowing bond market due to stricter legal regulations, VietinBank maintained impressive growth in bond issuance for Tier-2 capital raising. This reaffirmed the Bank's credibility and brand reputation in the financial market and the role of a pioneering bank in adhering to securities law, demonstrating its commitment to providing safe, efficient, transparent, and highly liquid financial products for investors.

"FLEXIBLE AND PROACTIVE ADAPTATION"

PART

03

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

- 1 MACROECONOMIC SITUATION AND BANKING INDUSTRY IN 2023
- 2 NOTABLE BUSINESS RESULTS OF VIETINBANK IN 2023
- 3 BUSINESS DIRECTIONS IN 2024
- 4 JUSTIFICATIONS OF THE BOARD OF MANAGEMENT FOR AUDITOR'S OPINION
- 5 REPORT OF THE BOARD OF MANAGEMENT ON ESG ASSESSMENT

1 - MACROECONOMIC SITUATION AND BANKING INDUSTRY IN 2023

MACROECONOMIC AND BANKING INDUSTRY DEVELOPMENTS IN 2023

Global economy

The global economy in 2023 continued to face numerous difficulties and challenges as most economies around the world experienced lower growth than expected due to decreased aggregate demand. Inflation, although cooling down, remained at elevated levels. Tightened monetary policies and rising global public debt added to the complexities. New risks, such as geopolitical instability, food security concerns, and competition among major nations, continued to shape changes and impact the global economy in both the short and long term. Meanwhile, climate change exerted a powerful influence, making 2023 the hottest year on record since temperature records began in 1850.

By the end of 2023, the global economy saw slower growth, with a rate of around 3% compared to 3.5% in 2022. In major economies like the United States and the European Union, inflation was effectively controlled and gradually stabilized. Specifically, FED halted interest rate hikes, maintaining rates between 5.25% and 5.5% from mid-2023. The European Central Bank (ECB) also kept rates at 4.5% since September 2023, with forecasts indicating potential rate cuts in 2024.

Despite uneven recovery, China's growth still exceeded its 5.2% target. However, persistent deflation in the last three months of the year signaled that the Chinese government might need stronger policies to support its economy.



Vietnam economy

Turning to Vietnam, the economy faced slower growth in 2023 due to both global challenges and internal constraints. Nevertheless, coordinated efforts by the Government and relevant agencies led to several bright spots. Legal frameworks continued to improve, macroeconomic stability was maintained, inflation was under control, and public investment disbursement outpaced 2022 levels. Additionally, signs of recovery emerged in trade as imports and exports began to rebound. The main growth driver was public investment, supported by expansionary fiscal policies, short-term demand stimulation, removal of barriers to the effective implementation of public investment and infrastructure bottleneck. The recovery of the economy, therefore, was fostered for long-term growth. Domestic consumer demand, although showing signs of slower-down, remained a growth catalyst. This was aided by a 2% reduction in VAT rates and increased salaries and pensions in state agencies and state-owned enterprises. Furthermore, foreign direct investment remained optimistic, highlighting Vietnam's attractiveness as a destination despite global trade and investment constraints.

- **Stable macroeconomic conditions securing major balances**

In 2023, despite global challenges and internal constraints, Vietnam's GDP grew by approximately 5.05% compared to 2022 yet below the targeted range of 6% to 6.5%. Nevertheless, this growth still places Vietnam among the high-growth countries in the region and globally. The average consumer price index increased by 3.25%, falling short of the 4.5% target. The foreign exchange and monetary markets remained stable, with interest rates decreasing by about 2% compared to late 2022. Consequently, Fitch Ratings upgraded Vietnam's long-term sovereign rating to BB+ (from BB), with a 'Stable' outlook.

- **Deceleration in export and import, yet trade surplus trend maintained**

Aligned with the overall global economic difficulties, both exports and imports were negatively affected. Accordingly, throughout 2023, the total value of goods exports and imports reached USD 683 billion, representing a 6.6% decline from 2022. Specifically, exports decreased by 4.4%, while imports dropped by 8.9%. Despite these challenges, agricultural exports stood out as a bright spot, reaching over USD 53 billion in 2023. Notably, strong growth was observed in key products such as rice and fruits.

- **Continued positive momentum in Foreign Direct Investment (FDI)**

Vietnam sustained robust FDI attraction, achieving a 32.1% increase compared to the same period in 2022, totaling over USD 36.61 billion. This marks the third consecutive year of high FDI inflows since 2008. Within the total registered capital of over USD 36.6 billion, newly-registered capital amounted to nearly USD 20.19 billion, reflecting a remarkable 62.2% growth from the same period in 2022. The number of newly registered projects also reached 3,188, up 56.6%. Both new projects and capital inflows demonstrated significant growth.

- **Public investment continues as an economic growth driver**

Amid the broader economic challenges, the Government continued its expansionary fiscal policies by enhancing public investment disbursement. Notably, public investment was strategically restructured to focus on key projects with spillover effects, fostering development and regional connectivity.

Vietnam's Economic Footprint in 2023

GDP

↑ 5.05%
(y-o-y)

EXPORTS

↓ 4.4%
(y-o-y)

IMPORTS

↓ 8.9%
(y-o-y)

CPI

↑ 3.25%
(y-o-y)

AVERAGE INTERBANK
USD/VND

exchange rate
23,895

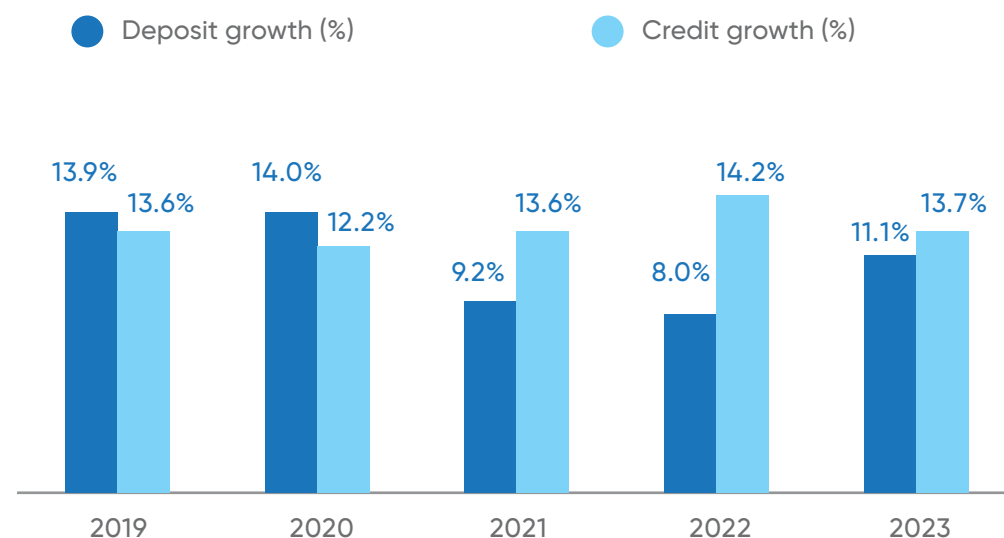
FDI CAPITAL
DISBURSEMENT

USD 23.18 billion

1 - MACROECONOMIC SITUATION AND BANKING INDUSTRY IN 2023

Vietnam Banking Industry

In response to rapid global and domestic fluctuations, the SBV proactively monitored developments from the beginning of 2023 for swift adjustments to policies and synchronized implementation of optimized tools and solutions. These efforts contributed to macroeconomic stability, curbing inflation at low rate, supporting economic growth and fostering the safe development of the banking system. Total credit balance of the banking industry increased by 13.7% in 2023 with a significant soar in December 2023, effectively meeting the capital needs of the economy. Notably, credit growth was driven by corporate customers. Meanwhile, deposits in client market grew at a lower rate than credit, rising by 11.1%. Corporate customers' deposits improved significantly after a sharp decline in the early quarters. Additionally, deposits from individuals accounted for a large proportion, as the stock market and real estate did not perform as expected, prompting people to choose safer channels for their savings.



Source: SBV, General Statistics Office of Vietnam

In 2023, the SBV implemented a comprehensive and flexible set of monetary policy solutions, including:

- Carried out 4 interest rate cuts and maintained easing policies to support business recovery and development in line with the government's direction. Accordingly, commercial banks gradually adjusted deposit interest rates to serve the reduction of lending interest rates in alignment with market conditions.
- Issued and implemented various policies to assist citizens and businesses. Notably, **Circular No. 02/2023/TT-NHNN**, issued by the SBV Governor on April 23, 2023, regulated the credit institutions and foreign branch banks restructuring of repayment terms and retention of debt groups to support customers facing difficulties.
- Dynamically managed credit growth targets across the entire banking system to ensure sufficient capital for the economy and maintain the safety of credit institutions.
- Actively promoted digital transformation across the banking industry, emphasizing non-cash payment channels such as internet banking, mobile transactions, and QR codes, etc. Stably and securely operated payment systems helped enhance access to banking services, reduce payment costs, and increase transparency in the economy.
- Proactively and flexibly managed exchange rates amid global and local economic uncertainties. By stabilizing the foreign exchange market and limiting short-term major exchange rate fluctuations, the SBV have ensured sound liquidity and currency value.

BUSINESS ENVIRONMENT PROSPECTS IN 2024

Global macroeconomic outlook in 2024

Global economic growth in 2024 is projected to be lower than previously forecast. Risks that hinder world economic growth are still present with the emergence of some new trends, such as:

- Geopolitical tensions in some regions of the world;
- Fierce competition on many fronts between China and the United States and its allies is expected to increase in the time to come;
- As the impact of tightening monetary policies to combat inflation, fiscal support policies are gradually restrictive amid public debt showing signs of increasing. The delayed effects of monetary tightening by central banks may be evident in slower average growth rates in developed economies, estimated at around 1% in 2024 (Source: IMF).

Despite the risks, global economic growth in 2024 will benefit from a number of favorable factors, including:

- Commitments and agreements on globalization, although slowing down in global level, but the flows of globalization continue to take place at the regional and bilateral levels;
- Some emerging growth drivers of the global economy during this period, such as green transitions and post-COVID-19 economic integration, continue to shape the global economy. Additionally, the rapid digital transformation under Industrial Revolution 4.0 will contribute to worldwide economic growth momentum.

	THE WORLD		DEVELOPED COUNTRIES		EMERGING COUNTRIES	
	2023	2024	2023	2024	2023	2024
IMF (10/2023)	3.0	2.9	1.5	1.4	4.0	3.9
OECD (11/2023)	2.9	2.7	1.7	1.4	-	-
WB (6/2023)	2.1	2.4	0.7	1.2	4.0	3.9

Source: Archived from research reports of IMF, WB and OECD

Global inflation is projected to gradually decrease from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024 (Source: IMF). According to experts' assessments, global price pressures will ease as countries maintain tight monetary policies, energy prices decline, coupled with strong labor markets.

1 - MACROECONOMIC SITUATION AND BANKING INDUSTRY IN 2023

Outlook for Vietnam's Economy in 2024:

In 2024, Vietnam's economy is expected to continue benefiting from favorable conditions while also facing several challenges. Given the uncertain global economic recovery, the impact of the world economy's slowdown is likely to persist for Vietnam. However, positive signs in Vietnam's economy during 2023 indicate a path to recovery and optimism for 2024. Exports, public investment and FDI inflows are expected to be the key drivers supporting economic growth in 2024.

- **Exports:** Exports are poised to rebound on the back of the global technology market's recovery, which will improve demand for major products such as electronics, computers, and mobile phones. Additionally, agricultural exports (such as rice and coffee) remain resilient thanks to sustained high international prices resulting from limited supply.
- **Public investment:** Spillover effects of public investment is expected to stimulate growth in aggregate demand in 2024. The Government's plan for 2024 allocates over VND 677 trillion, (Decision No. 1603/QĐ-TTg), compared to the 2023 actual expenditure of VND 580 trillion. Diligent and resolute measures by the Government and regulatory agencies have accelerated disbursements in critical projects during the latter half of 2023. Consequently, public investment disbursement in 2024 is expected to continue accelerating, reaching 90% - 95% of the plan and increasing by 5% - 10% compared to the previous year.
- **FDI Inflows:** Prospects for foreign direct investment (FDI) remain promising in 2024. With a stable economic and social environment, abundant labor force, and active promotion of free trade agreements and comprehensive strategic partnerships with leading economies, Vietnam is a potential player in supply chains diversification strategies of manufacturers.

In addition, in 2024, the SBV plans to continue implementing proactive, flexible monetary policies that align harmoniously with fiscal policies and other macroeconomic measures. Specific points include:

- **Credit growth:** A credit growth target of around 15% is set for 2024, driven by three factors: **(i)** Improvement of global trade as inventory levels hit the bottom and demand recovers in most major economies as inflation is expected to cool down; **(ii)** The gradual rebound of domestic consumption thanks to controlled inflation and the resurgence of international tourism post-COVID-19; **(iii)** Boost of private investment, supported by fiscal policies (8% VAT rate) and monetary policies (low-interest rates), encouraging business expansion.
- **Interest Rates:** SBV maintains a flexible and easing monetary policy, promoting economic growth while cautiously managing inflation (target range of 4% - 4.5%).
- **Exchange Rate:** Expectations point to a gradual depreciation of the exchange rate due to the narrowing interest rate difference between USD and VND. Additionally, inflationary pressures in 2024 are not expected to be significant, given limited room for increasing of drivers of core inflation (such as oil and commodity prices).

	IMF	ADB	WB	TARGETS SET FORTH BY THE NATIONAL ASSEMBLY
Vietnam GDP growth forecast in 2024	6.9%	6%	5.5%	6% - 6.5%
Average CPI growth forecast		4%	4%	4% - 4.5%



2 - NOTABLE BUSINESS RESULTS OF VIETINBANK IN 2023

The global and Vietnamese economies in 2023 resemble a canvas painted with a mix of bright and dark hues. While the economic environment has seen several positive highlights, it also faces lots of threats and challenges. In this context, taking the advantages of the situation as “in danger lies opportunity”, VietinBank proactively adapted to market changes, maintained effective and sustainable business growth, and actively pioneered in implementation of major policies set by the Party, Government, and State.

BUSINESS PERFORMANCE IN 2023

During 2023, VietinBank actively deployed a comprehensive set of business solutions, emphasizing innovation and transformation. The Bank pursued robust growth models and swiftly adjusted income structures. With a customer-centric strategy, VietinBank determined its competition edge towards focusing on developing modern banking and financial solutions, enhancing advisory capabilities, and delivering high-quality services to meet customers' financial needs. Business scale continued to expand alongside improved asset quality. Funding sources were balanced optimally to align with credit growth, complemented by a strong push toward services digitization for optimization of overall business efficiency.

1. Strengthen capital base

- VietinBank's charter capital increased to nearly VND 53.7 trillion in 2023 through issuing shares to pay dividends from the 2020 profits. The bolstered capital buffer will help optimize cost of funds and contribute positively to building up resources for future business growth, enabling the Bank to excel in both scale and quality.

2. Maintain the operational scale with a positive growth rate

- Total assets as of December 31, 2023 of VietinBank surpassed VND 2 quadrillion for the first time, reaching VND 2.03 trillion, an increase of **12.4%** compared to 2022.
- Credit exposure reached VND 1.48 quadrillion, growing by **15.5%** year-on-year and consistently outpacing industry averages. Notably, customer loans amounted to VND 1.47 quadrillion, reflecting a **15.6%** increase from 2022. The credit structure was improved, with expansion seen across all segments and shifts observed towards retail and SME segments as high profitability generators in accordance with VietinBank's strategic direction.
- Mobilized funds as of December 31, 2023 reached VND 1.53 quadrillion, representing an increase of **13.9%** from the beginning of the year. In which, customer deposits stood at VND 1.4 quadrillion, rising by **12.9%** compared to 2022, issued valuable papers were VND 115 trillion, increasing by **26.3%** year-on-year. Despite industry-wide challenges with declining CASA balances, VietinBank's CASA rebounded strongly in 2023, making up a CASA ratio of 22.5% (a **2.5%** increase from 2022).

DEPOSIT MARKET SHARE

↑ **10.4%**

(As of 30/11/2023, source: SBV)

LENDING MARKET SHARE

↑ **10.9%**

(As of 31/12/2023, source: SBV)

3. Improve credit quality continuously

- The ratio of bad debts/outstanding loans on consolidated basis as of December 31, 2023, stood at **1.13%** while the bad debt ratio on separated basis, calculated as per Circular 11/2021/TT-NHNN issued by the SBV was **1%** at 2023 year-end, which is lower than the banking-industry-average. VietinBank is the only bank among the leading joint-stock commercial banks having bad debt ratio lower than that in 2022. All bad debt indicators adhere to SBV's and GMS's targeted thresholds and limits.
- The coverage ratio for on-balance-sheet bad debts and bonds in 2023 remained high at **167.2%**.

4. Promote shifts in income structure

- VietinBank's total operating income in 2023 reached VND 70.5 trillion, a **10%** increase year-on-year. The Bank actively transformed its income structure through comprehensive financial solutions and service quality improvement, etc.
- Net interest income (excluding guarantee fee income) reached VND 51.6 trillion, growing by **10%** year-on-year. This growth was driven by credit expansion to provide capital to the economy while maintaining good loan quality.
- Non-interest income made up 26.9% of the total operating income, with engines being core businesses such as guarantees, trade finance, and FX trading, etc. Specifically, net service income (including guarantee fees) in 2023 reached VND 8.5 trillion, a **25.7%** increase from the beginning of the year. Net gain from FX trading continued to grow by **19.5%** compared to 2022, reinforcing VietinBank's position as a leader in FX trading volume and market share.

5. Optimize the management of operating expenses

- VietinBank's cost-to-income ratio (CIR) for 2023 was 29%, lower than the 29.9% in 2022. The Bank consistently optimizes and effectively manages operating expenses, prioritizing activities that drive business growth and key projects. Likewise, improved total operating income in 2023 outpaced the growth rate of operating expenses, contributing to a reduced CIR.

2 - NOTABLE BUSINESS RESULTS OF VIETINBANK IN 2023

6. Post impressive business results

- Despite domestic and international economic challenges, with the dedicated effort and determination of VietinBank people, VietinBank achieved impressive pre-provision profit of over VND 50.1 trillion in 2023 – a record high to date and equivalent to an **11.5%** increase from 2022. Separate PBT of VietinBank reached VND 24.2 trillion, a **17.8%** increase from 2022, fulfilling 108% of the target set by the GMS. Consolidated PBT reached VND 25.0 trillion, growing by **18.3%** compared to 2022.
- ROA and ROE improved in 2023, reaching 1.3% and 17.1%, respectively.
- In 2023, VND depreciated against most foreign currencies (VND depreciated by about 3% against USD, in line with the SBV's regulatory orientation). In terms of interest rates, while the world's interest rates continued to rise and stayed high, the SBV reduced interest rates to support and sort out difficulties for the economy. In that context, VietinBank's business operations remained positive owing to flexible measures to mitigate the impact of exchange rate and interest rate fluctuations. (See details in page 75)

7. Elevate technology with comprehensive Digital Transformation Program

- In 2023, VietinBank launched a comprehensive digital transformation consulting program, mapping out bank-wide digital transformation program which is closely aligned with the Bank's medium and long-term development strategy.
- The Bank intensified digital product and service delivery, automated processes, and expanded partner connections through Open API ecosystem and ERP system, etc.

8. Boost activities of Digital banking

- For the individual customer segment, VietinBank iPay offers over 150 features and utilities, enabling users to enjoy the fullest and most optimal life according to the "All-in-one" criterion, connecting to more than 2,400 suppliers to meet diverse customer needs. As of December 31, 2023, nearly 7.8 million retail customers use iPay app, representing a **24.2%** increase from 2022 with 786 million transactions, following a **58.5%** rise year-on-year.
- For the corporate customer segment, VietinBank eFAST Digital Banking platform is considered a "digital financial assistant" with more than 130 features. As of December 31, 2023, the number of corporate customers using eFAST reached 226,000, increasing by of **18%** compared to 2022; The number of transactions via eFAST channel reached 32.5 million, an increase of **0.1%** year-on-year. The value of transactions via eFAST channel was VND 6 quadrillion, **18%** higher compared to the beginning of the year.

PROPORTION OF TRANSACTIONS VIA
IPAY CHANNEL OF INDIVIDUAL CUSTOMERS

92%

PROPORTION OF TRANSACTIONS VIA eFAST
CHANNEL OF CORPORATE CUSTOMERS

82%

9. Enable green projects towards sustainable development

- In the direction to become a pioneer bank in green credit and sustainable financing in Vietnam, VietinBank focuses on sustainable development and deploying capital financing programs in the field of green energy, green exports, and green construction. VietinBank signed cooperation agreements with the Ministry of Natural Resources and Environment and with MUFG Bank to call for a funding pool of up to USD 1 billion USD at COP 28.
- By the end of 2023, the proportion of projects for green finance in the Bank's total credit exposure reached **3.2%**, with nearly **1,000** customers having signed credit contracts in various sustainable development sectors.

10. Effectively implement the policies of the Party, the State and social welfare activities

- Diligently adhering to the Government and SBV directives, the Bank actively controlled costs and managed asset quality, paved the way for the implementation of synchronized solutions, launched of a series of credit programs with preferential interest rates, with direction set for credit growth toward "green" production and business, and prioritized sectors. VietinBank also allocated its resources to key economic zones, supporting regional and provincial development to contribute to the country's progress.
- The Bank is at the forefront of implementing the interest rate subsidy program according to Decree 31/2022/NĐ-CP, Circular 03/2022/TT-NHNN, and Circular 02/2023/TT-NHNN, as directed by the Government and SBV. Additionally, VietinBank offered favorable lending terms for social housing, worker housing, projects for renovation and reconstruction of old apartment buildings, in line with Resolution 33/NQ-CP.
- In 2023, VietinBank allocated resources to support social welfare initiatives with total contributed amount of nearly VND 300 billion.

BUSINESS MANAGEMENT AND GOVERNANCE IN 2023

VietinBank synchronously deployed active and unified management measures from the HO to business units, which were responsive to the business environment, specifically as follows:



1. Drastically and synchronously deployed solutions to restructure credit portfolio, towards improved profitability and asset quality.



2. Further strengthened financial capabilities, improved financial governance, from financial planning to supervision and management to controlling operating expenses.



3. Flexibly managed balances of assets and liabilities and interest rate policy, optimized capital efficiency in the context of complex developments of the markets.



4. Focused on digital transformation, with particular emphasis on drastic promotion of high-tech products and services to improve customer service quality.



5. Strictly controlled asset quality, continuously enhanced credit appraisal and risk management.



6. Promoted recovery of bad debts and written-off debts.



7. Streamlined and enhanced the performance of the branch network arrangements, improved the quality of human resources and personnel arrangement, raised labor productivity, reformed payroll, benefits and HR policies; promoted the execution of corporate culture.

2 - NOTABLE BUSINESS RESULTS OF VIETINBANK IN 2023

ASSESSMENT OF VIETINBANK'S POSITION IN THE BANKING INDUSTRY

Over the 35-year journey of construction and development, VietinBank takes pride in establishing a comprehensive financial ecosystem across all aspects, helping the Bank enhance its competitive position, deliver added value to customers, employees, shareholders, communities, and society.

As a pivotal bank in the economy, VietinBank consistently ranks at the top of the industry in **terms of scale** (charter capital, total assets, total deposits, credit exposure, CASA, etc.), showcasing its robust capacity as a leading and reputable financial institution.

The Bank also emphasizes efficiency in all activities. **Efficiency indicators** continuously improve by shifting income structure and optimizing operating expenses. Over the years, VietinBank has consistently been among the banks with the highest net service income and lowest CIR in banking industry.

The bank's business activities has been restructured to harmonize with the system of risk management and new risk appetite of VietinBank. The Bank always dynamically controls asset quality with strict discipline, therefore **the quality indicators** are always among the best in banking industry. The bad debt ratio continuously decreased while the bad debt coverage ratio maintained at a high level.

"FLEXIBLE AND PROACTIVE ADAPTATION"

According to Brand Finance's 2023 report on the top 100 brands in Vietnam, VietinBank's brand value increased by **22.4%** compared to 2022, reaching USD 1.302 billion. This marks the second consecutive year that VietinBank has been among the top 10 most valuable brands in Vietnam. Over the past nine years (2015-2023), the bank's brand value has grown **6.7** times from the initial USD 193 million recorded in 2015.

VIETINBANK'S BRAND VALUE

USD 1.302 billion

↑ 22.4%

compared to 2022, according to Brand Finance



Given the solid foundation built over years, VietinBank has identified business focuses in 2024, continuing to drastically apply measures to manage and promote business activities closely in line with the orientations and directions of the Government and the SBV as well as market developments while further deploying policies to support people and businesses. Some key business targets in 2024 of VietinBank which are under review by the competent State agencies for approval are:

TOTAL ASSETS

Growth rate of

8%-10%

CREDIT BALANCE

In line with the credit growth quota as approved by the SBV and the credit management policy as directed by the SBV for each period.

FUNDS MOBILIZATION

Growth in line with credit growth rate, compliant with the liquidity ratios.

NPL OUT OF CREDIT EXPOSURE

< 1.8%

OPERATING SAFETY RATIOS

In compliance with the SBV's regulations.

SOME KEY MEASURES TO DEPLOY BUSINESS ACTIVITIES IN 2024:

- 01 Execute monetary, credit and FX solutions, implement the restructuring plan in association with bad debt handling as guided by the Government and the SBV.
- 02 Maintain the growth of credit balance sustainably, increase the proportion of highly profitable products with inherent risk within the allowed limit, diversify the access to banking and financial services for the economy.
- 03 Manage effectively ALM on the basis of ensuring liquidity safety; particularly focusing on CASA growth and low-cost funding sources.
- 04 Increase the proportion of non-interest income, intensively and extensively enhance the quality of products and services.
- 05 Persistently promote the application of technology, digitalization in all aspect of operation, sticking to the plan for digital transformation of the Banking Industry according to the orientation of the Government and SBV in Decision 810/QĐ-NHNN. Implement the Project X01 digital transformation program towards the goal of becoming a leading digital bank in Vietnam, improving service quality and offering better customer experience.
- 06 Boost the recovery and handling of bad debts. Focus resources with best efforts to intensively, flexibly and synchronously apply measures to accelerate the recovery of bad debts and written-off debts and improve their contribution in the Bank's performance.
- 07 Improve risk management efficiency, ensure compliance, safety in operations, develop business associated with strict control of credit quality.
- 08 Continue to synchronously deploy solutions to improve financial and governance capabilities, effectively manage operating costs; prioritize budget for activities of business promotion and digital transformation of the Bank, continue to keep expense growth lower than income growth.
- 09 Consolidate the organizational model, raise labor productivity and quality of human resources.

4 - JUSTIFICATIONS OF THE BOARD OF MANAGEMENT FOR AUDITOR'S OPINION

None

5 - REPORT OF THE BOARD OF MANAGEMENT ON ESG ASSESSMENT

During its 35-year journey, VietinBank remains committed to sustainable development strategy, focusing on long-term economic growth targets and social and environmental objectives, ensuring balanced benefits for all stakeholders. The bank actively fulfills corporate social responsibility and contributes to the development of the society through various meaningful programs.

See detailed assessment report in Part 6 – Sustainability Report.



Delegates attending the 35th anniversary of VietinBank.



*"LEAD THE
CHANGE"*

PART

04

ASSESSMENT OF THE BOARD OF DIRECTORS ON PERFORMANCE OF VIETINBANK

- 1 ASSESSMENT OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF OPERATIONS OF VIETINBANK IN 2023
- 2 ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT PERFORMANCE
- 3 ORIENTATION FOR DEVELOPMENT IN 2024
- 4 BUSINESS TARGETS FOR 2024

1 - ASSESSMENT OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF OPERATIONS OF VIETINBANK IN 2023

2023 is a year of special significance, marking the 35-year journey of building and developing with maturity, resilience and bravery of VietinBank. In the context of a volatile and challenging economy, the Bank has promoted the implementation of business strategies through investing in technology platforms, diversifying revenue structure, developing customers sustainably, good risks management. In company with efforts to grow business, VietinBank always proactively and actively performs social responsibilities to deliver practical values to the community.

Specifically, the BoD assessed the Bank's activities in 2023 as follows:

ON BUSINESS ACTIVITIES

In 2023, closely following the orientation approved by GMS, with drastic direction from the BoD and the consensus of all employees, VietinBank has successfully completed its business target in 2023 with many remarkable imprints. The bank focuses on promoting in-depth business strategies, effectively restructuring diversification-oriented income sources, enhancing the development of non-credit activities, optimizing operational quality, strictly managing credit portfolio with the application of modern technology platform. Several business solutions have been implemented, including:

1 Develop selective credit growth associated with growth by potential industries and areas

- » Credit balance reached VND 1.48 quadrillion, up **15.5%** yoy; credit growth rate is consistently maintained at a higher level than the overall sector in response to the capital needs of the economy.
- » Consistently restructure credit portfolio with the orientation of promoting the growth of outstanding loans in the retail and SME customer segments, whereby the average outstanding debt ratio of the two segments increased from 63.35% in 2021 to **63.73%** of total outstanding debt in 2023.
- » Develop outstanding loans growth in the manufacturing and business fields, "green" credit and priority, key fields as oriented by the Government; essential fields of the economy; prioritize resources to support people and businesses serving production and business activities and overcoming difficulties; manufacturing and business fields with good potential for recovery and well-exploit key economic areas, fields suitable to the strengths of each region.

2 Grow funding effectively while managing optimal capital structure

- » During the year, VietinBank synchronously deployed solutions to effectively manage capital balance, grow mobilized funding stably and sustainably, and diversify domestic and foreign funding sources with flexibility. Consolidated mobilized funding reached nearly VND 1.53 quadrillion, recording an increase of **13.9%** compared to 2022.
- » Notably, in the challenging market, sector-wide CASA declined, but nonetheless CASA funding of VietinBank showed a strong recovery, up **27.2%** compared to the end of 2022; CASA ratio amounted to 22.5% (up **2.5%** with 2022-year end); thereby actively supporting VietinBank's funding cost control.
- » VietinBank maintained LDR and liquidity ratios in compliance with SBV regulations.

3 Reinforce shifts in the income structure, enhance the quality of products and services

- » In 2023, VietinBank promoted shifts in the income structure by implementing comprehensive and full-packaged financial solutions, improved the quality of products and services; especially non-credit products for key customer groups, expanded import-export customers, SME customers in the ecosystem...
- » Service income reached VND 7.1 trillion, up **21.4%** compared to 2022. Income from FX trading attained VND 4.2 trillion, up **19.5%** than 2022; VietinBank maintains to be in the forefront of the market in terms of both FX trading sales and market share, contributing to improving VietinBank's income structure sustainably. Non-interest income contributed 24.9% of the Bank's total operating income.

4

Manage the risks effectively, boost bad debts and written-off debts recovery

- » Strengthen risk management, forecast and identify potentially risky customers, proactively consider debt quality scenarios. VietinBank increased risk provisions; of which, the risk provisions set aside in 2023 was VND 25.1 trillion, the risk provisions used for written-off debts was VND 26.8 trillion. The Circular 11-based NPL ratio at the end of 2023 was well-controlled at 1%, meeting the target of less than 1.8% according to the plan assigned by the GMS. The NPL coverage ratio in 2023 was 167.2%, continuing to remain at a high level.
- » Continue to synchronously deploy solutions to recover and handle bad debts and written-off debts; implement centralized debt handling for large debts and entrusted debt handling. However, due to the impact of the market, debt collection reached VND 4.7 trillion, down 12.9% compared to 2022 yet still positively contributing to the Bank's operating efficiency.

5

Leverage cost efficiency and management

- » The efficiency of using operating costs maintained its improvement as reaching the best level in many years. In 2023, VietinBank focused on allocating resources to costs that directly serve business activities, digital transformation activities, actively practice thrift and combat waste, improve the quality of services and of human resources, thereby creating a foundation for sustainable development of the Bank. The CIR ratio is well controlled at 29%, showing a continuous progress compared to 29.9% in 2022, which is more cost-efficient than most other commercial banks.

In general, in 2023, with continuous proactive restructuring of all aspects of operations, strong transformation of business models, restructuring of outstanding debt, increasing non-interest income, optimizing the efficiency of funding and operating costs of the Bank; VietinBank posted positive growth results. Profit before risk provisions in 2023 reached more than VND 50 trillion, equivalent to an increase of **11.5%** compared to 2022, recording the peak ever. Consolidated PBT amounted to VND 25 trillion, up **18.3%** compared to 2022. Separate PBT attained VND 24.2 trillion, up **17.8%** compared to 2022 - completing **108%** of the plan target assigned by the GMS, creating strong financial resources for VietinBank to continuously enhance its role as a key state-owned commercial bank, a pillar of the economy, making a considerable contribution to the State Budget as well as the country's socio-economic development in the coming years.

Also in 2023, VietinBank adopted measures to improve its financial capabilities as successfully increasing charter capital to nearly **VND 53,700 trillion** by share issuance to pay dividends from 2020 profits, actively contributing to add momentum for business growth.

In particular, VietinBank continuously rolled out credit programs with interest and fee exemption and reduction as well as comprehensive financial solutions; pioneering in the activities of deposit rate reductions, operating costs cut in order to cut down lending rates. VietinBank strived for supporting businesses and people affected by the epidemic to restore production and business activities; developed policies and products to create flexible mechanisms in financing green projects.

“

At the end of 2023, results in growth of most business indicators along with good risk control and management, improvement of asset quality are of a solid foundation for VietinBank to endlessly achieve breakthrough, affirm the transparency and comprehensiveness on the journey towards success.

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1 – ASSESSMENT OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF OPERATIONS OF VIETINBANK IN 2023

ON CORPORATE GOVERNANCE

In 2023, with a clear-cut strategic direction and specific targets, VietinBank's BoD oriented and directed the BoM in developing specific action plans to overcome many difficulties and market fluctuation while ensuring growth going hand in hand with strict control of asset quality.

Outstanding marks in VietinBank's corporate governance in 2023 are as follows:

1 Innovate and raise the quality of human resources at all levels, boost labor productivity, execute and spearhead corporate culture



In 2023, VietinBank continued drastic implementation of leaning the organization and teams, innovating HR quality and improving labor productivity by adopting a series of innovative solutions and policies, specifically:

- » Consolidating and leaning the organization, optimizing resource utilization;
- » Promoting the culture of "recruitment" instead of "nomination" by organizing open and transparent examinations that provide equal and fair promotion opportunities for employees;
- » Reforming and diversifying salary and remuneration policies to make them more employee-centric, optimizing the use of salary funds, and promoting further salary grading to increase the motivation and enthusiasm of staffs;
- » Empowering and enhancing the responsibility of leaders of units in building and developing human resources and using the salary fund effectively.

Notably, in 2023, VietinBank has proactively researched and built its own survey system on corporate culture and fine-tuned it to suit VietinBank's operational practices. VietinBank Cultural Strategy for the period 2023 – 2025 was launched in link with the digital transformation journey, prioritizing building culture uniqueness that promotes high productivity, increases pioneering and distinctive values; towards shifting core cultural behaviors from results-focused to efficiency-focused.

2 Strongly deploy comprehensive digital transformation in business activities and governance, enhance customer experience

Along with improving financial capabilities and pioneering the application of international standards in corporate governance, the digital transformation-intensive process also creates an crucial driving force for VietinBank in establishing important foundations to adapt to a volatile environment, expanding the digital ecosystem, and contributing to shaping the financial habits of customers in the future.

In 2023, VietinBank launched and deployed the Digital Transformation program for the period 2024 – 2028.

“

"Project X01 is not just a digital transformation program, it is a journey to shape VietinBank's future. These changes starts from mindset and we are changing the way we work to reach futher new heights. Having accomplished the planning phase, we are ready for a special breakthrough in VietinBank".

Mr Tran Minh Binh – Chairman of the BoD

”

VietinBank's digital transformation journey called "Project X01" with the world's leading strategic consulting partner has begun with 108 initiatives associated with VietinBank's medium and long-term business strategies. These initiatives cover all important aspects of VietinBank's operation from business strategies by customer segments and key products to fundamental initiatives in information technology, data, human resources, corporate culture, and risk management. The Digital Transformation Program is expected to change the vision, thinking, and actions of the entire organization, bringing impressive changes in the journey of realizing its aspiration of becoming the leading digital bank in Vietnam.

3

Control debt quality and strengthen risk management; tighten rules and discipline and raise awareness of compliance

In 2023, VietinBank issued new regulations on Risk Management Framework in the VietinBank system to ensure that policy contents on risk management were fully updated with the requirements of management agencies, new risk management standards in the world as well as management and governance activities at VietinBank. The regulations include principles-based issues on risk management, serving as the foundation for the policy documents system, organizational structure and methodology of managing key risks in the VietinBank system. The Bank strengthens its control of debt quality from HO to branches, zones and early identifies all material risks, especially credit risks; supervises the entire system via 3 lines of defense combined with high-level supervision of the BoD, Risk Management Committee, BoM, Risk Council, ALCO Council. With the goal of established oneself as the leading financial institutions in a volatile and challenging economic environment, VietinBank always concentrates on building a risk management system that not only ensures compliance with the requirements of state regulatory agencies but also aims to satisfy international standards on risk management (making reference to Basel models, MUFG – strategic shareholder and MUFG's partner banks).

Specifically, in the trend of drastic digital transformation and in the context of increasing risks of many types, especially up-to-date and complicated risks, VietinBank also places considerable emphasis on management of operational risk, IT risk by developing systems/tools to support early risk identification, establishing an IT Committee to advise the BoD to direct the development and implementation of effective and advanced management tools in IT risk management, ensuring network security, customer information and data security.

In addition, to adapt and fit with digital transformation, activities of inspection and supervision are also boosted and modernized by: Innovating inspection methods and ways; building automatic monitoring tools; maximizing data resources on the system combined with improving the quality of human resources to quickly detect and early warn of risks.

4

Comply with regulations on corporate governance applicable to large-sized public listed companies

In 2023, VietinBank's BoD organized regular meetings to evaluate business results, provide operational directions, guidance and discuss contents and topics relevant to VietinBank's governance affairs. Additionally, the BoD also decided on many other issues via meetings/written opinions.

In addition, the BoD and Chairman of the BoD conducted an assessment of the 2023 performance of each Board member. Accordingly, all members of the BoD have fully performed their duties according to the Charter of VietinBank, Regulations on organization and operation of the BoD of VietinBank,

1 - ASSESSMENT OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF OPERATIONS OF VIETINBANK IN 2023



Regulations on supervision activities of the BoD of VietinBank as well as law provisions, ensuring the overall operational efficiency of VietinBank and its shareholders; while making research, evaluating the situation, operational results and contributing to the development orientation and business plans of VietinBank; attending meetings of the BoD, discussing and voting on issues under the authority of the BoD according to regulations and be responsible before the GMS and the BoD for their decisions; implementing resolutions and decisions of the GMS and the BoD and being accountable to the GMS and the BoD for the implementation of assigned tasks as required; exercising other rights and obligations as assigned by the BoD, Chairman of the BoD and according to the provisions of law. At the same time, members of the BoD also carried out comprehensive supervision of material operational areas of VietinBank as assigned, promptly identified and supported to resolve and overcome problems and limitations in direction and organization occurred at all levels.



The activities of independent member of the BoD of VietinBank in 2023 were also organized and performed in compliance with VietinBank's Charter, Regulations on organization and operation of the BoD and current legal regulations and internal regulatory system of VietinBank including full implementation of the decisions of the Resolution of the GMS and the decisions authorized by the GMS, therefore the independent member of the BoD played a prominent and active role in orienting business strategies and system operations, and supervising implementation as well as risk management, positively contributing to the overall performance of the entire system.

In addition, 7 Committees under the BoD have closely coordinated with relevant departments/divisions to fully, promptly and effectively fulfilled functions and tasks according to the Regulations on organization and operation of each Committee issued by the BoD. Thereby, the Committees of the BoD helped the BoD enhance the effectiveness of management and supervision activities of the BoD for units and individuals subject to the supervision of the BoD at VietinBank.

The BoD's supervision activities on the BoM continued to be consolidated and synchronized, supporting units under the BoD to carry out advisory work and provide supervision and coordination with units in the system.



1 - ASSESSMENT OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF OPERATIONS OF VIETINBANK IN 2023

ON ENVIRONMENTAL – SOCIAL RESPONSIBILITIES

Recognizing the important role of the Banking Industry – the main capital channel of the economy, VietinBank always pays attention to applying ESG factors (Environmental – Social – Governance) to come up with the expectations of stakeholders, establishing new standards for sustainable development in the market and building internal strength within the Bank itself. In 2023, VietinBank consolidated the Sustainable Development Steering Committee as the focal point for implementing activities related to sustainable development. At the same time, the **Sustainable Finance Framework** built in 2023 according to international standards received an independent assessment from Sustainalytics – a reputable company in the US for evaluating the sustainability of listed companies. VietinBank's Sustainable Finance Framework provided specific guidelines for financing and managing funds for a portfolio of green and social projects.

At the same time, VietinBank has pioneered in accompanying the Government by signing a cooperation agreement with the Ministry of Natural Resources and Environment, signing an agreement with MUFG Bank, with a mobilization size of up to **1 billion USD** in COP28 with the aim to serve sustainable development projects, bring environmental and social benefits and promote circular economy; stand side by side with firms, support the community in launching financing programs in the fields of green energy, green exports and green construction....

In particular, VietinBank is the listed enterprise included in the Vietnam Sustainable Development Index (**VNSI**) basket for **3 consecutive years** and in the Top 10 Corporate Sustainability Index (**CSI**) for **2 consecutive years**.

In 2023, VietinBank donated a total amount of nearly **300 billion VND** to carry out social welfare work, hunger eradication and poverty reduction, and well-performed gratitude activities in 63 provinces and cities nationwide. This is also a continuation of the pioneering spirit of joining hands to share social responsibility, contributing to the implementation of national target programs according to the policies of the Party and State, linking business with society and community.



**ON ENVIRONMENTAL
SOCIAL RESPONSIBILITIES**

2 - ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT PERFORMANCE

At montly meetings of the BoD, the Deputy General Director in-charge of the BoM fully reported on VietinBank's activities and highlights of the month on:

- (i) Interest rate policy, programs of growth promotion;
- (ii) Products and services;
- (iii) Customer support;
- (iv) Internal control and inspection;
- (v) Risk management, debt collection;
- (vi) Business plan in the coming months.

Furthermore, the Deputy General Director in-charge of the BoM also reported the progress and results of implementing the Resolutions of the GMS, the resolutions, decisions, and directions of the BoD or reported at the request of the Chairman of the BoD, BoD members, committees under the BoD, made topics-based reports at the request of the BoD to serve the BoD's supervision activities; the implementation of risk control limits, proposed measures when the limit(s) was/were at risk of being exceeded or the risk of unexpected material risks arising, and proposed issues to the BoD.

Through the supervision activities of the BoD on the BoM, the BoM acknowledged that the BoM always promptly reported, obtained the orientations and directions of the BoD and organized full and effective implementation in the system as well as other tasks according to assigned duties and responsibilities, specific results as below:

1

Given the volatile economy, the BoD proactively and flexibly deployed synchronous and comprehensive business solutions, effectively implementing fundamental topics and business topics oriented by the BoD. Thanks to that, VietinBank still maintained its growth rate in most business indicators, creating new driving forces that closely follow VietinBank's strategy and vision.

2

The resolutions, decisions and decisions of the BoD and reports at the request of the Chairman of the BoD, BoD members and units under the BoD were executed promptly, on time, ensured by the transparency in corporate governance.

3

Besides, the BoM strictly reviewed and strengthened the system of mechanisms, regulations on internal governance, policy documents of VietinBank in a more streamlined and coherent manner, ensuring effective business activities and improve the competitiveness combined with strict material risks management.

4

In particular, with the Digital Transformation program, the BoM has drastically directed units in the system to research, create and deploy initiatives; upgrade technology infrastructure, data, and administration; develop business models on digital platforms and improve the quality of human resources.

With the results recorded in 2023, the BoD recognized and highly appreciated the efforts of the BoM in implementing business plans, sucessfully completing the targets assigned by the SBV and GMS in 2023. The BoM team has performed well the management of business activities in the direction of safety - efficiency - sustainability. In addition, the BoM members have also responsibly performed their assigned tasks, led by example in spreading a professional and bonding working culture within the Bank.



3 - ORIENTATION FOR DEVELOPMENT IN 2024

In 2024, the world economy in general and Vietnam in particular are expected to still face many unpredictable difficulties and challenges such as: ongoing complicated geopolitical conflicts, inflationary pressure, tightening monetary policy and fiscal policy in countries. However, the continued maintenance of macro-economic stability attracting foreign investors and keeping the uptrend over the years will leave Vietnam's economy many room for improvement and it is forecast to reach a growth rate of **6% - 6.5%**. The SBV continues to maintain its flexibility in policy tools to stabilize exchange rates, control inflation while ensuring liquidity and safety of the banking system, thereby effectively providing capital to the economy, creating favorable conditions for the development of credit institutions.

As a key commercial bank taking the role of a pillar in the economy, based on the corporate cultural identity of VietinBank people, VietinBank has proactively pioneered the journey of creating new values. **VietinBank will continue to promote the implementation of 5 business topics** including:



At the same time, VietinBank will deploy comprehensive, flexible and synchronous solutions, focusing on **5 fundamental topics** including:



"LEAD THE CHANGE"

Deployment orientation for key activities are as follows:



4 - BUSINESS TARGETS FOR 2024

INDICATORS	2024 PROJECTION (*)
Total assets	Growth rate of 8% - 10%
Credit balance	In line with the credit growth quota as approved by the SBV and the credit management policy as directed by the SBV for each period
Funds mobilization	Growth in line with credit growth rate, compliant with the liquidity ratios.
NPL ratio	< 1,8%
Separate PBT	In accordance with approval of the competent State authorities (VietinBank continues to aggressively improve business performance, promote the role as the key commercial bank and the driving force of the economy).
Dividend payout	Dividend payout ratio and structure (cash and stock dividends) are in line with approval of the competent State authority and applicable laws.
Safety ratios	In compliance with the SBV's regulations.

(*) Final targets are subject to approval of the annual GMS 2024.

2023 is a pivotal year with many strategic goals implemented drastically by VietinBank. Despite facing many difficulties and challenges from the impact of the global economy in general and the Vietnamese economy in particular, with dynamism, creativity, flexible adaptation combined with resilience and expertise accumulated during 35 years of growing and developing; VietinBank has excellently attained its business goals with impressive growth in financial indicators, safety ratios in compliance with State regulations.

In the journey of strong transformation, VietinBank is ready to enter a new, higher stage of development in which the imprint of **"Shaping the digital era"** will be most clearly made. Looking forward to the future, digital transformation will continue to be a pillar of VietinBank's development, a base to break through internal strength, a target to develop and also a driving force to transform into a multi-functional, modern, leading bank in Vietnam, reaching out to the regional and international market.

"LEAD THE CHANGE"



The Conference summarizing the Party's work and business activities in 2023 and implementing the 2024 tasks



*“OPENNESS –
TRANSPARENCY –
EQUALITY”*

PART

05

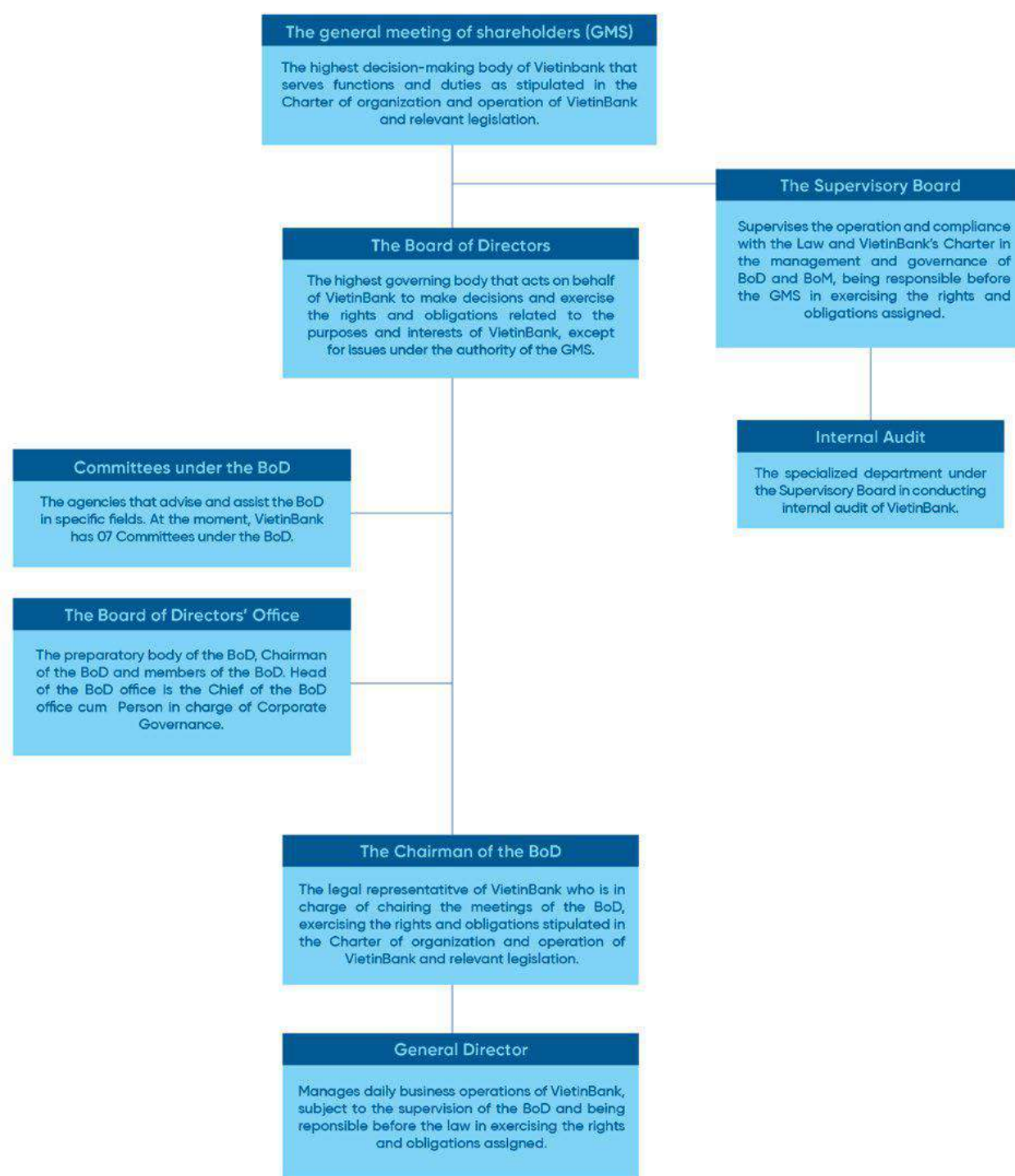
CORPORATE GOVERNANCE

- 1 OVERVIEW OF CORPORATE GOVERNANCE
- 2 ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023
- 3 ACTIVITIES OF SUPERVISORY BOARD IN 2023
- 4 TRANSACTIONS, REMUNERATION AND INTERESTS OF THE BOD, SB AND BOM
- 5 INTERNAL CONTROL & INSPECTION AND INTERNAL AUDIT ACTIVITIES
- 6 ACTIVITIES OF FIGHTING AGAINST CORRUPTION, WRONGDOINGS AND CRIME
- 7 ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD
- 8 COMMITMENT TO IMPLEMENT CORPORATE GOVERNANCE

1 - OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance is the foundation that determines the operational efficiency of a bank. VietinBank's corporate governance structure fully comprises governance bodies of a typical listed company (including: GMS, BoD, committees under the BoD, SB, BoM...), ensuring the foundation of a solid corporate governance structure. VietinBank's corporate governance structure continuously ensures effective collaboration among the BoD, the BoM and the SB, promotes transparency and timeliness as key principles that contribute to an effective banking management system.

Advanced governance structure, consistent with current Vietnam laws



In addition, VietinBank has built and consolidated a seamless and consistent governance model throughout the Bank to ensure the unanimity and the consistency in all areas of operation. Simultaneously, the Bank implements the legal framework on corporate governance, including:

- VietinBank's Charter on Organization and Operation.
- VietinBank's Regulation on Internal Governance.
- Regulation on the organization and operation of the Board of Directors of VietinBank.
- Regulation on the organization and operation of the Supervisory Board of VietinBank.
- Regulations and other documents related to corporate governance.

Over the past years, VietinBank has always strived to inch and adhere to local and international best practices on corporate governance to improve governance quality, serving as a foundation for developing safe – effective – sustainable business activities. Accordingly, the governance system at VietinBank not only ensures compliance with legal regulations related to the operations of a credit institution as well as governance regulations for listed companies; but also built and referenced to international practices and standards such as: Corporate Governance Code of Best Practices issued by State Securities Commission of Vietnam and IFC, Principles of Corporate Governance of Organization for Economic Cooperation and Development (OECD), ASEAN Corporate Governance Scorecard.

Corporate governance incorporating sustainable development

Along with the goal of VietinBank's sustainable development, corporate governance activities are also built and consolidated to ensure effective implementation related to sustainable development. Specifically, the Bank assigns 1 member of the BoD and 1 member of the BoM to be in charge of the Sustainable Development Steering Committee – the focal point to advise the BoD and the BoM on issues related to sustainable development with specific tasks: **(i)** Advise the BoD in researching, developing, adjusting, approving and assessing the results and effectiveness of VietinBank's sustainable development strategy; **(ii)** Advise the BoD and BoM on promulgating policies and tool systems to implement work related to sustainable development at VietinBank; **(iii)** Supervise the implementation of tasks related to sustainable development for relevant subsidiaries/ units at VietinBank and **(iv)** Report to the BoD/BoM on the implementation of work related to sustainable development.

At the same time, the BoD supervises the implementation of the Bank's development strategy, including sustainable development goals, and approves the content of the Annual Reports integrating the Sustainability Report.



2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

MEMBERS AND STRUCTURE OF BOARD OF DIRECTORS

VietinBank's BoD composes of international and local experts of finance and banking with extensive expertise in all fields, professional ethics and strong dedication to the Bank's sustainable development strategy, committing to bringing the highest benefits to investors, partners, customers, employees and the social community.

• The number of Board members and their respective share ownership are presented in the table below (as of 31/12/2023):

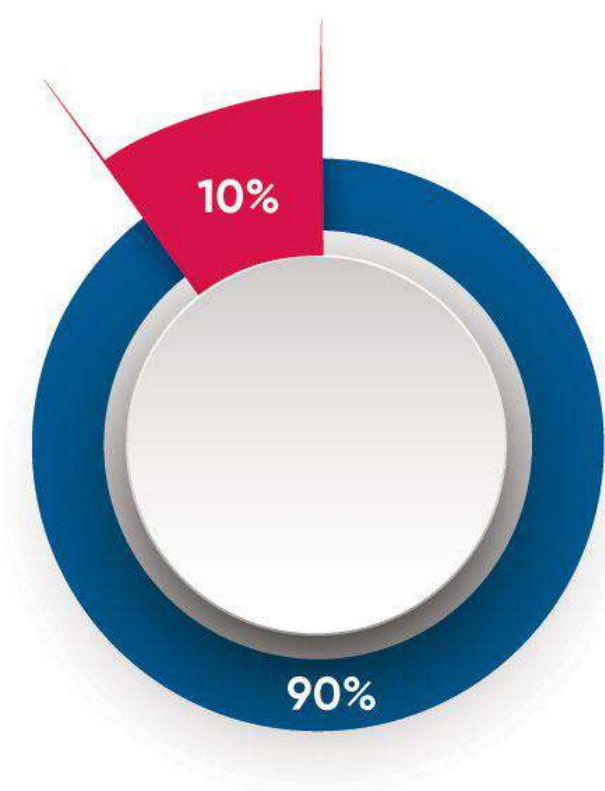
NO	FULL NAME (INCLUDING TITLE)	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
1	Mr. Tran Minh Binh – Chairman of the BoD	1,384,673,981	25.7854%
	Individual ownership	3,468	0.0001%
	State capital representative	1,384,670,513	25.7853%
2	Mr. Tran Van Tan – Board Member	1,038,502,885	19.3390%
	Individual ownership	0	0 %
	State capital representative	1,038,502,885	19.3390%
3	Mr. Le Thanh Tung – Board Member	1,038,502,885	19.3390%
	Individual ownership	0	0%
	State capital representative	1,038,502,885	19.3390%
4	Ms. Tran Thu Huyen – Board Member	57,931	0.00108%
5	Mr. Nguyen The Huan – Board Member	0	0%
6	Ms. Pham Thi Thanh Hoai – Board Member	131	0.000002%
7	Mr. Nguyen Duc Thanh – Board Member	0	0%
8	Mr. Masashige Nakazono – Board Member	0	0%
9	Mr. Koji Iriguchi – Board member cum Deputy General Director	0	0%
10	Mr. Nguyen Thi Bac – Independent Board Member	0	0%
TỔNG CỘNG		3,461,737,813	64.4645%

• As of 31/12/2023, there is one Board Member of VietinBank who is currently holding management position at other company, being Ms. Pham Thi Thanh Hoai – concurrently holding the position of Chairwoman of VietinBank Laos.

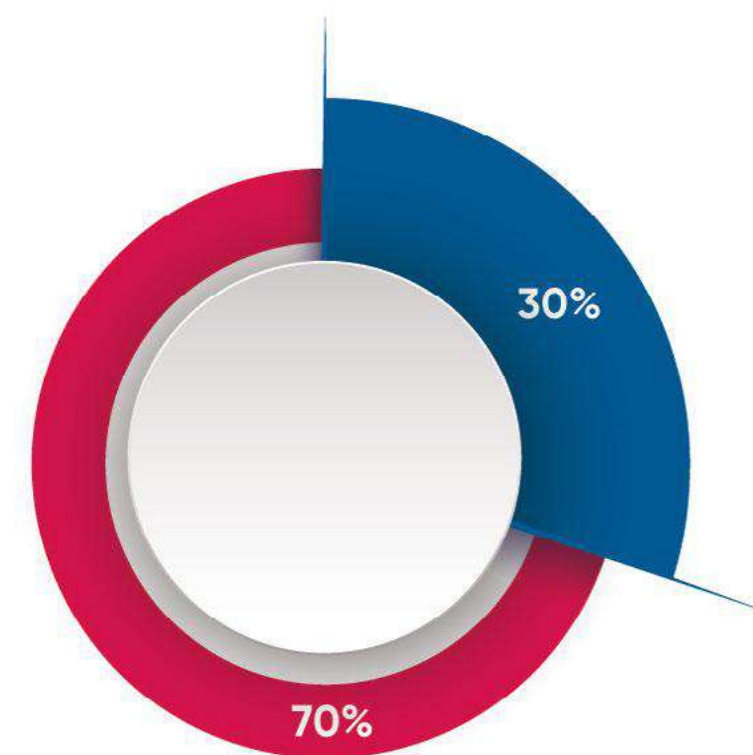
• Independent Board Member: As of 31/12/2023, VietinBank BoD comprised of 1 Independent Board Member as Ms. Nguyen Thi Bac.

• Changes in Board Members in 2023: (please refer to “VietinBank’s leadership team – Page 32).

• The BoD structure has 9/10 persons as non-executive members (accounting for 90%), 3/10 persons as female (accounting for 30%). The BoD has 2 persons as the representatives of the strategic shareholder – MUFG Bank with multinational management expertise at the world’s leading financial corporation.



■ Non-executive member ■ Executive member



■ Female ■ Male

2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

COMMITTEES UNDER THE BOD

VietinBank has **07 committees under the BoD**, namely Human Resource (HR) Committee, Risk Management Committee (RMC), Policy Committee, Strategy Committee, Asset-Liability (ALCO) Committee, Information Technology (IT) Committee and Service Quality (SQ) Committee. The establishment of these Committees complied with the regulations of the SBV and the provisions of law. The BoD assessed that in 2023, the Committees worked closely with relevant departments and units to fully, timely and effectively carry out their functions and duties according to their Regulations on Organization and Operation issued by the BoD respectively. Thereby, the Committees under the BoD helped the BoD to enhance the effectiveness of governance, the effectiveness of supervisory activities of the BoD towards units and individuals under the supervision of the BoD in the VietinBank system. Specific results are as follow:



- **Human Resource Committee**

Roles - Responsibilities: An agency in charge of advising and assisting the BoD on dealing with issues under the BoD's authority in developing HR policies, recruiting, and arranging titles under the BoD's authority; assisting the BoD in supervising the implementation of HR mechanism and policies as well as HR management activities of VietinBank.

Composition

- + The Chairman of VietinBank's BOD as the Chairman of HR Committee;
- + 1 Board member cum Director of Human Resources Division as the Vice Chairman of HR Committee;
- + General Director/ Deputy General Director in charge of the BoM and Director of HR Development Department as the other 2 members.

Activities in 2023

In 2023, HR Committee advised and assisted the BoD as follows:

- + Consolidate the organizational model of the Divisions/Departments/Boards associated with implementing the Bank's development strategy, including **(i)** consolidating the Financial Solution Center model and terminating the operations of the Business Promotion Department; **(ii)** establishing Debt Management & Handling Center to specialize and support Branches in focusing resources to promote business, especially for large-sized and complex debts; **(iii)** establishing sales units of the Customer Service Center (Contact Center) in Thai Nguyen and business units in Vinh Phuc of Hanoi Cash Management Center to improve the quality of customer services, reduce operational costs and pull down operational load at the branches;
- + Implement projects to streamline, innovate, improve the quality of VietinBank's personnel and achieving a number of results set by the roadmap. Until now, no legal risk issues related to personnel review and classification have been recorded;
- + Comprehensively consolidate personnel under the authority of the BoD at units in the VietinBank system ensuring compliance with VietinBank's regulations and procedures;
- + Innovate comprehensively the policy system of human resources and remuneration;
- + Continue to recruit managers on a large scale with many breakthrough points (recruiting positions of Branch Director, Deputy Director; Director/Deputy Director of HO Department; General Director, Deputy General Director of affiliated subsidiaries).

Orientations in 2024

- + Continue to advise and help the BoD effectively implement the projects of streamlining, innovating, and improving the quality of VietinBank's human resources;
- + Continue to reform human resources and remuneration policies, consolidating the organizational and human resource model under the authority of the BoD to ensure compliance with regulations.

2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

• Risk Management Committee

Roles – Responsibilities: An agency in charge of giving advice and proposals to the BoD in risk management.

Composition

+ 1 Board member as Chairman of RMC;

+ Independent Board member, Deputy General Director in charge of Risk Management Division, Director of Risk Management Division, Deputy Director of Legal & Compliance Division cum Director of Compliance Management Department, Deputy Director of HR Division cum Director of HR Development Department and Director of Internal Control & Inspection Department as members of RMC.

Activities in 2023

In 2023, the RMC carried out a variety of activities, including:

+ Actively advise the BoD on several risk management policies, guidelines and directions such as: **(i)** Credit orientation; **(ii)** Controlling strictly compliance with risk appetite and credit growth ceiling of the SBV; **(iii)** Strengthening measures to control potentially risky transactions in core operations, ensuring the safety of banking operations; **(iv)** Adding measures to control technology risks; **(v)** Reviewing additional tools to control transactions related to embargo and sanctions against Russia; **(vi)** Researching and implementing risk management methods according to regional and international practices;

+ Participate in the discussion of Vietnamese commercial banks on activities of risk management committee at Vietnamese commercial banks: Sharing about the current situation of operational risk management, coordination among commercial banks, State management agencies and solutions to improve the efficiency of performance of operational risk management at commercial banks;

+ Make proposals and recommendations to the BoD for many important issues on risk management, ensuring the safety and effectiveness of VietinBank's business operations in compliance with law regulations given that the economy is still facing many challenges;

+ Advise the BoD to deploy key projects related to risk management activities, help to minimize risks and maximize profits with the target to achieve safe, effective and sustainable business growth.

Orientations in 2024

+ Continue to promote and enhance its role in advising the BoD in implementing initiatives to reach advanced international practices in risk management;

+ Strengthen supervision of the implementation of the direction of RMC to ensure effective implementation of risk prevention measures with timely response and maintenance of safe and effective business operations in the face of economic turmoil.

• Policy Committee

Roles – Responsibilities: An agency in charge of advising and assisting the BoD in the matters of VietinBank's policy documents systems.

Composition

+ 1 Board member as Chairman of Policy Committee;

+ Deputy General Director in charge of Risk Management Division as Vice Chairman of Policy Committee;

+ Directors of Departments such as Compliance Management, Internal Control and Inspection, Credit and Investment Risk Management, Legal, Accounting Policy, Financial Solution Development Center for Corporate Customers, Retail Product Development, HR Policy and Organizational Development and a number of units convened according to each meeting topic as members of Policy Committee.

Activities in 2023

In 2023, the Policy Committee focused on:

+ Monitor the progress of adopting policy documents according to the restructuring plan of the operational blocks, urging implementation according to the schedule approved by the BoD; at the same time, directly reviewing and evaluating proposals to adjust restructuring plans of the units to promptly advise and report to the BoD;

+ Update changes in legal regulations (Law on Prevention and Combat of Money Laundering 2022; Circular 06/2023/TT-NHNN, Decree 13/2023/ND-CP...), changing market trends in digitalization and changes related to risk control at VietinBank to advise the BoD to implement timely adjustments to policy documents, ensuring to promote VietinBank's business activities and comply with legal regulations;

+ Advise the BoD to guide the BoM to complete the centralized policy documents storage and lookup tool, ensuring the completeness of documents as well as the security of VietinBank's policy documents.

Orientations in 2024

+ Continue to supervise units to complete the restructuring plan of policy documents,

+ Develop plans and implement a comprehensive review of processes in the VietinBank system in accordance with customers with the aim to improve customer experience, minimize unnecessary operational steps, and ensure risk control.



2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

• Strategy Committee

Roles – Responsibilities: An agency in charge of advising and assisting the BoD in formulating and supervising the implementation of VietinBank's strategies, MTBP, business plans and focal points to resolve bottlenecks in VietinBank's operations.

Composition

- + The Chairman of VietinBank's BOD as the Chairman of Strategy Committee;
- + 1 Board member as Vice Chairman of Strategy Committee;
- + Members of the BoD, BoM, Chief of BOD's office, Director of Finance Division, Director of Strategy and Change Management Department and some others units convened according to each meeting topic as members of Strategy Committee.

Activities in 2023

In 2023, Strategy Committee focused on:

- + Organize meetings, discussions, and assessments on the international and domestic macro environment (economic, policy, technology...), industry environment as well as internal environment that affect VietinBank's strategy and activities; evaluate the results of monitoring the implementation of focal topics in 2023 in both business and foundation aspects; identify groups of target customer; discuss bottlenecks in the business model and advise the BoD on solutions;
- + Discuss and agree to recommend to the BoD to approve 10 key topics for the entire year 2024 that cover important activities with a close link between business and platform, between units and segments in VietinBank ecosystem and align initiatives of digital transformation with VietinBank's 2024 business orientation and analysis of its operations;
- + Assist the BoD in coordinating strategic implementation work in accordance with VietinBank's orientation and actual operations.

Orientations in 2024

- + Continue to promote and enhance its role in advising the BoD in monitoring and assessing the macroeconomic situation and impacts on banking operations;
- + Supervise the implementation of VietinBank's key topics and proposing solutions to promote the Bank's development pillars, including regular business activities associated with the digital transformation program and development of banking ecosystem – subsidiaries and sustainable finance.

• Asset – Liability Committee

Roles – Responsibilities: An agency in charge of advising and assisting the BoD for the issues of Asset – Liability Management under the authority the BoD.

Composition

- + The Chairman of VietinBank's BOD as the Chairman of ALCO Committee;
- + 1 Board member as Vice Chairman of ALCO Committee;
- + Members of the BoD, BoM, Director of HR Division, Director of Corporate Banking Division, Director of Retail Banking Division, Director of Finance Division, Director of Treasury Dealing and Capital Market Division, Director of Risk Management Division, Director of Planning and Finance Management Department, Director of Strategy and Change Management Department and some others units convened according to each meeting topic as members of ALCO Committee.

Activities in 2023

In 2023, ALCO Committee performed the activities as below:

- + Advise the BoD in directing and supervising to: **(i)** effectively optimize the portfolio of assets and liabilities; **(ii)** closely monitor developments in the bank-wide risk index;
- + Advise the BoD on measures to manage liquidity risk, interest rate risk and market risk; guide on VietinBank's interest rate policy for customers and internal capital transfer pricing policy, ensuring the proper implementation of business objectives as well as overall benefits of VietinBank.

Orientations in 2024

- + Continue to closely monitor market developments to promptly advise the BoD to direct and implement measures to improve the efficiency of VietinBank's balance sheet;
- + Improve risk control in compliance with internal regulations and regulations of management agencies.



2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

• Information Technology Committee

Roles – Responsibilities: An agency in charge of advising, assisting the BoD about VietinBank's IT-related issues to ensure alignment with the Bank's business strategy combined with optimizing resources and managing IT risks effectively

Composition

+ The Chairman of VietinBank's BOD as the Chairman of IT Committee;

+ 1 Board member as Vice Chairman of IT Committee;

+ Members of the BoD, BoM, Director of HR Division, Director of Corporate Banking Division, Director of Retail Banking Division, Director of Finance Division, Director of Purchasing and Assets Management Division, Director of Software Development Center, Director of HR Development Department, Director of Strategy and Change Management Department and some others units convened according to each meeting topic as members of IT Committee.

Activities in 2023

In 2023, IT Committee performed these activities as below:

+ Advise the BoD on the issues relevant to IT including: **(i)** approving strategies and development plans of IT application, Board-level policy documents on IT activities, programs, investment plans, and annual procurement; **(ii)** monitoring and evaluating the implementation of tasks under the approval authority of the BoD and the effectiveness of IT operations.

+ Hold regular meetings, organize discussions, analyze, evaluate the supervision and promote, thereby, report and propose to the BoD a number of issues on enterprise-related management of overall architecture, technological architecture, technology investment plan, capital plan 2024, IT human resources plan; digital transformation initiatives in technology, management responsibilities, effective supervision of asset use, etc.

Orientations in 2024

+ Continue to enhance its advisory role to the BoD in directing and supervising the implementation of project initiatives regarding digital transformation in terms of technology; investment orientation and implementation of key technology projects; optimizing the exploitation/use of technologies to enhance VietinBank's core technological capacity, aiming to be the most trusted digital bank in Vietnam.

+ Advise the BoD to develop and complete key policies in IT activities and improve the capacity of the IT team to respond to enormous changes in the business environment and trends of digital information.

• Service Quality Committee

Roles – Responsibilities: An agency that advises and assists the BoD in managing bank-wide service quality, improving capabilities of operational foundation in link with the Bank's business strategy and sustainable development.

Composition

+ The Chairman of VietinBank's BOD as the Chairman of SQ Committee;

+ 1 Board member as Vice Chairman of SQ Committee;

+ Members of the BoD, BoM, Director of HR Division, Director of Corporate Banking Division, Director of Retail Banking Division, Director of Finance Division, Director of Purchasing and Assets Management Division, Director of HR Development Department, Director of Strategy and Change Management Department and some others units convened according to each meeting topic as members of SQ Committee.

Activities in 2023

In 2023, SQ Committee focused on performing these activities as below:

+ Engage in research and advisory activities including: planning service quality, key issues, topics and standards of service quality as well as projects to innovate and improve service quality for VietinBank.

+ Organize regular meetings, report the results of service quality assessment and quality management activities on all channels and customer contact points; analyze the reasons; discuss and propose solutions to solve existing shortcomings, thereby report and recommend to the BoD some directions to improve service quality.

Orientations in 2024

+ Continue to enhance its advisory role to the BoD in orienting the development of comprehensive service quality management activities in all aspects (from sales quality, quality of products and services provided to customers, operational quality to customer care quality on all channels) while strongly applying IT and digital transformation in improving processes and procedures to enhance the experience of external and internal customers;

+ Promote the role of monitoring the implementation results of solutions to improve service quality, enhance customer satisfaction with VietinBank's products and services, thereby to promote business activities and build a brand image for the Bank.

2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

ACTIVITIES OF THE BOD IN 2023

In 2023, VietinBank's BoD was actively operational and fully, strictly complied with relevant regulations on the functions and responsibilities of the BoD, ensuring the legitimate rights and interests of shareholders.

Successfully organize 2023 annual GMS

In 2023, VietinBank's BoD convened an annual general meeting of shareholders (GMS) on April 21st, 2023. The 2023 annual GMS of VietinBank discussed and approved the issues as follows:

- Report of the BoD on performance in 2022 and development orientation in 2023;
- Report of the BoM on business performance in 2022, orientation and plan for 2023;
- Report of the SB on 2022 activities and orientation in 2023;
- Audited Financial Statements (FS) of VietinBank prepared in accordance with Vietnamese Accounting Standards and Vietnamese Accounting System for Credit Institutions as of 31st December, 2022 and for the period ranging from 01st January, 2022 to 31st December, 2022;
- Authorization for VietinBank's BoD to decide to select a qualified and experienced independent audit firm on the approved list of the State Agencies that satisfies the conditions specified in Circular 39/2011/TT-NHNN, Circular 24/2021/TT-NHNN and the amending, supplementing/ replacing documents (if available) at the time of making the decision of selecting an independent audit firm to audit the half-year and full-year FS and operations of the internal control system of VietinBank in 2024;
- Profit Distribution Plan for 2022 which VietinBank was submitting to competent State Authority for approval;
- The maximum remuneration in 2023 for the Board of Directors and Supervisory Board is equal to 0.25% of VietinBank's 2023 profit after tax. In case of additional members of the Board of Directors and members of the Supervisory Board, GMS authorizes VietinBank's BoD to decide on additional remuneration based on the actual number of members of the BoD and members of the SB in accordance with Regulation on VietinBank's salary payment;
- The revised contents and full text consolidated VietinBank's Regulations on internal governance and VietinBank BOD's Regulations on Organization and Operation in accordance with the content stated in the Proposal regarding amendment to Regulations on Internal Governance and Regulations on Organization and Operation of VietinBank BOD and the Appendixes attached to the Resolution of the 2023 Annual GMS No. 26/NQ-DHDCD dated April 21, 2023;
- The listing of VietinBank's public offering bonds issued in 2023 on Hanoi Stock Exchange after closing the offerings;
- Plan to increase charter capital through the shares issuance to pay dividend from the remaining profits in 2021 and the remaining profits accumulated until the end of 2016 which VietinBank is submitting to the competent State Agency;



- VietinBank personnel for the term 2019–2024: **(i)** Dismissal of the position of Member of the VietinBank's BoD for the term 2019–2024 for Mr. Masahiko Oki at the request of MUFG Bank, from June 2, 2023; **(ii)** Additional election of Mr. Koji Iriguchi – Co-Director of Financial Planning & Management Department – Finance Division and Co-Director of Strategy & Change Management Department – VietinBank's BOD office to VietinBank's BOD for the term 2019 – 2024, from June 2, 2023.

2023 Annual GMS commenced as stipulated by the law, ensuring democracy and transparency. Information about the GMS was fully and promptly disclosed on the VietinBank's website so that all shareholders could access information and exercise their rights and and benefits at VietinBank.



VietinBank's BoD sending flowers to congratulate Mr. Koji Iriguchi as new BoD member (the third right) and the dismissal of Mr. Masahiko Oki (the third left)



A panoramic view of VietinBank annual GMS 2023

2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

Periodically hold BOD meetings to evaluate business activities and provide timely guidance

In 2023, VietinBank's BoD periodically organized BoD meetings to evaluate business results, provide directions on operations, and discuss a number of issues and topics of governance. The number of meetings held during the year was 11 meetings in which the participation rate of Board members ranged from 90% to 100%.

The organization of regular BoD meetings ensured the proper implementation as stipulated by the law, VietinBank's Charter on organization and operation. Board members seriously and fully attended and voted according to the appropriate procedures. After the meetings, the BoD Office was in charge of archiving meeting minutes and deploying resolutions approved at the meeting to relevant units across the Bank.

Collect the opinion of Board members in written forms in order to approve the resolution upon the competence of the BoD

In 2023, VietinBank's BoD also approved all other issues under the authority of the BoD via the form of collecting opinion from Board members in written forms according to the reports of the General Director, Committees, High-level Councils. The number of resolutions issued by the BoD in 2023 was 339 (including 11 resolutions of periodic BoD meetings). All resolutions approved by the BoD complied with the law, based on such highly responsible spirit, ensuring transparency and democracy in governance for the sake of shareholders and VietinBank.

The number of the BoD meetings and approval of other issues under the authority of the BoD in the form of collecting written opinions of the BoD members are as follows:

NO	BOARD MEMBER	POSITION	STARTING DATE OF BECOMING BOARD MEMBER	STARTING DATE OF BECOMING NON-BOARD MEMBER	NUMBER OF BOD MEETINGS ATTENDED	ATTENDANCE RATE	REASONS FOR ABSENCE
1	Mr. Tran Minh Binh	Chairman of the BoD – Legal Representative	Appointed BoD member on 08/12/2018; Appointed Chairman of BoD on 07/09/2021.		339/339	100%	
2	Mr. Tran Van Tan	Board Member	23/04/2019		339/339	100%	
3	Mr. Le Thanh Tung	Board Member	03/11/2021		339/339	100%	
4	Ms. Tran Thu Huyen	Board Member	24/07/2014		338/339	99,7%	Personal reason
5	Mr. Nguyen The Huan	Board Member	23/04/2019		339/339	100%	
6	Ms. Pham Thi Thanh Hoai	Board Member	23/04/2019		339/339	100%	
7	Mr. Nguyen Duc Thanh	Board Member	29/04/2022		338/339	99,7%	Personal reason
8	Mr. Masahiko Oki	Board Member cum Deputy General Director	23/05/2020	02/06/2023	139/339	41%	Neither participating in BoD's meetings nor giving written opinions since June 2, 2023 (no longer being a Board member)
9	Mr. Koji Iriguchi (1)	Board Member cum Deputy General Director	02/06/2023		200/339	59%	
10	Mr. Masashige Nakazono	Board Member	16/04/2021		339/339	100%	
11	Ms. Nguyen Thi Bac	Independent Board member	23/05/2020		339/339	100%	

Note:

(1) Attend BoD meetings and give written opinions since 2/6/2023 (starting date of being a Board Member).

- The total number of meetings of the BoD in 2023 is **339**, including **11** in-person meetings and **328** times of written opinions. Contents and voting results of these meetings were presented in Appendix 01, Corporate governance report 2023 which was publicly disclosed on VietinBank's IR website at:

<https://investor.vietinbank.vn/Handlers/DownloadAttachedFile.ashx?NewsID=86568>

- Mr. Masahiko Oki and Mr. Koji Iriguchi: were a residential Board members, (i) attended all BoD's in-person meetings and (ii) gave written opinions to the BoD.

- Mr. Masashige Nakazono: is non-residential Board member, (i) attended some BoD's in-person meetings and (ii) gave written opinions to the BoD.

- From 01/01/2023 to the end of 01/06/2023: VietinBank's BoD for the term of 2019-2024 includes **10** members: Mr. Tran Minh Binh – Chairman of the BoD, Mr. Tran Van Tan – Board member, Mr. Le Thanh Tung – Board member, Ms. Tran Thu Huyen – Board member, Mr. Nguyen The Huan – Board member, Ms. Pham Thi Thanh Hoai – Board member, Mr. Nguyen Duc Thanh – Board member, **Mr. Masahiko Oki – Board member cum Deputy CEO**, Mr. Masashige Nakazono – Board member and Ms. Nguyen Thi Bac – Independent Board member.

- From 02/06/2023 to the end of 31/12/2023: VietinBank's BoD for the term of 2019-2024 includes **10** members: Mr. Tran Minh Binh – Chairman of the BoD, Mr. Tran Van Tan – Board member, Mr. Le Thanh Tung – Board member, Ms. Tran Thu Huyen – Board member, Mr. Nguyen The Huan – Board member, Ms. Pham Thi Thanh Hoai – Board member, Mr. Nguyen Duc Thanh – Board member, **Mr. Koji Iriguchi – Board member cum Deputy CEO**, Mr. Masashige Nakazono – Board member and Ms. Nguyen Thi Bac – Independent Board member.

2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

Supervision by the BoD over the BoM

Supervisory activities of the BoD over the BoM are carried out in accordance with the Regulations on supervisory activities of the BoD. Accordingly, Board Members, Committees under the BoD and the Supervisory Delegation help the BoD to carry out regular supervision activities according to the annual and extraordinary supervision plan; The Office of the BoD is the unit that advises and assists the BoD in organizing and implementing supervisory activities of the BoD; individuals and units subject to the supervision are notified of the annual or ad-hoc supervision plan of the BoD, the assignment of supervisory duties of Board Members. On the basis of the annual or extraordinary supervision plans, the BoD conducts their supervision through the following forms:

- **Review of reports:** Board Members, Committees under the BoD review reports according to their assigned supervisory scope or under the direction of the Chairman of the BoD for specific reports. After reviewing the reports, Board Members, Committees under the BoD shall prepare their reports on supervision results and send them to the Chairman of the BoD or report on the results of supervision at the periodic and extraordinary meetings of the BoD.
- **Meeting with individuals and units under supervision:** The Chairman of the BoD or a Board Member participates in meetings with individuals and units under supervision. After the meeting, Board Members report to the Chairman of the BoD on arising issues related to the supervision content discussed in the meeting for handling, directing, or reporting to the BoD at regular or extraordinary meetings.
- **Supervision Delegation:** Based on the annual supervision plan approved by the BoD or when an unexpected request for supervision arises, the Chairman of the BoD decides to establish a Supervision Delegation to carry out supervision activities. The composition of the Supervisory Delegation includes the Head of the Delegation, who is the Chairman of the BoD or a member of the BoD. After completing the monitoring activities, the Supervisory Delegation prepares a Monitoring Results Report to submit to the Chairman of the BoD. Based on that, the Chairman of the BoD decided to hold a meeting encompassing all members of the BoD to review, discuss, and handle the petitions in Monitoring Results Report according to BoD's authority.

The inspection and supervision of the BoD in 2023 were extensively implemented, contributing to improving the effectiveness of high-level supervision at VietinBank. In 2023, the BoD deployed 11 supervisory topics in the Bank's key activities including:



Accordingly, each Board member was assigned to carry out supervision in terms of topics, reporting to BoD on a monthly basis or according to specific requirements in the supervision plan.

In addition, in 2023, the supervisory activities of the BoD have been improved and increased efficiency through the implementation of the VietinBank BoD's Executive Monitoring System (EMS). Task assignment, supervision, and reporting on the work progress according to the decisions and directions of the BoD are carried out on the system to help increase productivity, professionalism, compliance and objectivity.

In the coming time, the supervision of the BoD over the BoM will continue to focus on fundamental topics and key operational areas of the Bank.

“

VietinBank's BoD is committed to embrace corporate governance activities in a transparent and effective manner, minimize risks with a sustainable development orientation and closely following international practices.

”

2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

ACTIVITIES OF THE INDEPENDENT BOARD MEMBER

From 23/05/2020 until now, VietinBank's BoD in 2019 - 2024 term comprises of 1 Independent Board Member as Ms. Nguyen Thi Bac.

Exercising the rights and responsibilities of the Independent Board Member in accordance with the provisions of the current law and the system of mechanisms and internal governance regulations of VietinBank, the Independent Board Member of VietinBank fully participated in the activities of VietinBank's BoD in compliance with the provisions of VietinBank's Charter and the law, specifically:

- **Exercising the rights and responsibilities of the BOD members stipulated by regulations**

(i) Participating fully in all meetings of the BoD, giving opinions/casting votes on discussed contents with the sense of ensuring compliance with the provisions of Law, Charter, internal regulations and in constructive dialogues to build VietinBank to develop sustainably, safely and effectively.

(ii) Regarding issues under the BoD's authority that are voted in the form of written opinions: Independent Board Member studied, thoroughly reviewed the dossiers attached to the opinion form and commented or voted independently, ensuring compliance with laws and internal policies of VietinBank and timeline.

- **Performing the duties of an Independent Board Member:**

(i) The Independent Board Member supervised the vote counting and making of Minutes of vote counting to collect opinions of Board Members for all documents submitted to the BoD for approval, ensured accuracy in accordance with the provisions of the Law and VietinBank's Charter and fully signed the Minutes of vote counting.

(ii) Preparing assessment report on the BoD's activities in accordance with the law and the Charter of VietinBank.

- **Participating in solving legal issues as assigned by the BoD**

(i) Making reports and giving opinions responsibly on the issues assigned for juridical advice and support, ensuring compliance with law and regulations.

- **Exercising the role of Member of the Risk Committee under the BoD**

(i) Fully attending meetings of the Risk Management Committee and giving independent opinions on the discussed contents.

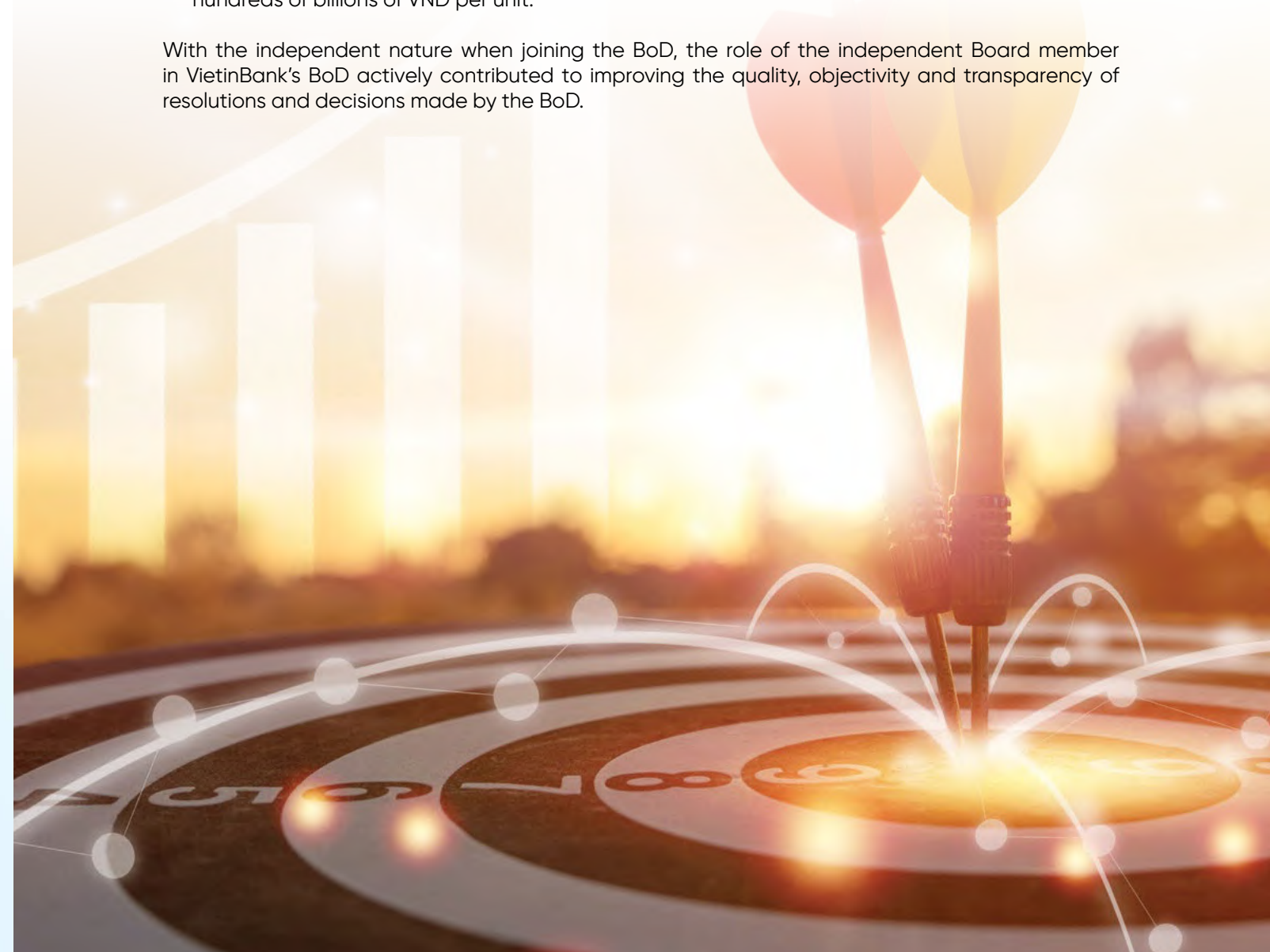
(ii) Participating fully and ensuring the progress of opinions on the contents requested by the Risk Management Committee, actively contributing to the development of VietinBank's risk management strategies, policies and procedures.

- **Regarding supervision activities of the BoD's activities as assigned by the Chairman of the BoD**

(i) Supervise the BoM in the implementation of plans, orientations, and policies issued according to the resolutions and decisions of the BoD at branches of Region 2: Fully participate in meetings of promotion of business activities, debt collection and settlement, participate in meetings with the local Judgment Enforcement Department on boost of debt collection by litigation according to the invitation of the BoM and fully consider reports of the BoM on work related to the management of branches in Region 2 with the supervisory role; thereby providing assessments and recommendations to the BoD for direction.

(ii) Supervise the implementation of the Hospitals' internal financial management system (HFS): The BoM as leader, the Finance Division as the focal point in collaboration with relevant professional departments/boards have been very active in deploy the HFS model on a large scale at major hospitals and have achieved many results. VietinBank is currently the first and only bank in the market to initiate this solution. The solution received positive reviews from hospitals and was introduced by the Department of Health of HCM City at many conferences of the Department of Health of HCM City and People's Committee of HCM City (Industry Review Conference, Digital Transformation Day...) and was published in many articles introducing and encouraging hospitals to adopt this solution of VietinBank. Currently, VietinBank signed cooperation contracts to deploy HFS for 6 large hospitals across the country. For hospitals that signed contracts to implement HFS with VietinBank, data showed that mobilized capital and CASA remarkably increased by hundreds of billions of VND per unit.

With the independent nature when joining the BoD, the role of the independent Board member in VietinBank's BoD actively contributed to improving the quality, objectivity and transparency of resolutions and decisions made by the BoD.



2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

ASSESSMENT OF INDEPENDENT BOARD MEMBER ON THE APPLICATION OF REGULATIONS ON CORPORATE GOVERNANCE

In 2023, VietinBank's BoD carried out many reforms in the activities of governance, direction and supervision of the BoM to execute the business plan approved by the GMS. Thereby, along with the efforts of the entire Bank, VietinBank achieved high and efficient growth, ensuring safe operations given local and international fluctuations.

- **On performing business activities**

Based on the MTBP Strategy, the direction of the SBV and the actual economic and political situation at home and abroad, since the last months of 2022, the BoD has directed the development of 2023 business plan for immediate execution from the beginning the 2023. With drastic direction in synchronously delivering business solutions right from the beginning of the year and the efforts of the entire Bank,

VietinBank has achieved many positive business results in 2023. Separate PBT reached VND 24.2 trillion, recording a 17.8% uplift compared to 2022, completing 108% of the plan approved by the SBV. ROE attained 17.1%, exceeding the 2022 GMS's plan. Along with fast credit growth right from the beginning of the year, lending performance has improved considerably, credit structure has shifted positively. Some service activities proved good growth such as: Guarantee, trade finance. Operating cost management focused on allocating resources to expenses that directly serve business activities, well-maintaining CIR to be lower than 30% as the lowest level in comparison with other banks. The conversion rate of corporate customer channels increased from 80% to 81%. In parallel with enhancing digitalization and applying technology to operations, VietinBank has built a comprehensive Digital Transformation Program. The Digital Transformation Program is implemented with the expectation of creating outstanding competitiveness for the bank and providing optimal customer experience.

- **On corporate governance practices**

VietinBank always places a strong emphasis on building internal regulations, fully complying with the provisions of law, the SBV, Charter and internal regulations, Regulations on the organization and operation of the BoD in all activities. This is evidenced in its effective and efficient internal governance, operation and control system, with a clear-cut separation of responsibilities between the BoD, SB and BoM.

(i) The BoD's supervision mechanism was implemented effectively in 2023, contributing to improving the effectiveness of high-level supervision at VietinBank, ensuring comprehensive control of key contents, especially the governance of operational efficiency, service quality, risk management...

(ii) The BoD has specific criteria to assess the results of tasks completion of the Chairman and Board Members. Currently, VietinBank's BoD has 10 members, including 1 independent Board member, with diverse experience and expertise in accordance with legal requirements. The Independent Board Member always proactively and actively participates in the activities of the BoD in guiding the Bank's operations.

(iii) VietinBank's BoD fully established specialized committees with clear-cut assignment of responsibilities and authority, promptly making effective proposals to improve operations, ensuring safety and sustainability. The BoD and specialized committees hold regular meetings at least quarterly or at the request of the chairpersons of the committees.

(iv) The BoM members and branches actively promoted business activities, reinforced stronger comprehensive management of operations in offering full support to branches in terms of customer service, emboldened the accomplishments of targets to guide HO units in supporting and promptly resolving problems and issues for the branches.

(v) VietinBank adheres to regulations on information disclosure, ensuring that shareholders are treated equally and are given the best conditions to exercise their rights. The 2023 GMS was held successfully, on time and approved many important contents, including the approval of the Bank's business plan and development orientation. VietinBank has distributed dividends as announced and safeguarded the interests of its shareholders, investors and stakeholders.

(vi) VietinBank has always placed a sharp focus on human resources with clear policies in recruitment, training, appointment and career promotion. In 2023, BoD issued guiding documents, resolutions on consolidating VietinBank's organizational model towards the goal of streamlining, specializing and improving more efficient collaboration. VietinBank's remuneration policy is adjusted in the direction of transparency, fairness, professionalism and market competitiveness by innovating the calculation methods of KPI payroll for different operational departments.

Based on the positive results in 2023, I strongly believe that in 2024 and the years to come, VietinBank definitely achieves many significant and sustainable advances.

Independent Board member Nguyen Thi Bac



2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

ACITIVITES OF PERSON IN CHARGE OF CORPORATE GOVERNANCE

Pursuant to the Law on Enterprise, VietinBank's Charter, VietinBank's Regulations on Internal Governance and Regulations on Organization and Operation of the BoD of VietinBank, the BoD appointed a Person in charge of Corporate Governance (PCG) cum Corporate Secretary according to regulations. As of December 31, 2023, the PCG is Mr. Dong Xuan Hung – Acting Chief of the BoD's office, in charge of the BoD's office and advising and assisting the BoD in the activities of the BoD and in the corporate governance.

Main roles and responsibilities:

- Support and advise the BoD in organizing the GMS and BoD meetings;
- Attend meetings of the GMS/BoD, advise on procedures for preparing resolutions of the GMS/BoD in accordance with regulations;
- Organize the storage of documents, materials, minutes, resolutions of the GMS, resolutions of the BoD and other related documents according to regulations;
- Support the BoD in applying and implementing principles of corporate governance; support members of the BoD in exercising rights and obligations as assigned;
- Support the BoD in related work between VietinBank and shareholders; build relationships with shareholders and protect the legitimate rights and interests of shareholders;
- Monitor and report to the BoD on VietinBank's information disclosure activities; advise and perform VietinBank's information disclosure according to regulations;
- Provide financial information, minutes of meetings of the BoD, Resolutions of the BoD and other information to members of the BoD and members of the SB according to regulations.

Activities of person in charge of corporate governance in 2023:

In 2023, the PCG performed functions and duties according to the Bank's regulations and the requirements of the BoD, specifically as follows:

- Advise the BoD on the organization of the 2023 Annual GMS and BoD meetings according to regulations;
- Attend and/or organize to take notes, make minutes, resolutions of the 2023 Annual GMS and meetings of the BoD;
- Supervise and report to the BoD on activities to build relations with shareholders and protect the legitimate rights and interests of shareholders; perform obligations of VietinBank's information disclosure according to legal regulations
- Organize the storage of documents, materials, minutes, resolutions of the GMS, resolutions of the BoD and other related documents according to regulations;
- Provide financial information, copies of minutes of the BoD meetings, resolutions of the BoD and other information to Members of the BoD and Members of the SB according to regulations;
- Support the BoD in promulgating resolutions of the GMS and the BoD in accordance with the law; advise and assist the BoD in supervising, monitoring, and periodically reporting on the implementation of resolutions issued/tasks assigned by the BoD;
- Research and propose to the BoD on amendments and supplements to VietinBank's internal governance documents in accordance with legal regulations;
- Deploy the Executive Monitoring System (EMS) of VietinBank's BoD to assign tasks, monitor and report on the implementation of resolutions, decisions and directions of the BoD;

- Perform other tasks as directed by the BoD.

Orientations of person in charge of corporate governance in 2024

As an advisory and assisting agency for the BoD, in 2024, the PCG will continue to support the BoD in internal governance, investor & shareholder relations and other contents according to functions and duties of the PCG and the direction of the BoD.



2 - ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

TRAINING ON CORPORATE GOVERNANCE

In 2023, VietinBank's BoD, SB, BoM and Directors of HO departments/divisions as well as Branches attended in-person, online, virtual conferences and seminars organized by international consulting units, strategic partners to update, share knowledge and experience in corporate governance, deploy projects, activities to improve competence in risk management, HR management, financial management, payment activities development, application of digital technology to all activities of the bank, etc. Therefore, VietinBank's BoD, SB, BoM and other management levels kept updating new knowledge and corporate governance standards according to international practices to continuously improve and enhance the management and governance of VietinBank's business activities.



Mr. Le Thanh Tung – VietinBank BoD's member sharing at the Forum



Panel discussion session with the topic of Open Banking and the issues that need to be resolved

"OPENNESS – TRANSPARENCY – EQUALITY"

Below are several courses that VietinBank's senior leaders and managers attended in 2023:

NO	COURSE NAME	COURSE DURATION	NUMBER OF SENIOR LEADERS PARTICIPATED
1	Talent development strategies	1 day	3 persons
2	Service upgrade	1 day	5 persons
3	Executive Coaching	1 day	2 persons
4	The Agile philosophy – Mindset and Tools	1 day	4 persons
5	Corporate Culture Development	1 day	4 persons
6	Managerial Business Analytics	2 day	1 persons
7	Interview skills based on competency framework	1 day	4 persons
8	Business Analytics for Strategic Decisions	2 day	4 persons
9	Leading Digital Transformation	1 day	17 persons
10	Use-case Simulation (Digital Leadership – Workshop)	4 sessions	11 persons
11	Analytics Sponsorship Immersion (Digital Leadership – Workshop)	4 sessions	8 persons
12	Talent & Organization (Digital Leadership – Workshop)	4 sessions	10 persons
13	Setting up for success (Digital Leadership – Workshop)	4 sessions	11 persons
14	Digital leadership – Basic e-learning course	11 sessions	7 persons
15	Embracing Agile Foundations and Demystifying Scrum (Agile Foundations – Workshop)	4 sessions	6 persons
16	Setting Vision and OKRs (Agile Foundations – Workshop)	4 sessions	5 persons
17	Becoming Customer Centric (Agile Foundations – Workshop)	4 sessions	6 persons
18	Creating our Backlog (Agile Foundations – Workshop)	4 sessions	4 persons
19	Defining MVPs & GTM strategy (Agile Foundations – Workshop)	4 sessions	3 persons
20	Vietnam Banking Forum 2023 themed "Monetary policy in Turbulent Times"	1 day	1 persons
21	Seminar on Digital Transformation Day of Banking Sector in 2023	1 day	1 persons
22	Open Banking 2023 conference – Transitioning business model from closed to open mode	1 sessions	1 persons
23	Workshop on "Solutions to protect communication in cyberspace at the credit institutions"	1 sessions	1 persons
24	Seminar titled "Enhancing capital absorption capacity of businesses"	1 sessions	1 persons

In the coming time, VietinBank will continue to study and deploy courses on corporate governance organized by the State Securities Commission (SSC) and prestigious training institutions around the world; participating in conferences, seminars, talk show for members of the BoD, BoM and all VietinBank's management levels to improve their knowledge of governance, strategic management, aiming at building VietinBank as one of Vietnam's leading banks, promoting safe and sustainable development and proactive international integration.

2 – ACTIVITIES OF THE BOARD OF DIRECTORS IN 2023

ORIENTATIONS OF BOD IN 2024

With a clear strategic development orientation, in 2024 and the upcoming years, VietinBank's BoD focuses on performing the following tasks:

- Continue to reform management activities, promote empowerment and decentralization and evaluate KPI-based work efficiency;

- Strengthen the activities of Committees under the BoD in advising and supervising the BoD in terms of fields in charge;

- Continue to participate in training courses on corporate governance to improve capabilities and practical application;

- Increase the application of technology to internal management processes to save resources and foster management capabilities;

- Continue to improve inspection and supervision in a modern and effective direction.



3 – ACTIVITIES OF SUPERVISORY BOARD IN 2023

MEMBERS AND STRUCTURE OF SB

- The number of SB members and their respective share ownership are presented in the table below (as of 31/12/2023):

NO.	FULL NAME	POSITION	NUMBER OF SHARES OWNED	OWNERSHIP (%)
1	Ms. Le Anh Ha	Chief of SB	4,476	0.000083%
2	Ms. Nguyen Thi Anh Thu	SB member	1,493	0.000028%
3	Ms. Pham Thi Thom	SB member	0	0%
TOTAL			5,969	0.000111%

- Changes in SB member during the year 2023: (Please refer to "VietinBank Leadership Team – Page 38)

ACTIVITIES OF SB IN 2023

In 2023, the SB held 12 meetings to carry out work, discuss and give opinions on the contents within the scope of work, responsibilities and rights of the SB. Meeting attendance rate reached 100%, specifically:

NO.	MEMBERS OF SB	NUMBER OF MEETINGS ATTENDED	ATTENDANCE RATE	VOTING RATE	REASONS FOR ABSENCE
1	Ms. Le Anh Ha – Chief	12/12	100%	100%	
2	Ms. Nguyen Thi Anh Thu – Member (full time)	12/12	100%	100%	
3	Ms. Pham Thi Thom – Member (full time)	12/12	100%	100%	

Surveillance activities of the SB toward the BoD, BoM and shareholders

In 2023, the SB implemented the tasks and rights set forth in VietinBank's Charter and Regulations on organization and operation of the SB. The SB supervised the BoD and BoM in compliance with the law, VietinBank's Charter in governance and the implementation of the Resolution of the GMS. In general, the management and administration activities of BoD and BoM have complied with the provisions of the Law on Credit Institutions, the Charter of VietinBank, implemented in accordance with the business orientation and objectives approved by the GMS.

The supervision of the SB over the BoD, the BoM and shareholders was implemented through the followings:

- Supervising the BoD and CEO in the management and administration of VietinBank (including checking the rationality, legality, honesty and prudence in business management and administration; appraising the adequacy, legitimacy and truthfulness of the report on evaluation of the management of the BoD);
- High-level supervision for internal audit;
- Appraisal of VietinBank's six-month and annual financial statements (including checking the systematicity, consistency and suitability of accounting, statistical and financial statement preparation);
- Updating the list of major shareholders and affiliated persons of members of the BoD, the SB and the BoM of VietinBank;
- Reviewing contracts, transactions between VietinBank and related persons under the approval authority of the BoD or the GMS.

The results of several specific tasks are as follows:

- Supervising the BoD and CEO in the management and governance of VietinBank**

The SB has supervised the BoD and Deputy CEO in-charge of BoM in complying with the provisions of the Law and the Bank's Charter in governance and management in order to comply with VietinBank's 2023 financial orientation and goals approved by the GMS. Based on the monitoring results, basically, the BoD and Deputy CEO in-charge of BoM directed and operated VietinBank's business activities in accordance with the objectives and complied with the provisions of the Law on Credit Institutions and the Bank's Charter. The SB carried out regular and continuous monitoring activities through the following specific actions:

- Supervise the implementation of resolutions of the GMS, update information on business activities of VietinBank, participate and exchange opinions at BoD's, BoM's meetings: The SB regularly monitored the implementation of resolutions of the GMS, attended and expressed opinions at regular meetings of the BoD, briefings of the BoM. In these meetings, the SB gave independent opinion and views on business performance data (compared with targets assigned by the GMS); shortcomings, risks in business operations, governance and risk management of VietinBank, then, recommending solutions to help the BoD and BoM fulfill the plan assigned by the GMS and tasks need implementing to overcome shortcomings. At the same time, regarding issues that need attention and strengthened control, the SB made specific recommendations to improve operational efficiency.

- Review policy documents, BoD's resolutions: The SB assigned one member to review BoD's resolutions sent to the SB and several material policy documents issued by the BoD & the Deputy CEO in-charge of BoM that posed comprehensive impact on the Bank's operation. After reviewing, the SB found that the way to pass resolutions of the BoD had complied with the provisions of VietinBank's Charter and the Regulation on organization and operation of the BoD, the content of the resolutions was in accordance with the provisions of law, at the right authority and reached high consensus of the BoD.

- Control internal audit activities: The SB directed the Internal Audit Department to carry out unit-by-unit and thematic audits, evaluate compliance with legal regulations, internal mechanisms/policies/regulations on high-level supervision, internal control and risk management, and identify existing problems, limitations and causes. Thereby, the SB proposed and made recommendations to competent authorities to handle the shortcomings and limitations.

- High-level direction and supervision for Internal Audit**

In 2023, the SB regularly directed and supervised the Internal Audit Department's activities according to the approved functions, tasks and plans. The high-level supervision of the Internal Audit Department was implemented through the role of the Person-in-charge in each internal audit team, thereby controlling the quality of audit activities, ensuring compliance with professional ethical standards as well as assessing the achievements/limitations of the Internal Audit Department to promptly draw experience through each audit.



3 - ACTIVITIES OF SUPERVISORY BOARD IN 2023

• Appraisal of financial statements

Performing the functions and duties as prescribed in Law on Credit Institutions, VietinBank Charter as well as Regulation on organization and operation of the SB, the SB established an Appraisal Team to appraise the consolidated financial statements for the fiscal year ending December 31, 2022 and the mid-year consolidated financial statements for the financial period ending June 30, 2023, on the basis of financial statements audited by Deloitte Vietnam Audit Company Limited. Through the appraisal, the SB assessed the reasonableness, legitimacy, honesty and carefulness in accounting, statistics and preparation of financial statements.



• **Updating the list of major shareholders and affiliated persons of members of the BoD, members of the SB, and members of the BoM**

Updating the list of affiliated persons of the BoD members, SB members, BoM members and shareholders owning at

least 05% (five percent) of the voting shares of VietinBank was carried out by the SB periodically on the basis of coordination and information exchange with the Secretariat to the BoD and Investor Relations. The updated results showed that VietinBank's list of affiliated persons in 2023 had several changes compared to that of year end 2022 due to some changes in the BoD members for the term of 2019-2024 at 2023 AGM, and changes of some high-level personnel for BoM. Specifically:

- Dismissal of Mr-Masahiko Oki as BOD member for the term of 2019-2024 as per MUFG's request since 02 June 2023.
- Additional election of Mr.Koji Iriguchi as BOD member for the term of 2019-2024 as per MUFG's request since 02 June 2023.
- Dismissal of Mr.Masahiko Oki as Deputy CEO since 02 June 2023.
- Appointment of Mr.Koji Iriguchi as Deputy CEO since 02 June 2023.
- Dismissal of Mr. Nguyen Hoang Dung as Deputy CEO in charge of BoM since 01 September 2023.
- Assignment of Mr. Do Thanh Son – Deputy CEO to be in charge of BoM since 01 September 2023.

This list was updated promptly by the SB and recorded properly in accordance with regulations.

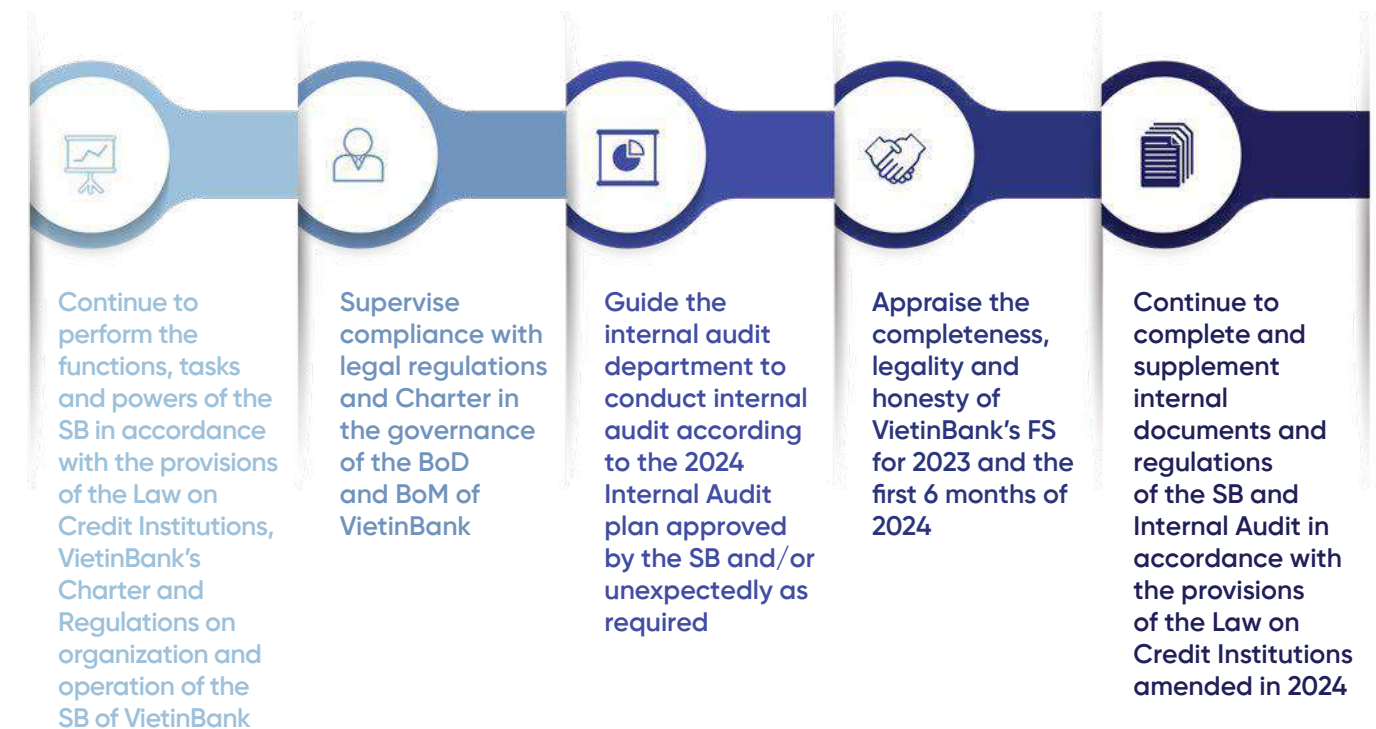
• **Reviewing contracts, transactions between VietinBank and affiliated persons under the approval authority of the BoD or the GMS**

In 2023, the SB reviewed contracts between VietinBank and institutional affiliated entities (subsidiaries, affiliated companies, major shareholder). The reviews showed that the signing and implementation of the contracts had a legal basis and approval of the BoD in accordance with its authority and was disclosed according to regulations.

Besides, **in the coordination among the SB with the BoD, BoM and other management levels**, the SB regularly participated in regular meetings of the BoD, monthly briefings of the BoM, and participated as guests in a number of meetings of the Committees under BoD and Boards under BoM. The SB closely coordinated with the BoD, BoM in performing functions, duties, and exchanging two-way information on the principle of compliance with the laws and internal regulations of VietinBank. Based on the supervisory and internal audit results, the SB made specific recommendations and notes of advisory nature on the governance and management of the BoD, the General Director/ Deputy General Director in-charge of the BoM; supporting the BoD, General Director CEO in-charge of the BoM to have more reference information in making decisions, directing relevant units to research and implement measures to promote growth in accordance with strategic directions while still controlling risk effectively. On the other hand, at meetings of the Committees under the BoD, the Councils under the CEO, the SB gave advice on risk management, the areas of professional activities that the SB identified and analyzed that needed to have enhanced behavioral measures in risk management and internal audit.

ORIENTATIONS OF SB IN 2024

In order to well perform the roles and responsibilities according to the Law on Credit Institutions and VietinBank's Charter, the operational orientations of SB in 2024 as follows:



4 - TRANSACTIONS, REMUNERATION AND INTERESTS OF THE BOD, SB AND BOM

MECHANISM FOR DETERMINING POLICY ON REMUNERATION, BONUS AND BENEFITS FOR THE BOD, SB AND BOM

The BoD, BoM, SB are entitled to remuneration, bonus and other benefits under the mechanism of remuneration, bonus and welfare in accordance with the prevailing regulations of VietinBank. Of which, remuneration of members of the BoD, BoM, SB as full-time are taken from the general salary budget of VietinBank's leadership team and paid according to the positions and titles attached with level of task completion.

The remuneration level of managers eligible for remuneration is determined on the basis of responsibilities, tasks assigned, results of task implementation and level of contribution to the Bank's business efficiency. Bonuses for the BoD, BoM and SB are included in the bonus fund of VietinBank's leadership team.

In 2023, the actual remuneration of the BoD and SB was 0.14% of profit after tax (in compliance with Article 5, Resolution of the 2023 annual GMS No.26/NQ-ĐHĐCĐ dated 21/04/2023 approving remuneration amount of the BoD and SB realized in 2023 maximum to 0.25% of profit after tax of 2023). Details are presented in Part 7 – Audited Consolidated FS 2023 – Notes 43: Transactions and balances with related parties.

TRANSACTIONS, REMUNERATION AND INTERESTS OF THE BOD, SB AND BOM

In 2023, there was no transaction by internal persons and their affiliated persons related to CTG share of VietinBank.



CONTRACTS OR TRANSACTIONS WITH THE AFFILIATED PERSONS OF VIETINBANK

NO.	NAME OF ORGANIZATION/INDIVIDUAL	RELATIONSHIP	TIME OF TRANSACTIONS	RESOLUTIONS NO. APPROVED BY THE AGM/BOD	CONTENT, QUANTITY, TOTAL VALUE OF TRANSACTION
1	MUFG Bank, Ltd. - HCMC Branch	VietinBank's majority shareholder	10-01-2023	Resolution No. 008/NQ-HDQT-NHCT-VPHDQT1 dated 09/01/2023	Approved the deposit framework contracts in VND between VietinBank and MUFG Bank - Ho Chi Minh City Branch. Transaction quantity and value are not provided due to information security.
2	MUFG Bank, Ltd. - HCMC Branch	VietinBank's majority shareholder	09-01-2023	Resolution No. 009/NQ-HDQT-NHCT-VPHDQT1 dated 09/01/2023	Approved the limit contracts for transactions on the interbank market between VietinBank and MUFG Bank - Ho Chi Minh City Branch. Transaction quantity and value are not provided due to information security.
3	VietinBank Laos Limited	- VietinBank's subsidiary; - Ms. Pham Thi Thanh Hoai is VietinBank's Board member (from 2019 to now), cum Chairwoman of the Board of Members of VietinBank Laos Limited (from 2021 to now)	15-02-2023	Resolution No. 048/NQ-HDQT-NHCT-VPHDQT1 dated 15/02/2023	Approved the foreign currency transaction limit contract between VietinBank and VietinBank Laos Limited. Transaction quantity and value are not provided due to information security.
4	VietinBank Debt and Asset Management Company Limited (VietinBank AMC)	- VietinBank's subsidiary; - Mr. Do Thanh Son is Deputy CEO in charge of BoM (Deputy CEO from 2022 to now), cum Chairman of VietinBank Debt and Asset Management Company Limited (from 2023 to now)	31-03-2023	Resolution No. 094/NQ-HDQT-NHCT-VPHDQT1 dated 23/3/2023	Approved principal contract on debt recovery authorization between VietinBank and VietinBank AMC.
5	VietinBank Insurance Joint Stock Corporation (VBI)	VietinBank's subsidiary	04-04-2023	Resolution No. 108/NQ-HDQT-NHCT-VPHDQT1 dated 4/4/2023	Approved 4 property mortgage contracts between VietinBank and VietinBank Insurance Corporation - VBI.
6	VietinBank Insurance Joint Stock Corporation (VBI)	VietinBank's subsidiary		- The Guarantee Contract: signed on 15/5/2023; - The Property Mortgage Contract: signed on 11/5/2023; - 02 Valuable Papers Pledge Contracts: signed on 11/5/2023.	Approved the Guarantee Contract, Property Mortgage Contract and Valuable Papers Pledge Contracts between VietinBank and VietinBank Insurance Corporation - VBI.

4 - TRANSACTIONS, REMUNERATION AND INTERESTS OF THE BOD, SB AND BOM

7	Vietin Bank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	27-06-2023	Resolution No. 171/NQ-HDQT-NHCT-VPHDQT1 dated 19/5/2023	Approved the insurance agent contract between VietinBank and VietinBank Insurance Corporation - VBI
8	VietinBank Leasing Company Limited (VietinBank Leasing)	VietinBank's subsidiary	30-06-2023	Resolution No. 228/NQ-HDQT-NHCT-VPHDQT1 dated 28/6/2023	Approved the lending/deposit transaction limit Contract in the interbank market between VietinBank and VietinBank Leasing. Transaction quantity and value are not provided due to information security.
9	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	30-06-2023	Resolution No. 233/NQ-HDQT-NHCT-VPHDQT1 dated 29/6/2023	Approved the Banker Blanket Bond and Electronic Computer Crime (BBB & ECC) Insurance Policy Contract within VietinBank system for the period of 2023 - 2024 between VietinBank and VietinBank Insurance Corporation - VBI.
10	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	18-08-2023	Resolution No. 272/NQ-HDQT-NHCT-VPHDQT1 dated 08/08/2023	Approval of documents amending and supplementing the guarantee contract between VietinBank and VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>
11	VietinBank Leasing Company Limited (VietinBank Leasing)	VietinBank's subsidiary	15-08-2023	Resolution No. 273/NQ-HDQT-NHCT-VPHDQT1 dated 09/08/2023	Approval of collateralized contract between VietinBank and VietinBank Leasing Company Ltd. (VietinBank Leasing) <i>(a subsidiary of VietinBank)</i>
12	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	18-08-2023	Resolution No. 283/NQ-HDQT-NHCT-VPHDQT1 dated 18/08/2023	Approval of the content of the Document amending and supplementing the Insurance Agency Contract with VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>
13	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	22-08-2023	Resolution No. 286/NQ-HDQT-NHCT-VPHDQT1 dated 22/08/2023	Approval of the content of the Money Insurance Contract in the VietinBank system for the period 2023-2024 between VietinBank and VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>
14	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	24-08-2023	Resolution No. 292/NQ-HDQT-NHCT-VPHDQT1 dated 24/08/2023	Approval of the Asset Mortgage Contract between VietinBank and VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>
15	MUFG Bank, Ltd. - HCMC Branch	VietinBank's majority shareholder	31-08-2023	Resolution No. 297/NQ-HDQT-NHCT-VPHDQT1 dated 29/08/2023	Approval of the deposit framework contract with 100 million USD as limit (converted to VND) between VietinBank and MUFG Bank - Ho Chi Minh City Branch <i>(majority shareholder of VietinBank)</i>
16	MUFG Bank, Ltd. - HCMC Branch	VietinBank's majority shareholder	06-09-2023	Resolution No. 317/NQ-HDQT-NHCT-VPHDQT1 dated 06/09/2023	Approved transaction limit contracts on the interbank market between VietinBank and MUFG Bank - City Branch, Ho Chi Minh <i>(major shareholder of VietinBank)</i> Transaction quantity and value are not provided due to information security.
17	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	28-12-2023	Resolution No. 328/NQ-HDQT-NHCT-VPHDQT1 dated 14/09/2023	Approval of Account Receivable Management Service Contract through account identification with VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>

18	VietinBank Gold and Jewellery Trading Company Ltd.	VietinBank's subsidiary	21-11-2023	Resolution No. 416/NQ-HDQT-NHCT-VPHDQT1 dated 20/11/2023	Approval of the commodity trading contracts between VietinBank and VietinBank's Gold & Jewellery <i>(a subsidiary of VietinBank)</i>
19	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	30-11-2023	Resolution No. 434/NQ-HDQT-NHCT-VPHDQT1 dated 30/11/2023	Approval of Health Insurance Contract VBI Care (from 01/12/2023 to 30/11/2024) between VietinBank and VietinBank Insurance Corporation (VBI) <i>(a subsidiary of VietinBank)</i>
20	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	01-12-2023	Resolution No. 435/NQ-HDQT-NHCT-VPHDQT1 dated 30/11/2023	Approval of the Contract between VietinBank and VietinBank Insurance Corporation - VBI <i>(a subsidiary of VietinBank)</i> to provide insurance services against all risks of ATM assets; insurance for money in ATMs; insurance for ATM fund shortage in VietinBank system for the period 2023 - 2026
21	VietinBank Insurance Join Stock Corporation (VBI)	VietinBank's subsidiary	27-12-2023	Resolution No. 483/NQ-HDQT-NHCT-VPHDQT1 dated 27/12/2023	Approval of the Asset Mortgage Contract and Document amending and supplementing the Mortgage Contract between VietinBank and VietinBank Insurance Joint Stock Corporation (VBI) <i>(a subsidiary of VietinBank)</i>



5 – INTERNAL CONTROL & INSPECTION AND INTERNAL AUDIT ACTIVITIES

INTERNAL CONTROL AND INSPECTION ACTIVITIES

Main roles and responsibilities

- Advise and assist the BoD, BoM on supervision and inspection of branches and some HO units assigned in complying with VietinBank's statutes, professional processes, internal regulations;
- Conduct regular checks to supervise the activities and evaluate the compliance with regulations, internal processes of branches in the system, timely identify and report warnings of potential incidents and risks arising at branches;
- Resolve petitions and complaints.

Activities in 2023

- In 2023, the internal control and inspection departments continued to boost the activities of inspection and supervision closely attached with the inspection and supervision work of the Party. Based on the rule "Broadened supervision and focused inspection" and "Risk-based inspection", the Bank conducted supervision: **(i)** Conduct regular and continuous supervisions covering 10 core operations and closely monitor any abnormalities in controlled environments, in the deployment of business plan, large corporate customers, industries/fields with high levels of risk in order to promptly detect errors and suggest/recommend business units to fix and correct them. **(ii)** Implement direct inspections implemented with focus, methods/measures of implementation are continuously innovated and modernized, helping to save time, resources and increasingly improve quality.
- In recent times, the internal audit work continued to receive attention and close direction from the Board of Leaders, highlighting the position and role of the 2nd line of defense. The internal control and inspection departments promoted its role as the unit in charge of performing regular, periodic and irregular inspection and supervision of branches and business units, making an important contribution to the management and operations in general and risk management in particular as well as improving the compliance, enhancing the controlled environments at branches, therefore, boosting the safety and operational efficiency of VietinBank.

Orientations in 2024

- Continue to coordinate with units across the 1st, 2nd, 3rd line of defense to be well-performed in identifying early risks, forecasting the trends, developments, potentials of internal and external risks to have appropriate inspection and suspicion methods, measures for risk prevention.
- Continuously innovate inspection methods, take modernization of inspection methods and techniques to improve labor productivity and inspection efficiency.
- Maintain the upgrade of the position and role of inspection and supervision in particular and risk management in general to support the Bank's business activities.

INTERNAL AUDIT ACTIVITIES

Main roles and responsibilities

The Internal Audit Department performs the internal audit function in the Bank in accordance with the law and internal regulations. Accordingly, the main roles and responsibilities of the Internal Audit department include:

- Conduct internal audit as approved in internal audit plan and/or unexpectedly at the request of the SB;
- Develop, review and submit to the SB in the promulgation, amendments and supplements of internal regulations on internal audit;
- Monitor and evaluate the implementation of recommendations of the SB to the BoD, General Director, individuals and departments;
- Implement recommendations of the SBV, independent audit firms and other authorities for internal audit;
- Prepare and send reports to the SBV according to the SBV's regulations and internal regulations.

Activities in 2023

In 2023, the internal audit department organized 12 internal audit teams according to the annual internal audit plan, and 2 teams in charge of appraisal of financial statements under the direction of the SB. In parallel with the arrangement of audit teams, the internal audit department still carried out regular supervision, identifying band-wide issues to be noted, to be controlled intensively or to require appropriate handling measures for the sake of the safety of VietinBank's operations. In the task of urging post-inspection fixes and corrections, internal audit department advised the BoD and units in organizing deployment, providing evidence and promptly reporting the results of fixes and corrections. In addition, the internal audit department also performed other tasks at the request of the Bank's BoD.

Orientations in 2024

In 2024, the internal audit department plans to organize 12 internal audit teams based on the yearly plan, 2 teams in charge of appraisal of financial statements under the direction of the SB. The internal audit department will continue to carry out other tasks, including: Monitoring periodic activities; reviewing amendments of internal regulations on internal audit; tracking and assessing the implementation of post-inspection recommendations; implementing recommendations of external inspection units for internal audit; preparing and submitting reports to the SBV following the regulations.

6 - ACTIVITIES OF FIGHTING AGAINST CORRUPTION, WRONGDOINGS AND CRIME

VietinBank is deeply aware that the fight against corruption, wrongdoings and crime is one of the urgent issues, requiring high responsibility and determination of the entire system. Therefore, the VietinBank's leaders always thoroughly grasps the work of preventing corruption, wrongdoings and crime as a key task in the leadership and direction of business activities. Over the past years, VietinBank has synchronously deployed solutions such as:



Carry out human resources management openly – transparently – equally

VietinBank considers the human factor to be the core competency, the root of all work, and a prerequisite for successful tasks completion. Therefore, the Bank regularly reviewed the organization and arrangement of employees to ensure compliance with the Anti-Corruption Law and VietinBank's Regulations on staff management, drastically performed solutions from the phases of recruitment, training, planning, appointment, rotation, conversion, designation. With the goal of building and developing a management team at all levels, especially at the strategic level and the leaders and Deputy leaders of the units who are qualified, capable, creditable, resilient, and responsive to business requirements and tasks in the new situation. In striving for the Bank's safe and sustainable development and promoting the building of a culture of meritocracy and recruiting talented people, **VietinBank has changed its human resources affairs from "appointment" to "recruitment", organizing the large-scale recruitment of middle-level leaders and managers publicly with many breakthroughs, pioneering among state-owned commercial banks**, also for the first time creating promotion opportunities (even leapfrogging promotion) openly, transparently, and equally for capable, promising employees with the will to rise and the desire to contribute to the organization.

VietinBank paid great attention to the improvement of employees' capabilities and professional qualification as constantly updating the contents, methods, forms of training to keep up with the trends in the era of digital transformation as well as supporting professional divisions in improving execution capabilities closely linked with yearly business topics and practical values of these units. Meanwhile, VietinBank continuously updated the skills and trending topics to help the leadership team at all levels improve leadership capabilities and adapt flexibly to the business environment; identify, foster and develop potential staffs.

Job rotation in VietinBank is seriously reviewed and conducted regularly to ensure the prevention and early detection of risks. At the same time, VietinBank has declared and disclosed assets and income according to regulations.

VietinBank always puts a strong emphasis on risk management culture, boosts the development of corporate culture, promotes the practices of core values in corporate culture of integrity, maintains the consistency in mindset and action, ensures the compliance, rules, discipline, transparency and professional ethics.

Promote the role and responsibility of leaders, the responsibility of example-making and power control

VietinBank issued a system of internal management documents to ensure legal compliance in avoidance of conflicts of interest and risk prevention in multiple aspects such as: Regulations on management of conflict of interest; Regulations on staff management (in which specifies regulations on job rotation including officials with and without titles for all potentially risky positions); Regulations on responsibilities of unit leaders in the VietinBank system, accordingly, promoting the role and responsibility of setting an example in terms of ethics, lifestyle and especially responsibility in anti-corruption. Meanwhile, VietinBank's BoD also issued Regulations on controlling power in officials' affairs and preventing power-seeking, ensuring strict compliance with Regulation No. 205-QD/TW of the Central Executive Committee. In addition, the Bank strengthened strict inspection and supervision methods for leaders of units before retirement and reappointment...

Enhance the effectiveness and efficiency of the inspection and supervision work

VietinBank soon established an organizational model in accordance with international practices and regulations of the SBV in Circular 13/2018/TT-NHNN of the SBV regulating the internal control system of commercial banks and branches of foreign banks. Currently, audit activities are deployed across 3 lines of defense, especially at the second line, VietinBank invested large resources to maintain an independent audit apparatus with **26 regional internal audit departments** across the country and 1 department at HO to conduct comprehensive supervision of professional activities at business units. Internal audit activities at third line have also been enhanced to ensure effectiveness and efficiency according to legal regulations and risk management requirements.

In addition to professional supervision activities, the inspection work of the Standing Committee of the Party Committee, Inspection Commission of the Party, VietinBank's BoD has been strengthened and promoted with high efficiency through the following mechanism: **(i)** Combination of Party inspection and professional inspection work; **(ii)** Regulations on supervision of the BoD to monitor the performance of duties of the CEO and other executives at VietinBank. VietinBank determines that the subject of regular supervision is the head/key officer of the unit. The issues of regular supervision delved into practical ones, specifically such as implementing the responsibility of setting an example, preserving merits, ethics, lifestyle, and the spirit of "dare to think, dare to do, dare to take responsibility for the common good", the role of the leader in leading the implementation of assigned targets and plans... VietinBank also determines the coordination mechanism between units, promoting the effectiveness, efficiency and roles of the political units, organizations, unions, creating a synchronous, comprehensive monitoring mechanism... to ensure fast, multi-dimensional information and promptly serve regular monitoring and direction.



7 – ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

Introduction to the ASEAN Corporate Governance Scorecard	The ASEAN Corporate Governance Scorecard (ACGS) is an initiative by the ASEAN Capital Market Forum to improve the corporate governance standards and practices of public-listed companies in the ASEAN region and to enhance the international visibility of well-governed ASEAN companies. The first version of the ACGS was issued in 2011 and first revised in 2017. Then, on October 16, 2023, the new revision of ACGS was endorsed by the ACMF Chairs in response to the updated G20/OECD Principles of Corporate Governance and considers the recent developments in capital markets and corporate governance policies and practices. It includes new and updated criteria on shareholder rights and equitable treatment, transparency and disclosure, board responsibility, and the new area of sustainability and resilience.
Statement of use	VietinBank evaluates corporate governance according to the ASEAN Corporate Governance Scorecard, revised version in October 2023.

☒ Fully complied

☐ Partially complied/ Areas for improvement

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
A. Rights and Equitable Treatment of Shareholders			
A.1. Basic Shareholder Rights			
A.1.1	Does the company pay (interim and final/ annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days.	x	VietinBank's profit distribution plan (PDP) (including dividend payout ratio by cash/shares) depends on the approval/ time of approval of the competent State agency. As a result, at the annual GMS, VietinBank's BoD submits the plan for approval and receives the authorization to make a decision based on the approval of the competent State agency. Upon the approval of the competent State agency, VietinBank makes dividend payments in accordance with the Law on Enterprise, the Charter of organization and operation of VietinBank as well as relevant documents.
A.2. Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.			
A.2.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.2.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.2.3	Does the company allow shareholders to elect directors/ commissioners individually?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.2.4	Does the company disclose the voting procedures used before the start of meeting?	v	Shown in documents of the annual GMS published on VietinBank's Investor Relations website and before the GMS held.
A.2.5	Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
A.2.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.2.7	Does the company disclose the list of board members who attended the most recent AGM?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.2.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.2.9	Does the company allow voting in absentia?	v	VietinBank allows proxy voting in absentia and is in the process of research to apply electronic voting and organize online GMS.
A.2.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.2.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.2.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/ EGM for all resolutions?	v	Information disclosed within 24h after the approval of minutes and resolutions of the GMS.
A.2.13	Does the company provide at least 21 days notice for all AGMs and EGMS?	v	Invitation to attend the 2023 Annual GMS and documents of 2023 Annual GMS were published on the website on 31/03/2023, or 21 days before the date of the GMS (21/04/2023).
A.2.14	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	v	Shown in the documents of the annual GMS published on VietinBank website and sent to each shareholder attending the meeting.
A.2.15	Does the company give the opportunity for shareholders to place item/s on the agenda of general meetings and/or to request for general meetings subject to a certain percentage?	v	Presented in the GMS's minutes fully displayed on VietinBank's Investor Relations website.
A.3. Markets for corporate control should be allowed to function in an efficient and transparent manner			
A.3.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	v	Not incurred any cases of mergers, acquisitions and/or takeovers requiring shareholders' approval at VietinBank.
A.4. The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.			
A.4.1	Does the company disclose its practices to encourage shareholders to engage with the company beyond general meetings?	v	Presented in the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
A.5. Shares and voting rights			
A.5.1	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	v	At VietinBank, there are only common shares.

7 - ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
A.6. Notice of AGM			
A.6.1	Does each of the resolutions tabled at the most recent annual general meeting deal with only one item, i.e., there is no bundling of several items into the same resolution?	x	VietinBank is in the process of research for implementation.
A.6.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	v	VietinBank fully implements.
Does the notice of AGM/circulars have the following details:			
A.6.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	v	VietinBank fully implements.
A.6.4	Are the auditors seeking appointment/re-appointment clearly identified?	x	The GMS approved the list of independent auditing firms and authorized the BoD to decide on the selection of an audit firm.
A.6.5	Were the proxy documents made easily available?	v	Shown in the documents of the annual GMS published on VietinBank's Investor Relations website.
A.7. Insider trading and abusive self-dealing should be prohibited.			
A.7.1	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	v	Regulated in the Regulations on information disclosure on the stock market of VietinBank (No. 083/2022/QĐ-HĐQT-NHCT2.1 dated January 18, 2022) disclosed on VietinBank's Investor Relations website.
A.8. Related party transactions by directors and key executives.			
A.8.1	Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?	v	The approval of transactions with related parties is carried out by VietinBank in accordance with current legal regulations and the Charter of organization and operation of VietinBank which is fully disclosed on VietinBank's Investor Relations website.
A.8.2	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.8.3	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.9. Protecting minority shareholders from abusive actions			
A.9.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	v	Presented in the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
A.9.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
C. Sustainability and Resilience			
C.1. Sustainability-related disclosure should be consistent, comparable and reliable, and include retrospective and forward-looking material information that a reasonable investor would consider important in making an investment or voting decision			
Material Sustainability-related information should be specified			
C.1.1	Does the company identify/report ESG topics that are material to the organization's strategy?	v	Presented in the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.1.2	Does the company identify climate change as an issue?	v	Presented in "Sustainability Report – Message about sustainable development" which is fully disclosed on VietinBank's Investor Relations website.
C.1.3	Does the company adopt an internationally recognized reporting framework or standard for sustainability (i.e. GRI, Integrated Reporting, SASB, IFRS Sustainability Disclosure Standards)?	v	Sustainability Report with reference to international standards (GRI, 17 Sustainable Development Goals of the United Nations).
If a company publicly sets a sustainability-related goal or target, the disclosure framework should provide that reliable metrics are regularly disclosed in an easily accessible form			
C.1.4	Does the company disclose quantitative sustainability target?	x	VietinBank is in the process of research for implementation.
C.1.5	Does the company disclose sustainability-related performance progress in relation to its previously set targets?	x	VietinBank is in the process of research for implementation.
C.1.6	Does the company confirm that its Sustainability Report / Reporting is reviewed and /or approved by the Board or Board Committee?	v	VietinBank's Sustainability Report is integrated with the Annual Report, reviewed and approved by the BoD's members (Resolution No.126/NQ-HĐQT-NHCT-VPHDQT1).
C.2. Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters			
C.2.1	Does the company engage internal stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	v	VietinBank provides contact information on the Annual Report to receive feedbacks and questions from stakeholders on sustainable development issues. Meanwhile, VietinBank has a Sustainable Development Steering Committee to exchange and collect feedback on key sustainability matters within the Bank.
C.2.2	Does the company engage external stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	v	VietinBank provides contact information on the Annual Report to receive feedback and questions from stakeholders on sustainable development issues.
C.3. The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks			
Boards should assess whether the company's capital structure is compatible with its strategic goals and its associated risk appetite to ensure it is resilient to different scenarios			
C.3.1	Does the company disclose that the board reviews on an annual basis that the company's capital and debt structure is compatible with its strategic goals and its associated risk appetite?	v	Shown in the Report of the BoD on business performance in 2022 and development orientation in 2023 submitted to GMS.

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NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
C.4. The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active cooperation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.			
Does the company disclose a policy and practices that address:			
C.4.1	The existence and scope of the company's efforts to address customers' welfare?	v	Presented in "Sustainability report – Responsibilities to Customers" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.4.2	Supplier/contractor selection procedures?	v	Presented in "Sustainability report" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.4.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	v	Presented in "Sustainability report" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.4.4	The company's efforts to interact with the communities in which they operate?	v	Presented in "Sustainability report" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.4.5	The company's anti-corruption programmes and procedures?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.4.6	How creditors' rights are safeguarded?	v	VietinBank always commits to fully comply with legal regulations in all activities, including regulations on capital adequacy, liquidity and risk management. VietinBank fully fulfills its information disclosure obligations, including financial statements, annual reports and periodical disclosure documents before and after each bond issuance. Investor Relation activities are always focused and are an useful channel of interaction with creditors.
C.4.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	v	Presented in "Sustainability Report" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.5. Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.			
C.5.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	v	Phone numbers, email of the Customer Service Center (Contact Center) and other contact methods are provided on VietinBank website, Vietinbank's Investor Relations website and widely available in the media.
C.6. Mechanisms for employee participation should be permitted to develop.			
C.6.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	v	Presented in "Sustainability Report – Responsibilities to employees" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.6.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	v	Presented in "Sustainability Report – Responsibilities to employees" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
C.6.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	v	Presented in "Sustainability Report – Responsibilities to employees" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
C.7. Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.			
C.7.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report	v	VietinBank issued regulations on fraud risk management and has contact information published on its website and the Annual Report (hotline 1900558868/ email hotline@vietinbank.vn).
C.7.2	Does the company have a policy or procedures to protect an employee/ person who reveals alleged illegal/unethical behaviour from retaliation?	v	VietinBank issued Regulations on fraud risk management and handling of fraud risk incidents in VietinBank system, including regulations on principles of protecting and rewarding information providers.
D. Disclosure and Transparency			
D.1. Transparent ownership structure			
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	v	Presented in the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	v	Presented in the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	v	Presented in the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	v	Presented in the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	v	Presented in the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
D.2. Quality of Annual Report			
Does the company's annual report disclose the following items:			
D.2.1	Corporate objectives	v	Presented in "About VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
D.2.2	Financial performance indicators	v	Presented in "About VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
D.2.3	Non-financial performance indicators	v	Presented in "About VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
D.2.4	Dividend policy	v	Shown in the documents of GMS fully disclosed on VietinBank's Investor Relations website and sent to each shareholder attending the meeting.
D.2.5	Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/commissioners	v	Presented in "About VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
Corporate Governance Confirmation Statement			

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NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
D.2.6	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is noncompliance, identify and explain reasons for each such issue?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
D.3. Remuneration of Members of the Board and Key Executives			
D.3.1	Is there disclosure of the fee structure for non-executive directors/ commissioners?	v	Presented in the Annual Reports and Financial Statements which are fully disclosed on VietinBank's Investor Relations website.
D.3.2	Does the company publicly disclose [i.e. annual report or other publicly disclosed documents] details of remuneration of each non-executive director/commissioner?	v	Presented in the Annual Reports and Financial Statements which are fully disclosed on VietinBank's Investor Relations website.
D.3.3	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
D.3.4	Does the company publicly disclose [i.e. annual report or other publicly disclosed documents] the details of remuneration of each of the executive directors and CEO [if he/she is not a member of the Board]?	v	Presented in the Annual Report and Financial Statements which are fully disclosed on VietinBank's Investor Relations website.
D.4. Disclosure of related party transactions (RPT)			
D.4.1	Does the company disclose its policy covering the review and approval of material RPTs?	v	Stipulated in the Charter of organization and operation of VietinBank and Internal Regulations on Corporate Governance which are disclosed on VietinBank's Investor Relations website.
D.4.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	v	Shown in documents disclosing information about RPTs on the VietinBank's website and Corporate Governance Report disclosed on VietinBank's Investor Relations website.
D.5. Directors and commissioners dealings in shares of the company			
D.5.1	Does the company disclose trading in the company's shares by insiders?	v	Shown in documents disclosing information about RPTs on VietinBank's website and Corporate Governance Report disclosed on VietinBank's Investor Relations website.
D.6. External auditor and Auditor Report			
Where the same audit firm is engaged for both audit and non-audit services			
D.6.1	Are the audit and non-audit fees disclosed?	x	VietinBank has disclosed information about signing a contract with an auditing firm but has not announced the fee because of the audit unit's information security policy.
D.6.2	Does the non-audit fee exceed the audit fees?	x	VietinBank has disclosed information about signing a contract with an auditing firm but has not announced the fee because of the audit firm's information security policy.
D.7. Medium of communications			
Does the company use the following modes of communication?			
D.7.1	Quarterly reporting	v	VietinBank updates quarterly business results on VietinBank's Investor Relations website in bilingual (Vietnamese and English) including: Financial statements, News update – Financial Reports, Investors Update. Information of VietinBank's activities is regularly and fully uploaded on the Bank's website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
D.7.2	Company website	v	Information of VietinBank's activities is regularly and fully uploaded on the Bank's website.
D.7.3	Analyst's briefing	v	VietinBank proactively works and provides information for analyst reports about the Bank with domestic and foreign analysts; particularly, analysts attending the quarterly conferences on updates of business results (Earnings call) and the annual investors and analysts meetings.
D.7.4	Media briefings /press conferences	v	VietinBank has activities working with investors, analysts and provides information to media agencies on a quarterly basis, ensuring transparent, timely and complete information.
D.8. Timely filing/release of annual/financial reports			
D.8.1	Are the audited annual financial report / statement released within 120 days from the financial year end?	v	VietinBank fully implements.
D.8.2	Is the annual report released within 120 days from the financial year end?	v	VietinBank fully implements.
D.8.3	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/ commissioners and/or the relevant officers of the company?	v	VietinBank fully implements.
D.9. Company website			
Does the company have a website disclosing up-to-date information on the following:			
D.9.1	Financial statements/reports (latest quarterly)	v	Fully disclosed on VietinBank's Investor Relations website.
D.9.2	Materials provided in briefings to analysts and media	x	VietinBank is in the process of research for implementation.
D.9.3	Downloadable annual report	v	Fully disclosed on VietinBank website and VietinBank's Investor Relations website and downloadable.
D.9.4	Notice of AGM and/or EGM	v	Fully disclosed on VietinBank website and VietinBank's Investor Relations website.
D.9.5	Minutes of AGM and/or EGM	v	Fully disclosed on VietinBank's Investor Relations website.
D.9.6	Company's constitution (company's by-laws, memorandum and articles of association)	v	Fully disclosed on VietinBank's Investor Relations website.
D.10. Investor relations			
D.10.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office responsible for investor relations?	v	Fully displayed on VietinBank's Investor Relations website.
E. Responsibilities of the Board			
E.1. Board Duties and Responsibilities			
Clearly defined board responsibilities and corporate governance policy			

7 - ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
E.1.1	Does the company disclose its corporate governance policy / board charter?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?	v	Fully disclosed in VietinBank website and VietinBank's Investor Relations website.
E.1.3	Are the roles and responsibilities of the board of directors/ commissioners clearly stated ?	v	Stipulated in the Charter on organization and operation of VietinBank and "Corporate Governance" part of the Annual Report, which are fully disclosed on VietinBank website and VietinBank's Investor Relations website.
Corporate Vision/Mission			
E.1.4	Does the company have an updated vision and mission statement?	v	Presented in the Annual Report, VietinBank website and VietinBank's Investor Relations website.
E.1.5	Does the board of directors play a leading role in the process of developing and reviewing the company's strategy at least annually?	v	Shown in the Report on the performance of the BoD in the documents of the GMS, Annual Report, Corporate Governance Report and all 3 documents are fully disclosed on VietinBank's Investor Relations website.
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	v	Shown in the Report on the performance of the BoD in the documents of the GMS, Annual Report, Corporate Governance Report and all 3 documents are fully disclosed on VietinBank's Investor Relations website.
E.2. Board structure			
Code of Ethics or Conduct			
E.2.1	Are the details of the code of ethics or conduct disclosed?	v	VietinBank has VietinBank Handbook of corporate culture stipulating the professional ethical standards of employees in the system and has publicly announced it on VietinBank website.
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the code/s?	v	VietinBank has VietinBank Handbook of corporate culture stipulating the professional ethical standards of employees in the system and has publicly announced it on VietinBank website.
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	v	VietinBank has VietinBank Handbook of corporate culture stipulating the professional ethical standards of employees in the system and has publicly announced it on VietinBank website.
Board Structure & Composition			
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/ commissioners?	x	VietinBank's BoD currently has 01 independent Board member, complying with the Law on Credit Institutions 2010 (Article 62, Clause 1).
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years each for its independent directors/ commissioners?	v	Regulated in the Charter on organization and operation of VietinBank, Internal Regulations on Corporate Governance and Regulations on organization and operation of VietinBank's BoD.
E.2.6	Has the company set a limit of five board seats that an individual independent/ non-executive director/commissioner may hold simultaneously?	v	Regulated in the Charter on organization and operation of VietinBank, Internal Regulations on Corporate Governance and Regulations on organization and operation of VietinBank's BoD, which are fully disclosed on VietinBank's Investor Relations website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	v	Not incurred at VietinBank.
Nominating Committee			
E.2.8	Does the company have a Nominating Committee?	v	VietinBank has the HR Committee under the BoD.
E.2.9	Is the Nominating Committee comprised of a majority of independent directors/ commissioners?	x	The HR Committee does not comprise independent directors.
E.2.10	Is the chairman of the Nominating Committee an independent director/ commissioner?	x	Chairman of the HR Committee is not an independent director.
E.2.11	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	v	Presented in "Corporate Governance" part of the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	v	HR Committee meet at least twice during the year. Meetings are recorded in meeting minutes with time, location, and meeting agenda made public.
Remuneration Committee / Compensation Committee			
E.2.13	Does the company have a Remuneration Committee?	v	VietinBank has HR Committee under the BoD, which is in charge of advising the BoD on the issues related to salary, remuneration and bonus policies.
E.2.14	Is the Remuneration Committee comprised entirely of non-executive directors/ commissioners with a majority of independent directors/ commissioners ?	x	The HR Committee does not comprise independent directors.
E.2.15	Is the chairman of the Remuneration Committee an independent director/ commissioner?	x	Chairman of the HR Committee is not an independent director.
E.2.16	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	v	Presented in "Corporate Governance" part of the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	v	HR Committee meet at least twice during the year. Meetings are recorded in meeting minutes with time, location, and meeting agenda made public.
Audit Committee			
E.2.18	Does the company have an Audit Committee?	v	VietinBank's governance structure has a SB, comprising an internal audit department under the SB.
E.2.19	Is the Audit Committee comprised entirely of non-executive directors/ commissioners with a majority of independent directors/ commissioners?	v	The SB acts independently of the BoD and BoM and is responsible before the GMS in exercising the rights and obligations assigned.
E.2.20	Is the chairman of the Audit Committee an independent director/ commissioner?	v	Chief of the SB acts independently of the BoD.
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	v	VietinBank published "Regulations on the organization and operation of VietinBank's SB" on VietinBank's Investor Relations website and in "Corporate Governance" part of the Annual Report.
E.2.22	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	v	3/3 members of VietinBank's SB have experience/ expertise in accounting.

7 - ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	v	Presented in "Corporate Governance" part of the Annual Report and the Corporate Governance Report which are fully disclosed on VietinBank's Investor Relations website.
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	x	The SB submits to the GMS to authorize the BoD the selection of an independent auditing firm.
E.3. Board Processes			
Board meetings and attendance			
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	v	Board meetings are scheduled before the start of the fiscal year.
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	v	Presented in the Annual Report and Corporate Governance Report, which are fully disclosed on VietinBank's Investor Relations website.
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	v	Presented in the Annual Report and Corporate Governance Report, which are fully disclosed on VietinBank's Investor Relations website.
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	v	Shown in the Charter on organization and operation of VietinBank, Regulations on organization and operation of VietinBank's BoD, which are fully disclosed on VietinBank's Investor Relations website.
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	x	VietinBank is in the process of research for implementation.
Access to information			
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	x	Currently VietinBank stipulates that "The Chairman of the BoD or the person convening the BoD meeting have to send a meeting invitation at least 3 working days before the meeting" (in accordance with the Law on Enterprise 2020: 3 working days).
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	v	Stipulated in the Internal Regulations on Corporate Governance of VietinBank, which is fully disclosed on VietinBank's Investor Relations website.
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	v	Person in charge of corporate governance cum Corporate Secretary (stipulated in Internal Regulations on corporate governance of VietinBank) has fully relevant knowledge and expertise and continuously participates in training courses to update new knowledge.
Board Appointments and Re-Election			
E.3.9	Does the company disclose the criteria used in selecting new directors/ commissioners?	v	Presented in the Charter of organization and operation of VietinBank, the documents of the annual GMS which are published on VietinBank's Investor Relation website and sent to each shareholder attending the meeting.
E.3.10	Did the company describe the process followed in appointing new directors/ commissioners?	v	Presented in the Charter of the organization and operation of VietinBank and Regulations for nomination and candidacy of BoD member, which are fully disclosed on VietinBank's Investor Relation website.
E.3.11	Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each?	v	Presented in the Charter of organization and operation of VietinBank, which is fully disclosed on VietinBank's Investor Relation website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
Remuneration Matters			
E.3.12	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	v	Shown in the documents of the annual GMS published on VietinBank's Investor Relations website and sent to each shareholder attending the meeting.
E.3.13	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interests of the company, such as claw back provision and deferred bonuses?	v	VietinBank has developed a set of KPI to evaluate the results of tasks completion of the BoD and a scorecard for assigning goals to members of the BoM.
Internal Audit			
E.3.14	Does the company have a separate internal audit function?	v	VietinBank has an internal audit department under the SB.
E.3.15	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	v	VietinBank disclosed the information in "VietinBank Leadership team" part published on VietinBank's Investor Relations website.
E.3.16	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	v	The appointment and removal of internal auditor require the approval of SB.
Risk Oversight			
E.3.17	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
E.3.18	Does the Annual Report/Annual CG Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
E.3.19	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	v	Presented in the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
E.3.20	Does the Annual Report/ Annual CG Report contain a statement from the board of directors/ commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
E.4. People on the Board			
Board Chairman			
E.4.1	Do different persons assume the roles of chairman and CEO?	v	VietinBank has Chairman of the BoD and General Director separately.
E.4.2	Is the chairman an independent director/ commissioner?	x	Chairman of the BoD of VietinBank is not an independent member of the BoD.
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	x	Chairman of the BoD of VietinBank was General Director in 2021.
E.4.4	Are the roles and responsibilities of the chairman disclosed?	v	Stipulated in the Charter of organization and operation of VietinBank, Internal Regulations on corporate governance and Regulations on organization and operation of the BoD of VietinBank, which are fully disclosed on VietinBank's Investor Relations website.

7 - ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
Lead Independent Director			
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	v	VietinBank has only 1 independent Board member.
Skills and Competencies			
E.4.6	Does at least one non-executive director/ commissioner have prior working experience in the major sector that the company is operating in?	v	All the members of the BoD have expertise in finance and banking sector.
E.5. Board Performance			
Directors Development			
E.5.1	Does the company have orientation programmes for new directors/ commissioners?	v	Members of the BoD are fully informed about the functions, responsibilities, authorities and activities of the BoD.
E.5.2	Does the company have a policy and actual practice and programs that encourages directors/ commissioners to attend on-going or continuous professional education programmes?	v	Every year, Board members participate in training programs to improve their professional capabilities and update new knowledge, detailed in the section "Training on corporate governance" (see the Annual Report and Corporate Governance Report disclosed on VietinBank's Investor Relations website).
CEO/Executive Management Appointments and Performance			
E.5.3	Does the company disclose the process on how the board of directors/ commissioners plans for the succession of the CEO/ Managing Director/President and key management?	x	VietinBank has not yet disclosed this issue.
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	v	Presented in "Assessment of the BoD on the BoM's performance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
Board Appraisal			
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
Director Appraisal			
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
Committee Appraisal			
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	v	Presented in "Corporate Governance" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.

BONUS ITEMS

(B)A. Rights of shareholders

(B)A.1. Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
(B)A.1.1	Does the company practice real time secure electronic voting in absentia at general meetings of shareholders?	x	VietinBank is in the process of research for implementation.
(B)B. Equitable treatment of shareholders			
(B)B.1. Notice of AGM			
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	v	VietinBank complies with current regulations (at least 20 days according to Clause 4b, Article 11, Circular 96/2020/TT-BTC; Clause 2.2, Article 9 Regulation on implementation of rights No. 09 of 2023 of Vietnam Securities Depository and Clearing Corporation – VSDC).
(B)C. Sustainability and Resilience			
(B)C.1.			
(B)C.1.1	Does the company disclose how it manages climate-related risks and opportunities?	x	VietinBank is in the process of research for implementation.
(B)C.1.2	Does the company disclose that its Sustainability Report / Sustainability Reporting is externally assured?	v	Presented in "Sustainability Report – Direct economic value generated and distributed" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
(B)C.1.3	Does the company disclose the engagement channel with stakeholder groups and how the company responds to stakeholders' ESG concerns?	v	Presented in "Sustainability Report – Identification of and engagement with VietinBank's key stakeholders" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
(B)C.1.4	Does the company have a unit / division / committee who is specifically responsible to manage the sustainability matters?	v	Presented in "Sustainability Report – Roles and responsibilities of the BoD, BoM, Sustainable Development Steering Committee at VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
(B)C.1.5	Does the company disclose board of directors/commissioners' oversight of sustainability-related risks and opportunities?	v	Presented in "Sustainability Report – Roles and responsibilities of the BoD, BoM, Sustainable Development Steering Committee at VietinBank" part of the Annual Report which is fully disclosed on VietinBank's Investor Relations website.
(B)C.1.6	Does the company disclose the linkage between executive directors and senior management remuneration and sustainability performance for the previous year?	x	VietinBank is in the process of research for implementation.
(B)C.1.7	Is the company's Whistle Blowing System managed by independent parties / institutions?	x	VietinBank is in the process of research for implementation.
(B)D. Disclosure and transparency			
(B)D.1. Quality of Annual Report			
(B)D.1.1	Are the audited annual financial report / statement released within 60 days from the financial year end?	v	Annual financial statements are published in accordance with regulations.
(B)E. Responsibilities of the Board			
(B)E.1. Board Competencies and Diversity			
(B)E.1.1	Does the company have at least one female independent director/ commissioner?	v	VietinBank's BOD has an independent member as Ms. Nguyen Thi Bac.
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	x	VietinBank is in the process of research for implementation.

7 – ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
(B)E.2. Board Structure			
(B)E.2.1	Is the Nominating Committee comprise entirely of independent directors/ commissioners?	x	VietinBank currently has an independent Board member but she is not a member of HR Committee.
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	v	HR Committee advises the BoD to supervise the implementation of human resource mechanisms and policies and human resource management activities of VietinBank.
(B)E.3. Board Appointments and Re-Election			
(B)E.3.1	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners?	x	VietinBank has not yet implemented.
(B)E.4. Board Structure & Composition			
(B)E.4.1	Do independent non-executive directors/ commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	x	VietinBank currently has only 1 independent non-executive Board member and the Chairman is not an independent member.
(B)E.5. Risk Oversight			
(B)E.5.1	Does the company disclose that its Board identified key risk in relation to information technology including disruption, cyber security, and disaster recovery, to ensure that such risks are managed and integrated into the overall risk management framework?	v	Presented in the "Risk Management" part of the Annual Report, which is fully disclosed on VietinBank's Investor Relations website.
(B)E.6. Board Performance			
(B)E.6.1	Does the company have a separate board level Risk Committee?	v	VietinBank has Risk Management Committee under the BoD.
PENALTY			
(P)A. Rights of shareholders			
(P)A.1. Basic shareholder rights			
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	v	Not incurred at VietinBank.
(P)A.2. Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.			
(P)A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	v	VietinBank always treats all shareholders fairly, equally and transparently.
(P)A.3. Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.			
(P)A.3.1	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	v	Not incurred at VietinBank.
(P)A.3.2	Was the Chairman of the Board and the Chairmen of all Board Committees and the CEO absent from the most recent General Meeting?	v	Full attendance.
(P)A.4. Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.			

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
Did the company fail to disclose the existence of:			
(P)A.4.1	Shareholders agreement?	v	Not incurred at VietinBank.
(P)A.4.2	Voting cap?	v	Not incurred at VietinBank.
(P)A.4.3	Multiple voting rights?	v	Not incurred at VietinBank.
(P)A.5. Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.			
(P)A.5.1	Is a pyramid ownership structure and/ or cross holding structure apparent?	v	Not incurred at VietinBank.
(P)B. Equitable treatment of shareholders			
(P)B.1. Insider trading and abusive self-dealing should be prohibited.			
(P)B.1.1	Has there been any conviction of insider trading involving directors/ commissioners, management and employees in the past three years?	v	Not incurred at VietinBank.
(P)B.2. Protecting minority shareholders from abusive action			
(P)B.2.1	Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?	v	Not incurred at VietinBank.
(P)B.2.2	Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?	v	Not incurred at VietinBank.
(P)C. Role of stakeholders			
(P)C.1. The rights of stakeholders that are established by law or through mutual agreements are to be respected.			
(P)C.1.1	Have there been any violations of any laws pertaining to labour/ employment/ consumer/insolvency/ commercial/ competition or environmental issues?	v	Not incurred at VietinBank.
(P)C.2. Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.			
(P)C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	v	Not incurred at VietinBank.
(P)C.2.2	Is there any evidence that the company is engaging in greenwashing activities?	v	Not incurred at VietinBank.
(P)D. Disclosure and transparency			
(P)D.1. Sanctions from regulator on financial reports			
(P)D.1.1	Did the company receive a "qualified opinion" in its external audit report?	v	Unqualified opinion.
(P)D.1.2	Did the company receive an "adverse opinion" in its external audit report?	v	Unqualified opinion.
(P)D.1.3	Did the company receive a "disclaimer opinion" in its external audit report?	v	Unqualified opinion.

7 - ASSESSMENT OF CORPORATE GOVERNANCE ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
(P)D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	v	Not incurred at VietinBank.
(P)E. Responsibilities of the Board			
(P)E.1. Compliance with listing rules, regulations and applicable laws			
(P)E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations apart from disclosure rules over the past year?	v	Not incurred at VietinBank.
(P)E.1.2	Have there been any instances where non-executive directors/ commissioner have resigned and raised any issues of governance-related concerns?	v	Not incurred at VietinBank.
(P)E.2. Board structure			
(P)E.2.1	Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity?	v	Not incurred at VietinBank.
(P)E.2.2	Did the company fail to correctly identify the description of all their directors as independent, non-executive, and executive?	v	Not incurred at VietinBank.
(P)E.2.3	Does the company have any independent directors/ nonexecutive/ commissioners who serve on a total of more than five boards of publicly-listed companies?	v	Not incurred at VietinBank.
(P)E.3. External Audit			
(P)E.3.1	Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?	v	Not incurred at VietinBank.
(P)E.4. Board structure and composition			
(P)E.4.1	Has the chairman been the company CEO in the last three years?	x	The Chairman of the BoD is the CEO in 2021, however VietinBank complies with the current Law on Credit Institutions.
(P)E.4.2	Do non-executive directors/commissioners receive options, performance shares or bonuses?	v	Not incurred at VietinBank.

APPENDIX

Do shareholders have the right to participate in:			
A.2.1	Amendments to the company's constitution?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.2.2	The authorisation of additional shares?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
B.1.1	Does the company's ordinary or common shares have one vote for one share?	v	Stipulated in the Charter of organization and operation of VietinBank and Regulations on organizing the GMS, which are fully disclosed on VietinBank's Investor Relations website.

NO	CRITERIA	EVALUATION RESULT OF COMPLIANCE STATUS (X/V)	EVIDENCE/ BASIS/ EVIDENTIARY MATERIAL
B.3.1	Does the company have policies and/or rules prohibiting directors/ commissioners and employees to benefit from knowledge which is not generally available to the market?	v	Stipulated in VietinBank Handbook of corporate culture and Internal Working Regulations of VietinBank.
B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	v	Stipulated in the Charter of organization and operation of VietinBank disclosed on VietinBank's Investor Relations website.
D.2.6	Attendance details of each director/ commissioner in all directors/commissioners meetings held during the year	v	Presented in the Annual Report and Corporate Governance Report, which are fully disclosed on VietinBank's Investor Relations website.



8. COMMITMENT TO IMPLEMENT CORPORATE GOVERNANCE

VietinBank commits to adhering to legal regulations on corporate governance including the Law on Enterprises, the Law on Credit Institutions, the Law on Securities and Circular 116/2020/TT-BTC of the Ministry of Finance guiding a number of articles corporate governance applicable to public companies, Circular 96/2020/TT-BCTC of the Ministry of Finance guiding information disclosure on the stock market and other legal documents. At the same time, VietinBank complies with its internal regulations on corporate governance such as VietinBank's Charter on organization and operation, Regulations on internal governance, Regulations on organization and operation of VietinBank's BoD, Regulations on organization and operation of VietinBank's SB...In 2023, VietinBank fully and promptly executed information disclosure on time, disclosed the half-year/ full-year corporate governance reports, annual report and other materials as as prescribed by law.

Some points for further improvement of VietinBank's corporate governance practices in the upcoming time

- Continue to research and apply international standards of corporate governance;
- Develop training programs of corporate governance for members of the BoD, members of the BoM, members of SB to ensure that VietinBank's leaders continuously improve their capabilities and expertise in corporate governance;
- Continue to consolidate and strengthen the supervisory role of SB in VietinBank's internal management;
- Strengthen the roles of the Committees and BOD's office to provide advice and assistance to the BoD.



"SHARE VALUES WITH VIETINBANK"

PART

06

SUSTAINABILITY REPORT

- 1 MESSAGE ABOUT SUSTAINABLE DEVELOPMENT
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"CLIMATE CHANGE IS NO LONGER A WARNING. THE WHOLE WORLD TAKES ACTION, SO DO WE!"

Valued Shareholders, Customers, Partners and Stakeholders of VietinBank,

2023 officially became the hottest year in human history on record. Vietnam and many countries around the world adopted the **"Global Cooling Pledge"** within the 28th Conference of the Parties to the **United Nations Framework Convention on Climate Change (COP28)** in accordance with the orientations of Vietnam's Sustainable Development Strategy, National Strategy on Climate Change until 2050 and National Determined Contribution (NDC) updated in 2022.

Climate change is no longer a warning. Vietnam is one of the five countries that have been and will be most severely affected if we do not join hands in building a low-carbon economy, a goal that requires the engagement of all economic sectors, including the banking industry.

Taking ESG (Environmental, Social, Governance) practice, promotion of climate finance and sustainable finance as one of the key tasks, over the last few years, VietinBank has incorporated ESG elements into bank-wide development strategy, aiming for steady, sustainable growth and community engagement. VietinBank's BoD consolidated the **Sustainable Development Steering Committee** as the focal point for implementing activities related to sustainable development. With the direct participation of one BoD member and one BoM member, the Sustainable Development Steering Committee will advise the BoD and the BoM of VietinBank on sustainable development issues, ensuring that VietinBank's sustainable development strategy will be implemented consistently throughout the bank. Besides, in 2023, the Bank completed the **Sustainable Finance Framework** according to international practices, providing specific guidelines on financing and management of proceeds for eligible Green and Social projects. VietinBank's **Sustainable Finance Framework** obtained a Second Party Opinion from **Sustainalytics** - a reputable company in the US that evaluates the sustainability of listed companies based on environmental, social and governance performance. Accordingly, VietinBank's Sustainable Finance Framework is "credible, impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2023, Green Loan Principles 2023 and Social Loan Principles 2023". These are internationally recognized sets of guidelines and principles. One of VietinBank's milestones last year was the development and implementation of the Digital Transformation Program for the 2024 - 2028 period. VietinBank's digital transformation journey is expected to not

only create outstanding competitiveness for the Bank and bring best-in-class customer experiences, but also make significant contribution to the target of reducing emissions in VietinBank's own operations.

Throughout 35-year development journey, in parallel with business development and service quality improvement, VietinBank has always focused on implementing the commitments on corporate social responsibility and pursuing sustainable values. Through practical actions such as cooperating with State agencies in response to climate change; mobilizing resources from international cooperation to support businesses in sustainable development; at the same time, launching diverse packages of customized sustainable financial solutions, VietinBank aspires to contribute to building and promoting sustainable development and prosperity of the country and community; adding more values to shareholders, customers and employees.

Going forward, VietinBank identifies IT as a key factor and qualified human resources as the decisive factor in successful execution of sustainable development strategy. The Bank is committed to promoting green credit and green banking towards sustainable development; at the same time, improving the quality of human resources, execution capacity and strengthening employee engagement for better performance, **becoming a responsible Bank** in the realization of sustainable development goals.

VietinBank's Senior Management would like to express the gratitude to Valued Shareholders, Customers, Partners and Stakeholders for your trust and company during 35-year journey of shared value. VietinBank is committed to further implementing corporate social responsibility, spreading sustainable values to bring significant and long-term benefits to customers, partners, shareholders, employees and community based on care, respect and empathy.

Best regards!

VietinBank's Senior Management Team

2 - INFORMATION ABOUT SUSTAINABILITY REPORT

Reporting period, frequency and content

VietinBank incorporates the annual Sustainability Report according to the accounting year (starting from January 1, 2023 to December 31, 2023) into VietinBank Annual Report.

Applied standards

VietinBank's Sustainability Report is prepared in compliance with **Circular 96/2020/TT-BTC dated November 16, 2020** by the Ministry of Finance providing guidance on information disclosure on the stock market, instructions by the State Securities Commission of Vietnam, Stock Exchanges (**Evaluation criteria table of sustainable development - HOSE**), reporting standards by Global Reporting Initiative (GRI) together with guidelines recognized as best practices in sustainability reporting and **17 Sustainable Development Goals of the United Nations**.



17 Sustainable Development Goals of the world for the period 2015-2030

Reporting scope

VietinBank's 2023 Sustainability Report includes information about VietinBank's sustainable development activities in the period from January 1, 2023 to December 31, 2023.

The Report includes VietinBank's environmental, social and governance indicators at HO Units, Representative Offices and Branches, both domestic and overseas, within the Bank, and subsidiaries controlled by VietinBank.

Contact information

For any comments or questions related to the Sustainability Report, please contact:

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3 - SUSTAINABLE DEVELOPMENT GOALS AND ACTION PLANS

Aiming to become a sustainable development bank according to international standards, in line with the Vietnamese laws and the Government's orientation, VietinBank commits to sustainable development as follows:

i. Always accompany the Government, domestic and international organizations, and the customers to solve environmental and social issues, promote sustainable finance through such activities as: (i) develop specialized policies and products in financing sustainable projects/corporate purposes, (ii) reduce the proportion of financing to projects/corporate purposes that have negative impacts on the environment, climate change and biodiversity, (iii) prioritize resources to finance sustainable development projects/corporate purposes and consumption behaviors that contribute to environmental protection, climate change response and corporate social responsibility.



ii. Communicate on the goals and results of implementing actions towards sustainable development to all employees and stakeholders.



iii. Promote the application of technology, develop new electronic transaction channels, services and payment methods on the basis of modern technology, contributing towards the goal of greening the banking system operations.



iv. Ensure the transparency of the sustainable development-related reports to domestic and foreign partners, competent State agencies, shareholders and other stakeholders (according to regulations on information disclosure).



Amid global efforts to achieve net zero, VietinBank has set the sustainable development goals as follows:

GENERAL GOALS:

1

Sustainable development is one of VietinBank's key strategies. Environment and climate change are critical targets; especially when Vietnam is developing an action plan towards "net zero" by 2050 according to the declaration at the COP26/COP27. This is an opportunity for VietinBank to restructure business operations towards sustainable development.

2

VietinBank will align sustainable development with the Government's orientations, deliver social and environmental commitments in contribution to improving environment and society, protecting natural resources and environment, developing infrastructure, promoting green credit growth and combating climate change; thereby, uplifting Vietnam's competitiveness and position.

3

VietinBank accompanies businesses in promoting the mobilization of sustainable finance, transfer of green, low-carbon technology and adaptation to climate change.



SPECIFIC GOALS:

- **Environmental goals:** VietinBank implements environmental goals through credit granting and provision of products and services for the following purposes:

1

Climate change mitigation: Activities that contribute to stabilizing greenhouse gas (Greenhouse Gas - "GHG") in the atmosphere by avoiding or reducing or removing GHG emissions.

2

Adaptation to climate change: Activities aimed at strengthening the resilience of the natural, social and economic system, minimizing adverse impacts and capturing opportunities from climate change.

3

Preservation of natural resources: Activities that reduce the consumption of non-renewable resources, contribute to sustainable use of natural resources and ensure that the use of renewable resources is not faster than their re-generation progress.

4

Biological conservation: Activities that contribute to the conservation of biodiversity in terrestrial, marine and water environments.

5

Pollution prevention and control: Activities that contribute to protecting the environment and people from pollutants other than GHG.

- **Social goals:** VietinBank implements social goals through credit granting and provision of products and services aimed at increasing comfort for people's lives, especially in such aspects as basic infrastructure, affordable housing and access to essential services.



3 - SUSTAINABLE DEVELOPMENT GOALS AND ACTION PLANS

To achieve the above goals, VietinBank identifies the **main pillars**, including:



VietinBank will deliver social and environmental commitments in contribution to improving environment and society, protecting natural resources and environment, developing infrastructure, promoting green credit growth and combating climate change; thereby, uplifting Vietnam's competitiveness and position.

VietinBank aims to prioritize financing of projects/business plans that bring environmental and social benefits, strengthen internal governance system, effective control and decision-making processes on the principle of upholding laws while ensuring the rights and meeting the needs of shareholders.

4 - GOVERNANCE FOR SUSTAINABLE DEVELOPMENT AT VIETINBANK

GOVERNANCE MODEL TOWARDS SUSTAINABLE DEVELOPMENT

VietinBank's sustainable development model engages the BoD, BoM, HO Divisions/Departments, subsidiaries, branches and all employees within VietinBank, affirming VietinBank's commitment to corporate social responsibility in pursuit of sustainable values to optimize benefits to shareholders, investors, partners, customers, employees, community and society.

In 2023, VietinBank established and consolidated the personnel for the Bank's **Sustainable Development Steering Committee**. This is the Steering Committee in charge of sustainable development issues at VietinBank, with clear regulations on organization and operation. The leadership of VietinBank's Sustainable Development Steering Committee includes members of the BoD and the BoM, to ensure that the goals and action plans of the Steering Committee are consistent with the Bank's strategy, business plan and risk management. The remaining members of the Steering Committee come from units with such functions as strategy formulation, business, risk management, credit approval, asset management and etc. to procure sufficient resources for building sustainable banking while promoting sustainable finance for customers.

ROLES AND RESPONSIBILITIES OF THE BOD, BOM AND SUSTAINABLE DEVELOPMENT STEERING COMMITTEE AT VIETINBANK



4 - GOVERNANCE FOR SUSTAINABLE DEVELOPMENT AT VIETINBANK



IDENTIFICATION OF MATERIAL AREAS/TOPICS IN VIETINBANK'S SUSTAINABLE DEVELOPMENT

Material issues in sustainable development are researched, identified and regularly updated by VietinBank to align strict governance with market trends and fluctuations. In addition to the research by the core sustainable development staff at VietinBank, we have also received opinions and advice from strategic shareholders, experts, partners inside and outside of the industry, shareholders and investors such as: Members of the Asia Transition Finance Study Group; forums and seminars i.e: Circular Economy Forum, United Nations Climate Change Conference, Sustainable Business Division of MUFG Bank (Japan), General Meeting of Shareholders, Customers Conference and etc.

The dialogues and opinion surveys with employees are also regularly and flexibly conducted by VietinBank in different forms (in-person, online, survey forms, one-one-one discussion, etc.) to collect feedback on the environmental, social and governance topics.

VIETINBANK'S MATERIAL ISSUES

ENVIRONMENT	SOCIETY	GOVERNANCE
Energy efficiency	Community engagement	Internal governance system
Environmental pollution mitigation	Labor relations	Regulatory compliance
Sustainable water management	Social responsibility	Control process
Green building		Effective decision-making
		Response to shareholder's needs

VIETINBANK'S SUSTAINABLE DEVELOPMENT ORIENTATION

NO.	ORIENTATION	SUSTAINABLE DEVELOPMENT GOALS (SDGS)
1	Energy efficiency	Goal 7: Affordable and clean energy 
2	Environmental pollution mitigation	Goal 12: Responsible consumption and production 



3	Sustainable water management	Goal 6: Clean water and sanitation 
4	Green building	Goal 11: Sustainable cities and communities 
5	Labor relations	Goal 3: Good health and well-being 
6	Social responsibility	Goal 2: Zero hunger Goal 3: Good health and well-being Goal 4: Quality education   

4 - GOVERNANCE FOR SUSTAINABLE DEVELOPMENT AT VIETINBANK

IDENTIFICATION OF AND ENGAGEMENT WITH VIETINBANK'S KEY STAKEHOLDERS

Throughout the operation, VietinBank identifies key stakeholders, including: customers; shareholders/ investors; community; regulators; partners and etc. The cooperation between VietinBank and stakeholders has always been based on mutual respect and harmony of interests.

Methods of engagement with key stakeholders are adopted flexibly by VietinBank, ensuring proper communication and timely response through updating the Bank's policies and activities, specifically as follows:

STAKEHOLDERS	ENGAGEMENT METHOD	FREQUENCY	CONSIDERATIONS	VIETINBANK'S RESPONSE METHOD
Customers	Contact Center operates 24/7 through such channels as: telephone, website, email, etc.	24/7		- Developing products and services that best meet customer's needs, improving customer experience through digital transformation, ensuring safe and fast transactions.
	Campaigns on customer experience evaluation and surveys	According to specific campaigns	- Financial products and services, technology applications that meet customer's needs and bring customer satisfaction. - Quality of products and services, customer service attitude.	- Supporting individuals and businesses to overcome difficulties and restore production. - Conducting regular surveys to improve product and service quality.
	Branches and transaction offices nationwide	On a regular basis	- Information related to the Bank.	- Showing appreciation to customers and resolving complaints.
Shareholders/ Investors	Annual/extraordinary General Meeting of Shareholders	According to a specific schedule, at least once a year		
	Online and offline conferences, seminars and workshops	On a regular basis	- Business results, operations of the Bank, development orientation, goals, etc.	- Ensuring transparent and timely information disclosure to shareholders/ investors.
	Materials for investors on VietinBank's Investor Relations website	On a regular basis	- Benefits for shareholders, VietinBank's responsibilities to shareholders and investors.	- Bringing sustainable value with a regular dividend payment policy.
	The Investor Relations Department receives comments and answers questions from shareholders and investors	On a regular basis	- Transparent, sufficient and timely information disclosure.	- Organizing annual/ extraordinary GMS so that shareholders can give opinions and exercise shareholders' rights according to regulations.
	Information disclosure on VietinBank's Investor Relations website, information disclosure with regulators (SBV, State Securities Commission of Vietnam, Stock Exchanges, etc.)	On a regular basis	- Ensuring fair and equal benefits among shareholders.	- Organizing meetings with investors/ shareholders/ experts to communicate official information about VietinBank.
Social community	Meeting, discussing and coordinating with local authorities	On a regular basis		- Carrying out social security activities and community support.
	Media channels	On a regular basis	- Social security and community development activities. - Local economic development programs.	- Deploying comprehensive financial solutions for businesses and individuals, contributing to local economic development and more job creation.
	Contact center, email, website, etc.	On a regular basis		

STAKEHOLDERS	ENGAGEMENT METHOD	FREQUENCY	CONSIDERATIONS	VIETINBANK'S RESPONSE METHOD
Regulators	Meeting and discussing at forums, seminars, and workshops	On a regular basis	- Complying with legal regulations and implementing the State's guidelines, principles and policies. - Fulfilling all obligations to the State. - Managing impacts on the environment, economy and society.	- Always fully complying with the regulations of State regulators in all activities. - Pioneering in implementing the policies of the Government and SBV in supporting people and businesses, restoring production and business activities and developing the economy, demonstrating the role of a systematically important bank through interest rate support policies, etc.
	Participating in developing and commenting on State policy documents	On a regular basis	- Joining hands with the Government and line agencies in community support activities.	- Promoting the implementation of major guidelines and policies of the Government and the SBV in promoting green credit growth and credit for priority sectors, etc.
Partners/ Suppliers	In-person meetings to ensure harmony of interests between parties	On a regular basis	- Ensuring the quality of products and services. - Payment in full and on time. - Ensuring the interests of stakeholders, maintaining long-term and sustainable cooperation.	- Fully implementing the responsibilities and obligations that have been signed. - Selecting contractors/ suppliers openly and transparently. - Treating all partners/suppliers fairly and respectfully.
Employees	- Annual town hall meetings	According to a specific schedule, at least once a year		- Guaranteeing jobs for employees. - Developing compensation and benefits policy and training programs to improve career opportunities.
	- Building a strong Trade Union and Youth Union organization to protect the rights of employees	On a regular basis	- Compensations and benefits, career development opportunities. - Workplace safety and health assurance for employees.	- Evaluating capacity and work performance based on KPIs. - Developing and implementing incentive programs for employees.
	- Survey on employee satisfaction	On a regular basis	- Professional relationships and working environment.	- Taking care of employees' health and ensuring workplace safety.
	- Channel of internal communication and complaint receipt	On a regular basis		- Organizing internal team-building activities and events to strengthen the bond between employees.



In 2023, VietinBank continued to implement sustainable development activities and achieved positive results, specifically as follows:

- **Joining hands with the Government**

Throughout the 35-year journey of construction and development, VietinBank is proud to have successfully delivered dual mandates: ensuring safe, effective and sustainable business operations; at the same time, actively taking the lead in implementing major guidelines and policies of the Party, the Government and the State. Being aware of the Government's determination in fulfilling climate commitments, VietinBank has accompanied State agencies in many meaningful activities and events such as:

- Signed a **Memorandum of Understanding with the Ministry of Natural Resources and Environment (MONRE)**, aiming at sustainable development goals, natural resources management, environmental protection and response to climate change, promoting economic restructuring towards low-carbon development direction.

- Took part in successfully organizing the **Circular Economy Forum 2023** with MONRE with direct participation and instruction of State Leaders and line agencies to promote circular economy in Vietnam.

- Participated in developing **JETP Resource Mobilization Plan** to realize the Political Declaration on establishing a Just Energy Transition Partnership (JETP Declaration) worth USD 15.5 billion where the International Partners Group has committed to supporting Vietnam in the energy transition.

- **Mobilizing resources from international cooperation**

Recognizing the global nature of climate change and sustainable development issues, in 2023, VietinBank strengthened cooperation with international partners in mobilizing maximum resources for sustainability of businesses in Vietnam, in particular:

- At **COP28**, VietinBank signed a **Memorandum of Understanding with MUFG Bank**, the largest bank in Japan and one of the 4 largest banks in the world to cooperate in promoting ESG and sustainability in Vietnam. Accordingly, MUFG Bank will support VietinBank in arranging up to **USD 1 billion** to serve sustainable development projects, bringing environmental and social benefits and promoting circular economy.

- At Vietnam - Japan Economic Forum co-hosted by the Ministry of Planning and Investment of Vietnam and the Japan Trade Promotion Organization (JETRO), **VietinBank and Japan Bank for International Cooperation (JBIC) signed a Memorandum of Understanding**, with one of the two main contents being to support carbon emissions reduction and energy transition in Vietnam.

- With the goal of being a pioneer bank in Vietnam in sustainable finance, VietinBank, as the only member from Vietnam joined the **Asia Transition Finance Study Group** as soon as this organization was established. In 2023, VietinBank coordinated with key members of the Asia Transition Finance Study Group in publishing 2023 Annual Report with the Group's research results to promote transition finance in Asia.

• Standing side by side with businesses and supporting the community

With strong commitments to combating climate change from Vietnam and other countries around the world, VietinBank has always accompanied and supported businesses in their journey towards net zero emissions, serving as a strong financial fulcrum for businesses with sustainable development goals.

- » In order to create motivation for businesses to transform themselves in decarbonization and sustainable development journey, VietinBank launched **the GREEN UP Package worth VND 5,000 billion** with preferential interest rates and fees for plans and projects that bring environmental and social benefits in such fields as: Green energy, green exports (textiles, fabrics, footwear, coffee, rice, wood, seafood), green building, etc.
- » VietinBank is also one of the pioneer banks in **developing a comprehensive suite of sustainable development products, from capital mobilization, green credit, etc. to ESG advisory**. Businesses are not only offered a diversity of customized sustainable finance products, enjoy VietinBank's promotion programs, but can also use other sustainable finance solutions of VietinBank.



Thanks to above series of practical and meaningful sustainable development actions, in 2023, VietinBank is honored to be awarded by prestigious organizations, both domestic and international, in recognition of the Bank's efforts to bring values to customers, employees and community:

- VietinBank is in **Top 100 best places to work in Vietnam**;
- **Excellence in Innovation - Contact Center Vietnam 2023**;
- **Sao Khue Awards 2023** for VietinBank iPay Mobile; VietinBank eFAST and Customer Profile Management;
- **The Sustainable Finance Framework** obtained a Second Party Opinion from Sustainalytics (US) that the Sustainable Finance Framework is "*credible, impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2023, Green Loan Principles 2023 and Social Loan Principles 2023*".

6 - SAVINGS, ANTI-WASTE PRACTICES AND COMPLIANCE WITH LAWS ON ENVIRONMENTAL PROTECTION

SAVINGS PRACTICES

Following the action program of the Government and the Banking Industry on practicing savings and anti-waste, in recent years, VietinBank has been active in propagating, thoroughly communicating, disseminating and deploying the practices of savings, anti-waste throughout the Bank. Based on determination of savings goals and targets specific to each field, departments/divisions/units at HO and branches synchronously practiced savings and anti-waste, specifically as follows:

- **Regarding budget planning and management**

VietinBank always aligns cost savings and efficiency with business strategy, situation of the Bank and improved labor productivity. In using recurring costs, units proactively save right from the stage of cost estimates, which must be thorough and detailed with explanations for proposed budget, etc. as a basis for review of cost estimates, ensuring relevance and savings. Based on that, relevant departments continue to review and cut unnecessary, duplicated and ineffective costs/items, ensuring they do not exceed prescribed norms/standards/regimes. Costs are managed from different dimensions at the cost-spending unit and the focal point at HO (Finance Division) to enhance the role of focal points in management/consulting/advising for the Senior Management with regard to bank-wide material costs.



- **Regarding recurring operating expenses**

VietinBank requires units to arrange expenses in priority order according to level of urgency and importance; documents must be complete and the implementation process must be on track in accordance with service level agreements. Units continuously check, monitor and review to cut unnecessary costs and prioritize practical and urgent activities.



- **Regarding construction and investment**

In management of project construction and investment, savings practice starts right from the stage of budgeting and determining investment policies, only projects that are truly necessary, urgent, critical, material and feasible are proposed. All capital construction and investment projects at VietinBank have an Appraisal Council established, ensuring that the projects are estimated and designed in accordance with the norms and regulations of the State and optimal solutions are proposed to reduce project investment costs. Bidding and contractor selection in procurement activities are carried out seriously, ensuring competitiveness, fairness, transparency and economic efficiency.



- **Regarding procurement, use of assets, and vehicles**

VietinBank purchases assets based on assessment of the current asset condition, cutting assets that are not really necessary or not consistent with standards and norms. Assets are booked, monitored, managed and used in accordance with regulations. Liquidation of assets is strictly compliant with asset liquidation regulations and procedures to avoid loss and waste.



- **Regarding organizational structure, management, use of labor and working time**

VietinBank has evaluated the performance of a number of units, implemented consolidation plans to streamline intermediary units, focus resources on business promotion and debt recovery. Alongside with improving the performance of the organizational structure and network, VietinBank takes integrated measures to control human resources across the bank, control the ratio of managers, modernize the quality of human resources and improve labor productivity.



- **Regarding credit operations**

VietinBank has reduced lending interest rates and cut fees to support businesses and individuals in restoring production and business activities. At the same time, the Bank has deployed digital banking applications in credit operations, closely following the goals in the Banking Industry Digital Transformation Plan through automating many steps of the lending process.



6 - SAVINGS, ANTI-WASTE PRACTICES AND COMPLIANCE WITH LAWS ON ENVIRONMENTAL PROTECTION

As a result, VietinBank has made positive progress in practicing savings and anti-waste in 2023, in particular:

- **Energy savings and efficiency measures** bring great value. At HO, propaganda and guidance on safe and effective use of electricity have been applied. The achievements are as follows: (i) The average power savings is **over 2% per year**; (ii) Average clean water cost savings is 2% per year, contributing to national clean water savings.
- **VietinBank's cost savings in some items related to construction and investment** during the period such as: Savings in project appraisal and approval worth **VND 3,336 million**; Savings in bidding and competitive bidding worth **VND 704 million**.
- **Savings in asset procurement in 2023 worth more than VND 150 billion** compared to the approved capital expense budget.
- In 2023, **bank-wide labor productivity has improved**, based on pre-tax profit per capita, labor productivity in 2023 has **increased by 12%** compared to 2022 and **by 11%** compared to the plan.
- In 2023, the BoD of VietinBank issued a resolution on **pilot implementation of rooftop solar power system for a number of units and branches throughout the Bank**; thereby, contributing to the conservation of national primary energy sources, reducing GHG emissions, protecting the environment and responding to global climate change.
- Thanks to the above effective cost management and savings practices, **VietinBank's accumulated CIR in 2023 reached 29%**, showed an improvement compared to 29.9% in 2022 and **is in the group of banks with the lowest CIR**.

COMPLIANCE WITH LAWS ON ENVIRONMENTAL PROTECTION

VietinBank has always complied with applicable legal regulations on environmental protection such as **the Law on Environmental Protection, Circular No. 39/2016/TT-BTNMT by Ministry of Natural Resources and Environment** promulgating technical regulations on saltwater intrusion survey and monitoring effective from February 10, 2017, **Decree No. 44/2016/ND-CP** by the Government detailing a number of articles of the Law on Occupational Health and Safety regarding technical inspection of occupational health and safety, safety training, occupational hygiene and working environment monitoring and **Decree No. 4/2023/ND-CP** by the Government dated February 13, 2023 amending and supplementing a number of articles of Decrees related to business & investment conditions and administrative procedures under the State management of the Ministry of Labor, Invalids and Social Affairs, in which, Article 3, Chapter II (occupational health and safety)

amends and supplements a number of articles of **Decree 44/2016/ND-CP** dated May 15, 2016 by the Government detailing a number of articles of the Law on Occupational Health and Safety and Working Environment Monitoring. Specifically, VietinBank implemented the following tasks:

- At HO's buildings, VietinBank carried out annual working environment measurements to promptly provide solutions in order to ensure the working environment for employees.
- VietinBank collected waste in accordance with regulations to protect the environment: Classified waste at source, signed waste collection contracts with qualified and licensed agencies in environmental protection, etc.

Number of penalties for non-compliance with environmental laws and regulations: None.

Total amount of fine for non-compliance with environmental laws and regulations: None.

• VIETINBANK'S
ACCUMULATED CIR IN 2023

reached **29%**

• LABOR PRODUCTIVITY IN 2023 HAS

increased by **12%**
compared to 2022



7 - BUSINESS ACTIVITIES TOWARDS ENVIRONMENT AND SOCIETY

Corporate social responsibility is embedded in VietinBank's business activities. This is the reason why the Bank constantly strives to bring the best values to the community, contributing to the sustainable development of the national economy and social security with many meaningful activities in the fields of green credit development, development assistance projects, ODA capital, etc. Being established at the start of the economic opening, accompanying the country's economic development, throughout the 35-year journey of construction and development, VietinBank has always been aware of our responsibility for contributing to the long-term socio-economic development, as well as joining hands to protect the environment and the green planet for future generations.



CONTRIBUTION TO SOCIO-ECONOMIC DEVELOPMENT

In parallel with business development and improved product and service quality, VietinBank has always focused on implementing our commitment to corporate social responsibility and pursuing sustainable values. As an actor in the finance sector, VietinBank is well aware of the importance and necessity of contributing to the sustainable and long-term development of the State, shareholders, employees and the social community. Being established in the early days of Vietnam's economic reform, VietinBank's development has accompanied the success of businesses, individuals and the prosperity of the economy.

Being a leading contributor to the State budget

As a systematically important bank in the finance sector, VietinBank has always seriously fulfilled our tax obligations and amounts payable to the State budget as required by the regulators, thereby, demonstrating business performance and corporate social responsibility. Over the years, VietinBank has consecutively been in the top ranking of 1,000 largest corporate income taxpayers in Vietnam (V1000). This is recognition of VietinBank's contribution to the State budget; at the same time, encourages the Bank to further contribute to the strong development of the country.



Signing ceremony of the Memorandum of Cooperation Agreement between VietinBank and the Ministry of Natural Resources and Environment

VietinBank's actual amount of tax paid to the State budget for 5 years from 2019 - 2023

Unit: VND billion

	2019	2020	2021	2022	2023
Actual tax amount paid during the year	2,681	3,907	5,612	4,017	6,839
In which : Actual amount of corporate income tax paid	1,501	2,632	4,001	1,912	4,790

Data source: Audited consolidated FS from 2019 - 2023

Paying dividends regularly, ensuring benefits for shareholders

VietinBank has always paid dividends to shareholders based on the approval from VietinBank GMS, competent State agencies and in accordance with relevant legal regulations. Charter capital increase is committed by VietinBank to serve business activities, ensuring safety, efficiency, bringing the best benefits to shareholders and making an important contribution to promoting the national socio-economic development.

In addition, with a diversity and large number of shareholders, VietinBank has always focused on activities of Investor Relations to maintain shareholders' trust towards the goal of maximizing the business value as well as improving value for shareholders (See details in Part 6, section 9 - Responsibilities to shareholders and investors).

7 - BUSINESS ACTIVITIES TOWARDS ENVIRONMENT AND SOCIETY

Attractive benefit and comprehensive compensation policy for employees

Human resources are the most important foundation for the development and success of an organization; therefore, VietinBank always strives to build a comprehensive and competitive policy for compensation & benefit, training and development to acquire, retain and engage talents, making VietinBank one of the best places to work in Vietnam. Based on the labor market survey and the contributions of each employee, compensation policies are annually reviewed, adjusted, improved, ensuring fairness and transparency. The rating and evaluation process is carried out through many rounds, by many units in the system so that the results are objective, accurate and quick. (See details in Part 6, section 10 - Responsibilities to employees).

Employee expenses at VietinBank for 5 years from 2019 - 2023

Unit: VND million

	SALARY AND ALLOWANCE PAYMENT (1)	SALARY-BASED PAYMENTS/ CONTRIBUTIONS (2)	SUBSIDY PAYMENT (3)	OTHER PAYMENTS (4)	EMPLOYEE EXPENSES (1+2+3+4)
2019	7,769,361	556,683	2,994	1,105,789	9,434,827
2020	7,425,497	570,425	4,718	1,261,082	9,261,722
2021	8,183,156	590,312	1,567	1,238,274	10,013,309
2022	9,213,531	592,476	2,115	1,278,863	11,086,985
2023	9,977,295	612,665	2,732	1,043,554	11,636,246

Data source: Audited consolidated FS from 2019 - 2023

Sharing sustainable values with the community

During the 35-year journey of construction and development, apart from aiming to provide the best financial solutions for customers, VietinBank has always incorporated the Bank's development into the development of the community. With a view to becoming a sustainability bank for the community, VietinBank's corporate social responsibilities are constantly promoted with many practical and meaningful programs, contributing to the overall social development. Over the years, volunteer activities and community support have become a beauty of corporate culture that VietinBank has always been proud of and maintained, in order to spread a profound humanistic spirit to each employee as well as to the entire society. VietinBank's budget for corporate social responsibilities in 2023 is nearly VND 300 billion and accumulated up to now is more than VND 8,800 billion. (See details in Part 6, section 11 - Responsibilities to the social community).



VietinBank always actively carries out community and social support activities

“

For VietinBank, corporate social responsibility is considered a bonus, not an onus.

Besides focusing on business development, VietinBank understands that success is only meaningful when it is shared with the community and society. Therefore, throughout the years, sustainable development activities have always been the key theme that VietinBank has maintained and promoted to spread values to customers, partners, employees and the whole society.

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Volunteer activities as a cultural beauty of VietinBank



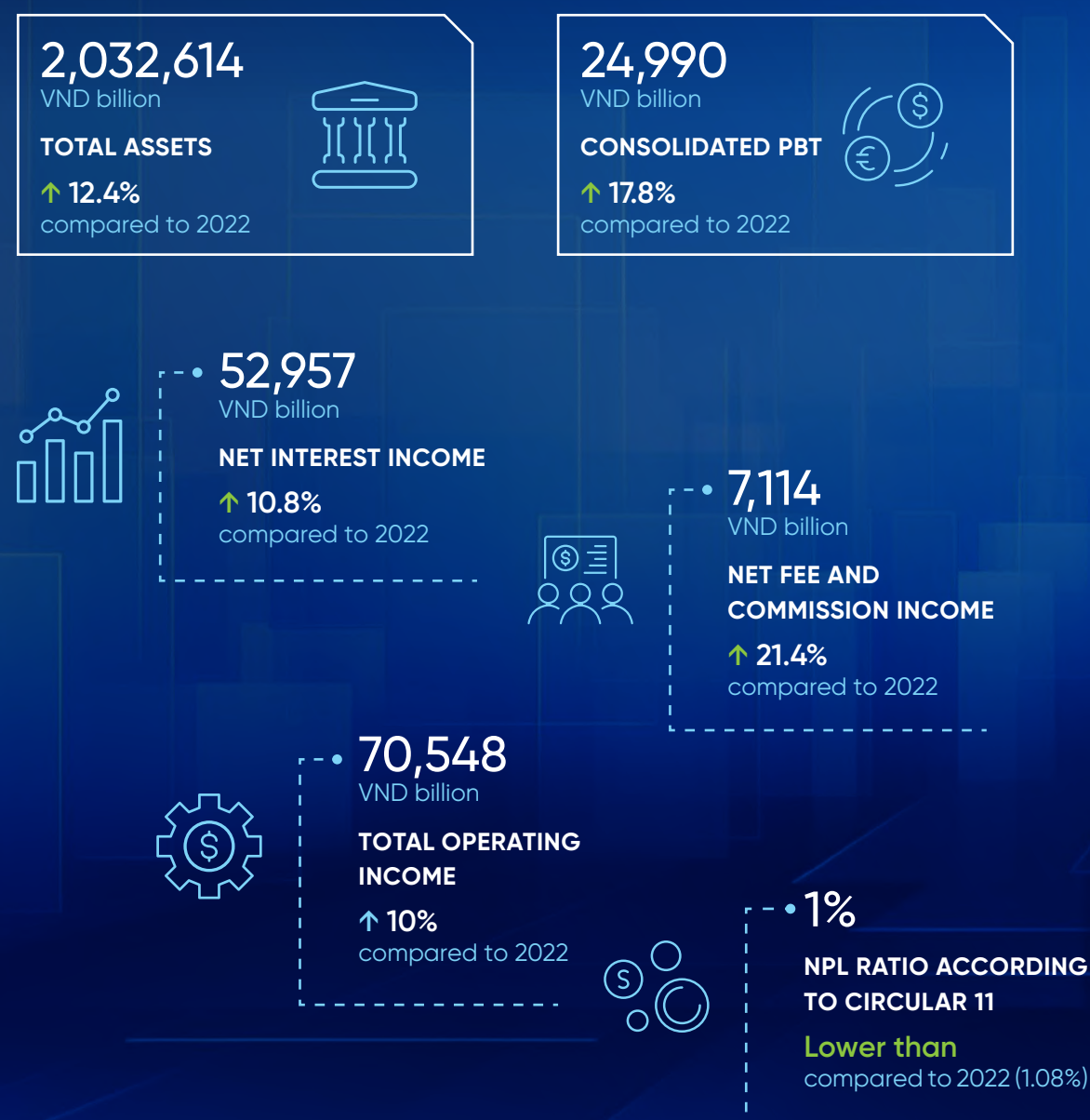
Representative of VietinBank receiving the "Top 100 best places to work in Vietnam" Award in 2023

7 - BUSINESS ACTIVITIES TOWARDS ENVIRONMENT AND SOCIETY

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

2023 is a tough year for the global economy in general and Vietnam's economy in particular. Having made steady strides amid hardships, VietinBank has always linked business activities with sharing of long-term and sustainable values with stakeholders, including: shareholders & investors, customers, employees, the State and social community. In 2023, with an effort to turn challenges into opportunities, VietinBank has successfully delivered the business plan assigned by the SBV and the GMS. The Bank continues to promote our strengths, accelerate comprehensive digital transformation, improve convenience, experience and security for customers, affirming the capabilities of a leading commercial bank in Vietnam's financial market.

Direct economic value generated



Direct economic value distributed



7 - BUSINESS ACTIVITIES TOWARDS ENVIRONMENT AND SOCIETY

GREEN CREDIT PROGRAM TO FINANCE INVESTMENT PROJECTS IN THE FIELD OF ENVIRONMENTAL PROTECTION, RESPONSE TO CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT; CREDIT PROGRAM TO FINANCE ENERGY SAVINGS AND EFFICIENCY PROJECTS

Following the strong growth in financing sustainable development for the period from 2018 to 2022, VietinBank has made sustainable development activities a key and consistent theme in parallel with the 2023 business plan.

Under the direct leadership of the Sustainable Development Steering Committee, VietinBank has built the Bank's Sustainable Finance Framework with a Second Party Opinion; thereby, clearly declaring the strategy, goals, project selection process, management of proceeds and full, transparent reporting process. The Bank's Sustainable Finance Framework is built in line with market practices and international standards/guidelines such as: Principles issued by the International Capital Market Association (ICMA), including: Green Bond Principles and Social Bond Principles; Principles jointly issued by the Loan Market Association (LMA) and the Asia Pacific Loan Market Association (APLMA), including: Green Loan Principles and Social Loan Principles.

Based on this Sustainable Finance Framework, the BoD of VietinBank has issued the Framework Regulation on Provision of Sustainable Finance to unify the goals and principles of implementing sustainable finance from HO to all branches and transaction offices nationwide. Popular financial structures, target project list, etc. are also clearly specified therein with the goal of promoting sustainable finance throughout the Bank.

In addition to consolidating the governance structure and institutional framework related to sustainable development at the Bank, VietinBank continues to deploy specific products such as financing product for renewable energy projects, power-saving equipment, preferential packages for the renewable energy sector in 2023, preferential packages to promote sustainable finance, etc. These packages have spared VND 10,000 billion to provide preferential capital for plans and projects that bring environmental and social benefits in production and business activities. As of December 31, 2023, VietinBank's total green credit balance reached **VND 47,465 billion** for nearly **1,000 customers** (accounting for **3.24%** of total credit balance, up from 1.47% at the end of 2018), including green agriculture, sustainable forestry, renewable energy, recycling and use of natural resources, waste treatment and pollution prevention, sustainable water management in urban and rural areas. In order to create motivation for businesses to transform themselves in the decarbonization and sustainable development journey, VietinBank has launched **the GREEN UP Package worth VND 5,000 billion** with preferential interest rates and fees for plans and projects that bring environmental and social benefits in such fields as: Green energy, green exports (textiles, fabrics, footwear, coffee, rice, wood, seafood) and green building, etc.

VietinBank has been considering ESG practices, promotion of sustainable finance and climate finance as a focus in our operations and will continue to come up with more initiatives in the coming time to become a leading bank in the field of sustainable development in Vietnam by 2025.

VIETINBANK HAS LAUNCHED THE GREEN UP PACKAGE
worth **VND 5,000 billion**

ACTIVITIES OF FOREIGN TRUST CAPITAL RELATED TO DEVELOPMENT ASSISTANCE PROJECTS AND ODA PROJECTS

In recent years, although the borrowing of ODA loans and preferential capital from foreign donors has been on the downward trend, this source of capital still makes positive contribution to the growth and development of the economy. In that context, VietinBank still remains in the group of commercial banks with a major market share in fund mobilization, management and disbursement of projects/programs that use international capital every year. In particular, VietinBank continues to be selected as an on-lending bank, a service bank, fund manager and manager of many international credit programs. Some of the projects that VietinBank has been serving include: Hanoi Metro Project line 3 Nhon - Hanoi Station; Ho Chi Minh Metro Project, line 2 Ben Thanh - Tham Luong Section, Da Nang - Quang Ngai Expressway Project (USD 673 million), International Passenger Terminal T2 Construction Project, Noi Bai International Airport, Project "Component 1A, Tan Van - Nhon Trach Section of HCMC Ring Road 3" (worth USD 300 million), etc. These are all key national projects that receive special attention from the State and the Government.

The attraction of ODA and foreign preferential loan projects has been well-organized by VietinBank since 2009 and after only a short period of time, VietinBank has become one of the leading State-owned commercial banks assigned to serve many big projects from foreign funds of the Governments of Japan, France, Germany, Korea, etc. and international financiers such as: Japan International Cooperation Agency (JICA), World Bank (WB), Asian Development Bank (ADB), European Investment Bank (EIB), etc.

The projects have been served and disbursed quickly, effectively and safely by VietinBank according to the regulations of the Donors and the Government of Vietnam. Disbursement and risk management standards follow international practices. Through serving and on-lending programs/projects nationwide such as projects on power grid improvement, power transmission, education, water supply and environmental sanitation, VietinBank has made positive contribution to production and business activities, facilitating hunger eradication, poverty reduction, improving the quality of social life, and developing key economic sectors of the country.

VIETINBANK'S TOTAL GREEN CREDIT BALANCE
reached **47,465 billion**
for nearly
1,000 CUSTOMERS

7 - BUSINESS ACTIVITIES TOWARDS ENVIRONMENT AND SOCIETY

ACTIVITIES OF GREEN CAPITAL MARKET ACCORDING TO THE GUIDELINES OF THE STATE SECURITIES COMMISSION OF VIETNAM

Vietnam, with more than 3,200 km of coastline, many provinces/cities and low-lying river deltas, is one of the countries most vulnerable to climate change in the world. Recognizing the important role of mobilizing financial resources and funding mechanisms in global efforts to combat climate change, VietinBank has paid early attention to sustainable development and taken specific actions to integrate sustainable development into bank operations. VietinBank's sustainable finance growth rate in the 2008 - 2023 period has always reached 100% annually.

Within the framework of COP28 held in Dubai, VietinBank participated and signed a Memorandum of Understanding with MUFG - the strategic partner with a commitment to support VietinBank in arranging up to USD 1 billion to finance sustainable development projects that bring environmental and social benefits and promote circular economy. Cooperation in arranging fund for green projects and projects that benefit society was also the focus of bilateral meetings between VietinBank and MUFG, Standard Chartered. In addition, VietinBank has also actively participated in many activities such as: Vietnam Circular Economy Forum 2023, coordinated with key members of the Asia Transition Finance Study Group to publish research reports and outline the progress of transitional finance in Asia, signed a Memorandum of Understanding with the Ministry of Natural Resources and Environment towards sustainable development goals and many other activities to spread the commitment to accompany businesses in the transition to net zero emissions.

In addition to the specific products deployed in the field of sustainable development, VietinBank is continuing to research and develop new products and services such as green bonds, sustainable loans, ESG roadmap advisory, etc. To create the necessary foundation for developing green and sustainable finance tools, VietinBank has developed a framework regulation on the provision of sustainable finance, providing specific instructions for fund mobilization, financing and management of proceeds for eligible Green and Social projects.

Anticipating that green and sustainable development is one of the mega trends of the Vietnamese financial system in the coming time, VietinBank believes that our commitments and efforts in promoting green and sustainable finance and ESG practices will contribute positively to the implementation of goals towards sustainable growth in Vietnam.



WHAT VIETINBANK BROUGHT TO THE COP 28

- Funding of sustainable development reached a growth of 100% in the period 2018 - 2022
- Portfolio of specialized products for sustainable development
- Commitment of dedicating maximum resources for sustainable development

WHAT VIETINBANK DID IN THE COP 28



VietinBank and MUFG signed a MOU to arrange capital of USD 1 billion for sustainable development



Chairman of VietinBank's BoD Tran Minh Binh and Mr. Koichiro Oshima, Managing Executive Officer, Head of Financial Solutions Group, MUFG (left) discussing opportunities for cooperation in the field of sustainable finance



Working with Goldwind to discuss cooperation in promoting wind power energy in Vietnam



Discussing with Standard Chartered business cooperation opportunities, especially in the field of capital mobilization for sustainable development

PARTICIPATE IN:

- Round-table conference between Minister of Natural Resources and Environment and GFANZ on Implementation plan of resources mobilization framework for JETP.
- Workshop on the role of banks in operating the carbon credit market.
- Series of workshops on net emissions, financial mobilization of climate change, green transition...

POST-COP 28: VIETINBANK CONTINUES TO REALIZE ITS COMMITMENTS

- The Sustainable Finance Framework providing specific guidance for the financing and management of sustainable development grants
- Researching and developing products of sustainable finance
- Continuous cooperation expansion with partners in the field of sustainable development

8 - RESPONSIBILITIES TO CUSTOMERS

With “customer-centric” motto, VietinBank strongly accelerates digital transformation to constantly attract customers with modern, specialized products and services, which are “tailor-made” to unique appetites of each target customer segment. Each VietinBank product demonstrates a deep understanding of customers and flexible application of advanced technology to maximally meet diverse needs of customers, especially specialized customer groups.

In addition, with the spirit of pioneering in implementation of the directions of the Government and the SBV in the context of a tough and challenging socio-economic environment, VietinBank has proactively and drastically taken integrated measures to support individuals and businesses in recovering and developing production and business activities, exploring and seizing new opportunities.



BANK-WIDE CUSTOMER CARE AND SUPPORT

In 2023, VietinBank has further focused on modernizing customer service, with the “customer-centric” motto, **delivering customized, personalized, 24/7 omni-channel services**. Apart from traditional touchpoints, the Contact Center has continuously **expanded to other channels and promoted the application of technology and artificial intelligence into customer service activities** through:

- Successfully launching Contact Center Omnichannel system, developing CRM (customer relationship management) solution, integrating with ChatBot, Severity Assessment Measure (SAM) system, Core system, Card, ATM, Internet Banking, etc. which helps manage the entire customer journey, enhance customer service capacity on all channels.
- Promoting customer segment-based service, providing separate hotlines for priority customers (**1800 558 866**) and corporate customers (**1900 558 886**), bringing outstanding customer experience.
- Upgrading and updating new version (Ver 2.0) of VietinBank Chatbot, interacting with customers 24/7 on VietinBank’s official Website and Facebook Fanpage and pioneering chatbot development on iPay and eFAST. Accordingly, the automation rate has increased from 43% to 86%, and by 2023, chatbot service users have increased by 174.8% compared to 2022.
- Launching **the Portal on the Website platform**, receiving hundreds of thousands of customer feedback, service quality review and 24/7 inquiries when making transactions at the counter, on ATM, iPay, and eFAST. Through the Portal, customers can easily access and search for information. VietinBank also publishes notifications in the Portal to promptly keep customers informed of service downtime (money transfer, bill payment, etc.) of VietinBank, affiliated banks or partners.

In 2023, VietinBank has issued a **Procedure for Resolving Customer Complaints**, thereby clarifying the roles and responsibilities of units in resolving and fixing problems, complaints and taking measures to improve products and services quality. VietinBank has built an automatic system for managing requests, complaints and measuring service level agreements (SLA), thereby improving the quality of managing and monitoring the process for resolving customer complaints, reducing the turnaround time **from 121 hours to 17.3 hours**. The Bank has also expanded the scale, established an extended arm in Thai Nguyen and prepared facilities in Da

Nang and Can Tho to take the lead in delivering customer service customized to regional cultural characteristics.

As a result, in 2023, over 6 million customers have been served, **1.5 times higher** compared to 2022. Customers Satisfaction Index (CSI) was over **90%**, far outperforming the industry benchmark (**78%**). In particular, VietinBank is honored for the 6th time to receive the **“Excellence in Innovation - Contact Center Vietnam 2023”** award by Global Banking & Finance Review for effective implementation of breakthrough initiatives in customer care in 2023.



8 - RESPONSIBILITIES TO CUSTOMERS



CORPORATE CUSTOMER CARE AND SUPPORT

In the context of complex fluctuations in the world's economy, geopolitical conflicts and inflationary pressures, Vietnam's economy is not immune to the effects, continuing to face challenges and difficulties. Closely following the direction of the Government and the SBV, promoting the role as a key, systematically important and pioneer State-owned commercial bank, VietinBank has taken different measures to support and accompany businesses and individuals, specifically as follows:

- **Implementing measures to support corporate customers:** according to Circular 02/2023/TT-NHNN (TT02); interest rate support package of 2%/year according to Decree No.31/2022/ND-CP dated May 20, 2022; Circular No.03/2022/TT-NHNN dated May 20, 2022; preferential loan program to develop social housing and housing for workers; low-cost commercial housing projects according to Resolution No.33/NQ-CP, preferential credit programs for forestry, fisheries and rural agriculture, etc.
- Implementing the direction of the Government and the SBVs (Resolution No.105/NQ-CP) on taking measures to further lower interest rates. In 2023, VietinBank has cut the average floor lending interest rates for five times. VietinBank launched a series of programs with **competitive interest rates, 2 - 3%/year lower than normal lending interest rates to meet the needs for working capital and consumer staples.**
- Closely coordinating with local authorities



to implement banking-business matching programs, participating in investment promotion, domestic and international programs on credit financing, trade promotion for regional development both as a financier and an enterprise that provides and introduces banking and finance products and services.

- Improving the credit granting process, implementing the comprehensive digital transformation project, aiming at automatic credit approval for micro enterprises, deploying online disbursement and online guarantee to promptly meet the needs of a large customer base. As for the SMEs customer segment, VietinBank has designed a fast-track credit granting and disbursement

process, **up to 30% quicker than the normal credit granting process.**

- Building and improving credit products and solutions in accordance with market needs, characteristics of each key sectors and business relationships in the supply/distribution chain, bringing added value for enterprises based on industry advantages and value chain links i.e: Construction, pharmaceuticals and medical equipment, real estate in industrial zones, renewable energy, trade and distribution, etc.
- Developing sustainable finance products and services (ESG): VietinBank has been building products and services to diversify forms of financing to accompany businesses in implementation of sustainable development projects, decarbonization and ESG practices.

but can also use other sustainable finance solutions from VietinBank.

- » The Bank continues to deploy specific products such as: **financing product for renewable energy project, power-saving equipment, preferential packages for the renewable energy sector in 2023, preferential packages to promote sustainable finance, etc.** These packages have spared **VND 10,000 billion** to provide preferential capital for plans and projects that bring environmental and social benefits from production and business activities in such fields as: green energy, green export (textiles, fabrics, footwear, coffee, rice, wood, seafood) and green building.



- » The Bank has launched the **GREEN UP Package worth VND 5,000 billion** with preferential interest rates and fees for plans and projects that bring environmental and social benefits in fields such as: green energy, green export (textiles, fabrics, footwear, coffee, rice, wood, seafood), green building, etc.
- » VietinBank is also one of the pioneer banks in **developing a comprehensive suite of products for sustainable development, from fund mobilization, green credit, etc.** to ESG advisory. Businesses are not only provided with diverse and customized sustainable finance products, entitled to promotions from VietinBank's programs,



- VietinBank has launched **credit packages with preferential interest rates** to promote credit growth such as: companionship program with corporate customers, quarterly credit package, competitive interest rate package, credit package for real estate in industrial zones, medium and long-term loan program with fixed interest rate, fee exemption mechanism for strategic customers of VietinBank, SME UP, SME Flash, campaign to acquire new SME customers, etc. Besides, VietinBank has also researched and launched comprehensive packages of financial products for specialized industries/businesses, subsidiaries/affiliated companies in the ecosystem and key projects such as: product package for North-South Expressway contractors, product package for



Long Thanh airport contractors, packages of supply chain funding (SCF), etc.; at the same time, VietinBank has actively introduced potential customers to branches, provided domestic and international connection solutions to support corporate customers to enhance partnership and expand market penetration.

- VietinBank has always collaborated closely with MUFG – the strategic shareholder to cooperate with banks in the network of MUFG Group and partner banks to comprehensively serve the customer's ecosystem and needs throughout entire investment project life cycle, bringing a seamless customer experience by providing "one-stop solution", actively improving the operating model and promoting effective implementation of supply chain products for famous brands as a core goal in VietinBank's digital transformation program.
- Strengthening relationships with large corporations and investment funds, attracting international capital flows into Vietnam through consulting and supporting customers to participate in high-value M&A deals. In addition, VietinBank has focused on deploying structured products that require advanced advisory service and actively provided added values to customers such as information on market developments, industries and business matching opportunities to support the operations of FDI customers in Vietnam.

In 2024, VietinBank remains committed to accompanying the business community through practical and timely support programs to share, overcome difficulties and anticipate positive signs of recovery from the market.

In addition, VietinBank continues to be a reliable partner and maintains the leading position in providing financial services to large State and private corporations, multinational companies and conglomerates in the world, etc. VietinBank will prioritize funding for key national projects such as renewable energy, real estate in industrial zones, road transportation, etc. contributing to the economic development of the country.

VietinBank continues to affirm the reputation in the market, making a good impression on customers and the business community: For 3 consecutive years, the Bank has received high ratings as well as the prestigious award **"The Best SME Bank in Vietnam"** (by The Asian Banker). This is in recognition of SME Banking's outstanding development and contributions to the Vietnamese SME community. For 2 consecutive years, the Bank has received the **"Project Infrastructure Deal of the Year Award – Vietnam"** by The Asian Banking and Finance (ABF), becoming a pioneer bank in financing large infrastructure project with focus on improving infrastructure in Vietnam. This activity has contributed to promoting economic growth, associated with the sustainable development of the country.

FINANCIAL INSTITUTION CUSTOMER CARE AND SUPPORT

VietinBank is a State-owned Commercial Bank, playing a pivotal and key role in the economy, accompanying and serving the country's development. Collaboration with VietinBank has always been of interest to many domestic and foreign financial institutions. In 2023, VietinBank has constantly developed and expanded comprehensive cooperation with the financial institutions segment including domestic credit institutions, foreign credit institutions, securities companies, insurance companies and fund management companies, etc. Specifically, VietinBank has always focused on building sales promotion policies, credit approval policies and risk appetite and developing products and services dedicated to the financial institution segment. Being positioned as an intermediary ecosystem ready to connect with all partners, VietinBank continues to upgrade and expand the **BankPay payment solution** to provide the market with a variety of modern product and service packages as a platform to help VietinBank's partners connect to the national public service system, customs, taxes, social security, or other payment intermediaries while saving a lot of operating costs. The upgraded BankPay version is a strategic step of VietinBank to dominate the service and payment market share, grow demand deposits, attract low-cost fund to optimize cost of fund. In addition to fine-tuning the platform of products and services, VietinBank has continuously revamped policies and applied digitalization to processes to improve service quality before and after sales, ensuring seamless customer experience during their journey with VietinBank.

In cooperation with agent banks, with our reputation, VietinBank has always been trusted by banks and granted high limits to serve interbank transactions, trade finance and international fund mobilization with competitive interest rates, including international fund mobilization transactions that are considered the largest in the Vietnam's financial market. In

addition, with a network of agent relationships with more than 1,000 banks/branches around the world, VietinBank ensures close and flexible internal coordination to receive and process quickly and effectively requests for support and investigation from customers of international agent banks. At the same time, VietinBank has always actively maintained, expanded and developed relationships with reputable credit institutions in different territories, to both explore opportunities for cooperation in products and services and enhance opportunities to support and serve the needs of import-export or investment enterprises who want to explore markets and customers in different countries. Thus, with a well-established reputation in the domestic and international markets, VietinBank has affirmed the role as an intermediary financial institution – a channel for businesses to access the capital market through capital arrangement based on VietinBank's guarantee, advisory and underwriting activities for private bond placement and M&A advisory activities.

In transaction relationships with financial institutions, VietinBank has always maintained a conservative standpoint, regularly evaluated and reviewed the capacity of financial institutions that are granted transaction limits/credit facilities by the Bank, and carried out risk management in all lines of defense, aiming for sustainable growth and effective risk management.

In 2024, with the vision of becoming **"the most reputable, efficient, modern, multi-functional bank in Vietnam, and in the Top banks in the Asia-Pacific region"**, VietinBank commits to further tapping into the potential of the financial institution segment in all aspects, diversifying cooperation with commercial financial institutions as well as development financial institutions to strongly boost income from this segment; at the same time, channeling into international funds with competitive and preferential interest rates, serving the capital requirements of Vietnamese businesses in a safe and sound manner.



8 - RESPONSIBILITIES TO CUSTOMERS

5 CORE VALUES OF VIETINBANK SERVICES

1. Bringing convenience to customers

Bringing convenience and comfort to customers during transactions through facilities, staff appearance, equipment, website display, electronic applications and IT system of the organization

5. Always listening and understanding customers

Constantly exploring, understanding customer's situation, emotions and needs; making customers feel the due care from the Bank



2. Acting for customer trust

Keeping the commitment on full and timely delivery of products and services, pricing, resolution of customer's complaints, etc., ensuring quality, safety, security as agreed with customers from the first time of using products and services

3. Willing to meet customer needs

Always aspiring and willing to serve customers promptly

4. Improving service capacity

Securing legitimate rights of customers and maintaining trustworthiness based on professional expertise, effective communication skills of staff, state-of-art and cutting-edge technology platform

RETAIL CUSTOMER CARE AND SUPPORT ACTIVITIES

Based on the **"Customer-centric"** motto, VietinBank has always fulfilled a variety of customer needs by offering valued-added services at competitive prices and bringing the best customer experiences. In addition, VietinBank has built sustainable relationships with customers from the stage of approaching, consulting to providing services and finally after-sales service.

From now until the end of 2028, VietinBank will deploy digitalization of the entire retail segment with the belief that it will help better serve the needs of all customers. In particular, understanding customers' needs for security in electronic banking transactions, VietinBank has developed an Internet Banking security system with many layers of attack control and defense-in-depth. Customers can have peace of mind about absolute security through highly secure authentication methods in each transaction.

Besides products, prices, distribution network, etc. VietinBank has also simultaneously deployed many solutions to improve service quality and better meet customer needs. Through promulgation of **the Service Quality Standards on customer touch points** (including: branches, ATM/POS, Contact Center, Website/Chatbot/social network, digital banking), VietinBank, for the first time, issued a declaration of **5 core values of VietinBank services** (Bringing convenience to customers, Acting for customer trust, Willing

to meet customer needs, Improving service capacity, Always listening and understanding customers) around the **customer-centric philosophy** and thereby developing specific service quality standards and requirements for each channel. Implementing these core values and standards is expected to deliver consistent service quality at every touch point along the customer journey; creating a distinctive hallmark of VietinBank in the minds of customers.

**OUTSTANDING
AGRICULTURAL AND RURAL
LOAN BALANCE**
exceeded
VND 180
trillion

In addition, in the context of many difficulties in the economy after the COVID-19 pandemic, following the Prime Minister's directions to focus on economic recovery and development, VietinBank has promptly offered preferential credit packages/programs for customers, especially those with priority access to credit such as: loan for agricultural and rural development according to Decree No.55/2015/ND-CP and amendments, supplements in writing to a wide range of customers residing in rural areas or operating in the agriculture sector. Outstanding agricultural and rural loan balance, as one of

"SHARE VALUES WITH VIETINBANK"

the major components in VietinBank's lending mix has **exceeded VND 180 trillion**; refinancing interest rate policy to attract good customers to VietinBank; preferential loan program in support

of social housing, worker housing, projects to renovate and reconstruct old apartment buildings according to Resolution No.33/NQ-CP dated April 1, 2023, etc.



In 2024, VietinBank continues to strongly promote the three-legged stool to help the Bank go a long way in retail banking activities, specifically: **Product diversification - Excellence in technology - Diversification of distribution channels**. This strategy demonstrates empathy and puts customer needs at the center of creativity. Efforts in comprehensive digital transformation of banking operations also contribute to improving the experience for VietinBank retail customers, while saving operating costs and increasing retail business profits.

VietinBank side by side with customers



8 - RESPONSIBILITIES TO CUSTOMERS

PROGRAMS OF PREFERENTIAL CREDIT, INTEREST RATE SUPPORT FOR SMALL AND MEDIUM-SIZED ENTERPRISES

By the end of December 31, 2023, the total number of small and medium-sized enterprises (SMEs) having relationships with VietinBank reached 240,238 customers, consisting of 32,692 SMEs borrowers with full-year accumulated disbursement of VND 743 trillion, including VND 702 trillion in disbursement of working capital to serve production and business activities and VND 41 trillion in disbursement of medium and long-term capital to serve project investment.

With the “customer-centric” philosophy, VietinBank SME banking has always strived to innovate and accompany SMEs, focusing largely on the core needs of timely funding, simple procedures and preferential pricing policy.

In 2023, VietinBank SME has implemented many policies and mechanisms to minimize paperwork and procedures for businesses, reduce internal operating procedures, and increase document processing efficiency for customers, taking **SMEs Simple** as an example - This is a set of simple secured credit granting solutions for SMEs with some highlights such as: **Reducing** the paperwork and forms by **60%**, **reducing** internal operating procedures and proposal drafting by **30%**. This solution also serves as the foundation for implementing a digital transformation initiative on building a **digital working capital loan journey for SME customers in 2024**.

In addition, VietinBank SME banking has always maintained preferential programs and packages to minimize financial costs for new SMEs at VietinBank. Besides, existing and traditional customers of VietinBank or businesses operating in key sectors of the economy (such as export) also enjoy special offers, specifically: **(i) SME Up package** for new-to-bank SME customers, with preferential pricing from 5.5%/year, which may increase according to the disbursement volume; **(ii) SME Flash package** for existing-to-bank SME customers, with preferential pricing from 5.5%/year depending on credit growth scale; **(iii) Credit**



stimulus package for traditional and strategic businesses at VietinBank, operating in key and priority sectors of the economy, preferential pricing from 3.5%/year. **Such preferential pricing levels are all 3.5% - 4.5%/year lower than the market average.**

Under the direction of the Government and the SBV, in 2023, VietinBank, as a leading prestigious bank, has actively taken integrated management and support measures, giving priority to promoting the growth of the economy, accompanying and supporting SMEs. VietinBank has balanced sources of loan capital, coordinated with local authorities and the SBV at provinces/cities to implement socio-economic development programs for 5 priority sectors of the Government, **short-term lending interest rate ceiling for the group of 5 priority sectors is only 4%/year**. In particular, the volume of disbursement to serve agricultural and rural development in the SME segment reached **VND 87 trillion**.

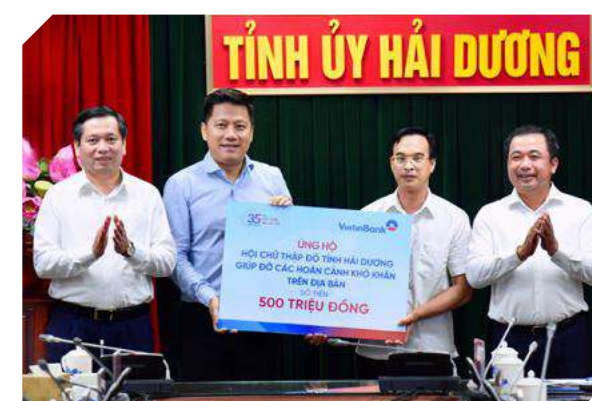
Given all efforts to show companionship with the SME community, VietinBank SME banking has achieved impressive credit growth rate of 16% in 2023, continuing to maintain the growth momentum for the last 5 years, with an average growth rate of 13%/year.

EMULATION MOVEMENT “THE WHOLE COUNTRY JOINS HANDS IN BUILDING NEW-STYLE RURAL AREAS” AND “FOR THE POOR - LEAVING NO ONE BEHIND”

During the development journey, in parallel with the goal of sustainable business growth, VietinBank has always accompanied and actively participated in community-oriented activities with the aspiration to contribute to building a better society. In 2023, the Bank launched the emulation to celebrate the 35th anniversary integrated with the movement “For the poor - Leaving no one behind” and the movement “The whole country joins hands in building new-style rural areas”, embracing the national target program to build new-style rural areas and reduce poverty sustainably in the period from 2021 to 2025.

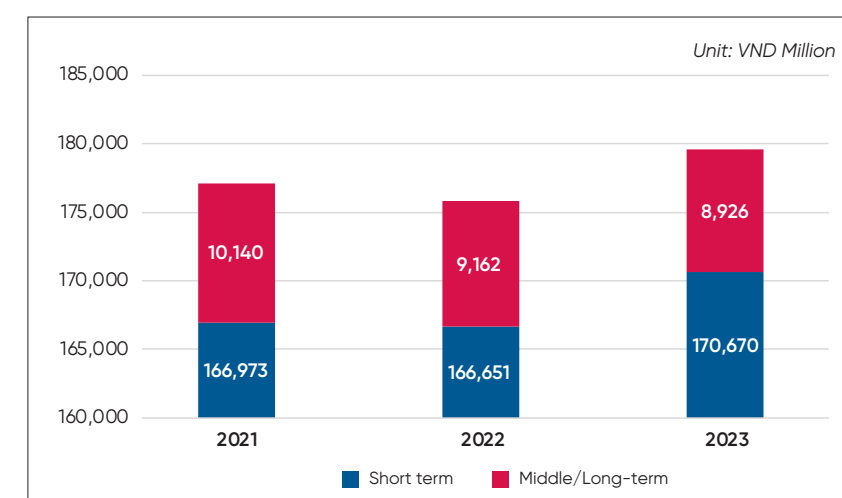
As for the movement “The whole country joins hands in building new-style rural areas”, VietinBank has disbursed loans to individual customers, farm owners, corporate customers in rural areas and cooperatives. The achievements in the 3 years from 2021 to 2023 are very positive.

As for the movement “For the poor - Leaving no one behind”, VietinBank has further deployed an additional preferential program with a scale of up to **VND 30,000 billion** with loan interest rates more attractive than normal ones, effective until December 31, 2030. Preferential interest rates apply to investors within 3 years and home buyers within 5 years when investing/buying houses in social housing /worker housing projects/projects to renovate and reconstruct old apartment buildings.



VietinBank supporting the community

Outstanding loan balance to customers of the movement “The whole country joins hands in building new-style rural areas”

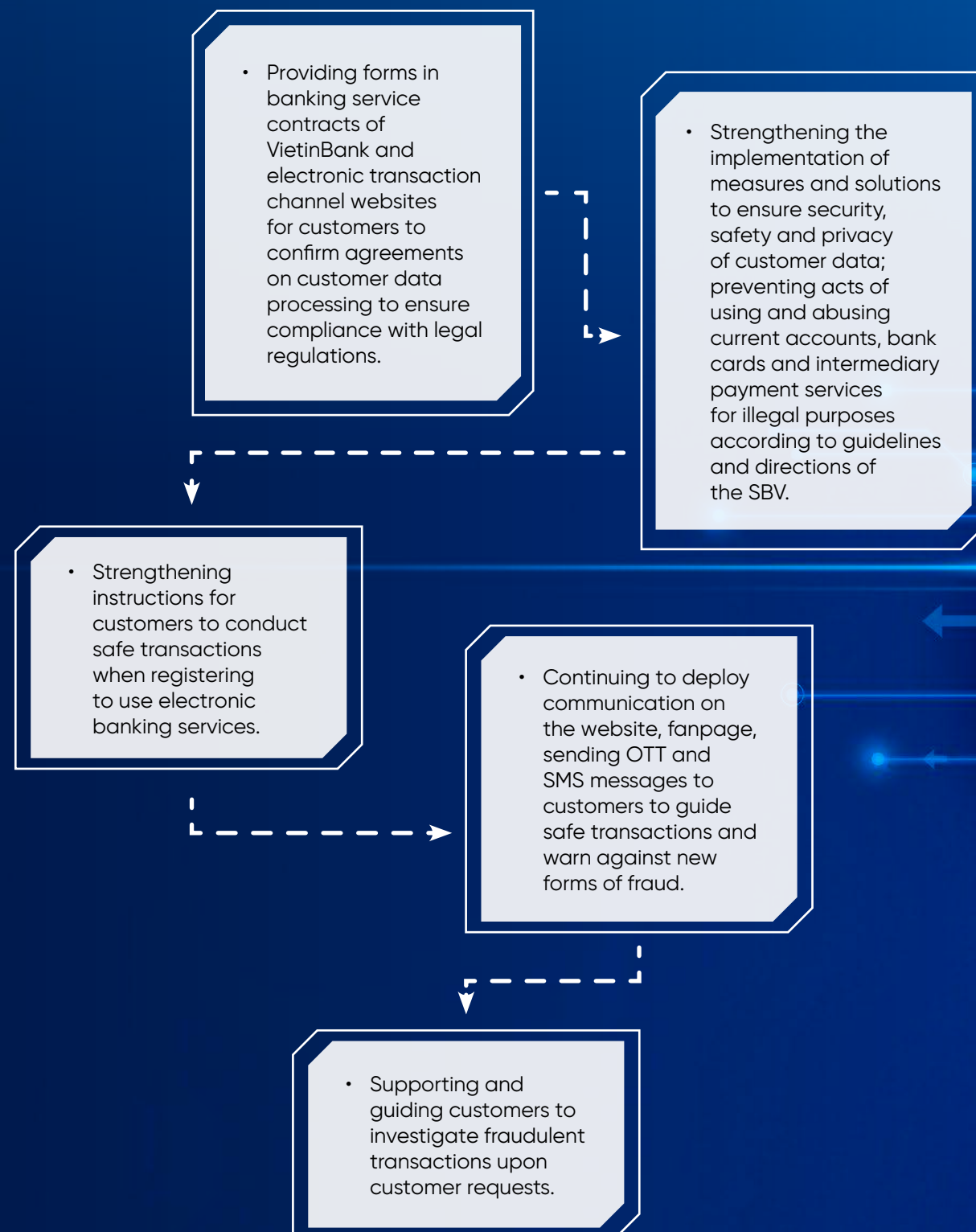


Source: VietinBank's internal report

8 - RESPONSIBILITIES TO CUSTOMERS

CUSTOMER INFORMATION PROTECTION

With the "customer-centric" philosophy, VietinBank has implemented many synchronous and comprehensive programs and policies to protect customers' interests, especially in the digital transformation trend. The system of policy documents and procedures have always been updated and reformed to best protect customers' interests, giving customers a feeling of comfort and peace of mind when using VietinBank's financial products and services. Specifically, the Bank has taken many integrated solutions to enhance customer information security such as:



lấy
KHÁCH HÀNG
làm **TRUNG**
TÂM

As a publicly listed entity with a substantial shareholder base, VietinBank is committed to transparency in information dissemination, adhering to regulatory standards, fulfilling shareholder/investor rights, and drawing investor interest towards CTG stock. This approach is aimed at maximizing the Bank's equity and enhancing shareholder value. At VietinBank, the Investor Relations (IR) team under the Secretariat of the Board of Directors & IR - Office of the Board of Directors, serves as a vital link between VietinBank and the investor community. It plays a dual role in providing information to investors and conveying feedback from the investor community and market to VietinBank's senior management. VietinBank's IR activities are inclusive, catering to all investors without distinction between major or minor, individual or institutional. Every investor and shareholder at VietinBank has the right to access the bank's official information sources and exercise their shareholder rights in compliance with legal regulations.

ENSURING INFORMATION TRANSPARENCY AND INVESTORS' BENEFITS

VietinBank is dedicated to the transparent, uniform, comprehensive, and timely dissemination of the Bank's information to investors, ensuring shareholder rights through activities such as organizing events for shareholders and investors; providing information about VietinBank to shareholders and investors; and mandatory information disclosures as per regulations,.... This commitment aims to maximize corporate equity and enhance shareholder value. As a joint-stock commercial bank with State capital, VietinBank not only adheres to the disclosure requirements for listed companies (as stipulated by the Ministry of Finance, the SSC, and the Stock Exchanges) but also fulfills the disclosure obligations of state-owned enterprises (as regulated by the SBV and the Ministry of Planning and Investment). With the goal of ensuring rapid and timely information updates, VietinBank consistently complies with regulatory disclosure obligations; for many consecutive years, it has been recognized as **a listed company that meets disclosure standards in the securities market**. In 2023, VietinBank carried out disclosures for 16 regular contents and 67 extraordinary contents, including: 2022 financial statements, 2022 annual report (with sustainability report integrated as part of the annual report); corporate governance report; 2023 annual GMS; senior management changes; network changes; amendments to internal governance regulations (Charter, Regulation on internal governance, Regulation on Organization And Operation of the BoD); transactions with subsidiaries/affiliates; private placements of bonds/public offerings of bonds; share issuance to pay dividends, etc.

In 2023, VietinBank also successfully organized the 2023 annual GMS in accordance with regulations and approved many important matters such as: business plan, profit distribution, capital increase plan, amendments to governance regulations, BoD membership, etc.... Focusing on communication with investors, the annual GMS is a significant event for VietinBank - a forum for open dialogue, candid discussions, and addressing all shareholder inquiries.

At VietinBank, all investors, regardless of major or minor, individual or institutional, are entitled to access the bank's official information through the VietinBank website and its dedicated Investor Relations page. VietinBank ensures shareholder rights by allowing shareholders to question (directly/indirectly) and submit proposals to the VietinBank management team before voting on critical issues related to the Bank's operations. Despite a large shareholder base, VietinBank actively supports

investors in exercising their rights and obligations related to CTG shares, dividend payments, GMS, capital raising, and internal and related party transactions,... through email and phone channels. Adjustments to shareholder information or securities types are also made swiftly and timely in accordance with regulations and to meet shareholder needs.

Highlights of the Investor Relations activities in 2023 include:

» 11.7415%

DIVIDEND PAYOUT RATIO
IN 2023

» 3 YEARS

CONTINUALLY INCLUDED IN THE BASKET
OF VNSI INDEX ON SUSTAINABLE
DEVELOPMENT OF HOSE

» TOP 3

LARGE-CAP LISTED ENTERPRISES WITH IR ACTIVITIES
MOST APPRECIATED BY INVESTORS IN 2023 OF THE IR
AWARDS 2023 PROGRAM



VietinBank organizes quarterly conference on business results update for investors and analysts

9 – RESPONSIBILITIES TO SHAREHOLDERS AND INVESTORS

ENSURING THE DISTRIBUTION OF DIVIDENDS TO SHAREHOLDERS IN STRICT COMPLIANCE WITH REGULATIONS

The dividend policy is publicly disclosed in the VietinBank Charter and on the VietinBank Investor Relations website (<https://investor.vietinbank.vn/HistoricalDividend.aspx>). VietinBank makes dividend payments to shareholders based on approvals from the VietinBank's GMS, competent state authorities, and in accordance with relevant legal provisions.

In 2023, VietinBank completed the issuance of shares for dividend payments from 2020 profit after tax, after fund allocations, and cash dividend payments at a rate of 11.7415% to 100% of shareholders listed as of December 1, 2023. This increased VietinBank's charter capital from VND 48,057 billion to nearly VND 53,700 billion, further enhancing the financial capacity to meet growth needs and expand VietinBank's business operations, in line with the position, potential, and tasks assigned by the Government and the SBV; thereby increasing shareholder benefits and significantly contributing to the country's socio-economic development.

VietinBank's dividend history of the 2009 – 2023 period

YEAR	PERCENTAGE (%)	PAYMENT FORM	EX-RIGHT DATE	PAYMENT DATE
2023	11.7415	2020 stock dividend	30/11/2023	1/12/2023
2020	8.00	2020 cash dividend	14/12/2021	17/1/2022
2021	29.0695	2017, 2018, 2019 stock dividend	7/7/2021	8/7/2021
2019	5.00	2019 cash dividend	17/12/2020	21/1/2021
2016	7.00	2016 cash dividend	27/9/2017	17/10/2017
2015	7.00	2015 cash dividend	16/1/2017	16/2/2017
2014	10.00	2014 cash dividend	23/6/2015	17/7/2015
2013	10.00	2013 cash dividend	21/5/2014	6/6/2014
2012	16.00	2012 cash dividend	6/9/2013	24/9/2013
2011	20.00	2011 stock dividend	30/3/2012	9/4/2012
2011	9.60	Bonus shares from share premium	30/3/2012	9/4/2012
2010	13.47	2010 cash dividend advance	14/1/2011	16/2/2011
2009	6.83	2009 stock dividend	06/9/2010	25/10/2010



INCREASING FREQUENCY, DIVERSIFYING FORMS, IMPROVING QUALITY, PROACTIVELY COMMUNICATING TO INVESTORS

VietinBank always identifies IR as a bridge between VietinBank and investors, including providing information to investors in parallel with transmitting information from the investor community and the market to VietinBank's Leadership Team. Therefore, the Bank regularly consults the IR activities of major domestic and foreign banks, and of its strategic partner – major shareholder, MUFG Bank, to bring IR activities closer to international practices and standards.

In addition to effective management of the Investor Relations website with a modern and professional interface at <http://investor.vietinbank.vn>, which helps provide rich, useful, easy-to-look-up information to investors, in 2023, VietinBank has proactively increased frequency, diversified forms, improved information quality, and increased shareholders and investors' trust in the Bank through 4 Business Performance Update Conferences held annually/quarterly and chaired by the Leadership Team (with the participation of approximately 90 analysts, representing about 60 investment funds/securities companies), 14 face-to-face working sessions (an increase of nearly 60% compared to that in 2022, with the participation of 80 analysts representing more than 40 investment funds/securities companies; which includes attending Analyst Meetings held by prestigious domestic and international investment funds and securities companies) and nearly 90 indirect exchanges (via emails, phone calls; increasing by nearly 20% compared to that in 2022) to exchange and provide information about VietinBank's business results to VietinBank's investors/shareholders. Information disclosure documents (annual reports, financial statements, corporate governance reports, shareholder meeting materials...) as well as updated materials on VietinBank's business results (financial report news, quarterly business results update documents...) are always written bilingually in Vietnamese and English, information about these business results is also widely published on the Bank's official website, fanpage as well as mass media and is continuously innovated in terms of content and design. Thanks to that, VietinBank's materials for investors are highly appreciated for their accuracy, carefulness, detail and objectivity, providing timely and necessary information to support investors in making investment decisions.

Thanks to constant improved quality and professionalism of IR activities, VietinBank has been recognized and evaluated increasingly positively by shareholders, investors, and analysts. Accordingly, major securities companies all gave positive/buy recommendations for CTG shares in 2023. VietinBank is also honored to be included in the VNSI basket on sustainable development of the Ho Chi Minh City Stock Exchange⁽¹⁾, for 3 consecutive years (2021, 2022, 2023); is one of the listed enterprises meeting information disclosure standards on the stock market for 3 consecutive years (2021 – 2023); At the same time, it was voted in the Top 3 large-cap listed enterprises with IR activities most loved by investors in 2023 by the IR Awards 2023 Program⁽²⁾.

“

The trust of shareholders and investors is the measure of value for every business, and VietinBank continually strives to innovate its IR activities to demonstrate corporate responsibility, contribute to economic development, and ensure harmony while enhancing the rights of shareholders and investors.

”

⁽¹⁾ VNSI (Viet Nam Sustainability Index) is a sustainable development index researched and applied by the Ho Chi Minh City Stock Exchange (HOSE) in coordination with the German Corporation for International Cooperation (GIZ) and the State Securities Commission since July 2017; consisting of 20 stocks under VN100 with the best sustainable development in the market.

⁽²⁾ IR Awards is a program to vote for listed companies with the best IR activities co-organized by Vietstock, Vietnam Association of Financial Executives (VAFE) and Finance and Life e-Magazine (FIL) since 2011.

9 – RESPONSIBILITIES TO SHAREHOLDERS AND INVESTORS

DIRECTION FOR INVESTOR RELATIONS ACTIVITIES IN 2024

In 2024, in addition to well performing regular and periodic tasks, VietinBank will continue to consolidate and professionalize IR activities through strengthening training and development of IR staff force; developing and implementing a transparent and proactive communication strategy. At the same time, the Bank will also promote the application of online and face-to-face forms, improve interaction and information dissemination to investors, creating added value for the bank and CTG branding on the stock market.




CONTACTS FOR VIETINBANK INVESTOR RELATIONS:

- In charge of information disclosure
Mr. Tran Minh Binh
 Chairman of the Board of Directors/Legal Representative of VietinBank.
- Spokesperson in IR activities
Ms. Pham Thi Thanh Hoai
 Member of the Board of Directors of VietinBank.
- Person in charge of corporate governance/Corporate Secretary
Mr. Dong Xuan Hung
 Acting Chief the Office of the Board of Directors of VietinBank.
- IR Team – Board of Directors' Secretariat & Investor Relations Department – Board of Directors' Office
 - Address:
No. 108 Tran Hung Dao, Hoan Kiem, Hanoi
 - Email:
investor@vietinbank.vn
 - Phone number:
(84) 24 3941 3622
 - Website:
www.vietinbank.vn
https://investor.vietinbank.vn/

10 – RESPONSIBILITIES TO EMPLOYEES

Recognizing that human resources are the most valuable asset for the development and success of each organization, VietinBank always focuses on building, maintaining and developing a staff force sufficient both in terms of quantity and quality to successfully implement bank-wide business goals and strategies. The foundation of VietinBank's success over the past 35 years is the people and corporate culture built and maintained throughout its development. A staff force spanning multiple generations with solid professional knowledge, dynamism, creativity, and enthusiasm is the core factor for VietinBank to always maintain the spirit of pioneering and innovating in thinking, perfecting in action, steadfastly overcoming challenges, forging a reputable brand.



“

VietinBank's Leadership Team is always committed to human development as well as implementing programs to care for employees both financially and spiritually through many VietinBank identity-bearing activities to bond and create a happy working environment for every employee.

”

ASSURED EMPLOYMENT FOR EMPLOYEES

VietinBank's workforce as at December 31, 2023 was **24,642 people** (including employees of subsidiaries, non-business units and representative offices). In 2023 when the labor market continued to be affected post-COVID-19 pandemic, all employees of VietinBank were assigned and arranged with tasks suitable to their qualifications and working capacity, which ensures that all employees are employed and have labor contracts signed according to the Labor Code.

Regarding indicators related to personnel changes in 2023, VietinBank's new recruitment rate is 1.3% while the labor contract termination rate is 3.6%.

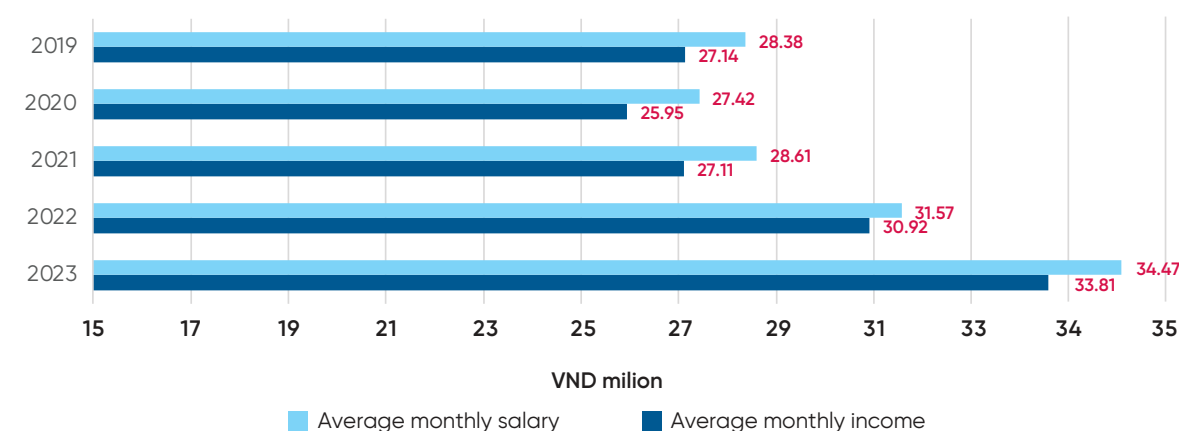
REMUNERATION POLICY

VietinBank's employees are entitled to salary, bonus and treatment regimes as follows:

- VietinBank's salary system follows international norms based on the **3Ps principle**: Position-based payment, personal-capacity-based payment and performance-based payment, which aims at achieving three main objectives: (i) ensuring stable monthly, quarterly, and annual salaries for employees; (ii) motivating employees to improve labor productivity; and (iii) flexibility in salary arrangements and annual salary increases;
- Employees are recognized for their abilities, promoted, and rewarded for their achievements
- Funds are allocated for training and enhancing professional qualifications and capacity;
- Retired employees: In addition to benefits from the Social Insurance Fund, employees receive a two-month salary allowance before retirement and financial support during retirement;

In 2023, VietinBank's average salary for employees increased by **9.44% compared to that in 2022**. The average salary increase is based on the gap between the excessive average labor productivity compared to the targets mapped out.

Employee income growth in the past 5 years



Source: Consolidated audited FS for the years 2019 – 2023

Detailed information about the average salary of employees is presented in the audited 2023 FS in Part 7.



10 - RESPONSIBILITIES TO EMPLOYEES

SOCIAL INSURANCE POLICY

VietinBank's employees are covered by insurance according to the State regulations, and are assured with benefits during sabbatical leaves or in cases of illness or maternity. When the employee is old enough to take leave, VietinBank carries out all procedures with the insurance companies so that the employee can leave at the prescribed time.

WELFARE POLICY

In 2023, VietinBank continues to implement general benefit and welfare regimes for bank-wide employees, which focus on improving quality of life, rejuvenating the workforce, achieving work-life balance, enhancing employee engagement, and providing exceptional benefits to high-achieving personnel, talented individuals, those undergoing career transitions, managers of key positions, and high-level managers to recognize their contributions and retain competent and highly qualified employees.

The welfare programs currently in place include:

- i. General welfare benefits for all employees: Filial piety, weddings, birthdays, sick visits, convalescence, vacation, gifts for Holidays/Tet, travel support for Holidays/Tet, gifts for International Women's Day (March 8), Vietnamese Women's Day (October 20), International Children's Day, Mid-Autumn Festival, financial support for childcare/kindergarten expenses and rewards for children of employees who excel, VBI Care health insurance for employees as health care benefits, etc.
- ii. Enhanced benefit regimes specifically designed for high-achieving personnel, those undergoing career transitions, managers of key positions, and potential talents (Top 500): Enhanced benefits include superior rewards, premium vacations, educational support for children, health insurance, life insurance, etc.

In 2023, VietinBank has studied advanced welfare and benefits practices in the market. As a result, the Bank has issued and revised regulations to align with its business situation and operational reality. The goal is to enhance employee welfare, engagement and dedication, maintaining an attractive and competitive work environment, and retain talented individuals.



ENSURING THE HEALTH OF OFFICERS, EMPLOYEES AND WORKPLACE SAFETY

Ensuring workplace safety

Every year, VietinBank regularly evaluates and measures the level of safety at HO buildings to assess risks and identify threats that can affect the work quality and the health of employees. On that basis, the Bank will develop control measures, propose actions and overall plans to improve the workplace environment to ensure the best conditions for all employees.

At the same time, VietinBank also coordinates with competent authorities to ensure safety and security inside and outside of working hours. The work of ensuring security and safety at the Bank always fully complies with the instructions by the Ministry of Public Security, applicable legal regulations and internal regulations of VietinBank. Accordingly, the Bank has consolidated the plan to protect the safety of the workplace, coordinated closely with the Police authorities and local authorities at all levels in assessing and understanding the security situation in the vicinity of the headquarters, synchronously deploying coordinated measures to handle incidents of insecurity. Specifically, the Bank has implemented the following:

- Actively coordinating with units under the Ministry of Public Security to develop scenarios and organize drills in response to incidents of robbery, attack, hostage and large gatherings which disturb public order.
- Annually, coordinating with the Fire and Rescue Police to organize communication, training on fire and rescue operations and issue certificates to Fire and Rescue Teams at units. At the same time, jointly organizing fire and rescue drills at units with the guidance and supervision of the professional Fire and Rescue Police force.
- Installing an alarm system connected to the local Police and Emergency Police (hotline: 113) to coordinate in maintaining security, social order and safety and promptly handle incidents that arise at the unit's headquarters.
- Annually, coordinating with competent authorities to organize communication on ensuring security and safety according to topics within VietinBank.



10 - RESPONSIBILITIES TO EMPLOYEES

Regarding fire prevention and fighting, VietinBank coordinates with the district-level Fire and Rescue Police to guide how to implement safety measures in fire and explosion prevention and fighting to minimize the risks therefrom. Every year, the Bank coordinates to organize fire fighting drills; at the same time, to receive information about dispatching vehicles and people to handle in case of fires. The Police of wards (where the headquarters is located) also send forces to participate in security work to prevent the case where criminal takes advantage of the incident to break in and commit acts of theft or remove traces.

Regarding flood and storm prevention, VietinBank coordinates with local government authorities to capture information on developments and direction of big storms causing floods to proactively take safety measures to protect people and assets, urgently meet the requirements of local authorities at all levels in evacuation to a safe place.

In particular, VietinBank has released a **Handbook for responding to a number of emergency situations at VietinBank** to equip branches and units across the Bank with the fastest handling/response methods for a number of emergency situations, helping to ensure the Bank's operations are effective and safe, moving closer to international standards on risk management.



VietinBank organizes training activities on fire prevention and fighting

Ngày hội sức khỏe dành cho
CBNV VietinBank

**"CỘT SỐNG"
BANKER**

Với sự tham gia của

Bác sĩ
PGS. TS. Bác sĩ Nguyễn Mạnh Khánh
Phó Viện trưởng Viện Chấn thương chỉnh hình,
Trưởng khoa Chấn thương Chỉnh hình 1, BV Việt Đức

Chuyên gia bảo hiểm
Bà Trịnh Thị Loan
Chuyên gia Bảo hiểm thuộc
Tổng công ty Bảo hiểm VietinBank - VBI

Ensuring the health of officers and employees

Regarding occupational safety and health for employees, VietinBank has issued policies, regulations and instructions based on legal requirements and the Bank's internal regime in order to ensure the best benefits for employees. The Bank regularly organizes training sessions on plans to respond to a number of emergency situations such as fire prevention and fighting, first aid, emergency, etc. To assess the level of workplace safety, VietinBank conducts environmental monitoring and measurement of toxic and risk factors that may affect employees according to legal standards. Based on measurement results, the working environments at VietinBank all meet standards.

In addition, VietinBank organizes annual health checks for all employees at reputable hospitals and clinics. Employees' personal health information is then quickly sent to each individual, ensuring confidentiality according to the provisions of applicable laws. Besides, the Bank also organizes seminars, workshops and health care training courses, with advice from leading health experts to raise health awareness for employees.

VBI Care program

VBI Care is a comprehensive health care program for all employees in the VietinBank group to improve employee benefits, health and support them in medical issues, showing the Bank's best care and appreciation for employees. The program has a comprehensive coverage for health care, examination and treatment, both inpatient and outpatient, surgery and other relevant extended benefits, direct billing at leading hospitals and clinics in Vietnam and the region.

In addition, every year, VietinBank raises the sum insured, expands the insurance coverage of the program, at the same time, researches, reviews and adds in medical examination and treatment items and direct billing hospitals and clinics to give employees comfort during medical examination and treatment.

10 - RESPONSIBILITIES TO EMPLOYEES

TRAINING FOR COMPETENCY DEVELOPMENT

Training results

In 2023, VietinBank organized **867** classes⁽¹⁾. The number of trainees was **133,923** persons, averaging **3.93** days/person.

Table of data on average training days and coverage level by trainees in 2023

CLASSIFIED BY TRAINEES	AVERAGE NUMBER OF TRAINING DAYS	NUMBER OF TRAINEES
High-level managers, middle-level managers and equivalent positions (Members of the BoD, BoM, Director/Deputy Director of Division, Director/Deputy Director of Branch, Director/Deputy Director of Department at HO, Director/Deputy Director of Non-Business Unit)	6.76	6,939
Managers and equivalent titles (Director/Deputy Director of Department at Branch, Director/Deputy Director of Department at Non-Business Unit)	5.73	41,893
Employee	3.26	85,091
General trainees	3.93	133,923

Modernizing training programs, focusing on improving professional skills, execution capacity and adaptability for the bank-wide staff force.

More than 70% of the classes are training on professional skills for **more than 111 thousand** trainees. The programs have closely followed key business topics, orientations and increased the competitiveness of VietinBank, notably sales training programs (CASA growth training; training to improve premium banking customer care and sales capacity; training on business plan implementation; training on sales & customer care on digital platform; training on customer appraisal, guarantee, trade finance, cross-selling, etc.); programs to improve service quality (series of training courses to improve service quality and customer experiences, etc.).

At the same time, skills training classes according to the **Competency Framework** continue to be organized, focusing on key personnel positions of VietinBank, which are the leadership and management team (about **8 - 9 thousand trainees**) in order to **improve new competencies and adaptability to a changing business environment** such as Managerial Business Analytics course; Agile course; Foundations of Action Learning course; Influential presentation skill training, etc. In particular, the Bank has successfully implemented the training course "NextGen - We are the future" for **nearly 1,500 high-potential employees** at the branch level - VietinBank NextGen. The training program is closely linked with VietinBank's talent development policy, aiming to build up a team of talented people with consistent quantity and quality across the bank.

Building and promoting an active learning culture across the Bank

Determining that building a culture of active learning for each employee within the Bank is an inevitable trend, especially in the age of digital transformation, right from the beginning of 2023, VietinBank has implemented many activities to spread and promote the learning spirit throughout the bank, including: (i) Communicating to all employees on **the 21-day self-study program**; (ii) Digitizing **more than 900 E-learning lectures** (covering all professional operations) and **350 books** on the learning application so that employees can study anytime, anywhere. This platform has promoted a strong shift in online training activities (accounting for about **30%** of classes in 2023 and more impressively, **nearly 70% of trainees**).

⁽¹⁾ Excluding OJT training, Coaching, Mentoring, internal training programs organized by the units



Training classes on Agile method

CAREER DEVELOPMENT OPPORTUNITIES

VietinBank has implemented the bank-wide **Job Grade Restructuring Project** to build a job position-based career roadmap and standardize staff rotation. At the same time, VietinBank also continues to promote early identification, build a comprehensive training and development roadmap for middle managers and strategic officers of the Bank through such activities as:

- (iii) Continuing to implement **VietinBank Top 500 Program** and **NextGen Program** to create a source of management staff at all levels (identifying **1,442 new high-potential employees** (NextGen) and graduating **46 Hipo employees**) focusing on training programs on leadership and core competencies for Top 500, NextGen, organizing practical sharing between Exco - Key Person - Hipo, promoting the movement on learning, spreading knowledge through a series of interactions, i.e: Mentoring; Peer learning; Coffee talks, etc.
- (iv) Taking the lead among the State-owned commercial banks in implementing Agile Management training for high-level and middle-level managers (BoD, BoM, Branch Directors, Director/Deputy Director of Department at HO) with the goal of promoting effective collaboration between individuals and units, empowering, engaging employees, improving labor productivity to meet human resources quality requirements with quick execution capacity;
- (v) Continuing to expand the program to comprehensively modernize the succession planning for middle management (organizing public, transparent recruitment exams and evaluation of candidates for the positions of Director/Deputy Director of Branch, Director/Deputy Director of Department at HO; developing a set of candidate evaluation criteria that balances two factors (competency and professional expertise) to ensure selection of suitable candidates, meeting VietinBank's personnel requirements.

10 - RESPONSIBILITIES TO EMPLOYEES

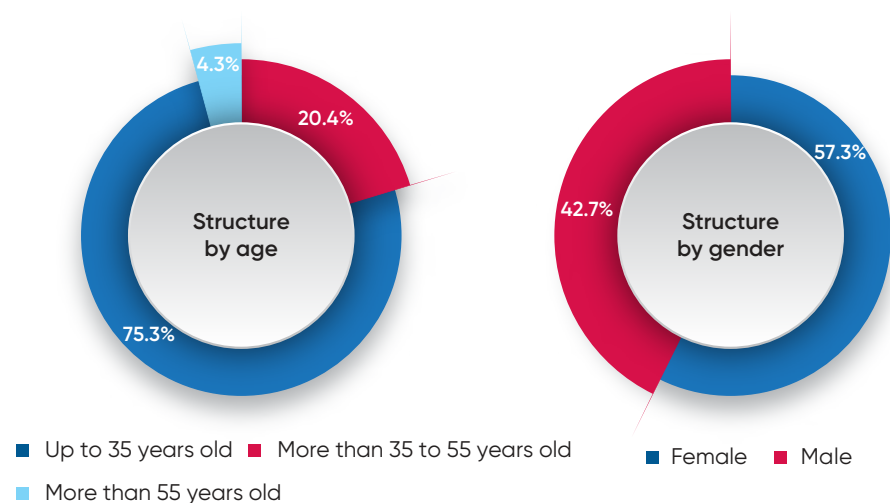
RESPECTING GENDER EQUALITY AND DIVERSITY

VietinBank has always identified that "Human resources are the most valuable asset of an organization". In recent years, VietinBank has continuously developed policies/programs related to compensations and benefits to demonstrate respect and equality between male and female employees, offered benefits specifically for female employees according to the provisions of law and VietinBank's internal mechanism. Activities to promote diversity and equality in the workplace are implemented synchronously and comprehensively from HO to branches, thereby, demonstrating VietinBank's appreciation for the contribution and dedication of each employee to the organization's success.

In 2023, thanks to the due attention of the Management, regarding gender equality at VietinBank, VietinBank's Committee for the Advancement of Women has carried out the following activities:

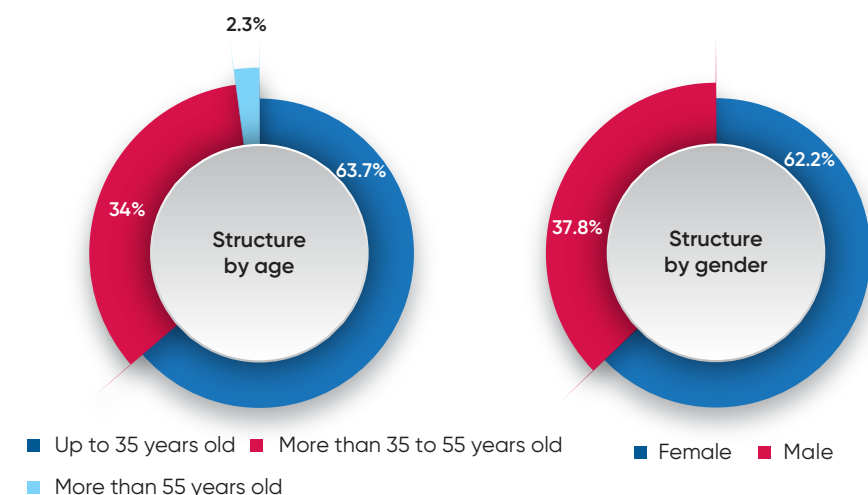
- Continuing to implement the national strategy on gender equality 2021 - 2030;
- Developing a plan for gender equality and advancement of women in 2023;
- Issuing guidelines for units to implement activities in the Month of Action 2023. Launching the Month of Action with appropriate forms, promoting communication on the themes, messages and activities of **the Month of Action for gender equality and prevention and combating of gender-based violence** in a variety of forms, suitable for each target group and actual situation, etc.
- Implementing key programs for female officers and employees, launching emulation associated with organizing practical and meaningful movements and activities that appeal to female officers, employees and youth union's members. In addition, VietinBank's Committee for the Advancement of Women has directed units to strengthen the work of taking care of and protecting the rights of female employees, inspecting and supervising the implementation of regimes and policies for female employees; proactively advised and introduced outstanding female officers to the Party Committee and authorities in planning, training, nurturing and using female officers, etc. Introducing female employees to participate in upskill training, paying due attention and creating conditions for female officers to have the opportunity to strive, contribute, study to improve their qualifications and participate in union activities to demonstrate their capacity in all aspects of operations, facilitating the delivery of the function to represent and protect the rights of female employees. Reward activities have always received timely attention in order to motivate outperforming female employees and replicate typical good examples to encourage female officers to unite and do their best to excel at delivery of VietinBank's goals and tasks.

Management staff structure



"SHARE VALUES WITH VIETINBANK"

Structure of specialists/employees



ENSURING FAIRNESS AND GRASSROOTS DEMOCRACY AT VIETINBANK

VietinBank's Party Committee, Leadership Team, Trade Union's Executive Committee and Steering Committee for Statute on Grassroots Democracy have led and directed units across the bank to strictly follow the provisions of the law and the regulations specified in Statute on Grassroots Democracy at VietinBank's workplace.

At the units, VietinBank has publicly disclosed the information as prescribed, including: Business plan, labor regulation, collective labor agreement; regulation on recruitment and employment, regulation on compensation and salary scale, labor protection equipment, regulation on staff rearrangement, etc.; emulation, reward, disciplinary action, resolution of complaints related to the rights, obligations and benefits of employees; contents that employees have the right to give opinions/decide, contents that employees may inspect and supervise through bi-annual, annual review and regular meetings, etc. In addition, VietinBank and units have also deployed many platforms for employees to contribute ideas such as: **Business Support System "BSS"**; **Severity Assessment Measure System "SAM"**; **360-degree survey and assessment**; **"VietinBank Workplace"**, **"VietinBank Official Group"**; communicated directly with VietinBank's Leadership Team, Unit's leaders, etc. to promptly understand the concerns and aspirations of employees to respond in a timely manner. Recommendations and suggestions from employees have received prompt response from VietinBank's Management Team in accordance with regulations.

100% of units within VietinBank have organized town hall meetings and periodic dialogue according to the law. At the town hall meetings, unit's directors responded to questions and recommendations from employees on issues related to business activities, policies and employee benefits, at the same time, communicated and encouraged employees at the unit to further strive to successfully complete assigned tasks; thereby, gradually raising collective awareness, promoting the role and responsibilities of leaders and helping them better understand their rights and obligations in implementing the Party's guidelines and principles, the State laws and policies and internal regulations of VietinBank and units. Emulation movements have been promoted; the directions, tasks, targets and plans have been practical and realistic. The activities of the People's Inspection Board have been linked to the implementation of the Statute on Grassroots Democracy and in compliance with the provisions of law.

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Looking forward to a sustainable development future, VietinBank has always tried to understand generations of employees, met their spiritual needs and ensured the best health care for employees, especially their need to be heard and respected.

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10 - RESPONSIBILITIES TO EMPLOYEES

PROFESSIONAL ETHICS

In the inherently risk-prone banking sector, which operates on the foundation of trust, VietinBank has consistently set stringent requirements for knowledge and experience, with a particular emphasis on professional ethical standards.

Over the years, the Bank has proactively developed a workforce with high professional competence and ethical standards, meeting the developmental needs of the banking industry while ensuring the safety and quality of the Bank's operations. Notably, VietinBank has been a pioneer in establishing the **VietinBank Culture Handbook**, which defines the ethical standards for its leaders, officers, and employees, as well as their code of conduct. Furthermore, the Bank has adopted both the **Professional Ethics Standards and Code of Conduct** for bank officers issued by the Vietnam Banks Association (Decision No. 11/QĐ-HHNH) across its entire group.

In addition, VietinBank has established channels for receiving information to reflect internal fraudulent behaviors or breaches of ethical standards within the Bank. This information is regularly communicated to the entire group (twice a month) to ensure serious implementation and deployment. All reports of internal fraud or ethical misconduct are received, processed, and kept confidential by VietinBank's departments in charge.



CHANNEL FOR REPORTING INTERNAL FRAUD/VIOLATIONS OF PROFESSIONAL ETHICAL STANDARDS

- Unit in charge:
Compliance Management Department - Legal and Compliance Division
- Hotline:
1900 558 868
- Email:
hotline@vietinbank.vn
- Physical mail (Confidential):
108 Tran Hung Dao, Hoan Kiem, Hanoi

REGULATION OF BEHAVIORAL STANDARDS IN COMMUNICATION AND CONDUCT AT VIETINBANK

- 

Principles of adopting behavioral standards in communication and conduct
- 

Behavioral standards during interactions with internal and external parties
- 

Behavioral standards in basic rituals

CORPORATE CULTURE
IMPLEMENTATION COMMITTEE
Email: VHDN@vietinbank.vn

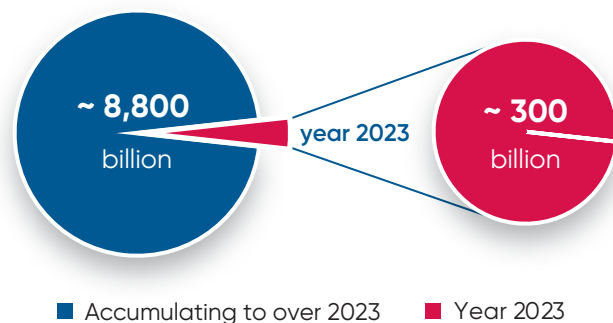


11 - RESPONSIBILITIES TO THE SOCIAL COMMUNITY

As an active player in the financial sector, VietinBank is acutely aware of its pivotal role and the imperative to contribute to the sustainable and long-term development of the community. The execution of social welfare activities and the fulfillment of community responsibilities are an inseparable commitment within VietinBank's business development strategy, both now and in the future. This commitment is the driving force behind VietinBank's continuous efforts to deliver the highest values to the community, contributing to the nation's economic and social welfare development, thereby fostering a prosperous value system.

In its leading role as a primary provider of credit facilities for national economic development, VietinBank proactively and vigorously implements the directives and policies of the Party, State, Government, and Banking Sector in social welfare work. This contributes significantly to eradicating hunger, reducing poverty, and improving the material and spiritual lives of people in underprivileged areas through meaningful and practical programs. VietinBank's social welfare activities focus on constructing housing for the impoverished, building educational facilities, healthcare structures, and infrastructure in impoverished regions, rural areas, and remote locations. The bank also supports disaster relief efforts following natural calamities such as floods and storms, and contributes to infrastructure development that reinforces national security and defense. As of the end of 2023, VietinBank has allocated nearly **VND 300 billion** for social welfare activities, accumulating to over **VND 8,800 billion to date.**"

VietinBank has committed a total of VND 8,800 billion to social security activities to date, with nearly VND 300 billion allocated in the year 2023 alone



Below is a consolidated table of VietinBank's social welfare efforts from inception to present, including the year 2023

RESULTS OF SOCIAL SECURITY EFFORTS	AS TO 2023	2023 ALONE	UNIT
TOTAL AMOUNT (committed/implemented)	> 8,800	~ 300	VND BILLION

Some typical fields:

Total number of social security books and health insurance cards for the impoverished	9,588	3,140	Social security book and health insurance card
Support the construction of homes for the impoverished	46,483	1,570	Home
Support the construction of community cultural centers and shelters in case of natural disaster	90	4	Construction work
Support the construction of rural transportation infrastructure projects including bridges and roads	1,005	8	Construction work
Support the construction of schools	761	9	Construction work
Support the construction of hospitals	6	2	Construction work
Support the construction of medical stations	143	0	Construction work
Sponsor ambulances, blood donation vehicles, staff rotation vehicles... for medical facilities	345	3	Vehicle

9,588

TOTAL NUMBER OF SOCIAL
SECURITY BOOKS AND
HEALTH INSURANCE CARDS
FOR THE IMPOVERISHED

3,140

Including the year 2023



90

Construction work

SUPPORT THE CONSTRUCTION OF
COMMUNITY CULTURAL CENTERS
AND SHELTERS IN CASE OF
NATURAL DISASTER

4

Including the year 2023



46,483

SUPPORT THE
CONSTRUCTION OF
HOMES FOR THE
IMPOVERISHED

1,570

Including the year 2023



1,005

Construction work

SUPPORT THE CONSTRUCTION
OF RURAL TRANSPORTATION
INFRASTRUCTURE PROJECTS
INCLUDING BRIDGES AND ROADS

8

Including the year 2023



761

Construction work

SUPPORT THE CONSTRUCTION
OF SCHOOLS

9

Including the year 2023



143

Construction work

SUPPORT THE CONSTRUCTION
OF MEDICAL STATIONS

6

Construction work

SUPPORT THE CONSTRUCTION
OF HOSPITALS

2

Including the year 2023



345

Vehicle

SPONSOR AMBULANCES, BLOOD
DONATION VEHICLES, STAFF ROTATION
VEHICLES... FOR MEDICAL FACILITIES

3

Including the year 2023



In 2023 alone, VietinBank allocated a budget of nearly VND 300 billion for social welfare activities, **equivalent to 1.2% of its pre-tax profit for the year**. Notable initiatives included the construction of over **1,570 homes** for the impoverished and policy beneficiaries; the development of **8** rural transportation infrastructure projects including bridges and roads; and the construction of **4** community cultural centers. In the realm of education and training, VietinBank supported the construction of **9** educational facilities, constructed **4** residential buildings for teachers, and offered scholarships as well as contributions to educational funds, etc. Within healthcare, the Bank aided in building **2** hospital facilities, donated **3** ambulances, **1** vehicle for humanitarian blood donation services, and sponsored medical equipment for hospitals. Additionally, VietinBank's other sponsorships involved

the restoration of gratitude facilities, and during the Lunar New Year, the Bank visited and presented gifts to impoverished citizens and policy families, etc.

VietinBank's efforts have significantly contributed to the successful implementation of the Party, Government, and Banking Sector's major policies on poverty eradication and reduction. The support from VietinBank has transformed many impoverished districts and communes materially, culturally, spiritually, and in healthcare, the lives of the poor and the general populace have markedly improved and advanced.

12 - CORPORATE CULTURE STRATEGY

From the very early days of establishment, VietinBank has paid attention to and determined that shaping corporate culture is a key task that is closely linked with business tasks. Corporate culture is a foundational factor that enables stainless and effective business operations, contributing to enhancing VietinBank's position and brand name.



Launching ceremony of VietinBank Corporate Cultural Identity

DEVELOPING VIETINBANK'S CULTURE DURING THE DIGITAL TRANSFORMATION ERA

In this new era, with the goal of becoming a leading bank in digital transformation in Vietnam and the broader region, VietinBank continues to rejuvenate and reinforce its corporate culture. It asserts the leadership role of VietinBank's culture in driving strong shifts in management mindset and employee behavior, fostering innovation, creating new, unique and optimal values for customers, shareholders, employees, partners, and the community.

On May 11, 2023, VietinBank's BoD signed Resolution No. 157/NQ-HĐQT-NHCT-VPHDQT1 promulgating the **Corporate Culture Development Strategy for the 2023 - 2025 period** with the name **ASPIRATION FOR NEW HEIGHTS**. The Corporate Culture Strategy centers upon building the "unique" cultural characteristics of VietinBank people, on the basis of building on and developing cultural values and core qualities that create VietinBank's success through generations. VietinBank builds a culture that promotes high performance; increasing pioneering and distinctive values; towards sustainable development based on **pursuing 3 operating philosophies**:

- i. **Customer-centric strategy**
- ii. **Human resource development is key to execute success**
- iii. **Innovation as breakthrough**

VietinBank has been building a team of human resources with positive energy, excellent ability to learn, explore ideas and withstand high pressure, strong will to rise and to win and convergence of **5 core values: Integrity - Innovative-thinking - Responsibility - Empathy and Adaptability**

- **Integrity:** Honesty, frankness, impartiality, strong sense of compliance, and reliability. Integrity forms the basis for nurturing VietinBank's Trust and Reputation;
- **Innovative-thinking:** Ability to think, use knowledge, experience in considering and evaluating problems with insights and multi-dimensional mindset to create added values and lead development. Innovative-thinking is the foundation of success of VietinBank people;
- **Responsibility:** Consistent dedication and love for the job, a strong sense of

“

Chairman of VietinBank's BoD, Mr. Tran Minh Binh, shared his view during the announcement of VietinBank's Cultural Identity on August 19, 2023:

"The cultural transformation, intertwined with our digital transformation, is long journey and just beginning. VietinBank views this as both a challenge and an opportunity for individuals to learn, explore the new horizons, break limitations, and unlock their unlimited potential. It's a chance for VietinBank to ignite the dedication of each employee, recognize and nurture new talents, both for the Bank and our nation."



”

accountability passion, whole-hearted efforts to overcome difficulties and fulfill assignments. Responsibility represents an internal driver and resources of VietinBank people.

- **Empathy:** Qualities of considerate and full insight of what is going on, the feelings, needs, experiences and stories of individual customers, shareholders, coworkers, partners and society. Empathy contributes to building a respectful, cooperative and cohesive VietinBank.
- **Adaptability:** Strong sense of ownership of change. It is required to be responsive to changing environment and proactively adaptive to reinvent for sustainable and permanent development of VietinBank.

The Resolution is the guideline that shapes VietinBank's cultural ideology, cultural people, cultural path and cultural space. Corporate culture is expected to remain as "strong internal resources" that drive VietinBank's Development Strategy and Digital Transformation Program towards success.

LEVERAGING THE DIGITAL TRANSFORMATION SUPPORT CAPABILITIES OF VIETINBANK'S CORPORATE CULTURE

Aligned with the 2023-2025 Culture Strategy, VietinBank's 2023 Cultural Journey focused on foundational activities to support the ongoing digital transformation journey in the coming years. These activities are:

- i. Raising awareness among all employees about the Corporate Culture in executing the business strategy and building the set of VietinBankers' values.
- ii. Empowering leaders at all levels to serve as tone-setters and guides in all aspects. Delegating authority and providing guidance to unit heads (**Cultural Ambassadors**) to actively shape cultural behaviors based on specific positions and recognize exemplary cultural conduct for each individual at the unit, aligned with VietinBank's Cultural Identity;
- iii. Strengthening employee experiences, fostering pride, and love for VietinBank through impactful programs that foster engagement and honor cultural exemplars.

In parallel with cultural initiatives, VietinBank places special emphasis on effective implementation of its Cultural Identity. The Bank has developed and deployed an **online Cultural Behavior Management System**, serving as a foundation for recording and disseminating cultural models and exemplary behaviors in practice. Maximizing the role of the **Cultural Core** and the Party/Youth Organizations in propagating, executing, and monitoring the system-wide Cultural Identity.

CONTINUING TO CONQUER CORE TASKS IN THE CULTURE STRATEGY

In 2024, VietinBank remains resolute in executing its Corporate Culture Strategy. The focus is on key tasks to drive digital transformation and enhance service quality:

- i. Completing and enhancing the Core Competency Framework aligned with VietinBank's Core Values to serve as the basis for human resources management and capacity development of VietinBankers;
- ii. Cultivating a **Learning Culture**, diversifying activities that promote Innovation and Creativity and recognizing, celebrating individuals and teams with impactful initiatives within VietinBank;
- iii. Promoting the role of **"Leading the Change"** of Cultural Ambassadors at all

levels in Digital transformation journey and driving mindset and behavioral shifts in external and internal customer service;

- iv. Amplifying the role of internal communication of Corporate Culture, supporting the dissemination of VietinBank's strategic direction, policies, and employee benefits.
- v. Continuously improving evaluation and measurement mechanisms of the execution of Corporate Culture, gradually transforming the Corporate Culture into a vital foundation for VietinBank during the Digital transformation era.

With unwavering belief in VietinBank's cultural spirit and values, we trust that in 2024, the Corporate Culture will continue to be a powerful internal force, successfully supporting the Digital Transformation Program and realizing our Aspiration for new heights together.



EMBARKING ON A NEW JOURNEY WITH VIETINBANK

VietinBank's "Shaping the Digital Era" journey, alongside shareholders, investors, customers, partners, employees, and the community, continues to spread positive values. This journey, built on a solid foundation, drawing from 35 years of experience with strategic vision and new action plans, with enthusiastic and pioneering spirit of VietinBank's entire group, is now ignited within a culturally rich environment. VietinBank steadily reinforces its reputation as a financially robust institution, fulfilling its responsibility to community society. Leveraging its resources and strengths, VietinBank will stride alongside the Government, organizations, businesses, and the community, overcoming challenges, sharing successes, and creating meaningful values in aspiration for a prosperous and thriving life.

13 - GRI TABLE OF CONTENTS

Statement of use	This report was prepared and published with reference to the Global Reporting Initiatives Standards (GRI Standards) issued by Global Sustainability Standards Board in 2016, revised in 2021. Items listed in this table cover the reporting period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	INFORMATION DISCLOSED AND/ OR RESPONSES
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2.1. Organizational details	(Part 1) General information (page 8)
	2.2. Entities included in the organization's sustainability reporting	(Part 2) Business performance of subsidiaries and affiliates (page 103-111)
	2.3. Reporting period, frequency and contact point	(Part 6) Information about Sustainability Report (page 222-223)
	2.4. Restatements of information	VietinBank's Sustainability Report for 2023 has no information to be restated or change of data released in VietinBank's Sustainability Report for 2022.
	2.5. External assurance	Some of the reported financial indicators have been independently accredited by an independent firm, Deloitte Vietnam Company Limited.
	2.6. Activities, value chain and other business relationships	(Part 1) About VietinBank (page 8-9) (Part 2) Business performance of subsidiaries and affiliates (page 103-111) (Part 6) Identification of and engagement with VietinBank's key stakeholders (page 230-231)
	2.7. Employees	(Part 6) Responsibilities to employees (page 268)
	2.9. Governance structure and composition	(Part 1) Organizational structure (page 30-31) (Part 5) Overview of corporate governance (page 158 - 159) (Part 6) Governance for sustainable development at VietinBank (page 227-231)
	2.10. Nomination and selection of the highest governance body	The nomination and selection of high-level personnel of VietinBank are conducted in compliance with the provisions of VietinBank's Charter of Organization and Operation, VietinBank's Regulations on Internal Governance, Regulations on Organization and Operation of the BoD and Regulations on organization and operation of SB in VietinBank. Standards and conditions for the BoD, SB, and BoM are specifically regulated, complied with legal regulations, ensured diversity and independence, and consistent with the specific business activities of VietinBank.
	2.11. Chair of the highest governance body	(Part 5) Members and structure of Board of Directors (page 160-161)
	2.12. Role of the highest governance body in overseeing the management of impacts	(Part 6) Governance for sustainable development at VietinBank (page 227)
	2.13. Delegation of responsibility for managing impacts	(Part 6) Governance for sustainable development at VietinBank (page 227)
	2.14. Role of the highest governance body in sustainability reporting	(Part 6) Governance for sustainable development at VietinBank (page 227)
	2.15. Conflicts of interest	VietinBank's Charter of Organization and Operation, VietinBank's Regulations on Internal Governance, Regulations on Organization and Operation of the BoD and Regulations on organization and operation of SB in VietinBank have specific provisions on the principles of ensuring openness, transparency, democracy in governance activities, to oversee and prevent conflicts of interest between parties.
	2.16. Communication of critical concerns	(Part 5) Overview of corporate governance (page 158-159)

GRI STANDARD	DISCLOSURE	INFORMATION DISCLOSED AND/ OR RESPONSES
	2.18. Evaluation of the performance of the highest governance body	(Part 5) Transactions, remuneration and interests of the BoD, SB and BoM (page 190)
	2.19. Remuneration policies	(Part 5) Transactions, remuneration and interests of the BoD, SB and BoM (page 190)
	2.20. Process to determine remuneration	(Part 5) Transactions, remuneration and interests of the BoD, SB and BoM (page 190)
	2.22. Statement on sustainable development strategy	(Part 6) Sustainable development goals and action plans (page 224-226)
	2.27. Compliance with laws and regulations	(Part 5) Internal control & inspection and internal audit activities (page 194-195) VietinBank always strives to operate in compliance with the provisions of law and internal regulations, and currently has not recorded any major violations.
	2.28. Membership associations	VietinBank is member of Vietnam Banks Association, BOD member of Asian Bankers Association (ABA).
	2.29. Approach to stakeholder engagement	(Part 6) Governance for sustainable development at VietinBank - Identification of and engagement with VietinBank's key stakeholders (page 230-231)
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3.1. Process to determine material topics	(Part 6) Identification of material areas/topics in VietinBank's sustainable development (page 228-229)
	3.2. List of material topics	(Part 6) VietinBank's material topics (page 228-229)
	3.3. Management of material topics	(Part 6) Governance for sustainable development at VietinBank (page 228-229)
ECONOMIC PERFORMANCE		
GRI 201: Economic performance 2016	201.1. Direct economic value generated and distributed ⁽¹⁾	(Part 6) Business activities towards environment and society - Direct economic value generated and distributed (page 244-245)
	201.3. Defined benefit plan obligations and other retirement plans	(Part 6) Responsibilities to employees - Remuneration policy (page 269) (Part 6) Responsibilities to employees - Social insurance policy (page 270) (Part 6) Responsibilities to employees - Welfare policy (page 270)
	201.4. Financial assistance received from government	VietinBank is a state-owned commercial bank with the largest shareholder as SBV holding 64.46% stake of the Bank.
INDIRECT ECONOMIC IMPACTS		
GRI 203: Indirect Economic Impacts 2016	203.2. Significant indirect economic impacts	(Part 6) Responsibilities to the social community (page 280-283)
ANTI-CORRUPTION		
GRI 205: Anti-corruption 2016	205.1. Operations assessed for risks related to corruption	(Part 5) Activities of fighting against corruption, wrongdoings and crime (page 196-197)
	205.2. Communication and training about anti-corruption policies and procedures	(Part 5) Activities of fighting against corruption, wrongdoings and crime (page 196-197)
	205.3. Confirmed incidents of corruption and actions taken	(Part 5) Activities of fighting against corruption, wrongdoings and crime (page 196-197) VietinBank has not recorded any corruption incidents.

⁽¹⁾ Financial indicators (Total assets, Consolidated PBT, Net interest income, Net fee and commission income, Total operating income, Staff cost, Expenses for fixed assets, Interest and similar expenses, Insurance premium for customers' deposits, Payments to the State budget) have been independently accredited by an independent firm, Deloitte Vietnam Company Limited.

13 - GRI TABLE OF CONTENTS

GRI STANDARD	DISCLOSURE	INFORMATION DISCLOSED AND/ OR RESPONSES
ENVIRONMENT		
GRI 304: Biodiversity 2016	304.1. Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	VietinBank's buildings and sites are located in densely populated areas to facilitate the activities of transaction and not within or adjacent to protected areas and areas of high biodiversity. As a result, there is no impact of VietinBank's business activities on biodiversity issues.
	304.2. Significant impacts of activities, products and services on biodiversity	
	304.3. Habitats protected or restored	
	304.4. IUCN Red List species and national conversation list species with habitats in areas affected by operations	
GRI 306: Waste 2020	306.1. Waste generation and significant waste-related impacts	As an enterprise operating in the financial services sector, VietinBank does not generate common industrial solids. VietinBank does not have an internal waste disposal system. The bank signs contracts with functional units to centrally collect and then deliver same-day to collective sites for processing.
	306.2. Management of significant waste-related impacts	
EMPLOYMENT - LABOR		
GRI 401: Employment 2016	401.1. New employee hires and employee turnover	(Part 6) Responsibilities to employees – Assured employment for employees (page 268)
	401.2. Benefits provided to full-time employees that are not provided to temporary or part-time employees	(Part 6) Responsibilities to employees – Welfare policy (page 270)
GRI 403: Occupational Health and Safety 2018	403.1. Occupational health and safety management system	(Part 6) Responsibilities to employees – Ensuring the health of officers, employees and workplace safety (page 271-273)
	403.2. Hazard identification, risk assessment, and incident investigation	(Part 6) Responsibilities to employees – Ensuring the health of officers, employees and workplace safety (page 271-273)

GRI STANDARD	DISCLOSURE	INFORMATION DISCLOSED AND/ OR RESPONSES
	403.3. Occupational health services	(Part 6) Responsibilities to employees - Ensuring the health of officers, employees and workplace safety (page 273)
	403.4. Worker participation, consultation, and communication on occupational health and safety	(Part 6) Responsibilities to employees - Ensuring the health of officers, employees and workplace safety (page 273)
	403.5. Worker training on occupational health and safety	(Part 6) Responsibilities to employees - Ensuring the health of officers, employees and workplace safety (page 271-273)
	403.6. Promotion of worker health	(Part 6) Responsibilities to employees - Ensuring the health of officers, employees and workplace safety (page 271-273)
	403.7. Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	(Part 6) Responsibilities to employees - Ensuring the health of officers, employees and workplace safety (page 271-273)
GRI 404: Training and Education 2016	404.1. Average hours of training per year per employee	(Part 6) Responsibilities to employees - Training for competency development (page 274)
	404.2. Programs for upgrading employee skills and transition assistance programs	(Part 6) Responsibilities to employees - Training for competency development (page 272) (Part 6) Responsibilities to employees - Career development opportunities (page 275)
GRI 405: Diversity and Equal Opportunity 2016	405.1. Diversity of governance bodies and employees	(Part 6) Responsibilities to employees - Respecting gender equality and diversity (page 276)
GRI 408: Child Labor 2016	408.1. Operations and suppliers at significant risk for incidents of child labor	VietinBank pledged not to apply child labor.
GRI 409: Forced or Compulsory Labor 2016	409.1. Operations and suppliers at significant risk for incidents of forced or compulsory labor	VietinBank pledged not to apply forced labor.
PROTECTION OF CUSTOMERS' INTERESTS		
GRI 418: Customer Privacy 2016	418.1. Substantiated complaints concerning breaches of customer privacy and losses of customer data	(Part 6) Responsibilities to customers - Customer information protection (page 260)

PART

07

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

- 1 STATEMENT OF THE BOARD OF
MANAGEMENT
- 2 INDEPENDENT AUDITORS' REPORT
- 3 CONSOLIDATED STATEMENT OF FINANCIAL
POSITION
- 4 CONSOLIDATED INCOME STATEMENT
- 5 CONSOLIDATED CASH FLOW STATEMENT
- 6 NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS

1- STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Vietnam Joint Stock Commercial Bank for Industry and Trade (the "Bank") presents this report together with the Bank's consolidated financial statements for the year ended 31 December 2023.

The members of the Board of Directors, Board of Supervisors, Board of Management and the Chief Accountant of the Bank during the year and to the date of this report are as follows:

BOARD OF DIRECTORS

Mr. Tran Minh Binh	Chairman
Mr. Nguyen Duc Thanh	Member
Ms. Nguyen Thi Bac	Independent Member
Ms. Tran Thu Huyen	Member
Mr. Nguyen The Huan	Member
Ms. Pham Thi Thanh Hoai	Member
Mr. Tran Van Tan	Member
Mr. Le Thanh Tung	Member
Mr. Masashige Nakazono	Member
Mr. Koji Iriguchi	Member (appointed on 02 June 2023)
Mr. Masahiko Oki	Member (resigned on 02 June 2023)

BOARD OF SUPERVISORS

Ms. Le Anh Ha	Chief Supervisor
Ms. Nguyen Thi Anh Thu	Member
Ms. Pham Thi Thom	Member

1 - STATEMENT OF THE BOARD OF MANAGEMENT (continued)

BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT

Mr. Do Thanh Son	Deputy General Director in charge of the Board of Management (from 01 September 2023)
Mr. Nguyen Hoang Dung	Deputy General Director in charge of the Board of Management (until 01 September 2023 and resigned on 01 September 2023)
Mr. Nguyen Tran Manh Trung	Deputy General Director
Mr. Le Duy Hai	Deputy General Director
Mr. Hoang Ngoc Phuong	Deputy General Director (resigned on 28 March 2024)
Mr. Tran Cong Quynh Lan	Deputy General Director
Mr. Nguyen Dinh Vinh	Deputy General Director
Ms. Le Nhu Hoa	Deputy General Director
Mr. Koji Iriguchi	Deputy General Director (appointed on 02 June 2023)
Mr. Masahiko Oki	Deputy General Director (resigned on 02 June 2023)
Mr. Nguyen Hai Hung	Chief Accountant

AUTHORIZED PERSON FOR SIGNING FINANCIAL STATEMENTS

Mr. Nguyen Tran Manh Trung	Deputy General Director (According to Authorization letter No.699/UQ-HDQT-NHCT18 of the Chairman on 01 June 2022)
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THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Bank is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Bank as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Bank, and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Bank has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Management,



Nguyen Tran Manh Trung
Deputy General Director

Hanoi, 29 March 2024

No: 0871/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders**
The Board of Directors and the Board of Management
Vietnam Joint Stock Commercial Bank for Industry and Trade

We have audited the accompanying consolidated financial statements of Vietnam Joint Stock Commercial Bank for Industry and Trade (the "Bank"), prepared on 29 March 2024 as set out from page 05 to page 67, which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Bank's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the

consolidated financial position of the Bank as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting.



Khuc Thi Lan Anh

Deputy General Director

Audit Practising Registration Certificate
No. 0036-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

29 March 2024

Hanoi, S.R. Viet Nam

Mai Thi Thuy Loan

Auditor

Audit Practising Registration Certificate
No. 3837-2021-001-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

Unit: VND Million

NO.	ITEMS	NOTES	CLOSING BALANCE	OPENING BALANCE (RESTATED)
A.	ASSETS			
I.	Cash, gold and gemstone	5	9,759,580	11,066,956
II.	Balances with the State Bank of Vietnam ("SBV")	6	40,597,059	29,727,110
III.	Placements with and loans to other credit institutions	7	279,841,639	242,431,953
1.	Placements with other credit institutions		259,230,017	222,454,660
2.	Loans to other credit institutions		20,611,622	19,977,293
IV.	Trading securities	8	2,487,905	1,406,183
1.	Trading securities		2,676,130	1,622,967
2.	Provisions for impairment of trading securities		(188,225)	(216,784)
V.	Derivative financial instruments and other financial assets	9	-	3,058,727
VI.	Loans to customers		1,445,571,643	1,245,430,464
1.	Loans to customers	10	1,473,344,564	1,274,843,694
2.	Provisions for credit losses of loans to customers	11	(27,772,921)	(29,413,230)
VII.	Investment securities	12	181,210,531	180,312,848
1.	Available-for-sale investment securities	12.1	180,595,473	178,685,028
2.	Held-to-maturity investment securities	12.2	864,999	1,696,778
3.	Provisions for impairment of investment securities		(249,941)	(68,958)
VIII.	Capital contribution, long-term investments	13	3,426,483	3,519,441
1.	Investments in joint-ventures	13.1	3,206,452	3,303,160
2.	Other long-term investments		234,462	234,462
3.	Provisions for impairment of long-term investments		(14,431)	(18,181)
IX.	Fixed assets		10,125,534	10,203,357
1.	Tangible fixed assets	14	6,133,262	6,047,853
a.	Cost		16,641,464	16,191,223
b.	Accumulated depreciation		(10,508,202)	(10,143,370)
2.	Intangible assets	15	3,992,272	4,155,504
a.	Cost		6,804,407	6,779,297
b.	Accumulated amortisation		(2,812,135)	(2,623,793)

The accompanying notes are an integral part of these consolidated financial statements

NO.	ITEMS	NOTES	CLOSING BALANCE	OPENING BALANCE (RESTATED)
X.	Other assets	16	59,593,232	81,653,829
1.	Other receivables	16.1	41,454,754	65,993,812
2.	Interest and fee receivables		14,761,581	12,399,295
3.	Other assets	16.2	3,483,594	3,322,348
4.	Provisions for impairment of other balance sheet assets		(106,697)	(61,626)
TOTAL ASSETS			2,032,613,606	1,808,810,868

As at 31 December 2023

Unit: VND Million

NO.	ITEMS	NOTES	CLOSING BALANCE	OPENING BALANCE (RESTATED)
B.	LIABILITIES AND OWNERS' EQUITY			
I.	Borrowings from the Government and the SBV	17	21,814,105	104,779,302
1.	Deposits and borrowings from the Government and the SBV		21,814,105	104,779,302
II.	Deposits and borrowings from other credit institutions	18	304,321,721	209,429,843
1.	Deposits from other credit institutions	18.1	259,892,746	139,932,528
2.	Borrowings from other credit institutions	18.2	44,428,975	69,497,315
III.	Deposits from customers	19	1,410,899,038	1,249,176,034
IV.	Derivative financial instruments and other financial liabilities	9	555,946	-
V.	Grants, trusted funds and borrowings where the Bank bears risks	20	2,237,779	2,392,201
VI.	Valuable papers issued	21	115,375,727	91,370,419
VII.	Other liabilities		51,537,470	43,346,761
1.	Accrued fee and interest expenses		27,999,187	21,587,660
2.	Deferred tax liabilities		171	112
3.	Other payables and liabilities	22	22,136,868	20,720,199
4.	Other provisions		1,401,244	1,038,790
TOTAL LIABILITIES			1,906,741,786	1,700,494,560
VIII.	Capital and reserves	24	125,871,820	108,316,308
1.	Contributed capital		63,510,626	57,868,215
a.	Charter capital		53,699,917	48,057,506
b.	Share premium		8,974,677	8,974,677
c.	Other capital		836,032	836,032

The accompanying notes are an integral part of these consolidated financial statements

NO.	ITEMS	NOTES	CLOSING BALANCE	OPENING BALANCE (RESTATED)
2.	Reserves		19,043,575	16,074,632
3.	Foreign exchange reserves		86,970	120,993
4.	Retained earnings		42,369,429	33,513,021
5.	Non-controlling interests		861,220	739,447
TOTAL LIABILITIES AND OWNERS' EQUITY			2,032,613,606	1,808,810,868

As at 31 December 2023

Unit: VND Million

OFF-BALANCE-SHEET ITEMS

NO.	ITEMS	NOTES	CLOSING BALANCE	OPENING BALANCE (RESTATED)
1.	Credit guarantees	39	8,785,288	7,692,271
2.	Foreign exchange transactions commitments	39	726,235,823	260,355,738
	Foreign currency purchase commitments		1,407,060	1,994,153
	Foreign currency sale commitments		1,405,874	1,903,759
	Cross currency swap contracts		723,422,889	256,457,826
3.	Letters of credit (L/C) commitments	39	55,986,789	73,681,359
4.	Other guarantees	39	102,201,746	78,213,178
5.	Other commitments	39	68,704,794	53,105,344
6.	Uncollected loan interest and fees	40	9,609,251	8,353,894
7.	Bad debts written-off	41	147,630,472	116,930,392
8.	Other properties and valuable papers	42	91,656,083	101,778,024

Prepared by

Approved by

Approved by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department



Nguyen Hai Hung
Chief Accountant



Nguyen Tran Manh Trung
Deputy General Director

29 March 2024

The accompanying notes are an integral part of these consolidated financial statements

4 - CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

Unit: VND Million

NO.	ITEMS	NOTES	CURRENT YEAR	PRIOR YEAR (RESTATED)
1.	Interest and similar income	25	132,671,737	104,664,634
2.	Interest and similar expenses	26	(79,714,259)	(56,872,679)
I.	Net interest income		52,957,478	47,791,955
3.	Income from services		12,384,836	11,549,069
4.	Expenses on services		(5,271,107)	(5,687,120)
II.	Net profit from services	27	7,113,729	5,861,949
III.	Net gain from trading foreign currencies	28	4,248,109	3,555,521
IV.	Net gain/(loss) from trading securities	29.1	292,626	(112,163)
V.	Net gain/(loss) from investment securities	29.2	(154,121)	(30,184)
5.	Other operating income		7,080,218	7,507,011
6.	Other operating expenses		(1,277,142)	(969,157)
VI.	Net profit from other activities	30	5,803,076	6,537,854
VII.	Income from capital contribution, equity investments	31	287,268	512,244
VIII.	Operating expenses	32	(20,443,499)	(19,194,714)
IX.	Net profit from operating activities before credit provision expenses		50,104,666	44,922,462
X.	Provision expenses for credit losses		(25,115,141)	(23,790,589)
XI.	Profit before tax		24,989,525	21,131,873
7.	Current corporate income tax expense	33	(4,944,844)	(4,147,777)
8.	Deferred corporate income tax expense		(59)	(451)

The accompanying notes are an integral part of these consolidated financial statements

4 - CONSOLIDATED INCOME STATEMENT (continued)

NO.	ITEMS	NOTES	CURRENT YEAR	PRIOR YEAR (RESTATED)
XII.	Corporate income tax expense		(4,944,903)	(4,148,228)
XIII.	Profit after corporate income tax		20,044,622	16,983,645
XIV.	Non-controlling interests		141,072	59,920
XV.	Profit attributable to shareholders of the Bank		19,903,550	16,923,725
XVI.	Basic earnings per share (VND)	34	3,706	2,703

Prepared by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department

Approved by



Nguyen Hai Hung
Chief Accountant

Approved by



Nguyen Tran Manh Trung
Deputy General Director

29 March 2024

The accompanying notes are an integral part of these consolidated financial statements

5 - CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2023

Unit: VND Million

NO.	ITEMS	CURRENT YEAR	PRIOR YEAR
CASH FLOW FROM OPERATING ACTIVITIES			
01.	Interest and similar income received	130,262,777	102,424,705
02.	Interest and similar expenses paid	(72,900,489)	(52,210,737)
03.	Income received from services	7,129,372	6,015,156
04.	Net cash received from trading foreign currencies, gold and securities	4,521,662	3,525,665
05.	Other income	314,913	4,505,276
06.	Cash recovered from bad debts written off or compensated by provision for credit losses	4,671,302	5,362,486
07.	Payments to employees and for operating management	(18,023,866)	(17,193,419)
08.	Corporate income tax paid for the year	(4,790,442)	(1,911,799)
	Net cash from operating profit before movements in assets and working capital	51,185,229	50,517,333
	Movements in operating assets	(218,903,221)	(219,036,702)
09.	(Increase) in placements with and loans to other credit institutions	(11,169,611)	(27,273,637)
10.	(Increase)/Decrease in trading securities	(9,929,090)	6,188,335
11.	Decrease/(Increase) in derivatives and other financial assets	3,058,727	(1,603,937)
12.	(Increase) in loans to customers	(198,500,870)	(144,153,942)
13.	(Decrease) in provisions for credit losses	(26,755,450)	(20,194,345)
14.	Decrease/(Increase) in other operating assets	24,393,073	(31,999,176)
	Movements in operating liabilities	196,486,340	252,983,098
15.	(Decrease)/Increase in borrowings from the Government and the SBV	(82,965,197)	71,484,898
16.	Increase in deposits and borrowings from other credit institutions	94,891,878	70,595,997
17.	Increase in deposits from customers	161,723,004	87,327,921
18.	Increase in valuable papers issued (excluding issued valuable papers charged to financial activities)	24,005,308	26,873,634
19.	(Decrease) in grants, trusted funds and borrowings where the Bank bears risks	(154,422)	(135,729)
20.	Increase in derivatives and other financial liabilities	555,946	-
21.	(Decrease) in other operating liabilities	(1,570,177)	(3,163,623)
I.	Net cash generated by operating activities	28,768,348	84,463,729

The accompanying notes are an integral part of these consolidated financial statements

5 - CONSOLIDATED CASH FLOW STATEMENT (continued)

For the year ended 31 December 2023

Unit: VND Million

NO.	ITEMS	CURRENT YEAR	PRIOR YEAR
CASH FLOWS FROM INVESTING ACTIVITIES			
01.	Acquisition of fixed assets	(804,101)	(623,680)
02.	Proceeds from sales, disposals of fixed assets	10,473	16,841
03.	Expenses on sales, disposal of fixed assets	(2,591)	(2,178)
04.	Investments in other entities	-	6,200
05.	Proceeds from investments in other entities	92,337	87,736
II.	Net cash (used in) investing activities	(703,882)	(515,081)
CASH FLOWS FROM FINANCING ACTIVITIES			
01.	Dividends paid	-	(3,844,600)
III.	Net cash (used in) financing activities	-	(3,844,600)
IV.	Net increase in cash	28,064,466	80,104,048
V.	Cash and cash equivalents at the beginning of the year	244,298,220	164,376,586
VI.	Effects of changes in foreign exchange rates	(59,079)	(182,414)
VII.	Cash and cash equivalents at the end of the year (Note 35)	272,303,607	244,298,220

Prepared by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department

Approved by



Nguyen Hai Hung
Chief Accountant

Approved by



Nguyen Tran Manh Trung
Deputy General Director

29 March 2024

The accompanying notes are an integral part of these consolidated financial statements

1. GENERAL INFORMATION

Vietnam Joint Stock Commercial Bank for Industry and Trade (herein referred to as “the Bank” or “VietinBank”) is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam.

Establishment and operation

The Bank was incorporated on the basis of equitizing Vietnam Bank for Industry and Trade, a State-owned commercial bank that was incorporated under the name of Vietnam Industrial and Commercial Bank in accordance with Decree No. 53/ND-HDBT dated 26 March 1988 of the Council of Ministers on the organization of the State Bank of Vietnam (“SBV”). The Bank was officially renamed Vietnam Bank for Industry and Trade in accordance with Decision No. 402/CT dated 14 November 1990 granted by the Chairman of the Council of Ministers and remodeled to become a State Corporation under Decision No. 285/QĐ-NH5 dated 21 September 1996 of the Governor of the SBV. On 25 December 2008, Vietnam Bank for Industry and Trade successfully carried out its initial public offering.

On 03 July 2009, the Bank was equitized and renamed Vietnam Joint Stock Commercial Bank for Industry and Trade according to Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 issued by the SBV and Business Registration Certificate No. 0103038874 dated 03 July 2009 issued by Hanoi Authority for Planning and Investment. The latest (13th) amended Enterprise Registration Certificate No. 0100111948 was issued by Hanoi Authority for Planning and Investment on 08 January 2024. On 17 June 2022, the SBV granted Establishment and Operation License No. 13/GP-NHNN to replace the Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 and amending and supplementing decisions relating thereto from 2017 to 2021. The latest amending and supplementing decision related to the Establishment and Operation License was issued by the SBV on 03 November 2023.

The Bank was established to carry out banking activities under its Establishment and Operation License and Enterprise Registration Certificate, including receiving demand deposits, term deposits, savings deposits and other types of deposits; credit granting; opening current accounts for customers; providing domestic payment services; opening accounts; organizing internal payment and joining the national interbank payment system; providing cash management, banking and financial advisory services; services of managing, preserving assets, leasing cabinets, safe boxes; participating in bidding, purchasing and selling for Treasury bills, negotiable instruments, Government bonds, State Bank of Vietnam bills and other valuable papers on the money market; buying and selling Government bonds and corporate bonds; issuing certificates of deposit, promissory notes, treasury bills and bonds to mobilize capital according to the provisions of Law on credit institutions, Law on securities, the Government’s regulations and the SBV’s guidance; borrowing capital from the SBV in the form of refinancing according to the provisions of the Laws of the SBV and the SBV’s guidance; having borrowings to/from and deposits at/from other credit institutions, branches of foreign banks, domestic and foreign financial institutions according to the provisions of law and the SBV’s guidance; carrying out capital contribution, shares acquisition according to the provisions of law and the SBV’s guidance; acting as trustor, trustee and agent in banking-related activities, insurance business and asset management according to the provisions of law and the SBV’s guidance; trading and providing foreign exchange services on the domestic and international market within the scope prescribed by the SBV; trading, supplying interest rate derivatives; providing securities depository and gold trading services; e-wallet; supplying commodity price derivative products; investing in Government bond futures contracts; providing clearing and settlement services for securities transactions in accordance with the Securities Law; supervising bank according to securities regulation.

Charter capital

The Bank’s charter capital under the Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 is VND 11,252,973 million, of which State-owned capital is VND 10,040,855 million and capital raised from the Initial Public Offering is VND 1,212,118 million.

On 18 October 2010, the Bank completed its share issuance with 391,931,841 shares additionally issued, of which 76,848,603 shares were issued in form of share dividend payment and 315,083,238 shares were sold to the Bank’s shareholders.

On 10 March 2011, the Bank completed its share issuance to a strategic shareholder with the total number of newly issued shares of 168,581,013.

On 28 December 2011, the Bank completed its share issuance to the existing shareholders with the total number of newly issued shares of 337,162,100.

On 13 April 2012, the Bank completed its share issuance to the existing shareholders with the total number of new issued shares of 598,782,376.

On 14 May 2013, the Bank completed its share issuance to Bank of Tokyo-Mitsubishi UFJ, Ltd. with the total number of newly issued shares of 644,389,811.

On 22 October 2013, the Bank completed its share issuance to the existing shareholders with the total number of newly issued shares of 457,260,208.

On 21 July 2021, the Bank completed its share issuance to the existing shareholders for dividend payment purpose with the total number of newly issued shares of 1,082,346,053.

On 14 December 2023, the Bank completed its share issuance to the existing shareholders for dividend payment purpose with the total number of newly issued shares of 564,241,139.

Accordingly, as at 31 December 2023, the Bank’s charter capital is VND 53,699,917 million. In which, proportion of ownership of the Government is 64.46% and proportion of ownership of strategic shareholder named The Bank of Tokyo – Mitsubishi UFJ is 19.73%

Operating network

The Head Office of the Bank is located at 108 Tran Hung Dao Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2023, the Bank has one (01) Head Office; two (02) local representative offices (in Da Nang and Ho Chi Minh City) and (01) overseas representative office in Myanmar; eight (08) administrative units including: one (01) School of Human Resource Development and Training, one (01) Card centre, one (01) Trade Finance Centre, five (05) Cash management centres; one hundred and fifty seven (157) branches and nine hundred and fifty six (956) transaction offices (including two (02) overseas branches).



Subsidiaries

As at 31 December 2023, the Bank has seven (07) subsidiary companies and one (01) subsidiary bank as follows:

NO	NAME	OPERATING LICENCE	NATURE OF BUSINESS	PROPORTION OF OWNERSHIP OF THE BANK
1	Finance Leasing Company Limited – Viet Nam Joint Stock Commercial Bank for Industry and Trade	License of Establishment and Operation No. 53/1998/QĐ-NHNN5 dated 26 January 1998 issued by the SBV and the 1 st Business Registration Certificate No. 0101047075/GP dated 31 August 2009 by Hanoi Authority for Planning and Investment, the 11 th amendment dated 01 June 2022	Finance and banking	100%
2	Vietnam Bank for Industry and Trade Securities Joint Stock Company	Establishment and Operation License No. 107/UBCK-GP dated 01 July 2009 issued by the State Securities Commission and Amended License No. 97/GPDC-UBCK dated 10 October 2022	Securities activities	75.6%
3	Asset Management Company Limited – Viet Nam Joint Stock Commercial Bank for Industry and Trade	Business Registration Certificate No. 0302077030/GP dated 20 July 2010 issued by Department of Planning and Investment of Ho Chi Minh City, the 6 th amendment dated 12 January 2021	Asset management	100%
4	VietinBank Insurance Joint Stock Corporation	Establishment and Operation License No. 21/GP-KDBH dated 12 December 2002 issued by the Ministry of Finance and Amended License No. 21/GPDC33/KDBH dated 03 March 2022 by the Ministry of Finance	Non-life insurance	73.4%
5	VietinBank Gold and Jewellery Trading Company Ltd	Enterprise Registration Certificate No. 0105011873/GP dated 25 November 2010 granted by Hanoi Authority for Planning and Investment, the 9 th amendment dated 19 December 2022	Trading, producing and refining gold, silver, precious stones	100%
6	VietinBank Fund Management Company Limited	Establishment and Operation License No. 50/UBCK-GP dated 26 October 2010 issued by State Securities Commission and Amended License No. 105/GPDC-UBCK dated 03 November 2022	Fund management	100%
7	VietinBank Global Money Transfer Company	Enterprise Registration Certificate No. 0105757686 dated 03 January 2012 issued by Hanoi Authority for Planning and Investment, the 1 st amendment dated 13 March 2015	Monetary transfer intermediary	100%
8	VietinBank Lao Limited	Enterprise Registration Certificate No. 068/NHCHDCNDL dated 08 July 2015 granted by Bank of the Lao P.D.R and Amended License No. 2947/NHCHDCNDL dated 27 September 2023	Finance and banking	100%

Employees

The total number of employees of the Bank and its subsidiaries as at 31 December 2023 was 24.642 (as at 31 December 2022: 25.119).

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting. However, due to the Bank's large scale of operation, for the purpose of preparing these consolidated financial statements, the figures are rounded to and presented in millions of Vietnam Dong (VND Million). This presentation does not materially impact the consolidated financial statements in terms of the consolidated financial position, the consolidated financial performance and consolidated cash flows of the Bank. With regard to the number of shares, the Bank presented the items in Note 24.3.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Bank's financial year begins on 01 January and ends on 31 December.

3. APPLICATION OF NEW GUIDELINES

Circular No. 02/2023/TT-NHNN dated 23 April 2023

On 23 April 2023, the State Bank of Vietnam ("SBV") issued Circular No. 02/2023/TT-NHNN ("Circular 02") providing instructions for credit institutions and foreign bank branches on debt rescheduling and debt category maintaining to assist customers with difficulty. Circular 02 took effect from 24 April 2023 onwards.

Some major changes in Circular 02 that have an impact on the Bank's consolidated financial statements in the financial year include:

- Regulations on the conditions of debts whose repayment terms of principal and/or interest are rescheduled, and on maintaining debt categories and classifying debts after rescheduling the debt repayment term; and
- Regulations on making provision for debts whose repayment terms of principal and/or interest are rescheduled according to this Circular.

Circular No. 18/2022/TT-NHNN dated 26 December 2022

On 26 December 2022, the State Bank of Vietnam issued Circular No. 18/2022/TT-NHNN ("Circular 18") amending and supplementing a number of articles of Circular No. 09/2015/TT-NHNN ("Circular 09") dated 17 July 2015 of the State Bank of Vietnam stipulating the debt trading of credit institutions and foreign bank branches. Circular 18 took effect from 09 February 2023 onwards.

Some major changes in the Circular 18 that have an impact on the Bank’s consolidated financial statements in the financial year include:

- Amending a number of articles of Circular 09 on the principles of debt trading; debt valuation; management of traded debts and financial handling, accounting for traded debts;
- Supplementing a number of articles of Circular 09 on debt trading in case the debt buyer has not fully paid the debt purchase amount and management and supervision of a debt partially sold or sold to multiple buyers;
- Replacing some phrases, clauses and articles of Circular 09.

The Bank has applied these circulars in the preparation and presentation of the consolidated financial statements for the financial year ended 31 December 2023.

Law on Insurance Business No. 08/2022/QH15 dated 16 June 2022

On 16 June 2022, the National Assembly issued Law on Insurance Business Law No. 08/2022/QH15 ("Insurance Business Law 2022") regulating the organization and operation of insurance business; rights and obligations of organizations and individuals participating in insurance; State management of insurance business activities. The Law on Insurance Business 2022 takes effect from 1 January 2023, replacing the Law on Insurance Business No. 24/2000/QH10 dated 9 December 2000 amending and supplementing a number of article of the Law on Insurance Business No. 61/2010/QH12 dated 24 November 2010 and amending and supplementing a number of articles of the Law on Insurance Business and Intellectual Property Law No. 42/2019/QH14 dated 14 June 2019 ("Insurance Business Law 2000"), except for some provisions effective from 1 January 2028.

Decree No. 46/2023/ND-CP dated 01 July 2023

On 1 July 2023, the Government issued Decree No. 46/2023/ND-CP ("Decree 46") detailing the implementation of a number of articles of the Law on Insurance Business 2022. Decree 46 takes effective from 1 July 2023, replacing Decree No. 73/2016/ND-CP dated 1 July 2016 ("Decree 73") detailing the implementation of a number of articles of the Law on Business Insurance Business 2000. Some regulations in Decree 46 take effect from 1 January 2023, including regulations on finance, accounting and financial reporting.

Circular No. 67/2023/TT-BTC dated 02 November 2023

On 2 November 2023, the Ministry of Finance issued Circular No. 67/2023/TT-BTC ("Circular 67") guiding a number of articles of the Law on Insurance Business and Decree 46. Circular 67 takes effective from 2 November 2023, replacing Circular No. 50/2017/TT-BTC dated 15 May 2017 ("Circular 50") guiding the implementation of Decree 73. Some regulations in Circular 67 takes effect from 1 January 2023, including regulations on the duties of actuaries, reinsurance activities, insurance agent – broker commissions and maximum limits on bonuses, agent support and other benefits as agreed in the agent contract.

The Bank’s Board of Management has complied with the provisions of the Law on Insurance Business 2022, Decree 46 and Circular 67 and assessed that the application of these regulations would have no significant impact on the consolidated financial statements of the Bank for the financial year ended 31 December 2023.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted by the Bank in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management’s best knowledge, actual results may differ from those estimates and assumptions.

Basis of consolidation

The consolidated financial statements incorporate the separate financial statements of the Bank and the financial statements of the enterprises/bank controlled by the Bank ("its subsidiaries") for the year ended 31 December 2023. Control is achieved when the Bank has the power to govern the financial and operating policies of investee enterprises so as to obtain benefits from their activities.

The operating results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Bank. All internal transactions and balances between the Bank and its subsidiaries and among subsidiaries are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests’ share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets, liabilities and contingent liabilities of the subsidiaries are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the year of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders’ proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

Investments in joint ventures

A joint venture is a contractual arrangement whereby the Bank and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Bank reports its interests in jointly controlled entities using the equity method of accounting. According to equity method of accounting, investments in joint ventures are initially stated at historical cost. Subsequently, interests in joint ventures are adjusted by post-acquisition changes in the Bank’s share of the net assets of the joint ventures.

Foreign currencies

According to the Bank's accounting system, all transactions are recorded in original currencies. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated into VND using the average buying and selling spot exchange rates at the close of business of the year-end date if the difference between this rate and the weighted average buying and selling exchange rate of the same day is less than 1% (see details of foreign currency rates applied as at 31 December 2023 in Note 51). Otherwise, the Bank uses the weighted average buying and selling exchange rates ruling at the year-end date for conversion. Income and expenses arising in foreign currencies of the Bank are converted into VND at exchange rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities from foreign currencies into VND are recognized in the consolidated income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash, gold, gemstones, precious metals, current accounts at the SBV, treasury bills and other short-term valuable papers that are qualified for being discounted at the SBV, current accounts and time deposits with term of three months or less from the deposit date at other credit institutions and securities investment with the original maturity of three months or less from the transaction date.

Placements with and loans to other credit institutions

Placements with and loans to other credit institutions are disclosed and presented at their outstanding principal amounts at the end of the financial year.

The credit risk classification for placements with and loans to other credit institutions and the corresponding provisioning shall comply with the provisions of Circular No. 11/2021/TT-NHNN dated 30 July 2021 ("Circular 11") of the SBV. Accordingly, the Bank makes specific provisions for deposits (except for current accounts and placements with Vietnam Bank for Social Policies in accordance with the regulations of the SBV on maintaining balance of deposits at Vietnam Bank for Social Policies of state credit institutions) at other credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions and loans to other credit institutions in a similar way to those for loans to customers.

Derivatives

Foreign currency forward and swap contracts

For foreign currency forward and swap contracts, the difference between equivalent VND amounts of foreign currency purchase/sale commitments using forward exchange rate and spot exchange rate as at effective date of the contract is recognized immediately at the effective date of the contract under "Interest and fee receivables" item or "Interest and fee payables" item in the consolidated statement of financial position. The difference is subsequently allocated to "Net gain/(loss) from foreign currency trading" item over the term of the contract.

As at the date of the consolidated financial statements, commitments of foreign currency forward contracts and swap contracts are revaluated and exchange differences arising from the revaluation of foreign currency denominated balances of these contracts are recognized in the consolidated income statement.

Interest rate swap contracts

Commitments of one-currency-interest-rate swap contracts are not recorded in the consolidated statement of financial position. For two-currency-interest-rate swap contracts with nominal principal swap, commitments are recognized in the consolidated statement of financial position. Income and expenses arising from interest rate effects are recorded on the accrual basis. For two-currency-interest-rate swap contracts without nominal principal swap, commitments are recognized in the consolidated statement of financial position at the date of principal exchange. Income and

expenses arising from interest rate effects are recorded on accrual basis.

Loans to customers

Loans to customers are disclosed and presented at their principal amounts outstanding at the end of the financial year.

Provision for credit losses

Classification of loans and provision for credit losses

In accordance with Circular 11, credit institutions are required to implement loan classification and credit risk provisioning. Loan classification and credit risk provisioning in compliance with Circular 11 are applied to Assets (hereinafter referred to as "debts") including:

- » Loans;
- » Finance leasing;
- » Discounts, rediscounts of negotiable instruments and other valuable papers;
- » Factoring;
- » Credit facilities in the form of credit card issuance;
- » Payments on behalf under off-balance-sheet commitments;
- » Amounts for purchase and entrustment of purchase of corporate bonds (including bonds issued by other credit institutions) which have not yet been listed on stock exchanges nor registered for trading on the UPCoM trading system (hereinafter referred to as unlisted bonds), excluding the purchase of unlisted bonds with trusted funds to which the trustee bears the risk;
- » Credit granting entrustment;
- » Deposits (except for current accounts and deposits at Vietnam Bank for Social Policies in accordance with regulations of the SBV on maintaining balance of deposits at Vietnam Bank for Social Policies of state credit institutions) at other credit institutions and foreign bank branches as prescribed by law, and deposits at overseas credit institutions;
- » Debt sale and purchase according to the State Bank's regulations on buying and selling debt;
- » Repos of Government bonds in the stock market in accordance with law on issuance, registration, depository, listing and trading of Government debt securities in the stock market;
- » Purchase of promissory notes, bills and certificates of deposit issued by other credit institutions and foreign bank branches.

Accordingly, customers' loans are determined to be the highest of risk group as classified under Article 10 and Article 11 of Circular 11 and customers' highest debt group at credit institutions provided by the Credit Information Center ("CIC") of the SBV at the time of loan classification.

The Bank and its subsidiaries maintain the same debt group for a number of loans in accordance with the provisions of Circular No. 10/2015/TT-NHNN dated 22 July 2015 and Circular No. 25/2018/TT-NHNN dated 24 October 2018 of the SBV amending and supplementing a number of articles of Circular No. 10/2015/TT-NHNN guiding the implementation of some contents of the Government's Decree No. 55/2015/ND-CP dated 09 June 2015 ("Decree 55") on credit policies for agricultural and rural development; Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01") on debt

rescheduling, exemption or reduction of interest and fees, maintaining debt categories at credit institutions and branches of foreign banks to assist customers affected by Covid-19 pandemic; Circular No. 03/2021/TT-NHNN dated 02 April 2021 ("Circular 03") amending and supplementing a number of articles of Circular 01; Circular No. 14/2021/TT-NHNN dated 07 September 2021 ("Circular 14") amending and supplementing a number of articles of Circular 01; Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") providing instructions for credit institutions and foreign bank branches on debt rescheduling and debt category maintaining to assist customers in difficulty and documents of the SBV on debt classification and risk provisioning.

Loans are classified by risk level into following groups: Standard, Special mention, Substandard, Doubtful and Loss. Loans classified as either Substandard, Doubtful or Loss are considered as bad debts. Loan classification and provision for credit losses will be made at the end of each month and recognised in the following month. Provision for credit losses as at 31 December is recognized in the consolidated income statement for that year.

Specific provision at the year end date is calculated by subtracting the discounted value of collateral from the outstanding loan balance multiplied by the specific provision rate based on the loan classification result at the year-end. Specific provision rate for each debt group as regulated by Circular 11 is prescribed as follows:

GROUP	CATEGORY	PROVISION RATE
1	Standard	0%
2	Special mention	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

The additional specific provision to be made is specified in Circular 03 and Circular 02.

In accordance with Circular 03, the Bank should make a specific provision for customers whose debts are rescheduled or granted interest and fees exemption or reduction as prescribed by this Circular as follows:

- Up to 31 December 2021: by at least 30% of the specific provision to be additionally made;
- Up to 31 December 2022: by at least 60% of the specific provision to be additionally made; and
- Up to 31 December 2023: 100% of the specific provision to be additionally made.

Under Circular 02, the Bank is required to make specific provision for debts to customers whose repayment terms of the remaining principal balance are rescheduled as prescribed by this Circular as follows:

- Up to 31 December 2023: by at least 50% of the specific provision to be additionally made; and
- Up to 31 December 2024: 100% of the specific provision to be additionally made.

Following Circular 11, a general provision is made for credit losses that are yet to be identified during the loan classification and specific provisioning process as well as in cases where the Bank encounters potential financial difficulty due to the deterioration in loan quality. Accordingly, the Bank is required to fully make and maintain a general provision at 0.75% of the total outstanding balance of loans which are classified into groups 1 to 4, excluding deposits at domestic credit institutions and foreign bank branches in Vietnam following the law and at overseas credit institutions; loans, termed purchase of valuable papers among credit institutions and foreign bank branches in Vietnam; purchases of promissory notes, bills, certificates of deposit or bonds issued locally by other

credit institutions and foreign bank branches; and repurchase agreements of Government bonds in accordance with Circular 11.

Write-off of bad debts

Provision is recorded as an expense on the consolidated income statement and used to write – off bad debts. In accordance with Circular 11, the Bank must set up Risk Management Committee to deal with bad debts if they are classified as Group 5, or if borrowers are either liquidated or bankrupted legal entities or deceased or missing individual.

Classification of off-balance-sheet commitments

The Bank classifies guarantee, acceptances of payment and irrevocable loan commitments and other credit risk bearing commitments (collectively referred to as "off-balance-sheet commitments") into groups as stipulated in Article 09, Article 10 or Article 11 of Circular 11. Accordingly, off-balance-sheet commitments are classified by risk level into the following groups: Standard, Special mention, Substandard, Doubtful and Loss.

The Bank does not make general and specific provisions for off-balance-sheet commitments in accordance with the guidance of Circular 11.

Investments

Trading securities

Trading securities include debt securities, equity securities and other securities that the Bank and/or its subsidiaries has bought and had the intention to sell in the near future in order to gain benefits from price differences. Trading securities are recognized at cost at transaction date and subsequently recorded at cost during the holding period. Interest and cash dividends derived from trading securities are recognized on a cash basis in the consolidated income statement.

These securities are subject to impairment review at the date of the consolidated financial statements. Provisions for securities that are stipulated in the scope of Circular 11 (as described in the summary of significant accounting policies for "Provision for credit losses") are made in accordance with Circular 11. Provisions for impairment of securities that are not stipulated in the scope of Circular 11 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recognized in the consolidated income statement as "Net gain/ (loss) from trading securities".

Investment securities

Available-for-sale investment securities

Available-for-sale securities include debt and equity securities that the Bank and/or its subsidiaries holds for investment and available-for-sale purposes, not frequently traded but can be sold when there is a benefit. For equity securities, the Bank and/or its subsidiaries is neither the founding shareholder nor the strategic partner of the investees through a written agreement on the assignment of its personnel to the Board of Directors/Board of Management.

Available-for-sale equity securities are recognized at cost at the transaction date and subsequently recorded at cost during the holding period.

Available-for-sale debt securities are initially recognized at par value at the transaction date. Accrued interest before the acquisition date (for debt securities with interest payment in arrears) or interest income received upfront awaiting amortisation (for debt securities with interest payment in advance) is recorded in a separate account. Any discount or premium, which is the difference between the cost and the amount equal to par value plus (+) accrued interest before the acquisition date (if any) or minus (-) interest received upfront awaiting amortization (if any), is also recorded in a separate account.

During the term of those securities in subsequent period, these securities are recorded at par value, and the discount/premium (if any) is amortised into the consolidated income statement using the straight-line method over the estimate remaining term of securities. The interest received during the securities term is recorded as follows: accumulative interest income before the purchasing date is recorded as a decrease from the cost of such securities and the same amount is credited into the accrued interest income; accumulative interest income after the purchasing date is recognised as the Bank's income on an accrual basis. Interest received in advance is recorded as income from securities investment using the straight-line method over the period of securities investment.

Periodically, available-for-sale securities are subject to impairment review. Provisions for securities that are stipulated in the scope of Circular 11 (as described in the summary of significant accounting policies for "Provision for credit losses") are made in accordance with Circular 11. Provisions for impairment of securities that are not stipulated in the scope of Circular 11 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the consolidated income statement as "Net gain/(loss) from investment securities".

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank and/or its subsidiaries purchases for investment purpose in order to gain interest and the Bank and/or its subsidiaries have intention and the capacity to hold the securities until maturity. Held-to-maturity securities have determinable value and fixed maturity dates. In case of being sold before maturity, they will be reclassified as trading or available-for-sale securities. Held-to-maturity investment securities are recognized similarly to available-for-sale debt securities.

Periodically, held-to-maturity securities are subject to impairment review. Provisions for securities that are fallen within the scope of Circular 11 (as described in the summary of significant accounting policies for "Provision for credit losses") are made in accordance with Circular 11. Provisions for impairment of securities that are not fallen within the scope of Circular 11 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the consolidated income statement as "Net gain/(loss) from investment securities".

Reclassification

According to Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, reclassification after transaction date is made only once for each item of investment securities. In special cases or in case a large number of securities have to be reclassified (greater than or equal to 50% of total value of the portfolio), the Bank will disclose the effect of reclassification on total assets, liabilities, equity, income and expenses of the Bank in the consolidated financial statements.

Other long-term investments

Other long-term investments represent capital investments of the Bank and/or its subsidiaries in other enterprises at which the Bank and/or its subsidiaries either owns less than 11% of the voting rights and is a founding shareholder; or a strategic partner; or is capable of controlling, to some extent, the process of initiating and approving financial and operating policies of the investees, which is evidenced by a written agreement on delegating personnel for representation in the Board of Directors/Board of Management. These investments are initially recognized at cost at the transaction date and always carried at that cost during the subsequent holding period.

Provision for impairment of capital contribution, long-term investments

Provision for impairment of investments in capital contribution, long-term investments are made when the investee is operating at loss in accordance with prevailing accounting regulations.

Provision for impairment of capital contribution, long-term investments are recognized as an operating expense in the consolidated income statement. In case an investment is made in listed shares or the fair value of an investment is reliably determined, the provision is made based on the market value of the stock (similar to the provision for impairment of trading securities).

Recognition

The Bank and/or its subsidiaries recognize investment securities and other investments at the date when the Bank performs the contractual terms (transaction-date based policy). Investment securities and other investments are initially recognized at cost. After initial recognition, investment securities and other investments are recognized under the above accounting policies.

Derecognition

Investments in securities are derecognized when the rights to receive cash flows from the investments end or when the Bank and/or its subsidiaries transfer to the buyer the significant risks and rewards associated with the ownership of the investments.

Repurchase and re-sale contracts

Securities sold under agreements to be repurchased at a specific date in the future (repos) are recorded in the consolidated statement of financial position. The corresponding cash received from these agreements is recognized in the consolidated financial statement as a borrowing and the difference between the sale price and the repurchase price is allocated to the consolidated income statement over the agreement validity period using the straight-line method based on the contractual interest rate.

Securities purchased under agreements to be resold at a specific date in the future (reverse repos) are not recognized in the consolidated financial statements. The corresponding cash paid under these agreements is recognized in the consolidated statement of financial position as a loan and the difference between the purchase price and resale price is amortized in to the consolidated income statement over the agreement validity period using the straight-line method based on the contractual interest rate.

Trust activities and trusted funds

The value of trusted funds is recorded when the trust contracts have been signed and trusted funds have been realised. Rights and obligations of the trustor and trustee relating to profit and profit sharing, trust fees, other rights and obligations comply with the terms of the signed contracts. The assets that are held under custody services are not considered assets of the Bank and/or its subsidiaries and therefore, they are not recognized in the consolidated statement of financial position of the Bank.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed asset comprises all of the purchase price of the Bank and its subsidiaries plus any directly attributable costs of bringing the asset to the working condition for its intended use.

Costs related to additions and improvements are capitalized and expenditures for maintenance and repairs are charged to the consolidated income statement when incurred. When assets are sold or disposed, their cost and accumulated depreciation are written off from the consolidated statement of financial position and any gains or losses resulting from their disposals are recorded in the consolidated income statement.

Intangible assets

Intangible assets are stated at cost less accumulated amortization. The cost of an intangible asset comprises all expenditures of the Bank and its subsidiaries paid to acquire the asset until it is put into use.

Expenditures for improvements of intangible assets are capitalized. The expenditures related to intangible assets incurred after initial recognition and evaluated with certainty, increasing the economic benefits of the intangible fixed assets compared to the initial activity level, shall be capitalized. Other expenditures related to intangible assets incurred after initial recognition are charged to the consolidated income statement. When intangible assets are sold or disposed, their cost and accumulated amortisation are written off from the consolidated statement of financial position and any gains or losses resulting from their disposals are recorded in the consolidated income statement.

Leasing

A lease is classified as a finance lease when significant rights and risks relating to ownership of the leased item are transferred to the lessee. All leases other than finance leases are classified as operating leases.

Operating lease assets are recognized off the consolidated statement of financial position. Rentals under operating leases are recorded in "Operating expenses" on a straight-line basis over the lease term.

Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

ASSETS	ESTIMATED USEFUL LIVES (YEARS)
Buildings and structures	05 - 40
Machinery and equipment	03 - 07
Motor vehicles and transmission equipment	06 - 07
Management tools, equipment and other tangible fixed assets	03 - 06
Computer software and other intangible assets	02 - 05

Land use rights are not amortized if they are granted by the Government of Vietnam for an indefinite term. Land use rights with definite term are amortized over the granted term.

Prepaid expenses

Prepaid expenses include actual expenses that have arisen but are related to the results of production and business activities of many accounting periods. Prepaid expenses comprise prepaid office rentals, insurance premium and other prepaid expenses.

Office rentals represent the rental for office paid in advance. Prepaid office rental is allocated to the consolidated income statement using the straight-line method over the rental period.

Other prepaid expenses include repair, maintenance costs for assets, costs of tools and supplies issued for consumption, prepaid service charges and other prepaid expenses, which are expected to provide future economic benefits to the Bank. These expenses are capitalized as prepaid expenses

and are allocated to the consolidated income statement using the straight-line method over the period of three years or less in accordance with prevailing accounting regulations.

Receivables

Receivables other than those from credit activities in the Bank's operation are initially recognized at cost and subsequently recorded at cost. Other receivables are subject to impairment review based on the overdue status or based on the expected loss for the following cases: institutional debtors who have fallen into bankruptcy or have been in the process of dissolution; or individual debtors who are missing, escaping, prosecuted, on trial or passed away even though receivables are not overdue. Provision expense incurred is recorded as "Operating expenses" in the consolidated income statement during the year.

Provision rates for doubtful receivables are applied in accordance with the prevailing accounting regulations.

Other provisions

Other provisions are recognized when the Bank and its subsidiaries has a present obligation as a result of a past event, and it is probable that the Bank and its subsidiaries will be required to settle that obligation. Other provisions are determined at the Management's best estimate of the expenditure required to settle the obligation at the end of financial year.

Capital and reserves

Common shares

Common shares are classified as owners' equity.

Share premium

When capital is received from shareholders, the difference between selling price and par value is recorded as share premium in owners' equity. Incurred expenses that directly relate to the issuance of common shares are recognized as a decrease in share premium.

Treasury shares

When issued shares are repurchased, the aggregate amount paid, including expenses that directly relate to the repurchase of shares, after deducting taxes, is recorded as treasury shares and stated as a decrease in owners' equity.

Reserves

Reserves are used for specific purposes and are appropriated from the Bank's profit after tax based on the regulated ratios in the following sequence:

- Supplementary charter capital reserve: 5% of profit after tax but not exceeding the Bank's charter capital;
- Financial reserve fund: 10% of profit after tax;
- Bonus fund for the Board of Management, bonus and welfare funds are established in accordance with the decision of the General Shareholders' Meeting;
- Other reserves: established in accordance with current regulations and the Decisions of the General Shareholders' Meeting.

Reserves at the subsidiaries are made under the Bank's policy, except for those for the following subsidiaries, which are made in accordance with relevant legal regulations:

- VietinBank Securities Joint Stock Company and VietinBank Fund Management Company Limited reserves are appropriated from their net profit after tax according to Circular No. 114/2021/TT-BTC dated 17 December 2021 annulling entirely Circular No. 146/2014/TT-BTC dated 06 October 2014 ("Circular 146") issued by the Ministry of Finance as follows:
 - » The balance of the supplementary charter capital reserve built up according to the provisions of Circular 146 is used to supplement the charter capital in accordance with the provisions of Law on Securities No. 54/2019/QH14, related guiding documents and the Charter on organization and operation of these companies;
 - » The balance of the operational risk and financial reserve built up according to the provisions of Circular 146 is used to supplement the charter capital or in accordance with decision of the General Shareholders' Meeting, Board of Members or Chairman/President in accordance with the provisions of Law on Securities No. 54/2019/QH14, related guiding documents and the Organizational and Operating Charter these companies, ensuring that the financial safety ratios are met as prescribed by securities law.
- VietinBank Insurance Joint Stock Corporation reserves are appropriated from its net profit after tax according to Decree No. 73/2016/ND-CP dated 01 July 2016 issued by the Government at the following rate:
 - » Statutory reserve fund: 5% of profit after tax, not exceeding 10% of the Company's charter capital.
- VietinBank Lao Limited: statutory reserve fund, investment and development fund and other funds are appropriated from VietinBank Lao Limited's net profit after tax according to Amended Law on Commercial Banks on 07 December 2018 published by the Lao National Assembly at the following rates:
 - » Statutory reserve fund: 10% of profit after tax;
 - » Investment and development fund: established in accordance with the owner's approval.

These reserves are built up at the end of financial year.

Revenue and expenses

Interest and similar income/expenses

Interest income and interest expenses are recognized in the consolidated income statement on the accrual basis. The recognition of accrued interest income arising from the loans that are classified from group 2 to group 5 in accordance with Circular 11, accrued interest income on loans restructured and maintained as Standard loan groups (group 1) as prescribed in Circular 01, Circular 03, Circular 14, Circular 02 and Decree 55 will not be recognized in the consolidated income statement. Accrued interest income on such loans is recorded as an off-balance-sheet item and is recognized in the consolidated income statement upon actual receipt.

Income and expenses from interest on investments are recorded on the accrual basis. Accrued interest income of securities that are fallen within the scope of Circular 11 and classified from group 2 upwards is not recognized in the consolidated income statement for the year. These accruals are recorded as off-balance-sheet items and are only recognized in the consolidated income statement upon actual receipt.

Insurance income and expenses

For direct premium insurance transactions

Gross direct premiums are recognized in accordance with Circular 67. Accordingly, gross direct premiums are recognized when one of the following conditions are met: (1) the insurance contract has been entered into by the insurer and the insured, who have fully paid premiums; (2) there is evidence that the insurance contract has been signed and the insured has paid the premiums fully; and (3) the insurance contract is signed and there is an agreement between the insurer and the insured for delayed payment of insurance premium, and in this case, the insurer will still record the premium amount as an income for the current year even though the amount has not been paid by the insured. The premium payment period is no longer than 30 days from the effective date of the insurance policy.

In the case of the periodic payment, the insurer records income from insurance premium of the first payment period when the policy is effective and only records revenue from insurance premiums of the next payment periods when the insured has fully paid the insurance premium as per the policy. In case the insured has not fully paid the insurance premium as agreed in the contract, the insurance contract shall be automatically terminated at the end of the insurance premium payment term.

The prepaid premium before the due date as at the end of the fiscal year is recognized in the "Other payables and liabilities" item in the consolidated statement of financial position. Premium return and premium reduction are considered as revenue deduction and must be recorded separately. At the end of financial year, these amounts are net-off to gross written premium to calculate net written premium in the "Income from services" item in the consolidated income statement.

Insurance claim expenses are recognized when the claim documents are completed and approved by the authorized person. In case that the final claim amount has not been finalized, but the insurer is certain that the loss is within its insured liabilities and has paid an advance to the customer as per their request, such advance would also be recognized as claim expense. The claims which have not been approved as at the reporting date are considered as outstanding claims and included in claim reserves.

The commission expense of each product is calculated at percentage of direct premium stated in Circular 67. Commission expenses are allocated and recognized in the consolidated income statement corresponding with the premium earned.

For reinsurance transactions

i. Reinsurance ceded

Reinsurance premium ceded under treaty reinsurance agreements are recognized when gross written premiums within the recognition of the scope of the treaty agreements.

Reinsurance premium ceded under facultative reinsurance agreements is recognized when the facultative reinsurance agreement has been signed and when gross written premiums within the recognition of the scope of the facultative agreements.

Claim receipts from ceded policies is recognized when there is evidence of liability on the part of the reinsurer.

Commission on reinsurance ceded and other related revenue are recognized corresponding to reinsurance premium ceded incurred during the year. At the end of financial year, the reinsurance commission equivalent to the insurance commission which is not included in premium of the current year corresponding to unearned premium of reinsurance ceded shall be determined and allocated to the subsequent years based on registered method of unearned premium reserve.

ii. Reinsurance assumed

Reinsurance assumed under treaty reinsurance arrangement:

- » Revenue and expenses relating to reinsurance assumed under treaty reinsurance arrangements are recognized when the statement of account is received from the cedants.

Reinsurance assumed under facultative reinsurance arrangement:

- » Reinsurance premium assumed is recognized when the facultative reinsurance agreement has been signed and a statement of account (for each facultative reinsurance agreement) has been received from the cedants;
- » Claim expenses for reinsurance assumed is recognized when the liability under agreement arises and when a statement of account has been sent to the reinsurer; and;
- » Commission on reinsurance assumed is recognized when the reinsurance premium is ceded and when a statement of account has been sent to the reinsurer. At the end of financial year, the part of insurance commission which is not included in expense of the year corresponding to unearned premium of reinsurance assumed shall be determined and allocated to the subsequent financial based on registered method for unearned premium reserve.

Income from service charges and commissions

Income from service charges and commissions is recognized on the accrual basis.

Income from guarantee and L/C commitment activities

Income from guarantee and L/C commitment activities is recognized on the accrual and allocation bases.

Income from securities trading

Income from securities trading is recognized as differences between selling price and cost of securities sold.

Recognition of dividends and profits received

Cash dividends and profits received from investment and capital contributions activities are recorded in the consolidated income statement when the Bank's right to receive dividends and profits has been established. Share dividends, which are distributed from profits of joint stock companies, are recognized neither as an increase in the value of received shares nor financial income in the consolidated financial statements but are only used for tracking the increase in the number of shares according to Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance.

Revenue from other services

When the contract results can be determined reliably, revenue will be recognized based on the level of work completion. If the contract results cannot be determined reliably, revenue will only be recognized at the recoverable level of the recorded expenses.

Recognition of receivables not yet collected

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 ("Circular 16") issued by the Ministry of Finance, receivables recognized as accrued income but subsequently assessed to be not recoverable or not yet recoverable at the due date are recorded as reduction in revenue if the income has been accrued in the same financial year or recorded as other expenses if accrued in different financial year and monitored off-balance-sheet for collection. Upon actual receipt of

these receivables, the Bank recognizes them as income according to the nature of the income in the consolidated income statement.

Expenses recognition principle

According to Circular 16, only incurred economic transactions which are deductible expenses in accordance with regulations of law on corporate income tax are recorded in the consolidated income statement by the Bank.

Taxation

Corporate income tax expense represents the sum of the current corporate income tax expense and deferred tax.

The current corporate income tax expense is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences, unless they occurred from the initial recognition of an asset or liability of a transaction which has no impact on accounting profit or taxable profit/(loss) at the transaction date. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realized. Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Bank intends to settle its current tax assets and liabilities on a net basis.

The determination of the current corporate income tax expense is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank and its subsidiaries in Vietnam by the Social Insurance Agency, a government-affiliated agency. The Bank and its subsidiaries in Vietnam are required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% of the employee's monthly salary for their working period. In addition, the Bank shall pay a subsidy of 02 months of additional basic salary based on job positions with the average key performance indicator ("KPI") of the six consecutive months before retirement.

Severance allowance

According to Article 46 of Labour Code No. 45/2019/QH14 effective from 01 January 2021, the Bank and its subsidiaries in Vietnam are responsible to pay severance allowance for employees who have regularly been working at the Bank for 12 months or more, with half-month salary allowance for

each working year (clauses 1, 2, 3, 4, 6, 7, 9 and 10 of Article 34 of the Labor Code), except for those who are eligible for receiving pension under the provisions of the law on social insurance and those as specified at point e, clause 1, Article 36 of the Labor Code 2019. The working period used for calculation of severance allowance excludes the period that employees benefit from unemployment insurance in accordance with regulations and the working period that employees have received severance allowance and retrenchment benefits from employers. The salary as the basis for calculation of severance allowance shall be the average salary of the last 06 months under the employment contract before the termination of employment contract.

Unemployment insurance

According to Circular No. 28/2015/TT-BLĐTBXH dated 31 July 2015 ("Circular 28") of the Ministry of Labour - War Invalids and Social Affairs guiding the implementation of Article 52 of the Law on Employment 2013 and Decree No. 28/2015/ND-CP of the Government dated 12 March 2015 regulating the implementation of the Employment Law on unemployment insurance, from 01 January 2009, the Bank and its subsidiaries in Vietnam are obliged to pay unemployment insurance to eligible employees at 1% of their salary fund allocated for unemployment insurance.

Related parties

The parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making decisions on financial and operating policies. A party is considered as a related party with the Bank if:

- a. Directly or indirectly through one or more intermediaries, the party:
 - » Controls, or is controlled by, or is under common control by the Bank (including the holding company and its subsidiaries);
 - » Contributes capital to the Bank and therefore has significant influence over the Bank;
 - » Has joint control over the Bank;
- b. The party is a joint venture or an associate of which the Bank is a venturer or an investor;
- c. The party has a key management personnel who is also a member of the Board of Directors, Board of Management, and Board of Supervisors of the Bank;
- d. The party is a close member of the family of any individual referred to in (a) or (c); or
- e. The party is an entity that is, directly or indirectly controlled, jointly controlled or significantly influenced by, or of which, significant voting power in such entity resides with, any individual referred to in (c) or (d).

Technical reserves for insurance activities

The technical reserves are calculated in accordance with Circular 67 and Official Letter approved by the Ministry of Finance including Official Letter No. 2821/BTC-QLBH dated 13 March 2018 and Official Letter No. 1916/BTC-QLBH dated 28 February 2022. Details are as follows:

Technical reserves for non-life insurance

Unearned premium reserve

For non-life insurance policies, reinsurance policies ("insurance policy"), unearned premium reserve is made based on the coefficient of the insurance policy duration, applying the 1/8 method for making premium provision on the basis of premium.

Claim reserve

For incurred and reported losses, claim reserves for direct insurance and assumed reinsurance and ceded reinsurance are made using the statistic of retention liabilities for each estimated loss incurred and reported.

For losses incurred but not reported ("IBNR"):

- Claim reverses for direct insurance and ceded reinsurance is made based on statistical ratio of claims incurred during 3 consecutive years;
- Claim reverses for assumed reinsurance and ceded reinsurance is made at 3% based on insurance premium of each insurance activity.

Catastrophe reserve

According to Vietnamese Accounting Standard ("VAS") No. 19 - Insurance Contract, catastrophe reserve for possible claims under contracts that are not in existence at the reporting date is no longer required. However, VietinBank Insurance Joint Stock Corporation follows the reserve policy in accordance with Circular 50, accordingly, catastrophe reserve for all types of insurance services is consistently made at 1% of total retained premiums for the year.

Technical reserve for health insurance

Mathematical reserve

- Regarding health insurance policies, reinsurance policies ("insurance policy") with a term of more than 1 year, mathematical reserve is made based on the coefficient of the insurance policy duration, applying the 1/8 method for making premium provision on the basis of insurance premium.
- Regarding health insurance policies, reinsurance policies ("insurance policies") which only cover death or total permanent disability, mathematical reserve is set aside based on a coefficient of the insurance policies duration, applying the daily method according to insurance premium.

Unearned premium reserve

For health insurance policies, reinsurance policies ("insurance policy") with a term of less than 01 year, unearned premium reserve is made based on the coefficient of the insurance policy duration, applying the 1/8 method for making premium provision on the basis of insurance premium.

Claim reserve

For incurred and reported losses, claim reserves for direct insurance and assumed reinsurance and ceded reinsurance are made using the statistic of retention liabilities for each estimated loss incurred and reported.

For losses incurred but not reported ("IBNR"):

- Claim reverses for direct insurance and ceded reinsurance is made based on statistical ratio of claims incurred during 3 consecutive years;
- Claim reverses for assumed reinsurance and ceded reinsurance is made at 3% based on insurance premium of each insurance activity.

Equalization reserve

Equalization reserve for health insurance is set up at 1% of retained premium in the year and recognised in catastrophe reserve account on the consolidated financial statement.

Offsetting

Financial assets and financial liabilities are offset and the net amounts are reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Bank is not allowed to offset reserves for direct insurance and assumed reinsurance against reserve for ceded reinsurance. Such reserves should be presented separately in the consolidated financial statement, in which unearned premiums reserve, claims reserve for direct insurance and assumed reinsurance and catastrophe reserve are recognized as liabilities in "Other payables and liabilities" item in the consolidated financial statement; while unearned premium reserve for outward reinsurance and claims reserve for ceded reinsurance are recognized as reinsurance assets in "Other assets" item in the consolidated statement of financial position.

5. CASH, GOLD AND GEMSTONES

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Cash in VND	8,542,783	9,897,136
Cash in foreign currencies	1,160,875	1,148,066
Monetary gold	37,737	3,666
Other precious metal and gemstones	18,185	18,088
	9,759,580	11,066,956

6. BALANCES WITH THE STATE BANK OF VIETNAM ("SBV")

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Current account at the SBV		
- In VND	35,761,135	29,416,069
- In foreign currencies	4,835,924	311,041
	40,597,059	29,727,110

Balances with the SBV are for the purpose of payment and compulsory reserves at the SBV as required.

7. PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Placements with other credit institutions		
Demand deposits	188,427,117	131,699,995
- In VND	87,098,498	69,108,008
- In foreign currencies	101,328,619	62,591,987
Term deposits	70,802,900	90,754,665
- In VND	21,270,000	28,517,000
- In foreign currencies	49,532,900	62,237,665
	259,230,017	222,454,660
Loans to other credit institutions		
- In VND	11,630,801	18,587,904
- In foreign currencies	8,980,821	1,389,389
	20,611,622	19,977,293
Placements with and loans to other credit institutions	279,841,639	242,431,953

Analysis of placements with other credit institutions (excluding current accounts at domestic credit institutions, foreign banks' branches in Vietnam, placements with Vietnam Bank for Social Policies in accordance with regulations of SBV on the maintenance of state-owned credit institutions' placements at the Vietnam Bank for Social Policies under Circular 11) and loans to other credit institutions by quality is as follows:

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Current loans	91,414,522	110,731,958
Special-mention loans	-	-
Sub-standard loans	-	-
Doubtful loans	-	-
Loss loans	-	-
	91,414,522	110,731,958

8. TRADING SECURITIES

8.1. Trading securities

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Debt securities	1,489,551	752,618
Government bonds	348,604	231,018
Debt securities issued by other domestic credit institutions	509,047	-
Debt securities issued by domestic economic entities	631,900	521,600
Equity securities	1,186,579	870,349
Equity securities issued by other domestic credit institutions	365,172	387,238
Equity securities issued by domestic economic entities	821,407	483,111
	2,676,130	1,622,967
Provisions for impairment of trading securities	(188,225)	(216,784)
Provision for impairment	(154,106)	(212,872)
General provision	(4,739)	(3,912)
Specific provision	(29,380)	-
	2,487,905	1,406,183

8.2. Listing status of trading securities

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Debt securities	1,489,551	752,618
Listed	348,604	231,018
Unlisted	1,140,947	521,600
Equity securities	1,186,579	870,349
Listed	977,441	655,203
Unlisted	209,138	215,146
	2,676,130	1,622,967

8.3. Quality analysis of securities classified as credit risk assets

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Current loans	1,024,047	521,600
Special mention loans	64,600	-
Sub-standard loans	-	-
Doubtful loans	52,300	-
Loss loans	-	-
	1,140,947	521,600

8.4. Provisions for trading securities

Movements in provisions for trading securities for the year ended 31 December 2023 are as follows:

	GENERAL PROVISION	SPECIFIC PROVISION	PROVISIONS FOR IMPAIRMENT	TOTAL
	VND Million	VND Million	VND Million	VND Million
Opening balance	3,912	-	212,872	216,784
Provision (reversed)/made for the year	827	29,380	(58,766)	(28,559)
Closing balance	4,739	29,380	154,106	188,225

Movements in provisions for trading securities for the year ended 31 December 2022 are as follows:

	GENERAL PROVISION	SPECIFIC PROVISION	PROVISIONS FOR IMPAIRMENT	TOTAL
	VND Million	VND Million	VND Million	VND Million
Opening balance	6,054	-	41,444	47,498
Provision (reversed)/made for the year	(2,142)	-	171,428	169,286
Closing balance	3,912	-	212,872	216,784



9. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

	NET BOOK VALUE (AT EXCHANGE RATE AS AT THE REPORTING DATE)		
	ASSETS	LIABILITIES	NET AMOUNT
	VND Million	VND Million	VND Million
As at 31/12/2023			
Currency derivative financial instruments	-	(467,558)	(467,558)
- Forward contracts	-	(347,868)	(347,868)
- Swap contracts	-	(119,690)	(119,690)
Interest rate derivative financial instruments	-	(88,388)	(88,388)
	-	(555,946)	(555,946)
As at 31/12/2022			
Currency derivative financial instruments	3,150,003	-	3,150,003
- Forward contracts	127,406	-	127,406
- Swap contracts	3,022,597	-	3,022,597
Interest rate derivative financial instruments	-	(91,276)	(91,276)
	3,150,003	(91,276)	3,058,727

10. LOANS TO CUSTOMERS

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Loans to domestic economic entities and individuals	1,456,819,171	1,258,133,219
Discounting promissory notes and valuable papers	1,729,508	1,824,896
Finance leases	5,397,349	4,613,703
Payment made on behalf of customers	226,988	473,842
Loans by grants, investment trusts	10,668	28,238
Loans to foregin organisations and individuals	9,160,880	9,769,796
	1,473,344,564	1,274,843,694

Analysis of loan portfolio by quality

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Current loans	1,433,907,162	1,229,061,202
Special-mention loans	22,829,070	29,958,469
Sub-standard loans	2,508,483	7,305,070
Doubtful loans	4,721,294	2,262,069
Loss loans	9,378,555	6,256,884
	1,473,344,564	1,274,843,694

Analysis of loans portfolio by original term

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Short-term loans (Up to 1 year)	961,733,146	772,203,915
Medium-term loans (From 1 to 5 years)	86,853,938	83,413,137
Long-term loans (Above 5 years)	424,757,480	419,226,642
	1,473,344,564	1,274,843,694

Analysis of loan portfolio by type of customers and type of businesses

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
State-owned enterprises	57,543,501	64,730,484
Single-member limited liability companies with 100% State ownership	18,118,551	18,079,808
Multi-member limited liability companies with over 50% State ownership or being controlled by the State	7,315,766	7,683,364
Other limited companies	307,910,083	267,466,339
Joint stock companies with more than 50% of the State's share-holding	24,248,990	21,181,071
Other joint stock companies	407,852,471	346,530,426
Partnership companies	31,641	4,190
Private companies	14,656,644	13,350,585
Foreign invested enterprises	78,796,482	61,301,483
Cooperatives, cooperative unions	1,310,113	1,307,206
Household businesses, individuals	554,050,527	471,415,451
Administrative units, the Party, unions and associations	770,400	913,395
Others	739,395	879,892
	1,473,344,564	1,274,843,694

Analysis of loan portfolio by sector

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Agriculture, forestry and aquaculture	48,414,349	46,625,378
Mining and quarrying	8,714,467	9,933,405
Production and processing	305,193,312	269,186,570
Electricity, fuel gas and water production and distribution	67,775,596	64,515,281
Construction	80,341,729	87,356,195
Wholesale and retail; repair of cars, motorcycles, motorbikes and other motor vehicles	550,695,326	437,098,865
Transport, warehouse and communication	30,068,029	23,669,902
Trade and service	259,757,577	237,775,449
Employment activities in households, production of material products and services for household self-consumption	74,853,804	68,869,423
Others	47,530,375	29,813,226
	1,473,344,564	1,274,843,694

11. PROVISIONS FOR CREDIT LOSSES ON LOANS TO CUSTOMERS

Movements in provisions for credit losses on loans to customers for the year ended 31 December 2023 are as follows:

	GENERAL PROVISION	SPECIFIC PROVISION	TOTAL
	VND Million	VND Million	VND Million
Opening balance (Restated)	9,423,152	19,990,078	29,413,230
Provision made for the year	1,530,023	23,585,118	25,115,141
Provision used to write off bad debts for the year	-	(26,755,450)	(26,755,450)
Closing balance	10,953,175	16,819,746	27,772,921

Movements in provisions for credit losses on loans to customers for the year ended 31 December 2022 are restated as follows:

	GENERAL PROVISION	SPECIFIC PROVISION	TOTAL
	VND Million	VND Million	VND Million
Opening balance	8,422,669	17,372,433	25,795,102
Provision made for the year	1,000,483	22,790,106	23,790,589
Provision used to write off bad debts for the year	-	(20,172,360)	(20,172,360)
Other adjustments	-	(101)	(101)
Closing balance (Restated)	9,423,152	19,990,078	29,413,230

12. INVESTMENT SECURITIES

12.1. Available-for-sale investment securities

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Debt securities	180,218,858	178,308,413
Government bonds	75,593,879	77,511,269
Debt securities issued by other domestic credit institutions	100,838,818	96,813,834
Debt securities issued by domestic economic entities	3,786,161	3,983,310
Equity securities	376,615	376,615
Equity securities issued by domestic economic entities	376,615	376,615
	180,595,473	178,685,028
Provisions for impairment of available-for-sale investment securities	(139,267)	(65,232)
Provisions for impairment	(5,494)	(35,357)
General provision	(28,397)	(29,875)
Specific provision	(105,376)	-
	180,456,206	178,619,796

12.2. Held-to-maturity investment securities

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Debt securities	864,999	1,696,778
Government bonds	400,000	1,200,000
Debt securities issued by domestic economic entities	464,999	496,778
Provisions for impairment of held-to-maturity investment securities	(110,674)	(3,726)
General provision	(3,487)	(3,726)
Specific provision	(107,187)	-
	754,325	1,693,052

12.3. Quality analysis of securities classified as credit risk assets

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Current loans	93,386,243	91,779,755
Special-mention loans	-	-
Sub-standard loans	386,748	30
Doubtful loans	92,372	-
Loss loans	100,040	-
	93,965,403	91,779,785

12.4. Movements in provision for impairment of investment securities

Movements in provision for credit losses on investment securities for the year ended 31 December 2023 are as follows:

	PROVISION FOR AVAILABLE-FOR-SALE INVESTMENT SECURITIES			PROVISION FOR HELD-TO-MATURITY INVESTMENT SECURITIES		TOTAL
	GENERAL PROVISION	SPECIFIC PROVISION	PROVISIONS FOR IMPAIRMENT	GENERAL PROVISION	SPECIFIC PROVISION	
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Opening balance	29,875	-	35,357	3,726	-	68,958
Provision (reversed)/made for the year	(1,478)	105,376	(29,863)	(239)	107,187	180,983
Closing balance	28,397	105,376	5,494	3,487	107,187	249,941

Movements in provision for credit losses on investment securities for the year ended 31 December 2022 are as follows:

	PROVISION FOR AVAILABLE-FOR-SALE INVESTMENT SECURITIES			PROVISION FOR HELD-TO-MATURITY INVESTMENT SECURITIES		TOTAL
	GENERAL PROVISION	SPECIFIC PROVISION	PROVISIONS FOR IMPAIRMENT	GENERAL PROVISION	SPECIFIC PROVISION	
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Opening balance	70,838	-	51,189	3,726	-	125,753
Provision (reversed) for the year	(40,963)	-	(15,832)	-	-	(56,795)
Closing balance	29,875	-	35,357	3,726	-	68,958

13. CAPITAL CONTRIBUTION, LONG-TERM INVESTMENTS

Analysis by type of investment

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Equity investments in joint ventures (Note 13.1)	3,206,452	3,303,160
Other long-term investments	234,462	234,462
Provisions for impairment of long-term investments	(14,431)	(18,181)
	3,426,483	3,519,441

13.1. Investment in joint ventures

	CLOSING BALANCE			OPENING BALANCE		
	COST EQUIVALENT	NET VALUE OF INVESTMENT USING EQUITY METHOD	PROPORTION OF OWNERSHIP INTEREST	COST EQUIVALENT	NET VALUE OF INVESTMENT USING EQUITY METHOD	PROPORTION OF OWNERSHIP INTEREST
	VND Million	VND Million	%	VND Million	VND Million	%
Indovina Bank Ltd.	1,688,788	3,206,452	50	1,688,788	3,303,160	50
	1,688,788	3,206,452		1,688,788	3,303,160	

Indovina Bank Limited was established in Vietnam with the Head Office located in Ho Chi Minh City, whose main activity is providing banking services. This is a joint venture between the Bank and Cathay United Bank, a bank established in Taiwan. Indovina Bank Limited was granted Establishment and Operation License for Joint venture bank No. 101/GP-NHNN dated 11 November 2019 (replacing Operation License for Joint venture bank No. 08/NH-GP dated 29 October 1992) for the duration of 99 years with the charter capital of USD 193,000,000, equivalent to VND 3,377,500 million.

Since its establishment, as approved by the SBV, Indovina Bank Limited has made several capital increases, in which the value of capital contributed by the two parties to the joint venture increased but the proportion of contributed capital did not change. As at 31 December 2023 the charter capital of Indovina Bank Limited is USD 193,000,000, equivalent to VND 3,377,500 million.



14. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	BUILDINGS, STRUCTURES	MACHINERY, EQUIPMENT	MOTOR VEHICLES, TRANSMISSION EQUIPMENT	MANAGEMENT TOOLS, EQUIPMENT AND OTHER TANGIBLE FIXED ASSETS	TOTAL
	VND Million	VND Million	VND Million	VND Million	VND Million
Cost					
Opening balance (Restated)	8,192,053	5,777,063	1,816,735	405,372	16,191,223
Acquisitions during the year	32,068	351,161	183,876	33,532	600,637
Transfer from construction in progress	213,398	19,929	11,410	19,832	264,569
Other increases	3,922	889	289	859	5,959
Reclassification	(9,877)	2,031	-	15	(7,831)
Disposals	(6,898)	(343,166)	(40,258)	(3,349)	(393,671)
Other decreases	(10,987)	(3,745)	(1,375)	(3,315)	(19,422)
Closing balance	8,413,679	5,804,162	1,970,677	452,946	16,641,464
Accumulated depreciation					
Opening balance (Restated)	3,072,133	5,348,906	1,372,947	349,384	10,143,370
Depreciation charged for the year	311,142	239,961	152,045	26,585	729,733
Other increases	40,919	2,780	402	231	44,332
Reclassification	(2,046)	2,046	-	-	-
Disposals	(6,671)	(342,656)	(40,259)	(3,394)	(392,980)
Other decreases	(8,786)	(2,812)	(1,334)	(3,321)	(16,253)
Closing balance	3,406,691	5,248,225	1,483,801	369,485	10,508,202
Net book value					
Opening balance (Restated)	5,119,920	428,157	443,788	55,988	6,047,853
Closing balance	5,006,988	555,937	486,876	83,461	6,133,262

Other information about tangible fixed assets:

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Cost of tangible fixed assets fully depreciated but still in use	7,310,526	7,113,429
	7,310,526	7,113,429

15. INCREASES, DECREASES IN INTANGIBLE ASSETS

	LAND USE RIGHTS	COMPUTER SOFTWARE AND OTHER INTANGIBLE ASSETS	TOTAL
	VND Million	VND Million	VND Million
Cost			
Opening balance	4,113,942	2,665,355	6,779,297
Acquisitions during the year	-	100,929	100,929
Other increases	152	788	940
Reclassification	7,831	-	7,831
Disposals	-	(80,926)	(80,926)
Other decreases	(1,939)	(1,725)	(3,664)
Closing balance	4,119,986	2,684,421	6,804,407
Accumulated amortisation			
Opening balance (Restated)	459,023	2,164,770	2,623,793
Amortisation charged for the year	38,889	230,311	269,200
Other increases	31	761	792
Disposals	-	(80,926)	(80,926)
Other decreases	(91)	(633)	(724)
Closing balance	497,852	2,314,283	2,812,135
Net book value			
Opening balance (Restated)	3,654,919	500,585	4,155,504
Closing balance	3,622,134	370,138	3,992,272

Other information about intangible assets:

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Cost of intangible assets fully amortized but still in use	1,121,928	1,057,617
	1,121,928	1,057,617

16. OTHER ASSETS

16.1. Receivables

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Construction in progress (i)	5,570,225	5,633,260
Purchases and major repair of fixed assets	898,437	935,649
External receivables	34,820,962	59,253,934
Internal receivables	165,130	170,969
	41,454,754	65,993,812

i. Construction in progress

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Constructions in the Northern area	5,363,006	5,359,085
Constructions in the Central area	74,894	144,036
Constructions in the Southern area	132,325	130,139
	5,570,225	5,633,260

16.2. Other assets

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Materials and tools	233,131	169,493
Prepaid expenses	3,233,940	3,136,332
Other assets	16,523	16,523
	3,483,594	3,322,348

16.3. Provisions for impairment of other balance sheet assets

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Provision for bad debts	91,709	45,699
Provision for devaluation of inventories	14,988	15,927
	106,697	61,626

17. BORROWINGS FROM THE GOVERNMENT AND THE SBV

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Borrowings from the SBV	766,887	1,736,629
Loans under credit contracts	759,929	1,081,275
Borrowings for grants to State-owned enterprises	6,958	6,958
Discounting and rediscounting valuable papers	-	648,396
Current accounts held by the State Treasury	21,047,218	103,042,673
In VND	21,047,218	103,042,673
	21,814,105	104,779,302

18. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

18.1. Deposits from other credit institutions

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Demand deposits	173,335,962	98,563,856
- In VND	66,933,951	50,738,812
- In foreign currencies	106,402,011	47,825,044
Term deposits	86,556,784	41,368,672
- In VND	80,124,000	38,387,000
- In foreign currencies	6,432,784	2,981,672
	259,892,746	139,932,528

18.2. Borrowings from other credit institutions

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
- In VND	16,008,172	8,542,533
<i>In which: Discounting, rediscounting borrowings</i>	<i>877,824</i>	<i>-</i>
- In foreign currencies	28,420,803	60,954,782
	44,428,975	69,497,315

19. DEPOSITS FROM CUSTOMERS

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Demand deposits	310,918,934	243,525,291
- Demand deposits in VND	268,541,833	208,131,149
- Demand deposits in foreign currencies	42,377,101	35,394,142
Term deposits	1,092,787,812	999,060,030
- Term deposits in VND	1,056,416,463	965,635,265
- Term deposits in foreign currencies	36,371,349	33,424,765
Deposits for specific purposes	2,135,004	2,290,610
- Deposits for specific purposes in VND	1,452,449	1,470,044
- Deposits for specific purposes in foreign currencies	682,555	820,566
Margin deposits	5,057,288	4,300,103
- Margin deposits in VND	4,372,632	3,962,796
- Margin deposits in foreign currencies	684,656	337,307
	1,410,899,038	1,249,176,034



Customer deposit portfolio by type of customers and type of businesses

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
State-owned enterprises	206,607,200	197,119,163
Single-member limited liability companies with 100% State ownership	34,591,565	27,855,219
Multi-member limited liability companies with over 50% State ownership or being controlled by the State	1,175,486	1,080,309
Other limited companies	47,922,236	43,666,936
Joint stock companies with more than 50% of the State's share-holding	57,340,227	47,298,642
Other joint stock companies	107,302,417	101,113,291
Partnership companies	10,815,715	10,293,399
Private companies	2,912,840	2,527,779
Foreign invested enterprises	116,263,061	107,368,822
Cooperatives, cooperative unions	513,389	640,972
Household businesses, individuals	721,872,561	621,134,929
Administrative units, the Party, unions and associations	62,125,812	53,361,235
Others	41,456,529	35,715,338
	1,410,899,038	1,249,176,034

20. GRANTS, TRUSTED FUND AND BORROWINGS WHERE THE BANK BEARS RISKS

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Grants, trusted funds and borrowings in VND	450,857	505,248
Grants, trusted funds and borrowings in foreign currencies	1,786,922	1,886,953
	2,237,779	2,392,201

21. VALUABLE PAPERS ISSUED

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Valuable papers in VND	115,375,611	91,370,235
Par value	115,375,611	91,370,235
Valuable papers in foreign currencies	116	184
Par value	116	184
	115,375,727	91,370,419

Details of the term of issued valuable papers:

	BILL	BEARER BONDS	BOOK-ENTRY BONDS	CERTIFICATE OF DEPOSIT	TOTAL
	VND Million	VND Million	VND Million	VND Million	VND Million
Closing balance					
Under 12 months	153	-	-	68,919,684	68,919,837
- VND	153	-	-	68,919,684	68,919,837
From 12 months to under 5 years	-	166	-	4,432,989	4,433,155
- VND	-	166	-	4,432,873	4,433,039
- Foreign currency	-	-	-	116	116
Over 5 years	-	-	42,022,735	-	42,022,735
- VND	-	-	42,022,735	-	42,022,735
	153	166	42,022,735	73,352,673	115,375,727
Opening balance					
Under 12 months	197	-	-	43,000,000	43,000,197
- VND	197	-	-	43,000,000	43,000,197
From 12 months to under 5 years	-	166	-	12,043,826	12,043,992
- VND	-	166	-	12,043,642	12,043,808
- Foreign currency	-	-	-	184	184
Over 5 years	-	-	36,326,230	-	36,326,230
- VND	-	-	36,326,230	-	36,326,230
	197	166	36,326,230	55,043,826	91,370,419

22. OTHER PAYABLES AND LIABILITIES

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Internal payables	3,723,716	2,524,770
External payables (i)	15,515,215	15,598,638
Bonus and welfare funds	2,897,937	2,596,791
	22,136,868	20,720,199

i. Details of external payables are as follows:

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Payments/receipts on behalf of other organisations	1,168,189	3,896,715
Amount due to customers and deferred payment	94,028	84,460
Corporate income tax payables	3,119,682	2,959,719
Other pending payments	3,048,330	1,163,971
Unearned revenue	4,798,048	5,490,441
Other payables relating to securities activities	832,766	362,994
Other tax payables	471,316	470,346
Payables relating to trade finance activities	5,999	6,000
Interbank payables	544,755	805,824
Money transfer payables	374,730	224,454
Payables relating to debt trading (*)	979,510	64,488
Other payables	77,862	69,226
	15,515,215	15,598,638

(*) Represents prepayments of partners related to debt selling activities. At the reporting date, the parties are in the process of transferring ownership and obligations for the debts sold.

23. THE BANK’S OBLIGATIONS TO THE STATE BUDGET

	OPENING BALANCE (RESTATED)	MOVEMENTS IN THE YEAR		CLOSING BALANCE
		PAYABLE	PAID	
	VND Million	VND Million	VND Million	VND Million
a. Tax receivables				
Value added tax	-	-	3,077	3,077
Corporate income tax	2,344	2,322	879	901
Other taxes	-	-	-	-
	2,344	2,322	3,956	3,978
b. Tax payables				
Value added tax	277,177	867,720	767,877	377,020
Corporate income tax	2,959,719	4,949,526	4,789,563	3,119,682
Other taxes	193,169	1,179,073	1,277,946	94,296
	3,430,065	6,996,319	6,835,386	3,590,998

24. CAPITAL AND RESERVES

24.1. Statement of changes in owners' equity

	CHARTER CAPITAL	SHARE PREMIUM	OTHER CAPITALS	FOREIGN EXCHANGE RESERVES	INVESTMENT AND DEVELOPMENT FUND	FINANCIAL RESERVE FUND	CAPITAL SUPPLEMENTARY RESERVE	RETAINED EARNINGS	NON- CONTROLLING INTERESTS	TOTAL
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Prior year's opening balance	48,057,506	8,974,698	515,908	245,231	70,571	9,026,298	4,576,396	21,488,131	694,772	93,649,511
Profit after tax for the year	-	-	-	-	-	-	-	16,923,725	59,920	16,983,645
Transfer from reserves to other capital	-	-	64,390	-	-	(42,815)	(42,815)	-	-	(21,240)
(Decrease) due to financial statements translation for consolidation purpose	-	-	-	(124,238)	(7,038)	(15,503)	-	-	-	(146,779)
Adjustment of the appropriation to reserves of previous years	-	-	-	-	-	2,286	1,143	(3,429)	-	-
Appropriation to reserves during the year	-	-	-	-	12,292	1,658,416	835,465	(2,506,173)	-	-
Dividends declared	-	-	255,734	-	-	-	-	(255,734)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	(2,026,477)	(15,238)	(2,041,715)
Others	-	(21)	-	-	-	-	(64)	(107,022)	(7)	(107,114)
Current year's opening balance (Restated)	48,057,506	8,974,677	836,032	120,993	75,825	10,628,682	5,370,125	33,513,021	739,447	108,316,308
Capital increase from dividends distribution (Note 24.4)	5,642,411	-	-	-	-	-	-	(5,642,411)	-	-
Profit for the year	-	-	-	-	-	-	-	19,903,550	141,072	20,076,622
(Decrease) due to financial statements translation for consolidation purpose	-	-	-	(34,023)	(2,275)	(4,763)	-	(18,018)	-	(59,079)
Adjustments of the appropriation to reserves of previous years (*)	-	-	-	-	-	6,250	3,126	(9,376)	-	-
Appropriation to reserves during the year ⁽¹⁾	-	-	-	-	20,009	1,958,669	987,928	(2,966,605)	-	-
Appropriation to bonus and welfare fund ⁽¹⁾	-	-	-	-	-	-	-	(2,409,538)	(19,299)	(2,428,837)
Others	-	-	-	-	-	-	-	(1,194)	-	(1,194)
Closing balance	53,699,917	8,974,677	836,032	86,970	93,558	12,588,838	6,361,179	42,369,429	861,220	125,871,820

⁽¹⁾ According to Resolution No. 26/NQ-DHDCD dated 21 April 2023, the Bank has appropriated statutory funds and bonus and welfare funds from retained earnings in 2022. According to Resolution No. 034/NQ-HDQT-NHCT-VPDQT1 ("Resolution No. 034") dated 23 February 2024 of the Board of Directors, the Bank has adjusted for statutory funds, bonus and welfare funds from retained earnings of the year 2022 after adjustment according to the audit results of the State Audit.

24.2. Details of the Bank's shares

	CLOSING BALANCE		OPENING BALANCE	
	ORDINARY SHARES	PREFERENCE SHARES	ORDINARY SHARES	PREFERENCE SHARES
	VND Million	VND Million	VND Million	VND Million
Capital of Government	34,616,763	-	30,979,325	-
Contributed capital (shareholders, members)	19,083,154	-	17,078,181	-
Share premium	8,974,677	-	8,974,677	-
	62,674,594	-	57,032,183	-

24.3. Details of the Bank's shares

	CLOSING BALANCE	OPENING BALANCE
Number of registered shares for issue (unit)	5,369,991,748	4,805,750,609
Number of shares in circulation (unit)	5,369,991,748	4,805,750,609
- Ordinary shares (unit)	5,369,991,748	4,805,750,609
Par value of share in circulation (VND)	10,000	10,000

24.4. Dividends

According to Resolution No. 291/NQ-HDQT-NHCT-VPHDQT1 dated 28 August 2023, the Bank's Board of Directors decided to issue shares to pay dividends from after-tax profits at a ratio of 100:11.7415. On 14 December 2023, the Bank completed the issuance of shares to pay dividends, accordingly, the total number of additional shares issued was 564,241,139 shares, equivalent to a total additional capital of VND 5,642,411 million. On 4 January 2024, the Bank completed the additional listing of these shares.

25. INTEREST AND SIMILAR INCOME

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Interest from deposits	4,198,071	3,059,911
Interest from loans to customers	117,727,919	92,897,289
Interest from debt securities	8,028,531	6,810,416
Income from guarantee services	1,351,989	873,429
Interest income from finance leases	553,980	372,923
Other income from credit activities	811,247	650,666
	132,671,737	104,664,634

26. INTEREST AND SIMILAR EXPENSES

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Interest expenses on deposits	68,832,836	48,089,159
Interest expenses on borrowings	3,377,151	3,147,687
Interest expenses on valuable papers issued	6,731,245	3,786,570
Expenses on other credit activities	773,027	1,849,263
	79,714,259	56,872,679



27. NET GAIN FROM SERVICES

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Income from services	12,384,836	11,549,069
Income from remittance services	4,023,949	3,835,873
Income from consulting, trust and agency services	920,274	753,493
Income from insurance services	2,834,302	3,213,741
Others	4,606,311	3,745,962
Expenses for services	(5,271,107)	(5,687,120)
Expense for remittance services	(2,951,804)	(2,700,073)
Expense for consulting, trust and agency services	(193,429)	(324,694)
Expense for insurance services	(1,400,051)	(2,005,887)
Others	(725,823)	(656,466)
Net gain from services	7,113,729	5,861,949

28. NET GAIN FROM FOREIGN CURRENCY TRADING

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Income from trading foreign currencies	10,198,100	8,541,178
Income from spot trading foreign currencies	3,020,271	2,603,567
Income from trading gold	1,399,596	1,317,933
Income from trading currency derivative financial instruments	5,778,233	4,619,678
Expenses for trading foreign currencies	(5,949,991)	(4,985,657)
Expense for spot trading foreign currencies	(414,920)	(484,448)
Expense for trading gold	(1,390,053)	(1,313,509)
Expense for trading currency derivative financial instruments	(4,145,018)	(3,187,700)
Net gain from trading foreign currencies	4,248,109	3,555,521

29. NET GAIN/(LOSS) FROM TRADING SECURITIES AND INVESTMENT SECURITIES

29.1. Net gain/(loss) from trading securities

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Income from trading securities	275,667	122,938
(Expense) for trading securities	(11,600)	(65,815)
Provision reversed/(made) for impairment of trading securities	28,559	(169,286)
Net gain/(loss) from trading securities	292,626	(112,163)

29.2. Net gain/(loss) from investment securities

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Income from trading investment securities	29,258	28,990
(Expense) for trading investment securities	(2,396)	(115,969)
Provision (made)/reversed for impairment of investment securities	(180,983)	56,795
Net (loss) from trading investment securities	(154,121)	(30,184)



30. NET GAIN FROM OTHER ACTIVITIES

	CURRENT YEAR	PRIOR YEAR (RESTATED)
	VND Million	VND Million
Other operating income	7,080,218	7,507,011
Income from recovery of bad debts	4,671,302	5,362,486
Income from transfer, disposals of assets	10,472	16,841
Income from other derivatives	1,222,853	838,171
Other income	1,175,591	1,289,513
Other operating expenses	(1,277,142)	(969,157)
Expense for trading other derivatives	(869,686)	(407,916)
Expense for transfer, disposals of assets	(2,591)	(2,178)
Other expenses	(404,865)	(559,063)
Net profit from other activities	5,803,076	6,537,854

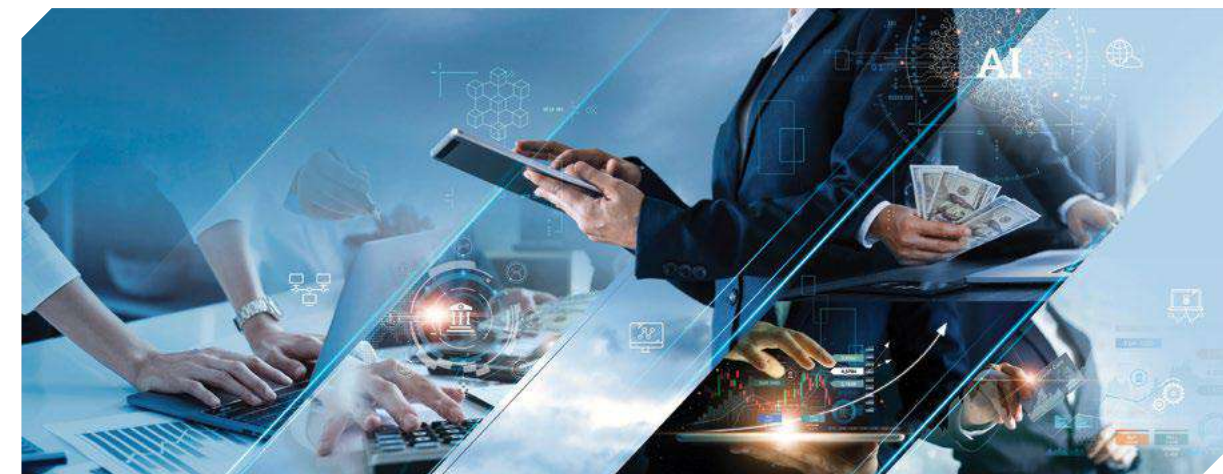
31. INCOME FROM CAPITAL CONTRIBUTION, EQUITY INVESTMENTS

	CURRENT YEAR	PRIOR YEAR
	VND Million	VND Million
Dividends received in cash from capital contribution, equity investments	92,337	87,736
- From equity investment securities	31,436	14,648
- From capital contribution and long-term investments	60,901	73,088
Share from net profit under equity method of investments in joint ventures	194,931	424,508
	287,268	512,244



32. OPERATING EXPENSES

	CURRENT YEAR	PRIOR YEAR (RESTATED)
	VND Million	VND Million
Taxes, fees and charges	24,877	220,397
Staff cost	11,636,246	11,086,985
- Salaries and allowances	9,977,295	9,213,531
- Salary-based expenses	612,665	592,476
- Other allowances	2,732	2,115
- Other expenses	1,043,554	1,278,863
Expenses for fixed assets	2,715,410	2,691,964
- Depreciation and amortisation expenses	999,288	960,387
- Others	1,716,122	1,731,577
Expenses for operating management	4,909,040	4,226,915
- Per diems	216,960	179,660
- Expenses for union activities	25,821	18,646
- Others	4,666,259	4,028,609
Insurance premium for customers' deposits	985,905	880,010
Expense for provision (excluding provision expenses for credit risks, provision for securities)	172,021	88,443
	20,443,499	19,194,714



33. CORPORATE INCOME TAX EXPENSE (“CIT”)

	CURRENT YEAR	PRIOR YEAR (RESTATED)
	VND Million	VND Million
Profit before corporate income tax	24,989,525	21,131,873
<i>Adjustments for:</i>		
- Non-taxable dividend income	(451,972)	(421,947)
- Profit before tax of subsidiaries	(864,653)	(592,710)
- Income from increase in interest in joint ventures	164,703	(90,298)
- Change in provision/revaluation for loans and bonds for consolidation purpose	(295,342)	(71,508)
- Others	144,791	98,777
Taxable income of the Holding Bank	23,687,052	20,054,187
CIT expense of the Holding Bank based on local taxable income	4,737,411	4,010,837
CIT expense of subsidiaries	207,433	136,940
CIT expense based on the taxable income	4,944,844	4,147,777

34. BASIC EARNINGS PER SHARE

Profit for calculation of basic earnings per share

	CURRENT YEAR	PRIOR YEAR (RESTATED)	PRIOR YEAR (PREVIOUSLY REPORTED)
	VND Million	VND Million	VND Million
Profit after corporate income tax	19,903,550	16,923,725	16,775,074
Appropriation to bonus and welfare fund ^(*)	-	(2,409,538)	-
Profit for the year attributable to equity holder	19,903,550	14,514,187	16,775,074

(*) The prior year's appropriation to bonus and welfare funds is restated according to actual amount in the Resolution of the Board of Directors of the Bank and its subsidiaries in 2023 and before publishing audited consolidated financial reporting for financial year ended 31 December 2023.

As at the date of the consolidated financial statements, the Bank and its subsidiaries have not yet estimated the appropriation to bonus and welfare funds for the financial year ended 31 December 2023. Therefore, the basic earnings per share is estimated not taking into consideration the appropriation to 2023 bonus and welfare funds. An actual appropriation to bonus and welfare funds for the financial year ended 31 December 2023 will be approved by General Annual Meeting for the year 2024. Therefore, there may be a difference in the basic earnings per share in comparison to the above presented figures.

Number of ordinary shares for calculation of basic earnings

	CURRENT YEAR	PRIOR YEAR (RESTATED)	PRIOR YEAR (PREVIOUSLY REPORTED)
	Share	Share	Share
Number of ordinary shares issued carried forward from previous year	4,805,750,609	4,805,750,609	4,805,750,609
Effects of paying dividends by shares ^(*)	564,241,139	564,241,139	-
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	5,369,991,748	5,369,991,748	4,805,750,609

(*) According to Resolution No. 291/NQ-HDQT-NHCT-VPHDQT1 dated 28 August 2023, the Board of Directors of the Bank decided to issue shares to pay dividends at the rate of 100:11.7415 from profit after tax. On 14 December 2023, the Bank completed the share issuance of 564,241,139 to pay dividends, equivalent to a total additional capital of 5,642,411 million (see Note 24.4)

Basic earnings per share

	CURRENT YEAR	PRIOR YEAR (RESTATED)	PRIOR YEAR (PREVIOUSLY REPORTED)
	VND	VND	VND
Basic earnings per share	3,706	2,703	3,491

35. CASH AND CASH EQUIVALENTS

Cash and cash equivalents on the consolidated cash flow statement include items on the consolidated statement of financial position as follows:

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Cash, gold, gemstones and cash equivalents	9,759,580	11,066,956
Balances with SBV	40,597,059	29,727,110
Current deposits at other credit institutions	188,427,117	131,699,995
Placements with other credit institutions with terms not exceeding 3 months	33,317,112	63,804,159
Securities with recovery or maturity term not exceeding 3 months from the date of purchase	202,739	8,000,000
	272,303,607	44,298,220

36. EMPLOYEE'S INCOME

	CURRENT YEAR	PRIOR YEAR
I. Total number of employees (person)	24,595	24,830
II. Employees' income (million VND)		
1. Total salary fund	9,977,295	9,213,531
2. Other allowances	195,135	194,123
3. Total income (1+2)	10,172,430	9,407,654
4. Average monthly salary	33.81	30.92
5. Average monthly income	34.47	31.57

37. COLLATERALS AND MORTGAGES

Assets, valuable papers taken for mortgage, pledge and discount, rediscount

Details of customers' collaterals and mortgages at the Bank at the end of the year are as follows:

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Real estate	2,044,973,470	1,713,898,597
Movable assets	69,466,335	66,771,051
Deposits, gold, precious metals, gemstones, valuable papers	233,490,980	164,281,284
Other assets	663,513,407	557,747,754
	3,011,444,192	2,502,698,686

As at 31 December 2023, the Bank did not hold any collateral which the Bank is permitted to sell or re-pledge to a third party in case the customer (owner of the collaterals) is able to pay off the debt according to the law.

38. TRUST AND AGENCY ACTIVITIES FOR CREDIT INSTITUTIONS

	CLOSING BALANCE	OPENING BALANCE
	VND Million	VND Million
Lending from trusted sources without risk	14,206	15,424
Correspondent banking services	7,589,698	6,040,960
	7,603,904	6,056,384

39. OFF-BALANCE-SHEET ITEMS WHERE THE BANK BEARS SIGNIFICANT RISKS

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Contingent liabilities	166,973,823	159,586,808
Credit guarantees	8,785,288	7,692,271
Letters of Credit (L/C) commitments	55,986,789	73,681,359
Other guarantees	102,201,746	78,213,178
Commitments	794,940,617	313,461,082
Foreign exchange transaction commitments	726,235,823	260,355,738
Other commitments	68,704,794	53,105,344
	961,914,440	473,047,890

40. UNCOLLECTED INTEREST INCOME AND FEES

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Uncollected loan interest	9,045,553	7,985,019
Uncollected interest from securities	452,153	282,858
Uncollected fees	111,545	86,017
	9,609,251	8,353,894

41. BAD DEBTS WRITTEN-OFF

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Principals of written off bad debts under observation	83,201,615	62,350,407
Interests of written off bad debts under observation	64,418,730	54,578,623
Other written off bad debts	10,127	1,362
	147,630,472	116,930,392

42. OTHER PROPERTIES AND VALUABLE PAPERS

	CLOSING BALANCE	OPENING BALANCE (RESTATED)
	VND Million	VND Million
Gold, gemstones in custody	47,734	50,029
Other assets in custody	8,503,445	6,063,559
Outsourced assets	11,590,006	11,023,860
Other valuable papers in custody	71,514,898	84,640,576
	91,656,083	101,778,024

43. RELATED PARTY BALANCES AND TRANSACTIONS

Details of significant transactions with related parties during the year ended 31 December 2023 are as follows:

RELATED PARTIES	RELATIONSHIP	TRANSACTIONS	CURRENT YEAR	PRIOR YEAR
			VND Million	VND Million
The State Bank of Vietnam	Direct owner and management agency	Increase in deposits at the SBV	10,869,949	6,343,667
		(Decrease)/Increase in borrowings from the SBV	(969,742)	231,355
Indovina Bank Limited	Joint venture	Dividends received	359,634	334,211
		Interest income from deposits	23,886	3,278
		Interest expenses of deposits	54	110
Bank of Tokyo-Mitsubishi UFJ	Strategic shareholder	Interest income from deposits	79	131
		Interest expenses of deposits	2,421	4,919
		Interest expenses of borrowings	184,044	229,011



Details of significant balances with related parties as at 31 December 2023 are as follows:

RECEIVABLES/(PAYABLES)				
RELATED PARTY	RELATIONSHIP	BALANCE	CLOSING BALANCE	OPENING BALANCE
			VND Million	VND Million
The State Bank of Vietnam	Direct owner and management agency	Deposits at the SBV	40,597,059	29,727,110
		Borrowings from the SBV	(766,887)	(1,736,629)
Indovina Bank Limited	Joint venture	Deposits at the Bank	483	1,025,483
		Deposits of the Bank	(22,098)	(124,277)
		Accrued interest income	-	230
Bank of Tokyo-Mitsubishi UFJ	Strategic shareholder	Deposits of the Bank	196,921	212,265
		Deposits at the Bank	(180,918)	(59,918)
		Borrowings of the Bank	(714,097,824)	(8,197,594)
		Accrued interest expenses	(3,051)	(90,586)

Details of salaries and allowances of the members of the Board of Directors, Board of Supervisors and Board of Management are as follows:

NAME	TITLE	CURRENT YEAR	PRIOR YEAR
		VND Million	VND Million
BOARD OF DIRECTORS		15,746	15,391
Mr. Tran Minh Binh	Chairman	2,485	2,461
Ms. Nguyen Thi Bac	Independent Member	1,800	1,800
Mr. Nguyen Duc Thanh	Member	2,064	1,987
Ms. Tran Thu Huyen	Member	2,175	2,124
Mr. Nguyen The Huan	Member	1,869	1,826
Ms. Pham Thi Thanh Hoai	Member	1,631	1,593
Mr. Tran Van Tan	Member	1,650	1,621
Mr. Le Thanh Tung	Member	1,631	1,593
Member nominated by MUFJ partner ^(*)	Member	441	386

Board of Supervisors		3,855	3,678
Ms. Le Anh Ha	Chief Supervisor	1,626	1,589
Ms. Nguyen Thi Anh Thu	Member	1,264	1,174
Ms. Pham Thi Thom	Member	965	915

^(*) Member nominated by MUFJ partner includes:

NAME	TITLE	APPOINTMENT/RESIGNATION DATE
Mr. Masashige Nakazono	Member	
Mr. Koji Iriguchi	Member	Appointed on 02 June 2023
Mr. Masahiko Oki	Member	Resigned on 02 June 2023

NAME	TITLE	APPOINTMENT/RESIGNATION DATE	CURRENT YEAR	PRIOR YEAR
			VND Million	VND Million
BOARD OF MANAGEMENT			12,812	11,533
Mr. Do Thanh Son	Deputy General Director in charge of the Board of Management	In charge of the Board of Management from 01 September 2023	2,033	420
Mr. Nguyen Hoang Dung	Deputy General Director in charge of the Board of Management	Resigned from 01 September 2023	1,645	2,368
Mr. Hoang Ngoc Phuong	Deputy General Director	Resigned from 28 March 2024	1,678	982
Mr. Nguyen Tran Manh Trung	Deputy General Director		1,789	1,166
Mr. Le Duy Hai	Deputy General Director		1,654	1,067
Mr. Tran Cong Quynh Lan	Deputy General Director		2,236	2,262
Mr. Nguyen Dinh Vinh	Deputy General Director		1,977	1,921
Ms. Le Nhu Hoa	Deputy General Director		1,832	1,768
Mr. Nguyen Hai Hung	Chief Accountant		1,927	1,869

44. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET ITEMS BY GEOGRAPHICAL REGIONS AS AT 31 DECEMBER 2023

	TOTAL LOAN BALANCE	TOTAL DEPOSITS	CREDIT COMMITMENTS	DERIVATIVES (DIFFERENCE BETWEEN DEBIT - CREDIT)	TRADING AND INVESTMENT SECURITIES (DIFFERENCE BETWEEN DEBIT - CREDIT)
	VND Million	VND Million	VND Million	VND Million	VND Million
Domestic	1,484,897,298	1,686,836,536	166,841,066	(555,946)	184,136,602
Overseas	9,058,888	5,002,466	132,757	-	-
	1,493,956,186	1,691,839,002	166,973,823	(555,946)	184,136,602

45. SEGMENT REPORTS

A business segment is a distinguishable component of the Bank that is engaged in providing products and services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component the Bank that is engaged in providing products and services and that is subject to risks and returns that are different from those of components operating in other economic environments.

Primary segment report of the Bank is business segment report; secondary segment report of the Bank is geographical segment report.



Business segment report

NO.	ITEMS	BANKING FINANCIAL SERVICES	NON- BANKING FINANCIAL SERVICES	OTHERS	OFF-SET	TOTAL
		VND Million	VND Million	VND Million	VND Million	VND Million
I.	Income	157,500,411	4,093,296	2,387,205	(1,053,828)	162,927,084
1.	Interest income	131,366,872	993,874	533,458	(222,467)	132,671,737
	- External interest income	131,185,790	953,586	532,362	(1)	132,671,737
	- Internal interest income	181,082	40,288	1,096	(222,466)	-
2.	Income from services	9,621,571	3,085,003	121,932	(443,670)	12,384,836
3.	Other income	16,511,968	14,419	1,731,815	(387,691)	17,870,511
II.	Expenses	(108,012,191)	(3,443,755)	(2,047,891)	681,419	(112,822,418)
1.	Interest expenses	(79,325,504)	(303,458)	(307,764)	222,467	(79,714,259)
	- External interest expenses	(79,263,176)	(143,320)	(307,764)	1	(79,714,259)
	- Internal interest expenses	(62,328)	(160,138)	-	222,466	-
2.	Depreciation and amortisation expenses	(979,693)	(12,931)	(6,664)	-	(999,288)
3.	Expenses directly related to operating business	(27,706,994)	(3,127,366)	(1,733,463)	458,952	(32,108,871)
	Net profit from operating activities before provision expenses for credit losses	49,488,220	649,541	339,314	(372,409)	50,104,666
	Provision expenses for credit losses	(24,999,529)	(120,043)	(9,500)	13,931	(25,115,141)
	Segment profit before tax	24,488,691	529,498	329,814	(358,478)	24,989,525
	Current corporate income tax expense	(4,758,976)	(120,573)	(65,294)	(1)	(4,944,844)
	Deferred corporate income tax expense	-	(59)	-	-	(59)
	Segment profit after corporate income tax	19,729,715	408,866	264,520	(358,479)	20,044,622
III.	Assets	2,017,567,233	13,847,700	8,463,678	(7,265,005)	2,032,613,606
1.	Cash on hand	9,698,230	1,461	59,889	-	9,759,580
2.	Fixed assets	9,975,822	80,907	68,805	-	10,125,534
3.	Other assets	1,997,893,181	13,765,332	8,334,984	(7,265,005)	2,012,728,492
IV.	Liabilities	1,894,473,752	10,301,285	6,501,611	(4,534,862)	1,906,741,786
1.	External liabilities	1,888,068,751	10,123,791	6,462,544	(4,534,953)	1,900,120,133
2.	Internal liabilities	6,405,001	177,494	39,067	91	6,621,653

Geographical segment report

NO.	ITEMS	NORTHERN ⁽¹⁾	SOUTHERN	OTHERS	OFF-SET	TOTAL
		VND Million	VND Million	VND Million	VND Million	VND Million
I.	Segment profit before tax	15,202,009	6,457,382	3,688,615	(358,481)	24,989,525
	Current corporate income tax expense	(4,925,432)	(6,000)	(13,412)	-	(4,944,844)
	Deferred corporate income tax expense	(59)	-	-	-	(59)
II.	Segment profit after corporate income tax	10,276,518	6,451,382	3,675,203	(358,481)	20,044,622
III.	Segment assets	1,221,953,761	596,702,218	221,222,632	(7,265,005)	2,032,613,606
IV.	Segment liabilities	1,104,651,158	590,121,900	216,503,587	(4,534,859)	1,906,741,786

⁽¹⁾ As at 31 December 2023, the Head Office in Northern region calculated and paid corporate income tax for all Bank's branches.

46. FINANCIAL RISK MANAGEMENT POLICIES RELATED TO FINANCIAL INSTRUMENTS

Under the guidance of the SBV on enhancing the role of risk management in credit institutions, the Bank continues implementing risk management policies for its entire business.

In order to achieve sustainable development, improve operational efficiency and competitive advantage, the Bank has always been one of the pioneers in researching and applying international practices to its governance. In particular, the Bank met requirement of SBV in accordance with Basel II with the standards of risk management, capital management, proving information focus on internal method and comprehensive enhancing according to Basel II. In addition, the Bank also research to preliminarily assess to preparing for launching Basel III when having guidelines from SBV. Until now, the Bank has completed the first phase following standard methods and is preparing for the second phase following the SBV's direction. The application of advanced practices in risk management is a prerequisite for the integration and expansion of the Bank's influence in the global financial banking industry. The Bank has always played a pioneering role in modernizing the banking system.

In 2023, the Bank continued actively studying and implementing projects in order to comprehensively enhance the management of all types of risks. Moreover, the Bank has continued to complete its policy system in five (5) levels, namely: (i) General policy regime, (ii) Detailed policies, (iii) Guidance documents on policies, (iv) General processes, and (v) Detailed processes for each product in order to ensure consistency and overall effectiveness of the policy system.

To manage risk related to financial instruments, the Bank has issued regulations, procedures, detailed guidance, sets of indicators and internal limits as well as strictly managed the balance between assets and liabilities, tightly controlled business activities' growth and credit quality; complied with limitation and safety ratios for operation; requirements for risk management as stipulated in Circular No. 22/2019/TT-NHNN, Circular No. 41/2016/TT-NHNN, Circular No. 13/2018/TT-NHNN and amendments and supplements of the regulatory authorities and regulations of the SBV; and has gradually met requirements for risk management.

47. CURRENCY RISKS

Currency risk is the risk that the Bank's asset or value of an investment fluctuates due to changes in foreign exchange rates.

The Bank was established and operates in Vietnam and its reporting currency is VND. The Bank's main transaction currency is VND, while a part of the Bank's asset-capital is in foreign currencies (USD, EUR, etc.). Thus, currency risk may arise.

To prevent the risk of exchange rate fluctuations, the Bank has synchronously applied the following measures:

Based on actual data collected, take into account the growth demand of affiliates and business orientations, the Asset – Liability Management ("ALM") Department and the Financial Planning & Management Department analyse, provide projections on cash inflows/outflows and propose the capital planning for each currency type (in VND, USD, and EUR equivalent) to the Management Board, which is managed based on actual daily cash flows to ensure operational safety and effectiveness of the whole system.

The Bank's capital mobilization and lending activities are mainly in VND, with a small amount in USD, EUR and other foreign currencies. According to each period's business plan, the Bank has currency position in its capital trading activities when making financial transactions on the market. The Bank sets position limits for each main currency type based on the Bank's risk appetite, internal risk capacity and regulations of relevant regulatory authorities.

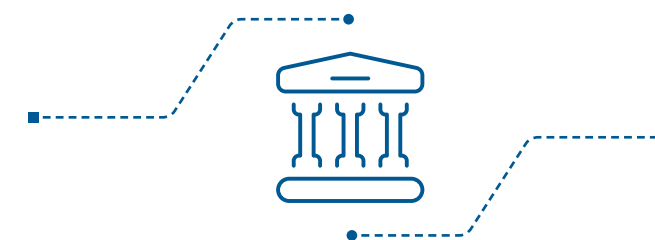
Currency positions are managed on a daily basis and hedging strategies are used by the Bank to ensure that the positions of currencies are maintained within the established limits.



The book value of cash assets and cash liabilities denominated in foreign currencies as at 31 December 2023 are as follows:

ITEMS	EUR EQUIVALENT	USD EQUIVALENT	GOLD EQUIVALENTS	OTHER CURRENCIES EQUIVALENT
	VND Million	VND Million	VND Million	VND Million
Assets				
Cash, gold and gemstones	162,987	805,373	37,737	192,515
Balances with the State Bank of Vietnam	90,572	4,745,353	-	-
Placements with and loans to other credit institutions	1,258,627	62,354,705	-	96,229,008
Derivative financial instruments and other financial assets	-	9,130,085	-	7,399
Loans to customers ⁽¹⁾	1,846,092	93,015,615	-	2,896,827
Fixed assets	32,308	-	-	80,384
Other assets ⁽¹⁾	2,812,189	16,538,679	-	691,048
Total assets	6,202,775	186,589,810	37,737	100,097,181
Liabilities				
Deposits and borrowings from other credit institutions	1,465,143	64,617,772	-	75,172,682
Deposits from customers	2,478,806	75,048,141	-	2,588,714
Derivative financial instruments and other financial liabilities	966,977	34,501,058	-	20,668,070
Grants, trusted funds and borrowings where the Bank bears risks	133,978	1,579,163	-	73,780
Valuable papers issued	-	116	-	-
Other liabilities ⁽¹⁾	957,123	1,120,822	-	291,398
Total liabilities	6,002,027	176,867,072	-	98,794,644
Balance sheet currency position	200,748	9,722,738	37,737	1,302,537

⁽¹⁾ Excluding provision.



48. INTEREST RATE RISK

Interest rate risk is the possibility of the Bank's income or asset value being affected when market interest rate fluctuates.

Interest rate risk of the Bank can derive from investment activities, capital mobilization and lending activities.

The re-pricing period for effective interest rate is the remaining period from the date of consolidated financial statements to the nearest interest rate re-pricing term of assets and capital. The following assumptions and conditions have been adopted in the analysis of the re-pricing period of the Bank's assets and liabilities:

- Cash, gold, gemstones; balances with the SBV; fixed assets; capital contribution, long-term investments and other liabilities are classified as non-interest-bearing items;
- The maturity of trading securities is calculated on the basis of the probable time to convert bonds into cash because this portfolio includes highly liquid bonds with fixed interest rates;
- The re-pricing term of placements with and loans to other credit institutions; derivative financial instruments and other financial assets; investment securities; loans to customers; other assets; borrowings from the Government and the SBV; deposits and borrowings from other credit institutions; deposits from customers; valuable papers issued; grants, trusted funds and borrowings where the Bank bears risks are determined as follows:
 - » Items with fixed interest rate during the contractual period: the re-pricing term for effective interest rate is determined from the reporting date to maturity date;
 - » Items with floating interest rate: the effective interest rate re-pricing term is determined from the reporting date to the nearest interest rate re-pricing date;
 - » Accrued income, accrued expenses: Classified as non-interest-bearing items.

The Bank's interest rate risk policies

For interbank lending activities (short-term), investment interest rate is based on the fluctuation of the market and the Bank's cost of capital. The interbank loans are usually short-term (of less than 3 months).

Based on forecasts on the market fluctuations of interest rate and its asset-liability management, the Bank will make appropriate investment decisions. In case that interest rates are forecasted to go down, the Bank will strengthen long-term investments to increase profitability. In contrast, if interest rates are forecasted to go up, the Bank will increase short-term investments.

For capital mobilization activities, interest rates are determined based on the market price, the business orientation of the Bank's Management, the Bank's capital balance and regulations of the SBV. The Bank's mobilized capital mainly has a short interest rate re-pricing term.

For lending activities, the Bank determines lending interest rates based on the principle of sufficient coverage for cost of capital, management expenses, risk considerations, collaterals' values and market interest rate to ensure the Bank's competitiveness as well as operational efficiency. The Head Office regulates the lending interest rate floor for each period; branches can decide lending interest rates of each customer for each period based on credit risk analysis and assessment provided that these rates are not below the regulated floor rate and the annual budgeted profit is assured. Besides, due to the capital structure mainly comprising funds with short interest rate re-pricing terms, the Bank requires that all long-term and medium-term loans' interest must be floating (interest rates are not fixed during the whole loans' periods) to minimize possible arising interest rate risk.

Interest rate risk management

The Bank manages interest rate risk at 2 levels: transaction level and portfolio level, in which the former is more focused.

Interest rate risk management at the portfolio level

- Since 2013, the Bank has issued regulations and procedures for managing interest rate risk on the banking book, which stipulate the principles for managing interest rate risk on the banking book through the process of identification, measurement, control and monitoring of risk to ensure the balance between the interest rate risk control/prevention goal and the maximization of net interest income as well as the economic value of equity in the business operations of the Bank.
- The Bank has completed the design, officially implemented and continuously upgraded the Assets-Liabilities Management ("ALM") software system, which runs to the transaction level under international practices, automatically provides reports on re-evaluation term differences by nominal terms and by behaviours, scenarios analysis reports on interest rate increase/decrease situations, etc. in order to facilitate the Bank's interest rate risk management activities.
- The Bank adjusts the re-pricing term of loans to the re-pricing term of capital, ensuring the re-evaluation term difference is within the permitted limit.

Interest rate risk management at the transaction level

- All credit contracts are required to include terms relating to interest rate risk prevention to ensure that the Bank can take initiative in coping with fluctuations of the market; lending interest rate must be set to accurately reflect the Bank's actual cost of capital.
- Management through the Fund Transfer Pricing (FTP) tool: the Bank has completed and continuously improves the internal Fund Transfer Pricing system (FTP), which has enhanced the Bank's centralized management of capital and interest rate. Depending on the Bank's business orientation and the market movements, the Head Office can change the interest rate spread for each type of customers or products, etc., giving signals for the business units to determine their lending/capital mobilization rates.



	NON - INTEREST BEARING	OVERDUE		CURRENT						TOTAL
		OVER 3 MONTHS	WITHIN 3 MONTHS	WITHIN 1 MONTH	FROM 1 TO 3 MONTHS	FROM 3 TO 6 MONTHS	FROM 6 TO 12 MONTHS	FROM 1 TO 5 YEARS	OVER 5 YEARS	
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Assets										
Cash, gold and gemstones	9,759,580	-	-	-	-	-	-	-	-	9,759,580
Balances with the State Bank of Vietnam	40,597,059	-	-	-	-	-	-	-	-	40,597,059
Placements with and loans to other credit institutions	-	-	-	229,753,174	12,065,448	27,150,284	10,872,733	-	-	279,841,639
Trading securities ⁽¹⁾	-	-	-	2,676,130	-	-	-	-	-	2,676,130
Loans to customers ⁽¹⁾	-	16,608,332	22,829,070	495,989,123	339,698,198	422,439,081	142,169,202	32,294,583	1,316,975	1,473,344,564
Investment securities ⁽¹⁾	4,474,454	-	-	4,795,694	23,098,083	38,169,679	31,921,302	6,184,649	72,816,611	181,460,472
Capital contribution, long-term investments ⁽¹⁾	3,440,914	-	-	-	-	-	-	-	-	3,440,914
Fixed assets	10,125,534	-	-	-	-	-	-	-	-	10,125,534
Other assets ⁽¹⁾	33,484,751	106,697	-	4,378,223	13,093,754	4,796,168	3,840,336	-	-	59,699,929
Total assets	101,882,292	16,715,029	22,829,070	737,592,344	387,955,483	492,555,212	188,803,573	38,479,232	74,133,586	2,060,945,821
Liabilities										
Borrowings from the Government and the SBV	-	-	-	21,054,176	-	376,423	383,506	-	-	21,814,105
Deposits and borrowings from other credit institutions	-	-	-	267,249,732	28,498,449	4,761,202	3,812,338	-	-	304,321,721
Deposits from customers	-	-	-	617,358,784	268,755,347	239,690,608	233,790,505	51,300,152	3,642	1,410,899,038
Derivative financial instruments and other financial liabilities	-	-	-	555,946	-	-	-	-	-	555,946
Grants, trusted funds and borrowings where the Bank bears risks	-	-	-	-	1,600,931	636,848	-	-	-	2,237,779
Valuable papers issued	-	-	-	1,119,448	23,132,670	33,149,600	51,831,459	1,252,550	4,890,000	115,375,727
Other liabilities ⁽¹⁾	50,136,226	-	-	-	-	-	-	-	-	50,136,226
Total liabilities	50,136,226	-	-	907,338,086	321,987,397	278,614,681	289,817,808	52,552,702	4,893,642	1,905,340,542
Balance sheet net interest gap	51,746,066	16,715,029	22,829,070	(169,745,742)	65,968,086	213,940,531	(101,014,235)	(14,073,470)	69,239,944	155,605,279

⁽¹⁾ Excluding provision

49. LIQUIDITY RISK

Liquidity risk is defined as the risk that the Bank has difficulties in meeting obligations associated with its financial liabilities. Liquidity risk arises when the Bank might be unable to meet its payment obligations at their due dates under normal or difficult scenarios or when the Bank has to mobilize funds at a higher cost to meet its payment obligations.

The Bank had issued regulations and procedures on liquidity management, including rules about managing liquidity gap through maturity, liquidity risk ratios, stress test scenarios and backup plans to proactively take measures when facing market volatility. To minimize liquidity risk, the Bank plans to diversify its funding sources, develops a fund management report system to calculate liquidity position on a daily basis, as well as prepares analysis and forecast report on future liquidity positions on a regular basis, setting liquidity risk appetite and capacity.

At monthly ALCO Council meetings, fund balance and liquidity of the Bank is one of the key contents to be discussed. At Risk Management Committee, Risk Council meetings, the compliance with liquidity risk appetite and risk capacity is also reviewed and reported. Based on analysis and evaluation, ALCO/Risk Management Committee/Risk Council make recommendations to the Board of Directors and the Board of Management for future guidance to maintain the Bank's solvency in a safe and effective way.

In addition, the Bank also maintains a list of secondary liquid assets such as the Government bonds, which may be sold or under repurchased contracts with the SBV. It is not only a secondary reserve in liquidity stress circumstances (if any) but also a profitable investment.

The maturity of assets and liabilities represents the remaining time from the reporting date of the consolidated financial statements until the payment date regulated in the contract or terms of issuance.

The following assumptions and conditions have been adopted in the analysis of the Bank's maturity relating to its assets and liabilities:

- Cash, gold and gemstones and balances with the SBV are classified into maturity up to one month;
- The maturity terms of placement with and loans to other credit institutions; derivative financial instruments and other financial assets; loans to customers, investment securities; other assets; borrowings from the Government and the SBV; deposits and borrowings from other credit institutions; valuable papers issued; grants, trusted funds and borrowings where the Bank bears risk; other liabilities are determined based on the contractual maturity date;
- The maturity of trading securities is calculated on the basis of the probable time to convert bonds into cash because this portfolio includes highly liquid bonds;
- The maturity date of capital contribution, long-term investments is classified as over five (05) years as these investments have no defined maturity;
- The maturity term of deposits from customers is determined based on customer behaviour analysis and forecasts on interest rate policy and other macroeconomic factors;
- The maturity date of fixed assets is classified as five (05) years or more.

Based on the Board of Management's approval of the annual business plan, the Asset & Liability Management Department and the Financial Planning & Management Department in cooperation with some other relevant specialized departments makes analysis and forecasts on cash inflows/outflows of the system according to the approved plan; and also based on the actual daily capital fluctuations and utilization, the Bank makes decisions on appropriate management and monitoring of available funds.

Based on the projection of available capital, the Asset & Liability Management Department and the Financial Planning & Management Department in cooperation with the Treasury Deadling Department manage the secondary reserve through the approval of highly liquid valuable papers purchases, which could be converted into cash on the secondary market. The Asset & Liability Management Department together with the Financial Planning & Management Department in cooperation with the Treasury Deadling Department may decide to sell valuable papers to the SBV on the open market, or to refinance loans when working capital is insufficient, ensuring the liquidity of the whole system.

Based on SBV's regulations, the Asset & Liability Management Department and the Financial Planning & Management Department in cooperation with the Treasury Dealing Department proposes the Bank's available fund management plan, ensuring the actual average balance of deposits in VND and foreign currencies at the SBV is not below the required level of compulsory reserve. Besides, the Bank also establishes credit limit with other banks and other credit institutions for mutual support when needed. The Market Risk Management Department acts as an independent supervisor to ensure that the liquidity risks are managed in compliance with regulations, management processes, and liquidity risk appetite/capacity of the Bank.

The amount of available capital is determined based on data from the Core Sunshine system, interbank payment program CITAD, Asset-Liability Management software, information about large cash flows from business units. Therefore, the Bank can actively manage its daily liquidity risk.

The Bank's liquidity risk management activities are monitored strictly in compliance with the regulations of the SBV and the Bank's internal criteria for liquidity management for each major currency (such as VND, USD, EUR) for capital mobilization and loan portfolios.



	OVERDUE		CURRENT				TOTAL
	OVER 03 MONTHS	WITHIN 03 MONTHS	WITHIN 01 MONTH	FROM 01 TO 03 MONTHS	FROM 03 TO 12 MONTHS	FROM 01 TO 05 YEARS	OVER 05 YEARS
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Assets							
Cash, gold and gemstones	-	-	9,759,580	-	-	-	9,759,580
Balances with the State Bank of Vietnam	-	-	40,597,059	-	-	-	40,597,059
Placements with and loans to other credit institutions	-	-	229,753,174	12,065,448	38,023,017	-	279,841,639
Trading securities ^(*)	-	-	2,676,130	-	-	-	2,676,130
Loans to customers ^(*)	16,608,332	22,829,070	108,585,213	316,431,393	592,613,078	188,723,903	1,473,344,564
Investment securities ^(*)	-	-	8,885,946	23,098,083	70,090,981	6,184,649	181,460,472
Capital contribution, long-term investments ^(*)	-	-	-	-	-	-	3,440,914
Fixed assets	-	-	-	-	-	-	10,125,534
Other assets ^(*)	106,697	-	6,953,194	18,041,728	16,773,608	1,942,848	59,699,929
Total assets	16,715,029	22,829,070	407,210,296	369,636,652	717,500,684	196,851,400	2,060,945,821
Liabilities							
Borrowings from the Government and the SBV	-	-	21,054,176	-	759,929	-	21,814,105
Deposits and borrowings from other credit institutions	-	-	267,249,732	17,251,682	19,820,307	-	304,321,721
Deposits from customers	-	-	196,877,460	275,019,457	597,576,235	341,408,009	1,410,899,038
Derivative financial instruments and other financial liabilities	-	-	555,946	-	-	-	555,946
Grants, trusted funds and borrowings where the Bank bears risks	-	-	140,229	40,994	45,008	368,605	2,237,779
Valuable papers issued	-	-	1,119,448	23,132,670	49,098,329	452,550	115,375,727
Other liabilities ^(*)	-	-	20,511,647	17,628,699	9,743,913	2,251,967	50,136,226
Total liabilities	-	-	507,508,638	333,073,502	677,043,721	344,481,131	1,905,340,542
Net liquidity difference	16,715,029	22,829,070	(100,298,342)	36,563,150	40,456,963	(147,629,731)	155,605,279

^(*) Excluding provision.

50. CREDIT RISK

Credit risk is the risk that results in the Bank's loss because its customers or counterparties default on their contractual obligations or fail to fulfil their committed obligations.

With the aim of improving financial capacity, strictly controlling credit quality to ensure sustainable and effective growth, the Bank always actively review and control the quality of credit portfolio, implement synchronously credit risk management at both portfolio and transaction levels. Accordingly:

- At portfolio level: in addition to establishing risk limits and annual credit orientation, the Bank regularly monitors the credit portfolio to give early warning to identify customers with potential risks (through Early Warning System, remote monitoring and face-to-face inspection) and strengthens credit granting secured by assets.
- At transaction level: the Bank focuses on conducting thorough screening and appraisal of customers; strengthening management and supervision, cash flow control and asset quality; and closely monitors customer activities to have appropriate and timely responses in an effort to minimize the impact on the Bank's debt quality.

Maximum exposures to credit risk irrespective of collateral or their credit enhancement

Maximum exposures to credit risk irrespective of collateral or their credit enhancement for each asset class equal to the carrying amount (excluding provision) of that asset class on the consolidated financial statement at 31 December 2023 which are presented as follows:

	UNDUE AND UNIMPAIRED	OVERDUE AND UNIMPAIRED	IMPAIRED AND MADE PROVISION	TOTAL
	VND Million	VND Million	VND Million	VND Million
Placements with and loans to other credit institutions	279,841,639	-	-	279,841,639
- Placements with other credit institutions	259,230,017	-	-	259,230,017
- Loans to other credit institutions	20,611,622	-	-	20,611,622
Loans to customers	1,417,769,380	761,586	54,813,598	1,473,344,564
Investment securities	180,881,312	-	579,160	181,460,472
- Available-for-sale investment securities	180,481,312	-	114,161	180,595,473
- Held-to-maturity investment securities	400,000	-	464,999	864,999
Total	1,878,492,331	761,586	55,392,758	1,934,646,675

51. EXCHANGE RATES OF SOME FOREIGN CURRENCIES AT THE END OF THE YEAR

	CLOSING BALANCE	OPENING BALANCE
	VND	VND
USD	24,255	23,543
EUR	26,796	25,093
GBP	30,843	28,335
CHF	28,822	25,207
JPY	171.19	178.51
SGD	18,369	17,550
CAD	18,306	17,381
AUD	16,519	16,170
NZD	15,329	14,914
THB	706.53	669.17
SEK	2,421	2,255
NOK	2,390	2,355
DKK	3,595	3,375
HKD	3,105	3,019
CNY	3,411	3,390
KRW	18.65	16.91
LAK	1.19	1.37
MYR	5,329	5,329



52. SUBSEQUENT EVENTS

On 23 February 2024, the profit distribution plan, appropriation of statutory funds and annual bonus and welfare fund 2022 after adjusting according to conclusion No. 297/KTNN-TH dated 29 December 2023 of the State Audit, were approved according to the Resolution No. 034/NQ-HĐQT-NHCT-VPHDQT1 of the Bank's Board of Directors.

Except for above event, no events occurred after the reporting date that have a material effect on the operations of the Bank, its financial position and the results of those operations that require adjustment or disclosure in the consolidated financial statements.

53. COMPARATIVE FIGURES

The comparative figures are the figures of the audited consolidated financial statements for the year ended 31 December 2022. Certain representations have been made to the prior year's figures in accordance with Minute No 297/KTNN-TH dated 29 December 2023 of State Audit for financial year ended 31 December 2022. Details are as follows:

Consolidated statement of financial position

ITEMS	OPENING BALANCE (PREVIOUSLY REPORTED)	ADJUSTMENTS BY STATE AUDIT	OPENING BALANCE (RESTATED)
	VND Million	VND Million	VND Million
Loans to customers	1,245,057,876	372,588	1,245,430,464
Loans to customers	1,274,821,709	21,985	1,274,843,694
Provisions for credit losses of loans to customers	(29,763,833)	350,603	(29,413,230)
Fixed assets	10,202,191	1,166	10,203,357
Tangible fixed assets	6,047,480	373	6,047,853
Cost	16,190,830	393	16,191,223
Accumulated depreciation	(10,143,350)	(20)	(10,143,370)
Intangible assets	4,154,711	793	4,155,504
Cost	6,779,297	-	6,779,297
Accumulated amortisation	(2,624,586)	793	(2,623,793)
Other assets	81,646,479	7,350	81,653,829
Other assets	3,314,998	7,350	3,322,348
TOTAL ASSETS	1,808,429,764	381,104	1,808,810,868
Other liabilities	43,114,308	232,453	43,346,761
Other payables and liabilities	20,487,746	232,453	20,720,199
TOTAL LIABILITIES	1,700,262,107	232,453	1,700,494,560
Capital and reserves	108,167,657	148,651	108,316,308
Retained earnings	33,364,370	148,651	33,513,021
TOTAL LIABILITIES AND OWNERS' EQUITY	1,808,429,764	381,104	1,808,810,868

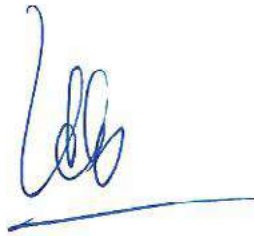
Off-balance-sheet items

ITEMS	OPENING BALANCE (PREVIOUSLY REPORTED)	ADJUSTMENTS BY STATE AUDIT	OPENING BALANCE (RESTATED)
	VND Million	VND Million	VND Million
Other guarantees	78,231,151	(17,973)	78,213,178
Uncollected loan interest and fees	8,353,544	350	8,353,894
Bad debts written-off	116,947,615	(17,223)	116,930,392
Other properties and valuable papers	105,915,412	(4,137,388)	101,778,024

Consolidated income statement

ITEMS	PRIOR YEAR (PREVIOUSLY REPORTED)	ADJUSTMENTS BY STATE AUDIT	PRIOR YEAR (RESTATED)
	VND Million	VND Million	VND Million
Other operating income	7,506,525	486	7,507,011
Net profit from other activities	6,537,368	486	6,537,854
Operating expenses	(19,007,454)	(187,260)	(19,194,714)
Net profit from operating activities before credit provision expenses	45,109,236	(186,774)	44,922,462
Provision expenses for credit losses	(24,163,177)	372,588	(23,790,589)
Profit before tax	20,946,059	185,814	21,131,873
Current corporate income tax expense	(4,110,614)	(37,163)	(4,147,777)
Corporate income tax expense	(4,111,065)	(37,163)	(4,148,228)
Profit after corporate income tax	16,834,994	148,651	16,983,645
Profit attributable to shareholders of the Bank	16,775,074	148,651	16,923,725

Prepared by


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Nguyen Hai Hung
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Approved by


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29 March 2024

